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JUN 15 2022

City Clerk
City of Laguna Woods

FORM OF STATEMENT TO BE FILED BY AUTHOR(S) OF ARGUMENT

All arguments concerning measures filed pursuant to Division 9, Chapter 3 (beginning with Section 9200) of the Elections Code of the State of California shall be accompanied by the following form of statement to be signed by each proponent, and by each author, if different of the argument:

The undersigned proponent(s) or author(s) of the (primary/rebuttal) argument (in favor of/against) ballot measure ___ at the General Municipal Election for the City of Laguna Woods to be held on November 8, 2022, hereby state that the argument is true and correct to the best of (his/her/their) knowledge and belief.

Print Name Edward H. Tao
Title Owner
(If applicable): Submitted on behalf of:
Name of Organization _____
Signature Edward H. Tao
Date 6/15 2022

Print Name Alfred Hatch RYDEEL HATCH
Title _____
(If applicable): Submitted on behalf of:
Name of Organization _____
Signature Alfred Hatch
Date 6/15/2022

Print Name _____
Title _____
(If applicable): Submitted on behalf of:
Name of Organization _____
Signature _____
Date _____

Why is the City asking for this vote? We would be remiss if at some future time a decision were made to allow a cannabis business to locate within the city, but without having established a voter approved measure to govern that business and protect our City financially.

But why now: The opposition argument above says the “legal” cannabis industry is overtaxed, with adverse social and economic consequences to their enterprises. Therefore, our city should do nothing - just wait and see what the State can work out to help that industry. (In fact, the legal cannabis industry recently supported a very similar measure in Huntington Beach).

The result of a “no” vote: If voters reject this business tax, most certainly the cannabis industry will present its own heavily financed version of a “tax”. Rest assured it will be favorably structured for the benefit of that industry and not for the benefit of Laguna Woods residents.

Our brief cannabis history: In November 2020, the City Council proposed an advisory ballot question and a slim majority (225 votes out of 13,000 votes cast) supported allowing a cannabis business to locate in Laguna Woods. Regardless of your opinion on this issue or how you voted then, we two City Council members, one a former Mayor, strongly recommend that you vote “**yes**” on this tax proposition. It protects our City should circumstances ever

change requiring its implementation. We cannot not - should not - wait for the State of California to negotiate with the cannabis industry.