

POLICY TITLE: CANNABIS BUSINESS TAX INCREMENT DESIGNATED FOR
A CHILDREN'S FUND

POLICY STATEMENT:

It is the policy of the City Council that when the City of Santa Cruz's Cannabis Business Tax rate is increased from seven percent (7%) to eight percent (8%), revenues from the additional one percent (1%) tax rate increase will be designated for the creation and funding of a dedicated Children's Fund. This Children's Fund will support enhancement and expansion of evidenced-based programs to prioritize access to early childhood development, prevention, and vulnerable youth programs, without supplanting existing City of Santa Cruz services or investments.

The available funding will be calculated based on the prior year's audited financial statements. The specific allocation of funds will be determined by the City Council on an annual basis as part of the budget process. The City Council may designate a process for obtaining recommendations related to the use or award of the funds.

AUTHORIZATION: Adopted by Resolution No. NS-29,323 November 14, 2017