

Garden State CLE Presents:

License to Chill

How to Get a Cannabis License



Instructors



Bob Ramsey, Author



Ron Mondello, Esquire
"The Cannabis" Consigliere

Introduction

Time Line

1) Medical - The move to decriminalize marijuana use and possession began in 2010 with the enactment of the State's first medical marijuana law, The Compassionate Use of Medical Marijuana Act, N.J.S.A. 24:6I-1 et seq. This statute allowed entities to apply to the State for permits to operate as alternative treatment centers and produce/distribute marijuana to qualified patients. See State vs. Myers, 442 N.J.Super 287(App.Div.2015).

2) Constitutional - On November 3, 2020, the voters of New Jersey authorized an amendment to the New Jersey Constitution of 1947 that would permit the growth, cultivation, processing, manufacturing, preparing, packaging, transferring, and retail purchasing and consumption of cannabis, or products created from or which include cannabis, by persons 21 years of age or older. The proposed amendment was enacted by the voters with a 67% to 32% margin and is now codified under Article IV, section VII, paragraph 13 of the Constitution.

3) Statutory - On February 22, 2021, the governor signed into law the New Jersey Cannabis Regulatory, Enforcement and Marketplace Modernization Act which legalizes recreational marijuana use subject to regulations promulgated by Cannabis Regulatory Commission – N.J.S.A. 24:6I-24(a)(2). The first legalized marijuana dispensaries opened for business on April 21, 2022.

4) Ethical Considerations For Attorneys - Technically, the possession and use of marijuana still violates federal law, although there is no enforcement in New Jersey against individual medical or recreational use.

Because of the technical violation of federal law, it is possible that involvement with marijuana use or advocacy on behalf of clients could violate R.P.C. 8.4(b) which sanctions attorneys who commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness.

These issues were resolved on September 21, 2022 with the publication of Opinion 744 by the Advisory Committee on Professional Ethics (ACPE). The ACPE ruled that New Jersey attorneys may operate or invest in regulate cannabis businesses. This opinion has the force and effect of law until either modified or withdrawn by the Supreme Court.



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**A PRESENTATION FOR THE NJCPA TO ASSIST CANNABIS
BUSINESSES SEEKING TO OBTAIN MUNICIPAL APPROVAL**

NJILGA New Jersey Institute of Local Government Attorneys

NJSBA Cannabis Law Special Committee

NJSBA Co-Chair of Municipal/Land Use Cannabis Subcommittee

NJLM New Jersey State League of Municipalities

Pot, Politics and Land Use

- Councilman in TWO Towns
- Borough Attorney
- Zoning and Planning Board Attorney
- Zoning and Planning Board Chairman and Member

PERSONAL USE CANNABIS - THE NJ LOCAL PROCESS

Classes of Licenses

- Class 1 – Cannabis Cultivator
- Class 2 – Cannabis Manufacturer
- Class 3 – Cannabis Wholesaler
- Class 4 – Cannabis Distributor
- Class 5 – Cannabis Retailer
- Class 6 – Cannabis Delivery Service

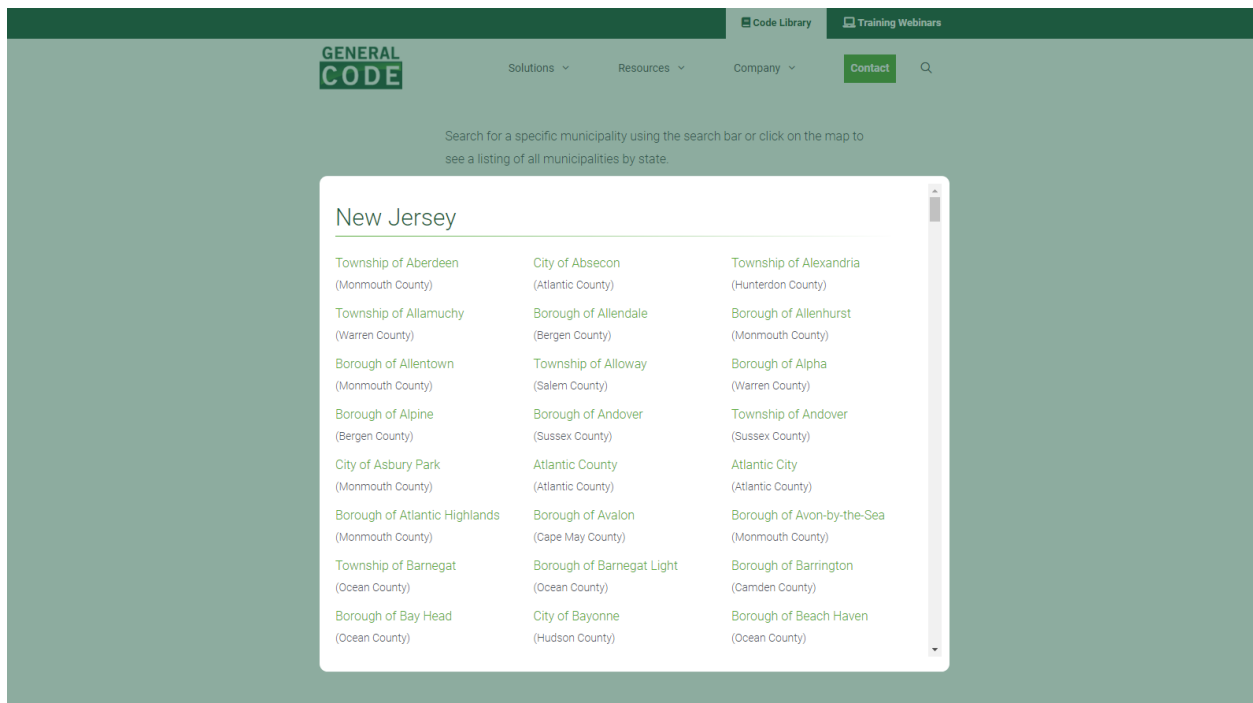
What Town is your client going to select?

New Jersey has 566 municipalities. In contrast, California has 482. Why does New Jersey have so many independent towns and subsequently so many municipal governments? New Jersey has divided itself, divided itself again, and almost always refuses to erase its municipal boundaries. NJ IS HOME RULE!

Determine if your client’s town has opted in and what classes of licenses will they permit.

HOW DO I DO THAT?

- Easiest – call the Town Clerk and ask them. What if they don’t know or can’t help you?
- Type in GOOGLE the name of the town and the word eCode (or <https://www.generalcode.com/library/#>)
 - This will bring you to a copy of the town’s local codes
 - Type in “cannabis”
 - READ everything
 - What if nothing comes up?
- File an OPRA (Open Public Records Act) request. Ask for all ordinances with the word cannabis in them. They must respond in 7 days (Covid-19 made it 30 temporarily)





AGENCY NAME HERE

OPEN PUBLIC RECORDS ACT REQUEST FORM

Agency Address
Agency Telephone Number & Fax Number
Agency e-mail address
Name of Agency Custodian



Important Notice

The last page of this form contains important information related to your rights concerning government records. Please read it carefully.

Requestor Information – Please Print

First Name _____ MI _____ Last Name _____

E-mail Address _____

Mailing Address _____

City _____ State _____ Zip _____

Telephone _____ FAX _____

Preferred Delivery: Pick Up _____ US Mail _____ On-Site Inspect _____ Fax _____ E-mail _____

If you are requesting records containing personal information, please circle one: Under penalty of N.J.S.A. 2C:28-3, I certify that I **HAVE** / **HAVE NOT** been convicted of any indictable offense under the laws of New Jersey, any other state, or the United States.

Signature _____ Date _____

Payment Information

Maximum Authorization Cost \$

Select Payment Method

Cash Check Money Order

Fees: Letter size pages - \$0.05 per page
Legal size pages - \$0.07 per page
Other materials (CD, DVD, etc) – actual cost of material

Delivery: Delivery / postage fees additional depending upon delivery type.

Extras: Special service charge dependent upon request.

Record Request Information: Please be as specific as possible in describing the records being requested. Also, please note that your preferred method of delivery will only be accommodated if the custodian has the technological means and the integrity of the records will not be jeopardized by such method of delivery.



State of New Jersey
BOROUGH OF FRANKLIN
GOVERNMENT RECORDS REQUEST
 46 Main Street, Franklin, NJ 07416
 Phone: 973-827-9280 Fax: 973-827-9279



Important Notice

The reverse side of this form contains important information related to your rights concerning government records. Please read it carefully.

Requestor Information - Please Print

First Name RONALD MI P Last Name Mondello
 Company _____
 Mailing Address _____
 City Franklin State NJ Zip 07405 Email rmondello@optonline.net
 Daytime Phone: Area Code 973 Number 838-3500 Extension _____
 Fax Number: Area Code _____ Number _____
 Preferred Delivery: Pick Up US Mail On Site Inspection Fax Email CD
 Circle One: Under penalty of N.J.S.A. 2C:28-3, I certify that I **HAVE / HAVE NOT** been convicted of any indictable offense under the laws of New Jersey, any other state or the United States.
 Signature _____ Date 12/29/21

Payment Information

Maximum Authorization Cost \$ _____
 Select Payment Method
 Cash Check Money Order
 Fees: Black/White Pages: optonline.net
 Letter Size @ \$.05
 Legal Size @ \$.07
 Larger or Color Pages Cost
 On CD \$.39
 Delivery: Deliver/Postage fees additional depending upon delivery type.
 Extras: Extraordinary service fees dependent upon request

Record Request Information: To expedite the request, be as specific as possible in describing the records being requested. Also, please include the type of access requested (copying or inspection), and if data, the medium requested. Request for all or every

All ordinances that contain the word "cannabis" AND all ordinances indicating the districts or zones within the Borough that permit cannabis establishments.

AGENCY USE ONLY

Est. Document Cost _____
 Est. Delivery Cost _____
 Est. Extras Cost _____
 Deposit Amount _____
 Estimated Balance _____
 Deposit Date _____

AGENCY USE ONLY

Disposition Notes
 Custodian: If any part of the request cannot be delivered in seven business days, detail reason here.
 In Progress - Open _____
 Denied - Closed _____
 Filled - Closed _____
 Partial - Closed _____

AGENCY USE ONLY

Tracking Information **Final Cost**
 _____ Total _____
 Rec'd Date _____ Deposit _____
 Ready Date _____ Bal. Due _____
 Total Pages _____ Bal. Paid _____
 Custodian Signature _____ Date _____

A Two-Tiered Process

Resolution of Support

- From the Governing Body
- This is the most IMPORTANT piece of the cannabis puzzle
- The CRC will not approve a State cannabis license without it hence this IS Time sensitive

Local Licensing

- No need to reinvent the wheel
- Use your current licensing process
- This process is NOT really Time sensitive
- The cannabis establishment must first obtain the State license

PROOF OF LOCAL SUPPORT – Governing Body

- A Resolution by the Governing Body that includes:

A determination that town has authorized the Class of License sought by applicant

A confirmation that IF the town has a numerical limit, this applicant does not exceed it

PROOF OF LOCAL SUPPORT – Zoning Official

A letter or affidavit from appropriate municipal officials :

- The location will conform to municipal zoning requirements
- In other words, the site is properly zoned for the Cannabis Business
- A Zoning Permit – many towns have an application process to get this

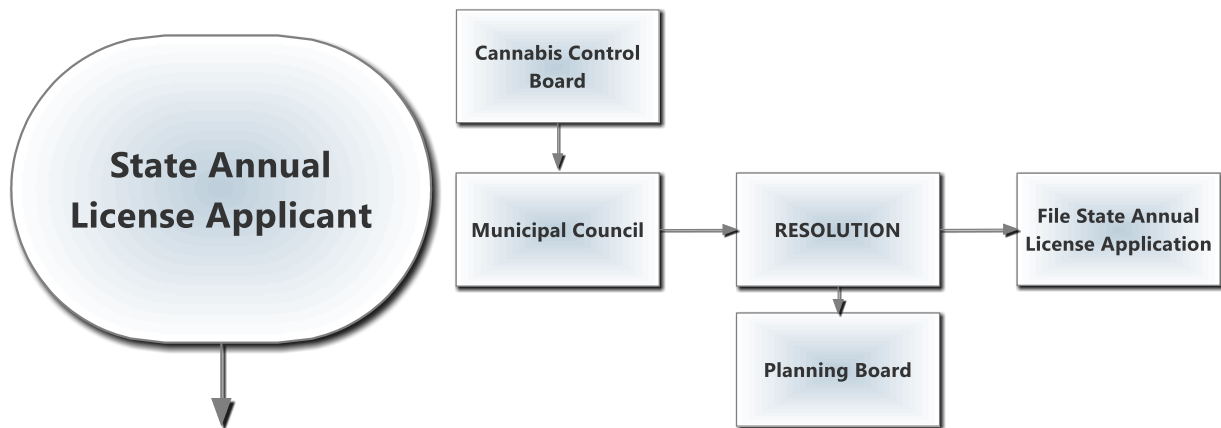
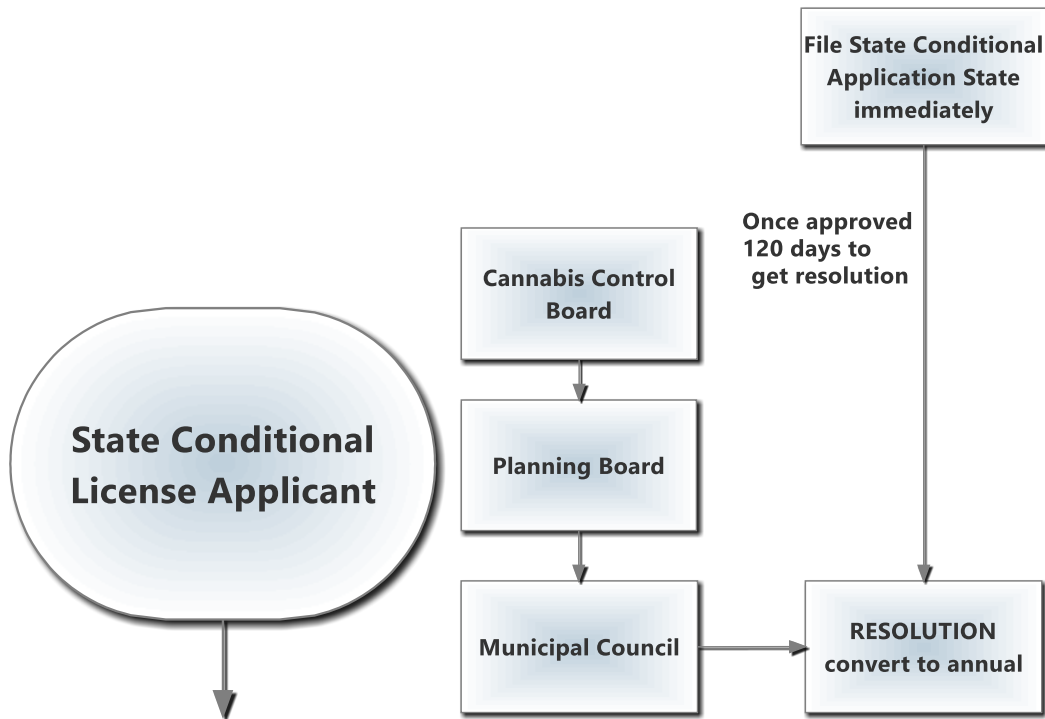
MUNICIPALITY'S LOCAL LICENSING OR ENDORSEMENT

- Municipality may create its own local licensing or endorsement as part of its restrictions on the #, location, manner, or times of operation
- If the municipality does so, they SHALL notify CRC that it either approves or denies each application forwarded to it

Municipal Preference

Municipality may submit their preferences with regard to licensing to the Commission

- Commission must receive the Town's preference in writing within 28 days from when Town receives application materials from the CRC
- Can't conflict with any letters or resolutions previously given to applicants by the Town
- Must include the Proof of Local Support evidence in previous slides

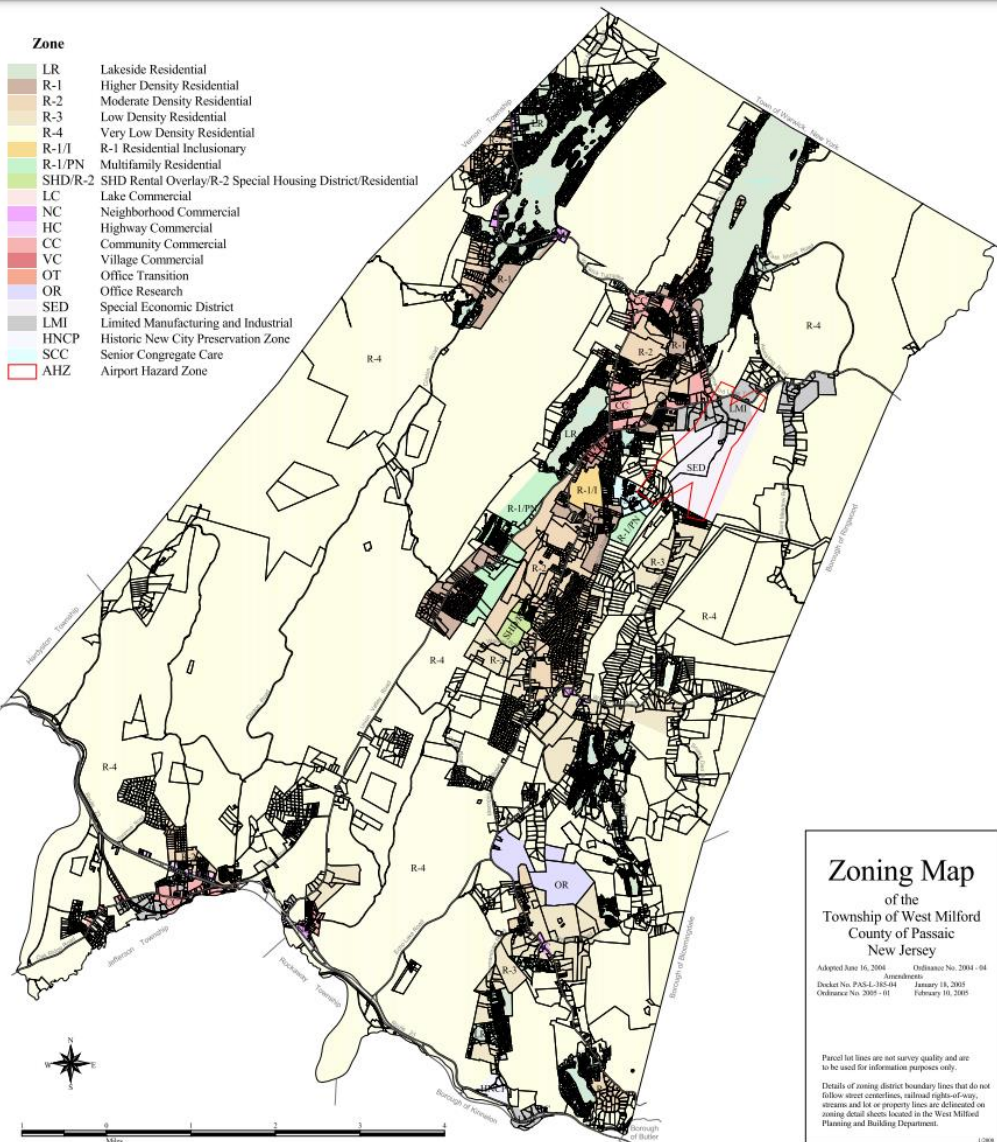


Mayor & Council

- Don't Be Afraid to get on the Governing Body's agenda
- No need to talk for hours. They don't have the time
- Spend 10-15 minutes introducing yourself and your business
- As a former Councilman in two towns, elected officials LOVE to place a face with a name
- They are going to LOVE YOU!

**How Do I Determine WHERE in the Town
I can Operate my Cannabis Business?**

1. You have determined the Town and the type of PERMITTED cannabis license that you want
2. The Ordinances that you have obtained from the Town will tell you in what ZONES you can operate your cannabis business.
3. You must obtain a Zoning Map for your town you selected. Same process as obtaining the ordinances. Try a Google search first. “Name of town, NJ and zoning map”
4. Zones are typically given abbreviations. Look at the Zoning Map and determine where in your town you can locate.
5. Most Zoning Maps do not list the streets. A realtor can help you with this. You might be able to obtain a list of the street in the cannabis permitted zones from the Town.





BLOCK	LOT	PRC COUNTY	MUN_NAME	PROP_LOC	OWNER_NAME	ST_ADDRESS	CITY_STATE	ZIP_CODE
13602	6	4B	PASSAIC	WEST MILFORD TWP 1874 ROUTE 23 NORTH	BARNITT, RAYMOND & DENISE	1874 RT.23 NORTH	WEST MILFORD,N.J.	07480
13602	5	1	PASSAIC	WEST MILFORD TWP RT 23	BARNITT RAYMOND & DENISE	1874 RT.23 NORTH	WEST MILFORD,N.J.	07480
13602	7.01	4A	PASSAIC	WEST MILFORD TWP 1894 ROUTE 23	DELCAMPO CARL JR	1894 ROUTE 23	WEST MILFORD, NJ	07480
13604	2	4B	PASSAIC	WEST MILFORD TWP 1865 RT.23	P & J CO. C/O GENERANT CO.	P.O. BOX 768	BULTER, N.J.	07405
12604	3	1	PASSAIC	WEST MILFORD TWP PAT HAMBURG TPK	NORTHERN OIL RECOVERY INC	473 HAMBURG TPKE	WEST MILFORD, NJ	07480
12604	4	4B	PASSAIC	WEST MILFORD TWP 457 PAT HAMBURG TPKE	RON CYN DEVELOPMENT LC	2 KIEL AVE.#113	KINNELON,N.J.	07405
12604	1	1	PASSAIC	WEST MILFORD TWP PAT HAMBURG TPKE	NORTHERN OIL RECOVERY INC	473 HAMBURG TPKE	WEST MILFORD, NJ	07480

Obtain Some Form of Site Control Evidence

THE LOCAL APPLICATION PROCESS

- The ordinances that you obtained should “spell-out” the application process
- The application process will vary from town to town
- There is NO uniform application process – HOME RULE IS ALWAYS THE THEME IN NJ
- Some Towns will require a lengthy process
- Other Towns will only require that a simple application be filled out
- To my knowledge, ALL Towns will require Site Plan Approval – What is that?

You will file an application with the Town’s planning board

Be prepared to hire a land use attorney, architect, engineer, planner or some variation of those professionals

SITE PLAN APPLICATION - TOWNSHIP OF PISCATAWAY

PLANNING BOARD _____ APPLICATION # _____
BOARD OF ADJUSTMENT _____ PRELIMINARY _____ FINAL _____
FEE \$ _____ DATE RECEIVED _____ BY _____

TITLE _____

1. APPLICANT _____ PHONE # _____

ADDRESS _____ ZIP CODE _____

2. OWNER OF PREMISES _____ PHONE # _____

ADDRESS _____ ZIP CODE _____

3. LESSEE _____ PHONE # _____

ADDRESS _____ ZIP CODE _____

4. LOCATION OF PROPERTY IN QUESTION (STREET ADDRESS) _____

BLOCK _____ LOT/S _____ ZONE _____ LOT AREA _____ (acres)

BUILDING FINISHED FLOOR ELEVATION _____ DATUM _____

BUILDING AREA (GROUND FLOOR) _____ (Sq. Ft.)

BUILDING AREA TOTAL (ALL FLOORS) _____ (Sq. Ft.)

TOTAL AREA OF PROPOSED NEW CONSTRUCTION _____ (Sq. Ft.)

BUILDING HEIGHT (FROM MEAN FINISHED GRADE FRONT OF BUILDING _____ FT. _____ IN.

NUMBER OF PARKING SPACES _____ (CAR) _____ (TRUCK)

5. NATURE OF APPLICANT'S INTEREST IN PROPERTY _____

DATE INTEREST ACQUIRED _____

6. PRESENT USE OF PROPERTY _____

DESCRIPTION OF PRESENT STRUCTURES _____

DISPOSITION OF STRUCTURES _____

7. PROPOSED USE OF PROPERTY _____ 8. USE GROUP _____

9. THE PLANNING BOARD GRANTED A (MINOR) (MAJOR) SUBDIVISION ON _____

10. THE ZONING BOARD OF ADJUSTMENT GRANTED A (C - PROPERTY) (D - USE) VARIANCE(S) ON _____

PLEASE NOTE: CORPORATIONS MUST BE REPRESENTED BY ATTORNEYS.

City of Hoboken – Steps for Approval of a Cannabis License

- Identify location. Check on-line map.
- Submit CRB application and required documents via on-line portal.
- City: certifies location, reviews app. for completeness, schedules hearing date.
- Applicant sends notifications, publishes hearing information.
- Public hearing is held; recommendation approved or denied by CRB.
- CRB prepares written recommendation and outline for Community Host Agreement (CHA).
- Approved applicants proceed to PB for conditional use approval.
- PB resolution prepared and adopted.
- CHA finalized by Mayor and CRB and sent to City Council for resolution of approval.
- Applicant finalizes State Application & Obtains NJ State License
- Applicant obtains permits, builds-out location, obtains CO.
- City issues municipal license(s) to be renewed annually.
- Business opens.

NJ State licensing application and approval process may run concurrently with municipal process.

NEW JERSEY MUNICIPALITY CANNABIS STATUTES

N.J.S.A. 24:6I-45

- Municipality can enact ordinances not in conflict with NJSA 6I-31 et al.
- Govern # of cannabis establishments. Not the Delivery to your town.
- Govern location, manner and times of operation
- Establish civil penalties for violations of your ordinances
- Municipality may impose a separate local licensing or endorsement requirement as part of its restrictions above

Regulations N.J.A.C. 17:30-15.1 – Municipal Authority

Initial Rules for Personal-Use of Cannabis

Not Much has Changed for Municipalities

- Towns can enact all kinds of ordinances not in conflict with the State Laws of Regulations
- Towns can place numerical limits on the number of cannabis businesses
- Towns can govern the location (including placing distance restrictions from schools, religious institutions, playgrounds, child daycare facility), manner, and times of operation
- Towns can establish civil penalties for violations of the ordinances
- Towns can create and impose their OWN local licensing requirement
- Towns are always free to prohibit any class of cannabis business BUT towns shall not prohibit cannabis from being delivered to its residents or the transportation of cannabis through the municipality to a destination outside that municipality

How Does a Municipality Handle A a Cannabis Zoning Application?

- Odor
- Location near schools, parks, etc. or other marijuana facilities
- Signage/ Façade/ Design
- Neighborhood Impact
- Security/Public Safety
- Prohibiting Sales to Minors
- Consumption on premises/Smoking outdoors
- Traffic or parking issues
- Municipal incurred costs of enforcement
- Trash Disposal
- Application apps?
- Cash business – mugging? robbery?
- We need a 24/7 phone number
- Will homeowner’s risk insurance increase?
- Lines down the block?
- Delivery
- Is there a vault?

Microbusiness

- Person or entity licensed.
- Cannabis grower, processor, wholesaler, distributor, retailer, or delivery service.
 - Has no more than 10 employees.
 - Operate in space of no more than 2,500 square feet area.
 - Except a grower can operate in space of no more than 2,500 square feet measured on a horizontal plane and grow no higher than 24 feet above that plan.
- Process no more than 1,000 cannabis plants each month.

- Except a distributor's possession for transportation.
- Cannabis cultivator cannot acquire and process more than 1,000 pounds of cannabis in dried form each month.
- Cannabis wholesaler cannot acquire for resale more than 1,000 pounds each month.
- Cannabis retailer cannot acquire for sale more than 1,000 pounds each month.

Examples of Some Local Restrictions

- Not located within 1000 feet of a school, religious institution, licensed daycare facility, public park, library or a license substance abuse disorder clinic or facility
- No Cannabis Retail Establishment shall be located with 2000 feet of another Cannabis Retail Establishment
- The Cannabis Dispensary must be located on the first floor
- Limitation as to hours of operation
- No outdoor consumption areas are permitted
- No Cannabis Operator shall be allowed as a home occupation
- No Cannabis Operator shall be housed in a vehicle or any movable or mobile structure
- Time Limitation as to STATE Approval
- Have you applied with any other NJ town?

State Limitations of Locations

- Grocery stores
- Delis
- Indoor food markets
- Other stores engaging in retail food
- Premises licensed for retail sales of alcoholic beverages

Local Cannabis Tax

- By ordinance
- Cannot exceed:
 - 2% cannabis cultivator
 - 2% cannabis manufacture
 - 1% cannabis wholesaler
 - 2% cannabis retailer
- Percentage based on receipts on each sale
- Paid directly to municipality (CFO) in manner prescribe by municipality
- Delinquencies same as property taxes
- Does not apply:
 - Transfers involving distributors for purpose of bulk transportation
 - Delivery services to consumers

Impact Zones

- Any municipality.
- Based on past criminal marijuana enterprises contributing to higher concentrations of law enforcement activity, unemployment, and poverty within part parts, or throughout, that:
 - Has a population of 120, 000 or more.
 - Based upon data from calendar year 2019 ranks in the top 40% of municipalities for marijuana or hashish related arrest.
 - Has a crime index of 825 or higher in the annual Uniformed Crime Report.
 - Has a local unemployment rate that ranks in the top 15% of all municipalities for the calendar year next preceding that effective date.
 - Is located within a county of the third class, based upon most recent census population data, that meets all criteria above except having an 825 or higher crime index.
 - Is located in a county of the second class, based population date of the most recent census and meets other crime and population standards.

Host Community Agreements

It is not readily apparent to us that there is something wrong or unethical about the HCAs in question. Indeed, such agreements are actually required in a similar Massachusetts program. Massachusetts requires applicants for medical marijuana permits to negotiate HCAs with municipalities where they propose to locate. 935 Mass. Code Regs. 500.101(1)(a)(8) – (2019). An HCA “may include a community impact fee for the host community,” provided that the fee is “reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment.” Mass. Gen. Laws ch. 94G, § 3(d) – (2017). Although the Compassionate Use Act does not contain those requirements, and New Jersey need

not model its methods after Massachusetts's, it is worth noting that another state has found HCAs valuable to the expansion of its program, rather than rejecting them as unfair tactics by permit applicants.

Matter of the Application for Medicinal Marijuana Alternative Treatment Ctr. for Pangaea Health & Wellness, LLC, 465 N.J.Super 343, 396, 243 A.3d 688, 719(App.Div.2020)

Mass Court said: “Reasonably related to the costs imposed upon the municipality by the operation of the marijuana establishment”

- Recoup municipal costs: CFO auditing 2%, police, compliance with local laws
- Employment Opportunities
 - Applicant to sponsor job hiring fairs
 - Attract local residents, women & people of color, reentry candidates
 - Labor Protection Agreement
- Community Education
 - Engage in community outreach events to educate
- Provide State matching funds for Municipality’s drug and alcohol prevention organizations
- Make contributions to local charities and schools, first responders (police, fire or first aid), digital divide organizations, participate in community cleanup or rehabilitation initiatives
- MUST NOT BE a money grab vehicle – build us a new Rec Center or 4 street sweepers
- MUST NOT BE “give us this \$ and we will act favorably on the application” (a/k/a a bribe)

Wait a Minute?

- Not every business can afford a HCA
 - Micro business, social equity applicants
 - Are you asking applicants who were jailed by your town to now pay \$ to benefit the town?
- Why should a cannabis business have to pay more than any other type of business?
- There are no provisions in the statutes or the regulations authorizing a HCA. Nothing preventing it either. Could it be implicitly authorized under the MLUL? Akin to a Developers Agreement?
- This is an agreement. The applicant and town bargain and negotiate this agreement. HCA conditions or “pledges” are not mandatory

OPRA

- (f) Application materials submitted to the Commission pursuant to N.J.S.A. 24:6I-36 or this section shall not be considered public records pursuant to N.J.S.A. 47:1A-1 et seq., or the common law concerning access to government records. N.J. Admin. Code § 17:30-7.10

Township of Lawrence
County of Mercer

Ordinance No. 2400-21

AN ORDINANCE BY THE TOWNSHIP OF LAWRENCE IN MERCER COUNTY, NEW JERSEY RESTRICTING THE OPERATION OF CANNABIS BUSINESSES WITHIN ITS GEOGRAPHICAL BOUNDARIES TO CERTAIN DESIGNATED AREAS AND ZONES

WHEREAS, in 2020, New Jersey voters approved Public Question No. 1, which amended the New Jersey Constitution to allow for the legalization of a controlled form of marijuana called "cannabis" for adults at least 21 years of age; and

WHEREAS, on February 22, 2021, Governor Murphy signed into law P.L. 2021, c. 16, known as the "*New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act*" (the "Act"), which legalizes the recreational use of marijuana by adults 21 years of age or older, and establishes a comprehensive regulatory and licensing scheme for commercial recreational (adult-use) cannabis operations, use and possession; and

WHEREAS, the Act establishes six marketplace classes of licensed businesses, including:

- **Class 1 Cannabis Cultivator license, for facilities involved in growing and cultivating cannabis;**
- **Class 2 Cannabis Manufacturer license, for facilities involved in the manufacturing, preparation, and packaging of cannabis items;**
- **Class 3 Cannabis Wholesaler license, for facilities involved in obtaining and selling cannabis items for later resale by other licensees;**
- **Class 4 Cannabis Distributor license, for businesses involved in transporting cannabis plants in bulk from one licensed cultivator to another licensed cultivator, or cannabis items in bulk from any licensed cannabis business to another;**
- **Class 5 Cannabis Retailer license for locations at which cannabis items and related supplies are sold to consumers; and**
- **Class 6 Cannabis Delivery license, for businesses providing courier services for consumer purchases that are fulfilled by a licensed cannabis retailer to make deliveries of the purchased items to a consumer, and which service would include the ability of a consumer to make a purchase directly through the cannabis delivery service which would be presented by the delivery service for fulfillment by a retailer and then delivered to a consumer.**

WHEREAS, section 31a of the Act authorizes municipalities by ordinance to adopt regulations governing the number of cannabis establishments (defined in section 3 of the Act as "a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer"), cannabis

distributors or cannabis delivery services allowed to operate within their boundaries, as well as the location manner and times operation of such establishments, distributors or delivery services, and establishing civil penalties for the violation of any such regulations; and

WHEREAS, section 31b of the Act authorizes municipalities by ordinance to permit, regulate or prohibit the operation of any one or more classes of cannabis establishments, distributors, or delivery services anywhere in the municipality; and

WHEREAS, section 31b of the Act also stipulates that any municipal regulation or prohibition must be adopted within 180 days of the effective date of the Act (*i.e.*, by August 22, 2021); and

WHEREAS, pursuant to section 31b of the Act, the failure to do so shall mean that for five years thereafter, the growing, cultivating, manufacturing, selling, and reselling of cannabis and cannabis items shall be permitted uses in all industrial zones and the retail selling of cannabis items to consumers shall be a conditional use in all commercial and retail zones; and

WHEREAS, after the initial and any subsequent five-year period following a failure to enact local regulations or prohibitions, the municipality shall again have 180 days to adopt an ordinance regulating or prohibiting cannabis businesses, but any such ordinance would be prospective only and would not apply to any cannabis business already operating within the municipality; and

WHEREAS, the governing body of the TOWNSHIP OF LAWRENCE (hereafter, the "TOWNSHIP") has determined that, due to present uncertainties regarding the potential future impacts that allowing one or more classes of cannabis business might have on New Jersey municipalities in general, and on the TOWNSHIP in particular, it is at this time necessary and appropriate, and in the best interest of the health, safety and welfare of the TOWNSHIP's residents and members of the public who visit, travel or conduct business in the TOWNSHIP, to designate certain areas and land use zones within the TOWNSHIP in which the six marketplace classes of licensed cannabis-related businesses may operate within the geographic boundaries of the TOWNSHIP; and

NOW, THEREFORE, BE IT ORDAINED, by the governing body of the TOWNSHIP OF LAWRENCE, in the County of Mercer, State of New Jersey, as follows:

1. Pursuant to section 31b of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16), all cannabis establishments, cannabis distributors, or cannabis delivery services are hereby designated to operate within the boundaries of the TOWNSHIP as follows:

2. Mixed Use 2 (MX-2) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. Class 1 Cannabis Cultivator
- b. Class 2 Cannabis Manufacturer
- c. Class 3 Cannabis Wholesaler
- d. Class 4 Cannabis Distributor

3. Mixed Use 3 (MX-3) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 1 Cannabis Cultivator**
- b. **Class 2 Cannabis Manufacturer**
- c. **Class 3 Cannabis Wholesaler**
- d. **Class 4 Cannabis Distributor**

4. Limited Industry (LI-1) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 1 Cannabis Cultivator**
- b. **Class 2 Cannabis Manufacturer**
- c. **Class 3 Cannabis Wholesaler**
- d. **Class 4 Cannabis Distributor**

5. Regional Commercial (R.C.) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 5 Cannabis Retailer**
- b. **Class 6 Cannabis Delivery**

6. Highway Commercial (H.C.) District where the property has frontage on U.S. Highway Route 1 between Franklin Corner Road and Quakerbridge Road: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 5 Cannabis Retailer**
- b. **Class 6 Cannabis Delivery**

7. The number of Class 5 Cannabis Retailers shall not exceed two (2) in the Township at any time. Any currently licensed medicinal marijuana operator in the Township may not be denied under this provision to operate hereafter as a licensed Class 5 Cannabis Retailer or Class 6 Cannabis Delivery Service.

8. The Township shall impose a municipal transfer tax pursuant to the Act for the maximum amount allowable for: (a) receipts from the sale of cannabis by a cannabis cultivator to another cultivator; (b) receipts from the sale of cannabis by one cannabis establishment to another cannabis establishment ("Cannabis establishment" is defined as a cannabis cultivator, manufacturer, wholesaler, or retailer); (c) receipts from the retail sales of cannabis by a cannabis retailer to consumers.

9. Any article, section, paragraph, subsection, clause, or other provision of the Lawrence Township Municipal Code inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

10. If any section, paragraph, subsection, clause, or provision of this ordinance shall be adjudged by a court of competent jurisdiction to be invalid, such adjudication shall apply only to the

section, paragraph, subsection, clause, or provision so adjudged, and the remainder of this ordinance shall be deemed valid and effective.

11. This ordinance shall take effect upon its passage and publication and filing with the County of Mercer Planning Board, and as otherwise provided for by law.

Adopted: July 20, 2021

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Bobbitt	X						
Ms. Lewis	X					X	
Mr. Powers	X						X
Mr. Ryan	X						
Mayor Kownacki	X						

ATTEST:

Kathleen S. Norcia, Municipal Clerk

James S. Kownacki, Mayor

I, Kathleen S. Norcia, Municipal Clerk of the Township of Lawrence, do hereby certify that the foregoing is a true copy of an ordinance duly introduced by the governing body of the TOWNSHIP OF LAWRENCE on June 15, 2021.

Kathleen S. Norcia, Municipal Clerk