Date: 08/31/2023

Subject: An ordinance of the City of Littleton, Colorado, submitting to the registered electors of the City of Littleton, Colorado a ballot issue regarding a proposed additional increase of a 3.5 percent tax on the retail sale of marijuana and marijuana products

Passed/Failed: Failed on second and final reading (continued from 08/22/2023)

CITY OF LITTLETON, COLORADO

ORDINANCE 16
SERIES 2023
CITY OF LITTLETON, COLORADO

ORDINANCE NO. 16

Series, 2023

AN ORDINANCE OF THE CITY OF LITTLETON, COLORADO, SUBMITTING TO THE REGISTERED ELECTORS OF THE CITY OF LITTLETON, COLORADO A BALLOT ISSUE REGARDING A PROPOSED ADDITIONAL INCREASE OF A 3.5 PERCENT TAX ON THE RETAIL SALE OF MARIJUANA AND MARIJUANA PRODUCTS

WHEREAS, the City of Littleton is a home rule municipality that has been vested with certain powers pursuant to Article XX, Section 6 of the Colorado Constitution; and

WHEREAS, Section 47 of the Littleton City Charter authorizes the City Council to submit any proposed or adopted ordinances or question to the electors of the City without receipt of a petition; and

WHEREAS, Article XVIII Section 16 of the Colorado Constitution created provisions for the sale of marijuana, and among other things, authorizing the taxation of retail sales of marijuana and marijuana products by the State of Colorado and by local government upon approval of the registered electors; and

WHEREAS, Section 20 of Article X of the Colorado Constitution (TABOR) requires voter approval of any tax increase or change in tax policy; and

WHEREAS, City Council wishes to refer a ballot issue to the registered electors of the City asking whether taxes should be raised by a rate of an additional 3.5% on the purchase price paid or charged for retail marijuana and retail marijuana products as those terms are defined in state law and in the City Code which is in addition to the sales tax and other state tax imposed on sales of retail marijuana and retail marijuana products should be imposed; and

WHEREAS, it is anticipated that the tax would generate approximately $460,000 in its first year; and

WHEREAS, City Council wishes to direct those revenues solely to support public safety through services such as, but not limited to, mental health crisis response and other proactive safety programs in Downtown Littleton, on open spaces and trails, and other areas of similar need.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO, THAT:

Section 1: The City Clerk is hereby authorized to submit the following question to the registered voters of the City of Littleton at the November 7, 2023 election:
SHALL THE CITY OF LITTLETON TAXES BE INCREASED $460,000 ANNUALLY BEGINNING JANUARY 1, 2024, AND BY WHATEVER AMOUNTS ARE RAISED THEREAFTER THROUGH THE ADOPTION OF AN ADDITIONAL THREE AND ONE-HALF PERCENT (3.5%) TAX ON THE SALE OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS WITH SUCH REVENUES SOLELY BEING USED TO SUPPORT PUBLIC SAFETY THROUGH SERVICES SUCH AS, BUT NOT LIMITED TO, MENTAL HEALTH CRISIS RESPONSE AND OTHER PROACTIVE SAFETY PROGRAMS IN DOWNTOWN LITTLETON, ON OPEN SPACES AND TRAILS, AND OTHER AREAS OF SIMILAR NEED, AND SHALL ALL REVENUES FROM SUCH TAXES AND ANY EARNINGS THEREON BE COLLECTED, RETAINED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION, AND NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

__ YES

__ NO.

Section 2: Subject to voter approval of the ballot issue set forth in Section 1. Littleton City Code Title 3: Business Regulations, Chapter 22 Special Retail Marijuana Sales Tax, subsection 2 will be amended to read as follows:

“3-22-2: IMPOSITION OF TAX:

In addition to the sales tax imposed by chapter 9 of this title, beginning January 1, 2024 there is imposed upon all sales of retail marijuana and retail marijuana products to a consumer by a retail marijuana store a tax at the rate of six and one-half percent (6.50%) of the amount of the sale.

Section 3: Severability. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of this ordinance. The City Council hereby declares that it would have passed this ordinance, including each part, section, subsection, sentence, clause or phrase hereof, irrespective of the fact that one or more parts, sections, subsections, sentences, clauses or phrases may be declared invalid.

Section 4: Repealer. All ordinances or resolutions, or parts thereof, in conflict with this ordinance are hereby repealed, provided that this repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

INTRODUCED AS A BILL at a regularly scheduled meeting of the City Council
of the City of Littleton on the 15th day of August, 2023, passed on first reading by a vote of 5 FOR and 0 AGAINST; and ordered published by posting at Littleton Center, Bemis Library, the Municipal Courthouse and on the City of Littleton Website.

PUBLIC HEARING on the Ordinance to take place on the 22nd day of August, 2023, in the Council Chamber, Littleton Center, 2255 West Berry Avenue, Littleton, Colorado, at the hour of 6:30 p.m., or as soon thereafter as it may be heard.

PUBLIC HEARING on the Ordinance CONTINUED to take place on the 29th day of August, 2023, in the Council Chamber, Littleton Center, 2255 West Berry Avenue, Littleton, Colorado, at the hour of 6:30 p.m., or as soon thereafter as it may be heard.

FAILED on second and final reading, following public hearing, by a vote of 2 FOR and 5 AGAINST on the 29th day of August, 2023 and ordered published by posting at Littleton Center, Bemis Library, the Municipal Courthouse and on the City of Littleton Website.

ATTEST:

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Colleen L. Norton, City Clerk                                    Kyle Schlachter, Mayor

APPROVED AS TO FORM:

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Reid Betzing, City Attorney