

## EXHIBIT A

Measure D will allow Santa Rosa to impose a tax on medical and recreational cannabis businesses operating within the City now that the State has enacted the Medical Cannabis Regulation and Safety Act (MCRSA) and the voters have approved Proposition 64, the Adult Use of Marijuana Act. Measure D will ensure that the city has the resources to properly support and regulate the cannabis industry without hurting our investment in core city services, such as neighborhood infrastructure and public safety.

Over 40 Cities and Counties in California have enacted a similar tax for cannabis businesses to address the inherent strain on the local agencies' budgets caused by cannabis legalization. Recently the City of Santa Rosa began issuing permits for medical cannabis businesses and has identified areas where additional resources are needed to continue the support of this new industry.

Measure D is fiscally responsible, timely, and prudent. Over the past year, the City of Santa Rosa has addressed critical issues such as housing, homelessness and our aging road infrastructure and has had to make key investments from a limited pool of resources. By proactively establishing a tax on cannabis activity, the city's budget will be protected from any new or unexpected costs associated with cannabis legalization and permitting, and protect resources for investment in other key priorities.

Measure D was carefully crafted with input from the industry in a public forum to find the right balance between generating the revenue needed while addressing certainty for this emerging industry. Adoption of a clear, fair and easy to follow legal framework will encourage cannabis businesses to join the regulated market, ensuring protection for consumers, the environment and public health.

With unanimous support from the Santa Rosa City Council, we respectfully request a Yes vote on Measure D.