

CITY OF LEADVILLE  
CITY COUNCIL SPECIAL MEETING  
Thursday, March 31, 2015

<p><u>City Council Members Present:</u> Greg Labbe                      Luke Finken Mike Canty                      Jake Mohrmann Max Duarte                      Jaime Stuever Gwen Shepherd</p>	<p><u>Staff Present:</u> Joseph Swyers, City Clerk Sarah Dallas, Planning Official, Administrative Services Manager, and Deputy City Clerk</p>	<p><u>Others present:</u></p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------

City Council met in a regular public session in the Council Chambers of City Hall. Mayor Stuever called the meeting to order at 3:00 PM. Roll Call was taken.

(6:01 PM) Public comments on items not on the agenda:

Steve Prestash, 131 East 3rd Street, commented about the comprehensive plan taking the wrong path, class arrogance, quality of life, and concerns about real estate developers and real estate investors.

(6:04 PM) Agenda Revisions: None

(6:04 PM) Representative from High School-Youth Voice Program to speak with City Council.

Gavin Laing spoke to the increase in marijuana use after its statewide legalization and the need for a youth center.

(6:09 PM) City Council review of marijuana code change revisions #3 and retail marijuana resolution on fees.

Mayor Stuever read a letter from Carol Nowakowski asking council to prohibiting marijuana businesses in residential areas.

Council and staff discussed the proposed final ordinance revisions for retail recreational marijuana. There were no objections to having the ordinance on the April 7th agenda for first reading.

Council and staff discussed the proposed marijuana business fees compared to some from other communities. There were no objections to having the fee schedule.

Council and staff discussed the proposed zoning changes for marijuana businesses.

Katie Baldassar from Build A Generation suggested prohibiting marijuana business uses in residential areas.

Councilmembers Finken and Shepherd spoke to how small scale testing facilities would be okay in residential areas.

Planning & Zoning Commissioner Sarah Mudge suggested having more information of what a testing facility entails.

To prohibit 32d in R2 and TR – three councilmembers yes, four councilmembers for allowable with conditions.

(6:51 PM) Discussion on number of medical and retail marijuana licenses.

ASM Dallas explained that medical stores and retail recreational in a combined facility are two separate licenses.

Majority of councilmembers indicated being in favor of three each for retail store, retail cultivation, and retail products manufacturing. A majority was in favor of two retail testing facilities. and one each of medical combined facility, and each of the medical licenses.

(7:05 PM) Tax Ballot Initiative proposal.

Councilmembers discussed the requests local taxes on marijuana and earmarking them for specific uses.

City Clerk Swyers explained that earmarking cannot be done if there are fewer than three entities because doing so would be making public what the budgeted amount is or the actual revenue is. Multiple entities owned at the top by a common individual would be regarded as one entity because that individual would know what the sales are for all their entities and by simple subtraction from published figures, what their competitor's sales are.

Councilmembers and staff discussed an excise tax on wholesale and whether that would be applied to all wholesale which could include not only marijuana, but also clothing, alcohol, furniture, or anything else.

Councilmembers discussed the need to additional revenue.

Members of the marijuana industry spoke to the total impact of fees and taxes at local, state and federal levels and comparison with the illicit market which does not have to pay the taxes and fees.

ASM Dallas advised that, if city council does not put a tax issue on the ballot, a citizen initiative could propose a ballot issue for a tax on marijuana. Councilmembers Labbe and Mohrmann suggested that council craft a good ballot issue rather than be faced with a poorly written or reactionary ballot issue..

Steve Prestash suggested a tax on real estate transfers. Councilmember Labbe spoke to the consequences of real estate speculation on the affordability of homes in Lake County. He suggested a differential property tax. He also suggested a 2 percent across the board retail and wholesale tax. He will investigate this with the county.

Councilmember Shepherd cited the county's ability to keep the 4% county sales tax instead of giving it to the city.

City Clerk Swyers reported on the failure of previous ballot issues for increased sales tax for street improvement and also asked who at the city would collect a city sales tax.

(7:50 PM) Mayor Stuever adjourned the meeting.