RESOLUTION OF THE CITY OF GLOUCESTER CITY County of Camden, State of New Jersey #R \9\\ - 2021

RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF GLOUCESTER CITY TO COMPLETE AND SUBMIT A LETTER OF ENDORSEMENT FOR APPLICATIONS TO APPLY FOR AND SITE, WITHIN CITY APPROVED AND APPROPRIATELY ZONED AREAS, FOR RECREATION CANNABIS DISPENSARY AND RELATED LICENSED FACILITIES

WHEREAS, the City of Gloucester City located in Camden County and State of New Jersey, overwhelmingly approved Public Ballot Question #1 regarding the legalization of recreational cannabis by a margin of 3232 in favor to 922 against, an approval percentage of 77.8% of the participating voters; 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 Distributer license, for businesses involved in transporting cannabis plants in bulk from on 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, Section 31b of the Act authorizes municipalities by ordinance to 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, however, 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 a period of 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, on or about June 17, 2021 the Mayor and Common Council adopted an Ordinance Opting Out, on a temporarily basis, from the liberal state regulations and determined the following: 1. At present there are uncertainties regarding the future impacts that allowing one or more classes of cannabis business might have on New Jersey municipalities in general, and on the City of Gloucester City in particular; 2. There is a lack of clarity and direction in the Act; 3. There are potential negative impacts upon children in the City; 4. There are potential detrimental impacts on residents in a small community such as the City of Gloucester City; 5. The City of Gloucester City is almost completely built-out and developed and there are does not appear to be any isolated areas for one or more classes of cannabis businesses; and 6. The Mayor and Common Council need more time to study and review the Act and its impact on the City of Gloucester City and its residents.

WHEREAS, the Mayor and Common Council likewise determined that while it would respect the vote of the electorate in Gloucester City and permit the sale of cannabis within its borders, it would do so in a manner which was enacted pursuant to "home rule" and in the best interest of the health, safety and welfare of the City of Gloucester City's residents; and

WHEREAS, the Mayor and Common Council, in conjunction with its, Zoning Officer, City Planner and Planning Board have prepared to initiate the most prudent course of action for the enactment of regulations and zoning changes which permits the sale of cannabis in the City in a thoughtful and judicious manner.

WHEREAS, the Mayor and Common Council shall permit the sale of cannabis subject to certain zoning regulations that benefits the City as a whole.

WHEREAS, applications for Recreational Cannabis applications require support and endorsement from the City in the event an applicant desires to locate Recreational Cannabis Dispensaries and related facilities within the City, specifically a letter from the Mayor in support of any such application to the State of New Jersey; and

WHEREAS, the City Council of the City of Gloucester City hereby authorizes the Mayor to execute such an endorsement letter in a form approved by the City Solicitor for applicants seeking to open a facility in compliance with the regulations and zoning ultimately recommended by the Planning Board and approved by the Mayor and Common Council.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of Gloucester City as follows:

- 1. The provisions of the **WHEREAS** clauses set forth above are incorporated herein by reference and made a part hereof.
- 2. The Mayor and Common Council of the City of Gloucester City authorizes the Mayor to execute and deliver a Letter of Endorsement, in a form approved by the City Solicitor, subject to anticipated zoning regulations adopted by the City, upon notice to the remaining members of the Governing Body to the State of New Jersey upon an appropriate request.
- 3. In order to allow for an appropriate zoning scheme, the Mayor and Common Council of the City of Gloucester City hereby authorizes the City Attorney, Zoning Officer, Planning Board Attorney and Planning Board, to take and all actions necessary to determine the appropriate amendments to the City's Land Use Ordinance to allow for Recreational Cannabis sales and related facilities to be located within appropriate locations of the City through whatever effective means necessary to carrying the purposes set forth within this Resolution.

Patrick J. Keating, Mayor

Passed by the Mayor and Common Council of Gloucester City this 7th day of September, 2021.

Vanessa L. Parent, City Clerk