

From: [Ron](#)
To: [Osborne, Jenelle](#); [Ball, Jeremy](#); [Cordova, Gilda](#); [Starbuck, Dirk](#); [Vega, Victor](#)
Cc: [Throop, Jim](#); [Haddon, Stacey](#)
Subject: Written Communication for item #7, "Possible Changes to the City Cannabis Taxes" on the May 18th City Council agenda.
Date: Tuesday, May 18, 2021 3:53:18 PM

Public Comment and Written Communication for item #7, "Possible Changes to the City Cannabis Taxes" on the May 18th City Council agenda.

I fully support the idea of submitting a Ballot Question to voters for a proposed tax on the manufacturing and distribution of Cannabis in the City of Lompoc. This would be consistent with the manner in which Cannabis manufacturing, sales and use was approved by voters and state law requiring voters to approve/disapprove new taxes.

Industry representatives may claim that such a tax is unfair since they are already taxed for sales in the City and by the state.

Perhaps you should consider that other industries in the same category such as alcohol and tobacco are taxed from the point of origination (land, seed, crop handling equipment, fuel, payroll, etc), point of processing (property, inventory, packaging materials, payroll, etc), distribution (vehicle license, vehicle acquisition, fuel, payroll, etc), and finally point of sale (property tax, inventory tax and payroll).

The industry will claim that if a such a tax is approved, they may leave town or not come at all; where will they go? There are few communities in this region that have licensing authority for the manufacturing/processing of this product. Some production facilities have already established a footprint in Lompoc and have plans to expand; others have begun the process of obtaining approval to do business in our City.

You have also heard during Council meetings that some Cannabis operators want to contribute funds to assist public safety agencies however these funds were rejected because this product is still disapproved by the US Government; in other words, they were willing to "tax themselves" to support a community need. By submitting a modest tax proposal (say 4-6%) to voters they could support public projects.

Please allow voters to decide this issue just as you did with the recent sales tax measure because this decision belongs in the hands of voters.

Ron Fink
Lompoc