

CITY OF OAKLAND



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Date: November 9, 2016

From: Councilmember At-Large Rebecca Kaplan

Re: A Resolution Establishing Budget Priorities for Expenditure Of Marijuana  
Business Taxes Collected By The City of Oakland

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Dear Colleagues on the City Council and Members of the Public,

As we work to expand and improve permitting and regulating of cannabis facilities in the City of Oakland, one issue which has arisen is how to ensure that some of the growing revenue will be used in ways that will serve vital, under-served community needs. In order to ensure that the broader community benefits from this growing revenue, and that those who have historically been left behind are not continually excluded from benefits, it would be helpful to commit a portion of this growing revenue to specified under-served needs.

The City of Oakland has approved specific gross receipts tax rates for cannabis businesses. In November 2010, Oakland's electorate approved business license taxes of five percent of gross receipts medical marijuana business and ten percent of gross receipts on adult use (non-medical) marijuana businesses.

A portion of this tax revenue should support important policy objectives, including blight removal, illegal dumping abatement, and job access programs. Therefore, I have authored the attached Resolution which would establish budget priorities for 20% of the marijuana business taxes that the City collects, to be heard at the Special City Council Meeting on November 14, 2016.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Rebecca Kaplan".

Councilmember At-Large Rebecca Kaplan



abatement, and services for homeless persons;

3. One third to fund loans for lower-income, under-served persons or entities who seek to open, or to continue operating, medical marijuana dispensaries or cultivation facilities in the City's jurisdiction, in compliance with Chapters 5.80 and/or 5.81 of the Oakland Municipal Code.

**Section 2. Severability.** The provisions of this Resolution are severable. If a court of competent jurisdiction determines that any word, phrase, clause, sentence, paragraph, subsection, section, chapter or other provision (collectively called "Part") is invalid, or that the application of any Part of this Resolution to any person or circumstance is invalid, such decision shall not affect the validity of the remaining Parts of this Resolution. The City Council declares that it would have adopted this Resolution irrespective of the invalidity of any Part of this Resolution or its application to such persons or circumstances have expressly excluded from its coverage.

**Section 3. California Environmental Quality Act Requirements.** This Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq., including without limitation" Public Resources Code section 21065, CEQA Guidelines 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the activity authorized herein may have a significant effect on the environment.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, AND  
PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California