
May 5, 2022

Honorable Mayor Ezzy Ashcraft and Councilmembers,

On behalf of the Alameda Chamber and Economic Alliance, I am writing to urge you to not approve any of the possible revenue increases suggested in Agenda Item 7A. The Chamber understands the contemplation of the different measures as a way to generate more revenue but, any imposed taxes right now will only discourage Alameda businesses. The Alameda community has not fully recuperated from the hardships during the COVID-19 pandemic therefore, the business community has also not recovered enough to accept new taxes.

The four different ideas to impose taxes would not only harm businesses but, to know this was written without open communication. The Chamber, the West Alameda Business Association (WABA) and the Downtown Alameda Business Association (DABA) should have all been included in this recommendation process to ensure the businesses best interest. All three organizations who represent the Alameda business community were blindsided by this agenda item.

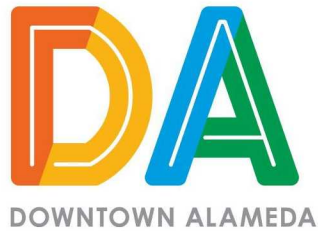
To increase the Business License Tax (BLT) at this time would directly harm businesses who are recovering from the pandemic. It acknowledges that it targets "large and medium businesses" but all businesses need to be supported by their government regardless of size.

In regards to imposing a cannabis tax, that would actively discourage a growing industry within our community. We encourage you to keep in mind that many other communities are lowering their cannabis taxes in the wake of the global pandemic, a wholesale cannabis market crash, and strenuous taxation at the state and federal levels.

In short, to add taxes at this moment of time, I feel is inappropriate because of where we stand regarding the pandemic. Although we disagree with the proposal on Agenda Item 7A, we want to collaborate with the City, the West Alameda Business Association, and the Downtown Alameda Business Association on a coalition to find the best needs for the community. We could work together on a coalition to find what would be best for Alameda businesses and residents. Please understand where our suggestions are coming from and continue to include us with the correspondence as we represent all businesses of Alameda.

Madlen Saddik

Madlen Saddik
CEO/President



May 3, 2022

Honorable Mayor and City Councilmembers,

Regarding 7A - possible revenue aka Tax measures increases, the **Downtown Alameda Business** and **West Alameda Business Associations** are surprised by the thought of raising the Business Tax License fees (BLT) and creating a Cannabis Tax. Here we are at the beginning of Small Business Week, and appreciating the City's support of our members in many ways including the Commercial Streets program, only to find a staff report that suggests the Council increase taxes on small and medium business without any communication to us regarding the matter.

As the City knows we have voluntarily requested our BIA rates stay the same the three years out of concern for our members who continue to struggle with their businesses. For the City to consider increasing the BLT at this time is unthinkable to us. We urge you to reject this proposal.

When I read the survey report I wonder why the summary says the BLT should be adjusted for small and medium businesses. (Slide 32) Does the City just want to deal with large employers? Again we urge you to reject the proposal to increase the BLT.

With regard to the Cannabis Tax proposal, it seems to us that the City wants to lay fees on an industry that is barely getting off the ground and is already heavily taxed. While two locations have opened on the west end, the two locations in the Downtown area remain in the 'build phase'. This seems to be trying to count your geese before they are hatched. We urge you to reject considering the creation of this tax.

Regarding the Infrastructure Bond potential, we do encourage the City to explain the need. We believe this would include laying out the projects, potential funding sources, including the public works projects planned in the coming years thanks to the federal and state programs created in the past year or so. With this information we all can see the need and hopefully support a plan to maintain and improve our infrastructure. We know our members were disappointed a few years ago when the City was not able to create a bond program.

This is not a 'no new tax reaction' by our Associations. We would remind this Council that while the Association normally remains neutral we have spoken up regarding taxation proposals - including supporting the ¼ cent sales tax the City proposed a few years ago. We have the highest sales tax in the County, please do not try to push our BLT or other taxes to the highest as well.

Downtown Alameda Business Association

West Alameda Business Association

From: [pat d](#)
To: [Marilyn Ezzy Ashcraft](#); [Malia Vella](#); [Tony Daysog](#); [Trish Spencer](#); [John Knox White](#); [City Clerk](#); [Finance](#)
Subject: [EXTERNAL] Cannabis Tax Opposition
Date: Tuesday, May 3, 2022 3:08:32 PM

Dear City Officials,

Concerning the cannabis tax, I would ask you to reconsider. A tax will drive prices up, send customers to other cities and help the illegal cannabis business to flourish in Alameda. No cannabis tax will have new cannabis customers coming to Alameda and patronizing other Alameda businesses as well. Thank you for your consideration.

Respectfully,
Pat Doherty



SHRYNE GROUP INC.

May 3rd, 2022

Alameda City Hall
2263 Santa Clara Avenue
Alameda CA 94501

Dear Mayor Ashcraft and City Councilmembers,

On behalf STIIIZY Alameda, I am writing to respectfully request that the City Council not move forward with a proposed cannabis tax at this time. While we understand that the City is contemplating a variety of measures intended to generate revenue, we believe such a tax on a nascent industry in our community is ill-timed and does not reflect the reality of the struggling cannabis industry at large or within our community.

The legal cannabis industry is heavily burdened by onerous taxes and dramatic market fluctuations – so much that many municipalities throughout California have reduced, suspended, or eliminated their local cannabis tax. Communities are making this change in recognition of these market dynamics and are bringing relief to this struggling new industry. These communities recognize that high taxes on legal cannabis are preventing local compliant businesses from meeting their bottom line and competing against the unregulated illicit cannabis market. Given these factors, now is not the time to be increasing taxes, especially when we are seeing a policy reversal in other communities.

STIIIZY Alameda is one of the two operational cannabis retailers in the City. Only 50% of the businesses selected to operate in the City have opened their doors, with the other half working tirelessly to open expeditiously in light of a global pandemic and cannabis market collapse. Implementing a tax in the wake of such dramatic upheaval only further disadvantages these nascent businesses in our community. Legal cannabis businesses must account for overhead costs associated with health, safety, and security protections that other industries do not. Since the sale of cannabis remains illegal under federal law, cannabis businesses are ineligible for tax deductions and credits related to normal overhead expenses on their federal taxes. Together, these issues have created a serious strain on the legal cannabis industry, and if taxes increase, employers will not be able to stay afloat, eroding employment opportunities that provide employees with high worker wages, benefits, safe and healthy workplaces, and career growth opportunities. Both of the operational retailers in the City are unionized, ensuring industry-leading wages and benefits for our local workforce.

In February of 2022, Shryne Group entered into a first-of-its-kind global collective bargaining agreement with the United Food and Commercial Workers (UFCW). This global collective bargaining agreement covers all Shryne retail stores including STIIIZY Alameda and all future



SHRYNE GROUP INC.

Shryne retail store locations. Our company has chose to provide higher wages, health, vision and dental benefits, a pension savings program and has supported workers' development through workforce training programs. However, these investments in our employees in combination with high taxes and zero government relief have cost us opportunities to expand and grow our company to effectively compete against the illicit cannabis market. We must reduce, and not increase cannabis taxes so that cannabis companies can do more to support their employees, provide more higher wage jobs, and combat the illicit market.

Lastly, the City did not conduct outreach to relevant stakeholders on this issue prior to agendizing it for Council consideration. Our company has enjoyed a collaborative working relationship with the City of Alameda and we believe that any significant change to our operations is most appropriately explored through dialogue and input from local stakeholders. We welcome the opportunity to develop a working group or other similar forum to work transparently with the City, where issues such as taxation can be explored collaboratively. I respectfully urge the City to delay implementing a cannabis tax and consider engagement with the local cannabis industry, particularly when there are better options for infrastructure revenue generation.

Sincerely,
DocuSigned by:


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Stephanie Uy

Vice President of Government Affairs
Shryne Group, Inc.



Alameda Chamber & Economic Alliance
2215-A S Shore Center
Alameda, CA 94501
T: (510) 522-0414
madlen@alamedachamber.com

May 3, 2022
Alameda City Hall
2263 Santa Clara Avenue
Alameda CA, 94501

Dear Mayor Ezzy Ashcraft and City Councilmembers,

On behalf of the Alameda Chamber and Economic Alliance, we are requesting **not** to move forward with a proposed cannabis tax at this time.

A deep priority of the Chamber is to respect the autonomy of the businesses in Alameda and work to address community-wide situations with those voices in mind. A pivotal role of the Chamber is to be a voice for the companies of Alameda, and we find it to be a concern that the City of Alameda conducted no outreach to relevant stakeholders on this issue before agendizing it for Council contemplation. We believe that any significant change to the operations of the cannabis businesses is better explored through open and communicative dialogue. The opportunity to develop a task force to work transparently with the City is greatly welcomed, so issues such as taxation can be explored collaboratively, thus ensuring a productive working relationship that appreciates both the City and its local businesses in an empowering and attentive manner.

Sincerely,

Madlen Saddik

Madlen Saddik
CEO/President

From: [JUSTIN JARIN](#)
To: [Marilyn Ezzy Ashcraft](#); [Malia Vella](#); [Tony Daysog](#); [Trish Spencer](#); [John Knox White](#); [City Clerk](#); [Finance](#)
Subject: [EXTERNAL] Cannabis tax opposition
Date: Monday, May 2, 2022 8:50:34 PM

Hello,

I'm writing this email to oppose the city cannabis tax. One of the benefits of shopping at local dispensaries rather than Oakland dispensaries is the prices are more affordable in a large part due to tax rates. Please keep cannabis more affordable in Alameda.

Sent from my iPhone

From: [John Ngu](#)
To: [Marilyn Ezzy Ashcraft](#); [Malia Vella](#); [Tony Daysog](#); [Trish Spencer](#); [John Knox White](#)
Cc: [City Clerk](#); [Finance](#); [Lara Weisiger](#); [Gerry Beaudin](#)
Subject: [EXTERNAL] Opposition to Cannabis Tax (Agenda Item 7a)
Date: Monday, May 2, 2022 3:27:51 PM
Attachments: [We sent you safe versions of your files.msg](#)
[Alameda City Council Coalition Letter.docx.pdf](#)

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

Good afternoon Mayor Ashcraft and City Councilmembers,

I hope this email finds you well. I am writing on behalf of the four retailers selected to operate cannabis retail businesses in the City of Alameda. We respectfully submit this letter in opposition to the cannabis tax being contemplated at the Council meeting on May 3rd as part of agenda item 7a.

We appreciate the opportunity to live, work, and contribute to the vibrancy that makes our community so special, and believe a cannabis tax would be harmful to our local cannabis industry at this time given so many other communities are lowering their cannabis taxes in the wake of a global pandemic, wholesale cannabis market crash, and onerous taxation at the state and federal levels.

We sincerely hope you will take our letter into consideration.

Thank you,
John

John Ngu | Owner
510-507-4150 | John@goembarc.com
www.goembarc.com | [@embarcsupply](https://www.instagram.com/embarcsupply)

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May 2, 2022

Alameda City Hall
2263 Santa Clara Avenue
Alameda CA 94501

Dear Mayor Ashcraft and City Councilmembers,

On behalf of the cannabis retail businesses selected to operate in the City of Alameda, we are writing to respectfully request that you not move forward with a proposed cannabis tax at this time. While we understand that the City is contemplating a variety of measures intended to generate revenue, we believe such a tax on a nascent industry in our community is ill-timed and does not reflect the reality of the cannabis industry at large or within our community.

We believe proposing a tax on local cannabis businesses is tone deaf given the state of the cannabis market. A quick Google search reveals that the cannabis industry is heavily burdened by onerous taxes and dramatic market fluctuations – so much so that communities throughout California have reduced, suspended or eliminated their local cannabis tax. These communities are making this change in recognition of these market dynamics, which is a good indication that now is not the time to be increasing taxes against a backdrop of so many other communities reducing them.

We also believe a tax on local cannabis businesses does not reflect the reality of Alameda's local cannabis industry. Today, only 50% of the businesses selected to operate in the City have opened their doors, with the other half working tirelessly to open expeditiously in light of a global pandemic and cannabis market collapse. Implementing a tax in the wake of such dramatic upheaval only further disadvantages these nascent businesses in our community. Furthermore, both of the operational businesses today are unionized, ensuring industry-leading wages and benefits for our local workforce. Now is not the time to jeopardize these quality jobs.

Finally, the City conducted no outreach to relevant stakeholders on this issue prior to agendizing it for Council contemplation. As local businesses, we enjoy a respectful and collaborative relationship with the City and believe that any significant change to our operations is most appropriately explored through dialogue rather than not surprises. We welcome the opportunity to develop a working group or other similar forum to work transparently with the City, where issues such as taxation can be explored collaboratively rather than in a vacuum. This type of partnership ensures a productive working relationship that behooves both the City and its local businesses.

Sincerely,

DocuSigned by:

F89076FE00CE49F...
John Ngu
Embarc Alameda

DocuSigned by:

11BBDE6C44F9443...
Stephanie Uy
Stiizy Alameda

DocuSigned by:

556A982D6BF44A8...
John Oram
Nug Alameda

DocuSigned by:

C181D43389124BB...
Aaron Kraw
Park Social

From: [Jason Buckley](#)
To: [City Clerk](#); [Marilyn Ezzy Ashcraft](#); [Trish Spencer](#); [Malia Vella](#); [John Knox White](#); [Tony Daysog](#)
Subject: [EXTERNAL] Item 7A
Date: Monday, May 2, 2022 2:58:54 PM

Dear council,

It's come to my attention that a local cannabis tax is on the agenda for tomorrow night's meeting. I am vehemently opposed to this. For one, these types of taxes are regressive and hurt lower income folks disproportionately. But also, these last few years have been bad. Like really bad. I mean, do I really have to go into detail about just how much life sucks now compared to just a few years ago? And people need relief. Everything is more expensive while wages are still fairly stagnant. And you just gave the landlords the go-ahead to jack our rents again while gas is upwards of \$6/gallon. So maybe consider not screwing people harder than we're already being screwed here, particularly on a product that can be used to help ease our suffering? Or perhaps you would prefer people to just go to unregulated and untaxed black market sources? I'm not prepared to go full comic book villain about this like a certain former resident and local joke who had his tantrums involving. and I quote, "Bruce Lee brownies," but seriously, this is super misguided, greedy, and kind of cruel.

Thank you,
Jason Buckley



Virus-free. www.avg.com