

ORDINANCE 2013-15

AN ORDINANCE OF THE CITY OF FRUITA, COLORADO, SUBMITTING TO THE REGISTERED ELECTORS VOTING IN THE REGULAR MUNICIPAL ELECTION, TO BE HELD APRIL 1, 2014, A BALLOT ISSUE CONCERNING WHETHER THE CITY OF FRUITA SHOULD ADOPT AN EXCISE TAX ON THE SALE OF RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS AND RETAIL MARIJUANA ACCESSORIES, WITH REVENUES DERIVED THEREFROM TO BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE

WHEREAS, the City of Fruita, Colorado (“City”) is a home rule municipality duly organized and existing under the laws of the State of Colorado and the Fruita City Charter; and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR Amendment”) limits the ability of the City to enact new taxes but permits eligible voters of the City to approve the adoption of new taxes and authorize the expenditure of revenues from such taxes; and

WHEREAS, on April 6, 2010 the majority of electors voting in a Fruita regular Municipal Election voted to approve an excise tax on the purchase and sale of medical marijuana and medical marijuana paraphernalia; and

WHEREAS, on April 3, 2012, the majority of electors voting in a Fruita Municipal Election voted to prohibit medical marijuana business facilities within the City of Fruita; and

WHEREAS, the City will conduct its next regular Municipal Election on April 1, 2014, and

WHEREAS, the City Council of the City of Fruita finds and determines that it is necessary and desirable to submit to the electors of the City voting at the regular Municipal Election to be held on April 1, 2014, the question of enacting a an additional tax on the sale and purchase of retail marijuana, retail marijuana products and retail marijuana accessories to raise additional revenues for the City of Fruita because the establishment of retail marijuana businesses and the enforcement of applicable regulations and requirements concerning retail marijuana will require the use of additional city staff and law enforcement resources.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRUITA, COLORADO:

Section 1: The following Ballot Issue shall be submitted to the registered electors of the City of Fruita voting in the regular Municipal Election to be held on April 1, 2014:

SHALL THE CITY OF FRUITA’S TAXES BE INCREASED BY \$100,000 ANNUALLY (FIRST FULL FISCAL YEAR INCREASE), AND BY WHATEVER AMOUNTS ARE RAISED ANNUALLY THEREAFTER, BY IMPOSING A MARIJUANA EXCISE TAX AT THE RATE OF 5% OF THE PRICE

PAID FOR THE PURCHASE OF RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS AND RETAIL MARIJUANA ACCESSORIES WITH SUCH REVENUE TO BE USED FOR ADDITIONAL COSTS INCURRED FOR ADEQUATE ENFORCEMENT OF REGULATIONS ON THE RETAIL MARIJUANA INDUSTRY, AND ADMINISTRATION OF RETAIL MARIJUANA REGULATIONS AND OTHER GENERAL PURPOSES OF THE CITY; AND SHALL ALL REVENUES DERIVED FROM SUCH TAX BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE, NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20, OF THE COLORADO CONSTITUTION?

YES _____

NO _____

Section 2: All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the City and the officers thereof, directed towards the election and the objects and purposes herein stated are hereby ratified, approved and confirmed.

Section 3: In addition to the notice of election required to be published by the Colorado Municipal Election Code, the City Clerk shall also cause to be published a notice stating that the above Ballot Issue shall be submitted to the qualified electors of the City voting in the regular Municipal Election to be held on April 1, 2014. The City Clerk is further directed to prepare and mail to registered electors notice concerning the Ballot Issue in accordance with Article X, Section 20, of the Colorado Constitution and other applicable law.

INTRODUCED, READ, PASSED AND ADOPTED THIS _____ DAY OF _____, 2013, BY THE FRUITA CITY COUNCIL

CITY OF FRUITA, COLORADO

Lori Buck, Mayor

ATTEST:

Margaret Sell, City Clerk