

Date: July 28, 2020

To: Mayor and Members of the City Council

From: Thomas B. Modica, City Manager 

Subject: **Cannabis Advisory Ballot Initiative**

On July 7, 2020, the City Council requested the City Manager and City Attorney to explore the feasibility of preparing a ballot advisory question on whether to (1) reinvest future cannabis revenue into economic equity, health equity, and youth investments, and (2) further strengthen our cannabis equity program to expand equitable ownership opportunities. During the discussion of this item, the City Attorney's Office clarified that cannabis business license taxes are collected as General Fund revenue, and, therefore, can be allocated at the discretion of the City Council through the annual budget development process. A ballot measure is not required for the City Council to reinvest cannabis revenue into economic equity, health equity, and youth investments.

Staff is actively engaged in a process to identify opportunities to strengthen the cannabis equity program to expand equitable ownership opportunities in Long Beach. None of the preliminary options that have been identified by staff to date would require voter approval, and could be adopted through City Council action. Staff intends to present various options for strengthening the cannabis equity program to the City Council, on August 11, 2020, as part of the Reconciliation Process recommendations.

If you have questions, please contact Kevin Jackson, Deputy City Manager, at (562) 570-5028 or via email at Kevin.Jackson@longbeach.gov.

KJ/AK

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