## ORDINANCE OF THE CITY OF GLOUCESTER CITY COUNTY OF CAMDEN, STATE OF NEW JERSEY #0 \(\)\(\gamma\) - 2023

# ORDINANCE OF THE CITY OF GLOUCESTER CITY, COUNTY OF CAMDEN AND STATE OF NEW JERSEY TO PROVIDE FOR A CANNABIS ESTABLISHMENT AS CONDITIONALLY PERMITTED USE OVERLAY ZONE AND CREATING A LICENSING PROCESS

WHEREAS, the City of Gloucester City ("City") is a municipal entity organized and existing under the laws of the State of New Jersey and is located in Camden County; and

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" ("CREAMMA"), 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 law establishes six specific types of cannabis related businesses that may be licensed by the state and allows each municipality to determine whether or not each of these types of businesses shall be permitted within their municipal boundaries; and

WHEREAS, CREAMMA authorizes municipalities to adopt by ordinance regulations governing the number of Cannabis Establishments, Cannabis distributors and Cannabis Delivery services, except for the delivery of Cannabis items and related supplies by a Cannabis delivery service based and initiated from outside of the municipality; and

WHEREAS, the law establishes six specific types of cannabis related businesses that may be licensed by the state and allows each municipality to determine whether or not each of these types of businesses shall be permitted within their jurisdictional boundaries as follows:

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 type of 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 in order 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, the Mayor and Council of the City of Gloucester has determined that in light of the foregoing it is in the best interest of the City to adopt and implement this Ordinance that is in keeping with goals of the Master Plan and is in best interest of the City and health, safety and welfare of its residents and visitors;

**NOW THEREFORE, BE IT ORDAINED** by the Mayor and Common Council of the City of Gloucester City, County of Camden and State of New Jersey as follows:

<u>SECTION 1</u>: Chapter \_\_\_\_\_, Local Licensing Procedures is hereby amended to add the following:

Article III, Cannabis Licensing Procedures

### §\_\_\_\_\_. Licensed Required – Cannabis Facilities.

- A. No person or business entity shall engage in or carry on any cannabis business of any Class, in the City of Gloucester City, or engage in said business, unless a license as herein provided for shall have been first obtained by the person or business entity engaging in said business.
- B. Any person or business wishing to obtain a local cannabis license for any class of cannabis establishment shall file a license application with the City Clerk, on a standardized form established by the City Clerk in a form attached hereto and made a

part hereof, and available in the Clerk's office and on the City's website.

- C. An application shall be deemed incomplete, and shall not be processed by the City Clerk, until all documents and application fees are submitted. To be deemed complete, all applications shall be accompanied by the following:
  - (1) The applicant shall submit proof of licensure by the State of New Jersey.
  - (2) The applicant shall submit proof that the applicant has or will have lawful possession of the premises proposed for the cannabis establishment, which proof may consist of the following: a deed, a lease, a real estate contract contingent upon successful licensing, or a letter of intent from the owner of the premises indicating an intent to lease the premises to the applicant contingent upon approval of required licenses.
  - (3) The location proposed for licensing by the applicant shall comply with all applicable City zoning laws and the location restrictions set forth in the City Land Use Ordinance.
  - (4) The applicant shall submit a nonrefundable initial application fee in the amount of Two Thousand Five Hundred Dollars (\$2,500) or a nonrefundable annual renewal fee in the amount of One Thousand Dollars (\$1,000) as appropriate. The amount of the nonrefundable application or renewal fee may be modified from time to time by subsequent duly adopted Fee Ordinance by the City of Gloucester City.
  - (5) The applicant and the substance of the application shall otherwise comply with any and all qualification standards set forth in all state and local laws, rules and regulations.
  - (6) Notwithstanding the foregoing, any entity requiring a letter of endorsement from the Mayor or Common Council of the City of Gloucester shall first make send request in writing along with a letter fee in the amount of \$750.00.

#### § Term of license and license renewal; transfers.

- A. Any duly issued license by the City of Gloucester City shall be valid for a period of (1) year, commencing January 1, of each year and each succeeding year.
- B. The City Clerk may, at his/her discretion, adjust the annual renewal date of the local cannabis license to correlate with an applicant's state licensing or renewal schedule to the extend applicable.
- C. Upon renewal of a license hereunder, the licensee shall be governed by any amendments, further restrictions, or change in requirements adopted since the previously license was issued or renewed.
- D. Transfer of ownership of a license, changes of location of any license issued hereunder, or modifications to expand a licensed premise shall be require the issuance of a new license requiring the initiation of the licensing process, subject to the express review and approval

of the City of Gloucester City or its Land Use Board.

- E. If the licensee shall receive a notice of violation of any law or regulations relating to its state license, including disciplinary action against any past or current cannabis license, the application for renewal shall include a copy of any such violations issued, or other such disciplinary action with its application.
- F. Any person aggrieved by the action of the City Clerk in the denial of an application for license, or the decision with reference to the revocation or suspension of a license in accordance with this chapter, shall have the right of appeal to the City's Common Council. Such appeal shall be taken by filing with the City Clerk, within ten (10) days of the action complained of, a written statement setting forth fully the grounds for the appeal. The City's Common Council may decide the matter on the papers or schedule a time and place for a hearing on such appeal. Notice of any such hearing shall be served upon the applicant/licensee (whichever is appropriate) or mailed, postage prepaid, to the applicant/licensee at the address given on the application for license in accordance with this chapter, at least five (5) days prior to the date set for said hearing. The decision and order of the City Council on such appeal shall be final and conclusive.

#### §266-25. Enforcement.

This Article and/or Article §\_\_\_\_\_\_, its entirety, shall be enforced by the Police Department and/or other municipal officials of the City of Gloucester City.

#### §266-26. Disposition of fees.

The Clerk of the City of Gloucester City shall turn over all said license fees collected by him/her to the City Chief Financial Officer.

#### §266-27. Violations and penalties.

Any person violating any provision of this article shall, upon conviction thereof, be subject to a fine not exceeding \$2,000 or imprisonment in the county jail for a term not exceeding 90 days or a period of community service not exceeding 90 days, or any combination thereof, in the discretion of a court of competent jurisdiction. Each and every day that such violation shall continue shall be a further and separate offense under the terms of this article, subject to the penalties herein prescribed.

**SECTION 2**. Any article, section, paragraph, subsection, clause, or other provision of the Code of the City of Gloucester City inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

**SECTION 3.** 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.

SECTION 4. This ordinance shall take effect upon its passage and publication as provided for by law.

Day R. Baile, Mayor

Passed on First Reading: February 23, 2023

Adopted by the Mayor and Common Council of Gloucester City this 27th day of March, 2023.

Vanessa L. Little, RMC,

Certified Municipal Registrar