

From: [Lorraine Waldau](#)
To: [Haddon, Stacey](#)
Cc: [Lorraine Waldau](#)
Subject: Support for Tax on the Manufacturing of Cannabis
Date: Tuesday, May 18, 2021 3:11:30 PM

Dear City Council Members,

The Council has a great opportunity to change the revenue structure of the city and stabilize the flow of income to the city.

Currently, there is an inequity in the revenue structure for the burgeoning Cannabis industry in Lompoc. It is growing without oversight, relying on self-regulation, and adding an increasing burden of work on the few city employees who are doing all the work of monitoring, licensing, inspecting, etc. It is time to make a definite plan that is sustainable and will enhance our city as we move forward instead of continuing to put a drain on staff and our general fund.

I support the City Council adding a tax to the larger side of the Cannabis industry, manufacturing. Presently, no matter how much is generated by manufacturing the company pays a nominal fee of \$30,000 to the city. That remains the same whether they bring in \$10 million or \$50 million - they still pay the nominal fee of \$30,000. Dispensaries are paying a 6% tax on their sales. Manufacturing pays 0 percent.

Since this may be an issue of high interest, I support putting the measure on the ballot and letting the voters decide if there should be a tax on Cannabis manufacturing side of the industry. This gives all residents a chance to express what they want for the city moving forward.

This was successfully done to balance the city's long-term CalPers commitments by increasing the sales tax by 1% in 2020.

Again, the inequity must be rectified, revenue structure of the Cannabis industry changed, and the city needs to support the industry with the proper oversight and staff to do the work.

I support putting the measure on the ballot as soon as possible so that Lompoc like the many other cities with a Cannabis industry can support and sustain the businesses and the future city budget.

Respectfully,
Lorraine Waldau
Resident of District 1 since 1989