

**City of Greenfield**  
**Frequently Asked Questions About Measure O**  
**(“Cannabis Business Tax”)**

**This Information is provided to assist the voter in making an informed decision.**

**Q: *What is Measure O?***

**A:** Measure O is a measure placed by the Greenfield City Council on the November 2016 ballot which would tax commercial marijuana businesses that are in compliance with State Law, and are permitted to operate in the City. If approved by a simple majority of voters, the tax would apply to both medical and non-medical Marijuana businesses as permitted under State and local laws.

**Q: *Would a majority no vote on this Measure prohibit medical marijuana businesses from operating in the City?***

**A:** No. A majority no vote will not keep medical marijuana businesses from operating in the City. Early in 2016 the City Council adopted an ordinance that permits medical marijuana facilities to operate within the City in certain designated zones provided the operators first successfully complete a rigorous review process and the City Council approves the issuance of an operating permit.

**Q: *Would a majority yes vote on Measure O allow recreational marijuana use in the City and allow businesses to grow and sell marijuana for recreational purposes?***

**A** No. Measure O does not legalize the sale, possession, or use of marijuana for recreational purposes. Approval of the measure will not allow any business to grow or sell marijuana for recreational purposes. The City’s current ordinance only allows medical marijuana businesses to operate. In the event Proposition 64 on the State-wide ballot passes, it will have no impact on the City’s current ordinance.

**Q: *What type of commercial marijuana businesses would be covered under a tax approved by Measure O?***

**A:** Approval of Measure O would levy taxes on a variety of medical marijuana businesses that may be located in the City, after they have successfully completed the City’s review process. These businesses could include cultivation, manufacturing, and dispensaries.

**Q: *What is the tax rate under Measure O?***

**A:** If Measure O is passed, a Cannabis Business Tax would be levied on cultivation, dispensaries, manufacturing, nurseries, testing and transportation of marijuana where approved by the State and the City. The cultivation tax would start at \$15.00 per square foot of plant canopy and could escalate over time to no more than \$25.00 per square foot. All other cannabis activities would

be taxed at 5% of gross receipts initially and then the tax could escalate over time to no more than 10% of gross receipts.

**Q:** *How much funding would Measure O generate and what would it be spent on?*

**A:** The Cannabis Business Tax is a revenue raising measure. The City's initial estimates of total revenue to be generated annually is between \$1 and \$2 million. The actual amount generated will depend on the time it takes for the individual businesses to become operational, and the number of businesses that are permitted to operate in the City. Because it is a general tax, the funds can be used to support a wide range of local services and infrastructure for the community. These may include public safety services, streets and sidewalks, park construction and maintenance, recreation services, and economic development projects as directed by the City Council.

For more information regarding Measure O see the City's Website at [www.ci.greenfield.ca.us](http://www.ci.greenfield.ca.us) or contact the City at (831) 674-5591.