

ORDINANCE

No. _____

1st Reading MAY 05 2022

Date to Mayor _____

Public Hearing JUN 02 2022

Date Returned _____

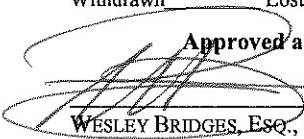
2nd Reading & Passage JUN 02 2022

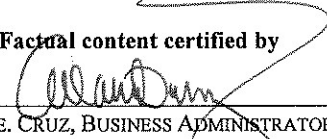
Date Resubmitted to Council _____

Withdrawn _____ Lost _____

Approved as to Form and Legality

Factual content certified by


WESLEY BRIDGES, ESQ., CITY ATTORNEY


ADAM E. CRUZ, BUSINESS ADMINISTRATOR

Councilman /woman _____ presents the following Ordinance:

AN ORDINANCE AMENDING AN ORDINANCE REPEALING AND REPLACING THE REVISED GENERAL ORDINANCES OF THE CITY OF TRENTON, COUNTY OF MERCER, NEW JERSEY CHAPTER 146 “LICENSING” ARTICLE IX “CANNABIS LICENSING”, AMENDING CHAPTER 268 “TAXATION”, ARTICLE VII “CANNABIS TRANSFER TAX”, THE AMENDMENT OF VARIOUS REDEVELOPMENT PLANS, AND THE LAND DEVELOPMENT ORDINANCE

WHEREAS, the City of Trenton (“City”) is a Faulkner Act municipality with a Mayor-Council form of government pursuant to N.J.S.A 40:69A-31, *et seq.*, with its organization, positions, powers, and duties outlined within the Code of the City of Trenton as set forth pursuant to the Faulkner Act; and

WHEREAS, the City endorsed the expansion of medical cannabis in the State of New Jersey so as to provide needed relief to the many persons suffering from chronic and/or debilitating illnesses who may benefit therefrom; and

WHEREAS, the Jake Honig Compassionate Use Medical Cannabis Act, N.J.S.A. 24:6I-2, *et seq.* (“CUMMA”), which permits the authorized medical use of cannabis, was amended on July 2, 2019, further clarifying the City’s ability to control the proposed location of medical cannabis dispensaries, cultivation centers and manufacturing facilities, and permitting the City to impose a transfer tax at a uniform percentage rate not to exceed 2% on the purchase price of any medical cannabis dispensed by a medical cannabis dispensary located in the City; and

WHEREAS, in 2020 the voters of the State of New Jersey approved Public Question No. 1, which endorsed the legalization of recreational cannabis for adults 21 years of age or older; and

WHEREAS, the voters of the City of Trenton approved Public Question No. 1, overwhelmingly at a rate of 80.68%; and

WHEREAS, on February 22, 2021, Governor Murphy signed into law the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (P.L. 2021, c. 16) (“NJCREAMMA”), 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

ORDINANCE

WHEREAS, NJCREAMMA 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 purchase 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 NJCREAMMA 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 of operation of such establishments, distributors or delivery services, and establishing civil penalties for the violation of any such regulations; and

WHEREAS, NJCREAMMA further strengthens municipal control over such uses and allows, at the discretion of the municipality, a tax to be imposed on: receipts from the sale of cannabis by a cannabis cultivator to another cannabis cultivator; receipts from the sale of cannabis items from one cannabis establishment to another cannabis establishment; receipts from the retail sales cannabis items by a cannabis retailer to retail consumers, with each municipality setting its own rate or rates, but in no case shall a rate exceed: two percent of the receipts from each sale by a cannabis cultivator; two percent of the receipts from each sale by a cannabis manufacturer; one percent of the receipts from each sale by a cannabis wholesaler; and two percent of the receipts from each sale by a cannabis retailer.; and

WHEREAS, the City supports safe and appropriate siting of cannabis related and supporting businesses within the City, including medical and adult use cannabis dispensaries, cultivation centers, manufacturing facilities, and

ORDINANCE

WHEREAS, this Ordinance, which is meant to comprehensively repeal and replace applicable sections of the City's Land Development Ordinance and Redevelopment Area Plans, shall rely upon and be interpreted in accordance with the statutes, rules, and regulations enacted by the New Jersey Legislature and the various State Agencies, Authorities, and Departments governing the legal adult use of marijuana in the State of New Jersey; and

WHEREAS, the City is currently drafting a new Land Development Ordinance and shall include these permitted uses within that ordinance; and

WHEREAS, the City wishes to establish a local licensing and taxation regulatory framework for the establishment of Cannabis-related Businesses; and

WHEREAS, Pursuant to §315-76 of the Trenton City Land Development Ordinance ("LDO"), and as permitted by the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A- 7(c), *et seq.*, the specific regulations adopted by the City governing a Redevelopment Area are to supersede those governing the underlying zoning district, and shall not alter the boundaries of any Redevelopment Area or Zoning District, and shall only constitute amendment to the permissible uses therein; and

WHEREAS The City wishes to amend the Land Development Ordinance to be consistent as detailed more specifically below in section 3. "Amend the following Redevelopment Are Plans" subsection 1) "Permitted Uses"

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Trenton, County of Mercer that the Code of the City of Trenton be amended as follows:

Section 1. Amend Chapter 146 Licensing, by adding Article IX Cannabis Businesses

ARTICLE IX Cannabis Businesses

§146-16 Purpose

The regulations of this Ordinance are subject to the enabling authority of the State of New Jersey and are subject to compliance with all statutes and/or regulations adopted by the State of New Jersey or its instrumentalities, including the Cannabis Regulatory Commission. If any provision of this Ordinance is inconsistent with state statutes and/or regulations, the state statutes and/or regulations shall prevail.

The purpose of this article is to enable the City of Trenton to take effective action to assure that all cannabis-related business advance the requirements of their licensure as regulated by the State of NJ, by ensuring the citizens of the City of Trenton are provided ample opportunity to participate within this new industry while advancing community development initiatives, including but not limited to public health, job training, enhanced recreational opportunities, drug prevention education, and social justice related programming and/or support thereof.

§146-17 Definitions

ORDINANCE

ACADEMIC MEDICAL CENTER

An entity located in New Jersey that, on the effective date of P.L.2019, c.153 (C.24:6I-5.1 et al.), has an addiction medicine faculty practice or is in the same health care system as another facility located in New Jersey that offers outpatient medical detoxification services or inpatient treatment services for substance use disorder; has a pain management faculty practice or a facility-based pain management service located in New Jersey; has graduate medical training programs accredited, or pending accreditation, by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association in primary care and medical specialties; is the principal teaching affiliate of a medical school based in the State; and has the ability to conduct research related to medical cannabis. If the entity is part of a system of health care facilities, the entity shall not qualify as an academic medical center unless the health care system is principally located within the State.

ACT

Collectively refers to NJCUMA and NJ CREAMMA.

NJ CUMA

The New Jersey Jake Honig Compassionate Use Medical Cannabis Act, P.L. 2009, c. 307 (approved January 18, 2010), amended by P.L. 2019, c. 153 (approved July 2, 2019), codified at N.J.S.A. 24:6I-1 et seq.

NJ CREAMMA

The New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16); legalizes personal use cannabis for certain adults, subject to State regulation; decriminalizes small amount marijuana and hashish possession; removes marijuana as Schedule I drug.

CANNABIS CULTIVATION CENTER or CULTIVATION CENTER (Class 1 License)

A building, structure, or premises used for the cultivation or storage of cannabis. Includes the planting, propagating, cultivation, growing, harvesting, labeling or manufacturing, compounding and storing of cannabis for the limited purpose of this chapter. A cultivation center may be physically separate and off-site from the associated licensee's cannabis dispensary. When connected to, or part of, the same property by which an ATC dispenses from, it is considered part of the ATC or Dispensary.

CANNABIS DISPENSARY or RETAILER (Class 5 License)

A retail facility that acquires, possesses, sells, distributes, transmits, gives, dispenses, or otherwise provides cannabis to person 21 years and older. While it may administer medical cannabis to qualifying patients, it is open to Adult Use.

ORDINANCE

CANNABIS MANUFACTURING FACILITY OR MANUFACTURING FACILITY (Class 2 License)

Facility involved with compounding, making, and processing of medical cannabis in all forms including those that involve food handling.

ALTERNATIVE TREATMENT CENTER (ATC) or MEDICAL CANNABIS ALTERNATIVE TREATMENT CENTER

An organization authorized through licensure issued by the NJ State Department of Health and the Board of Medical Examiners to perform activities necessary to provide registered qualifying patients with usable cannabis and related paraphernalia in accordance with the provisions of the CUMA. Cultivation and manufacturing, unless within the same structure or property as a dispensary, shall be treated as a separate zoning use category though it may be part of the license issued by the state for a single entity. No Adult Use cannabis business-related activities may take place within an ATC Dispensary unless granted a Zoning Permit by the City Zoning Official.

CANNABIS

The definition given to Cannabis sativa L. whether growing or not, the seeds thereof, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant, which are cultivated and, when applicable, manufactured in for use in cannabis products as set forth in the NJCREMMA, but shall not include the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product. "Cannabis" does not include: medical cannabis dispensed to registered qualifying patients pursuant to the "Jake Honig Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, 47 c.158 (C.18A:40-12.22 et al.); marijuana as defined in N.J.S.2C:35-2 and applied to any offense set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or marihuana as defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to any offense set forth in the "New Jersey Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-1 et al.); or hemp or a hemp product cultivated, handled, processed, transported, or sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.) as long as said hemp does not contain more than the State and/or Federal allowable limits of Delta-8-Tetrahydrocannabinol or Delta-9-Tetrahydrocannabinol, the compound commonly known as THC

CANNABIS BUSINESS or ESTABLISHMENT

An organization issued a license by the Commission to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, or cannabis dispensary. While it may have a component that administers Medical Cannabis to qualifying patients, it is open to adult use of cannabis for person 21 years and older.

ORDINANCE

CANNABIS CONSUMPTION AREA “CCA”:

A designated location operated by a licensed cannabis retailer or permit holder for dispensing medical cannabis, for which both a State and local endorsement has been obtained, that is either: (1) an indoor, structurally enclosed area of the cannabis retailer or permit holder that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (2) an exterior structure on the same premises as the cannabis retailer or permit holder, either separate from or connected to the cannabis retailer or permit holder, at which cannabis items or medical cannabis either obtained from the retailer or permit holder, or brought by a person to the consumption area, may be consumed. Licensed cannabis retailers and medical dispensaries shall restrict use or consumption to designated areas or spaces. The City Council may authorize the operation of a CCA for the personal use, medical use or both personal use and medical use of cannabis within its jurisdiction through the adoption of a resolution. In order to operate a CCA under a cannabis retail license, the license holder must also apply for an “endorsement” from the CRC and the local governmental entity where the retail establishment would operate. The cannabis retail license holder is prohibited from operating a CCA without both state and local approval.

CANNABIS DELIVERY SERVICE (Class 6 License)

Any licensed person or entity that provides courier services for consumer purchases of cannabis items and related supplies fulfilled by a cannabis retailer in order to make deliveries of the cannabis items and related supplies to that consumer, and which services include the ability of a consumer to purchase the cannabis items directly through the cannabis delivery service, which after presenting the purchase order to the cannabis retailer for fulfillment, is delivered to that consumer. This person or entity shall hold a Class 6 Cannabis Delivery license.

CANNABIS DISTRIBUTOR (Class 4 License)

Any licensed person or entity that transports cannabis in bulk intrastate from one licensed cannabis cultivator to another licensed cannabis cultivator, or transports cannabis items in bulk intrastate from any one class of licensed cannabis establishment to another class of licensed cannabis establishment and may engage in the temporary storage of cannabis or cannabis items as necessary to carry out transportation activities. This person or entity shall hold a Class 4 Cannabis Distributor license.

CANNABIS TRAINING FACILITY

An entity that provides educational curriculum and/or mentorship and job training in related Cannabis & Hemp related businesses, including but not necessarily limited to; medical research, political science, legal, accounting, operational professionals, and law enforcement in the emerging cannabis industry from a Science, Technology, Engineering, Arts, & Math perspective. A Training Facility may, but is not required to, hold any license to sell, cultivate, or manufacture Cannabis.

ORDINANCE

CAREGIVER

Institutional or Designated Caregiver, as defined in the Act, who is authorized to assist with a registered qualifying patient's medical use of cannabis.

CAREGIVER IDENTIFICATION CARD

The New Jersey Medical Marijuana Program Identification Card, which identifies registered caregivers under the Act.

CLINICAL REGISTRANT

An entity that has a written contractual relationship with an academic medical center in the region in which it has its principal place of business, which includes provisions whereby the parties will engage in clinical research related to the use of medical cannabis and the academic medical center or its affiliate will provide advice to the entity regarding patient health and safety, medical applications, and dispensing and managing controlled dangerous substances, among other areas.

HEMP or INDUSTRIAL HEMP

Is a variety of the Cannabis sativa plant species that is grown specifically for industrial use. It can be used to make a wide range of products including paper, rope, textiles, clothing, biodegradable plastics, paint, insulation, biofuel, food, and animal feed. Regulated through the USDA, the allowable amount of total THC may not exceed 0.3% at harvest.

MEDICAL CANNABIS CULTIVATOR

An organization issued a permit by the Permitting Authority that authorizes the organization to possess and cultivate cannabis and deliver, transfer, transport, distribute, supply, and sell medical cannabis and related supplies to other medical cannabis cultivators and to medical cannabis manufacturers and dispensaries, as well as to plant, cultivate, grow, and harvest medical cannabis for research purposes. For the purposes of zoning, this shall include the building, structure, or premises used for the cultivation or storage of medical cannabis. A cultivation center may be physically separate and off-site from an associated medical cannabis dispensary. When connected to, or part of, the same property as a medical cannabis dispensary, the cultivation center shall be considered part of the medical cannabis dispensary.

MEDICAL CANNABIS DISPENSARY

An organization issued a permit by the Permitting Authority that authorizes the organization to: purchase or obtain medical cannabis and related supplies from medical cannabis cultivators; purchase or obtain medical cannabis products and related supplies from medical cannabis manufacturers; purchase or obtain medical cannabis, medical cannabis products, and related supplies and paraphernalia from other medical cannabis dispensaries; deliver, transfer, transport, distribute, supply, and sell medical cannabis and

ORDINANCE

medical cannabis products to other medical cannabis dispensaries; furnish medical cannabis, including medical cannabis products, to a medical cannabis handler for delivery to a registered qualifying patient, designated caregiver, or institutional caregiver consistent with the requirements of the Act; and possess, display, deliver, transfer, transport, distribute, supply, sell, and dispense medical cannabis, medical cannabis products, paraphernalia, and related supplies to qualifying patients, designated caregivers, and institutional caregivers. For the purposes of zoning, this shall include the building, structure, or premises used for the dispensing of medical cannabis. No adult use cannabis business-related activities may take place within an ATC Dispensary unless granted a Zoning Permit by the City Zoning Official.

MEDICAL CANNABIS MANUFACTURER

An organization issued a permit by the Permitting Authority that authorizes the organization to: purchase or obtain medical cannabis and related supplies from a medical cannabis cultivator; purchase or obtain medical cannabis products from another medical cannabis manufacturer; produce, manufacture, or otherwise create medical cannabis products; and possess, deliver, transfer, transport, distribute, supply, and sell medical cannabis products and related supplies to other medical cannabis manufacturers and dispensaries. For the purposes of zoning, this shall include the building, structure, or premises used for the manufacturing of medical cannabis products.

MEDICAL USE OF CANNABIS

The acquisition, possession, transport or use of cannabis or paraphernalia by a registered qualifying patient as authorized by the CUMA.

CANNABIS MICROBUSINESS

Mean a person or entity licensed as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service that may only, with respect to its business operations, and capacity and quantity of product: (1) employ no more than 10 employees; (2) operate a cannabis establishment occupying an area of no more than 2,500 square feet, and in the case of a cannabis cultivator, grow cannabis on an area no more than 2,500 square feet measured on a horizontal plane and grow above that plane not higher than 24 feet; (3) possess no more than 1,000 cannabis plants each month, except that a cannabis distributor's possession of cannabis plants for transportation shall not be subject to this limit; (4) acquire each month, in the case of a cannabis manufacturer, no more than 1,000 pounds of usable cannabis and; (5) acquire for resale each month, in the case of a cannabis wholesaler, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof; and (6) acquire for retail sale each month, in the case of a cannabis retailer, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof.

ORDINANCE

CANNABIS WHOLESALER (Class 3 License)

Any licensed person or entity that purchases or otherwise obtains, stores, sells or otherwise transfers and may transport, cannabis items for the purpose of resale or other transfer to either another cannabis wholesaler or to a cannabis retailer, but not to consumers. This person or entity shall hold a Class 3 Cannabis Wholesaler license

MMP IDENTIFICATION CARD

The New Jersey Medical Marijuana Program Identification Card, which identifies registered qualifying patients under the Act.

PARAPHERNALIA

The definition as provided in N.J.S.A. 2C:36-1.

PERMIT

The documents issued by the Permitting Authority pursuant to the Act and local ordinance granting the legal right to operate as a Cannabis Business.

PERMITTING AUTHORITY

The entity responsible for the regulation and enforcement of activities associated with the production and/or sale of cannabis. This shall include the New Jersey Department of Health and the Cannabis Regulatory Commission, established pursuant to section 31 of P.L.2019, c. 153 (C.24:6I-24), which shall assume all powers, duties, and responsibilities with regard to the regulation and oversight of activities authorized pursuant to P.L.2009, c. 307 (C.24:6I-1 et al.) from the Department of Health for the further development, expansion, regulation, and enforcement of activities associated with the medical use of cannabis pursuant to P.L.2009, c. 307 (C.24:6I-1 et al.). This shall also include any City Cannabis Committee or entity set up for the review and local licensing of Cannabis Businesses.

QUALIFYING PATIENT OR PATIENT

A resident of the State of New Jersey who has been authorized for medical use of cannabis by a health care practitioner, and who has been registered by the Permitting Authority as, a registered qualifying patient.

USABLE CANNABIS

The dried leaves, flowers, stems, stalks of a Cannabis Sativa plant, including any mixture manufactured as a tincture, ointment, salve, or products prepared for oral digestion, but does not include the seed, or roots of the plant.

ORDINANCE

VERTICALLY INTEGRATED CANNABIS FACILITY

The co-location or combination of the following activities related to the production of usable cannabis for qualifying patients within a single corporate entity: cultivation, manufacturing, and dispensing. NJCREAMMA does not permit vertically integrated cannabis facilities with regard to adult use cannabis.

§146-18 Limitation on Cannabis Businesses within the City.

(1) Buffering Requirements:

- (a) No Cannabis Dispensary shall be located within 1,000 feet from any other Cannabis Dispensary, excluding Alternative Treatment Centers and Medical Cannabis Dispensaries only selling Medical Cannabis, which shall be generally measured from the subject property line to property line. Established Medical Cannabis Dispensaries seeking to expand to Adult Use, may not do so if in violation with this requirement.
- (b) Cannabis dispensaries shall not be located within 750 feet from all schools where children are routinely present.
- (c) Standalone cultivation centers and manufacturing facilities are not included within this prohibition if the secured facility does not contain a Cannabis Dispensary or have public access and is otherwise properly situated in accordance with this Chapter.

(2) The number of Cannabis Dispensaries located within the City shall be limited to 10 Retail Cannabis Dispensaries. There are no limits on the other license classes. Micro-license dispensaries are included within this limitation on dispensaries. Standalone cultivation centers and manufacturing facilities are not included within this prohibition if the secured facility does not contain a Cannabis Dispensary or have public access and is otherwise properly situated in accordance with this Chapter

(3) In the event more than one land use application for a Cannabis Dispensary, cultivation center or manufacturing facility of the same classification are submitted to the City in close proximity to one another, and if the applications comply with all the requirements of this chapter and the Act, the City is not permitted to approve all of the applications because of the limitations set forth in this subsection. The City shall first review for approval the application that was first submitted and determined to be a complete and compliant application by the City Planner, or Zoning Official.

§146-20 Local licensing authority. A City Cannabis Advisory Committee (CAC) appointed by the City Governing Body will act as the body for local review for the City for all cannabis establishments. Under all circumstances in which State law requires communication to the City by the Cannabis Regulatory Commission or any other State agency with regard to the licensing of cannabis establishments by the State, or in which State law requires any review or approval by

ORDINANCE

the City of any action taken by the State licensing authority, the exclusive authority for receiving such communications and granting such approvals shall be communicated through the City Clerk's Office upon recommendation by the sign-off by the City Cannabis Advisory Committee and authorized by the City's Governing Body.

- (1) Members of said CAC shall include five (5) residents and two (2) business owners located within the City. ~~The appointees shall include at a minimum one member from the following categories;~~
 - ~~a) Mayor or Designee~~
 - ~~b) City Council~~
 - ~~c) City Administrator or Designee~~
 - ~~d) Economic Development Director or Designee~~
 - ~~e) Trenton Police Director or Designee~~
 - ~~f) City Planning Board Chair or Designee~~
 - ~~g) A member of the Community from each ward of the City.~~

- (2) Thereupon the governing body (the City Council) shall, by resolution or ordinance, as appropriate, appoint five persons as commissioners of the authority. The commissioners who are first appointed shall be designated to serve for terms of 1, 2, 3, 4, and 5 years, respectively, from the date of their appointment, but thereafter commissioners shall be appointed as aforesaid for a term of 5 years, except that all vacancies shall be filled for the unexpired term. The mayor shall appoint the two additional commissioners, to terms of five years, except that all vacancies shall be filled for the unexpired term.

- (3) ~~(2)~~-The Committee shall be supported by the Law Director and City Planning Office.

- (4) ~~(3)~~-Of the members of the Committee, no member shall be affiliated with or related to a New Jersey Adult Use Cannabis Business or Medical Cannabis Establishment or prospective licensee, but all shall be resident or business owner of the City within the past 5 years.

- (5) ~~(4)~~-No member of the committee may hold interest in or be related to an applicant.

- (6) ~~(5)~~-All meetings of the Committee shall be subject to the Open Public Meetings Act, with minutes kept in accordance with same.

- (7) ~~(6)~~-Duties of the Committee will be to advise the City Governing Body as to the issuance of Cannabis Business Permits within the City of Trenton based on the information issued by the Governing Body and consistent with §146-23.

ORDINANCE

(8) The Committee shall provide a written report to the City Council on a quarterly basis, or at any rate no fewer than four (4) times per year, on the status of their work, including but not limited to:

- a. The number of applicants and the location(s) of any approved facilities;
- b. The number of employees / qualifying microbusiness identifiers;
- c. The percentage of ownership for each beneficial owner, and if applicable intermediary owners, as well as LLC members, partners, public or non-public shareholders displayed in an ownership structure chart;
- d. Proof of New Jersey residency;
- e. The owner(s)' gender; and
- f. The owner(s)' race, nationality, or ethnic group.

§146-21 Effectiveness. Under no circumstances shall a local permit for a cannabis establishment issued through the Clerk be effective until or unless the State has issued the requisite licenses to operate such a facility. It is the intent of this Chapter that no cannabis establishment may lawfully operate in the City of Trenton without the issuance of a State license and full regulatory oversight of the cannabis establishment by the Cannabis Regulatory Commission or other state licensing authority as well as the issuance of a Cannabis Business Permit by the City.

(1) Classification of licenses. Consistent with the State classification of licenses, the City, subject to local land use approval and/or zoning permit, and State licensure, may issue the following municipal permits to operate a cannabis establishment:

Class I: Cannabis Cultivator

Class II: Cannabis Manufacturer

Class II: Cannabis Wholesaler

Class IV: Cannabis Distributor

Class V: Cannabis Retailer - including microbusiness retailer

Class VI: Cannabis Delivery

Consumption Lounges

(2) Issuance of Municipal Permits. The City Cannabis Committee shall set the number of local Cannabis Permits issued annually but may not exceed the total number of such permitted at any given time as set forth in this Chapter. Notwithstanding, the maximum amount of application for State licensure that the City shall consider

ORDINANCE

endorsing for the first period (August 21, 2021 to December 31, 2022), regardless of the maximum number set forth in item d. below, is set forth as follows:

Class I thru Class IV: No limit

Class IV: Cannabis Distributor - 0

Class V: Cannabis Retailer - including microbusiness retailers -
10

Class VI: Cannabis Delivery -2

§146-22 Application. Persons wishing to obtain any classification of cannabis license shall file a license application with the Committee, on a standardized form established by the Committee and available in the Clerk's office once the City has issued a Request for Proposals (RFP). The Committee shall establish a reasonable application period and deadline for all applications. An application shall be deemed incomplete and shall not be processed by the Clerk and transmitted to the Committee, 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 that the applicant has or will have lawful possession of the premises proposed for the cannabis establishment, which proof may consist of: a deed, a lease, a real estate contract contingent upon successful licensing, or a binding letter of intent by the owner of the premises indicating an intent to lease the premises to the entrant contingent upon successful licensing.
- (2) The applicant shall submit an affidavit and documentary proof of compliance with all state and local laws regarding affirmative action, anti-discrimination and fair employment practices. The applicant shall also certify under oath that they will not and shall not discriminate based on race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.
- (3) The location proposed for licensing by the applicant shall comply with all applicable municipal zoning laws and the location restrictions set forth in this Code with a Conditional Zoning Permit required.
- (4) The applicant shall submit, to the satisfaction of the Committee, proof of financial capability to open and operate the marijuana establishment for which the applicant is seeking a license. Standards for proof of financial capability shall be presented in strict confidence as determined by the requirements of the CRC.
- (5) The applicant shall submit a fee for the application for a conditional permit in the amount of \$10,000. Micro-licenses shall submit a fee of \$1,000.
- (6) Transfer Fees. Shall be 10% of sale of the license or \$10,000, whichever is greater. Any entity assuming the transfer of classification license must adhere to the same state and city cannabis laws/regulations.

ORDINANCE

- (7) Upon receipt of a conditional City Cannabis License, the Cannabis Business shall enter into a Local Host Agreement with the City when, upon receipt of a State License, to ratify the proposal put forth in the application. Such an agreement will include any and all proposed community programs, public service proposals, security, and mitigation of any community impacts agreed upon.
- (8) Bi-annual Registration Fees. Upon obtaining a State license shall submit bi-annual registration fees of \$10,000. Micro-licenses shall submit a fee of \$2,000
- (9) The applicant and the application shall otherwise comply with any, and all qualification standards set forth in the State and City laws or regulations.

§146-23 Evaluation.

- (1) The Committee shall evaluate all applicants and issue a recommendation of award after consideration and evaluation of the following criteria to the City Council. Presentation before the City Committee is required. Ties will be broken by the City Council. Each application should be reviewed within the confines of the license category being sought. (For example, a retail dispensary should focus on customer service, marketing, branding and architectural presentation, and public access issues, while a cultivation, distribution, wholesale operation on security, job environment, truck access and loading, and security. Micro-licenses should focus on their business plan and tangentially related experiences and support structures.) Notwithstanding the categories provided for herein, subjectivity in regard to personal tastes and aesthetic matters should be restrained in favor of the thoroughness and level of detail by which an applicant responds. Prior to issuing the request for applications or receiving requests from Cannabis Businesses to gain City Council support the Committee shall make recommendation to the City Council to establish and publish Final criteria and weight categories in accordance with any applicable laws and regulations, which shall be timestamped. Generally, the Committee shall utilize the following upon finalizing criteria for publication:
 - (a) Applicant's owners' or principals' qualifications and experience operating in highly regulated industries, including cannabis, healthcare, pharmaceutical manufacturing, and retail pharmacies, with preference to experience operating such businesses within the State of New Jersey;
 - (b) Applicant's brand and proposal for the physical presence of the business. Including but not limited to; the site's ability to meet all land use regulations (parking, landscaping, signage, etc.), architectural treatments, customer experience (where applicable), etc.;
 - (c) A summary of the applicant's operational plans; including, but not limited to, storage of products and currency, physical security, video surveillance, security personnel, and visitor management;

ORDINANCE

- (d) Applicant's orientation to research and development of Cannabis. Including but not limited to its owners' experience conducting, supporting, and/or future plans to conduct institutional review board-approved research related to medical cannabis, veterans' affairs, or substance abuse. Include whether the applicant has had any assurance accepted by the U.S. Department of Health & Human Services indicating the applicant's commitment to complying with 45 CFR Part 46 (human subjects); and whether the applicant has a research collaboration or partnership agreement in effect with an accredited U.S. school of medicine, or osteopathic medicine with experience conducting cannabis-related research, veterans affairs, or other institutions of higher learning dedicated to cannabis research or occupational training;
- (e) Applicant's or its owners' demonstrated commitment or sufficient experience as responsible employers, defined as the applicant entity being a committed to a local program in collaboration with organizations committed to the well-being of residents, including, but not limited to the City and surrounding service area. Provide evidence in letters of support and agreements. (e.g. Local workforce hiring and development plan, Community service, Collaborations with a university or specialized training facility such as, but limited to Vo-Tech, and dedicated support to social justice initiatives);
- (f) Summary of the applicant's environmental impact/mitigation, and sustainability plan; whether the applicant entity or its parent company has any recognitions from or registrations with federal or New Jersey state environmental regulators for innovation in sustainability; and whether the applicant entity or its parent company holds any certification under international standards demonstrating the applicant has an effective environmental management system or has a designated sustainability officer to conduct internal audits to assess the effective implementation of an environmental management system;
- (g) Applicant's ties to the host community, demonstrated by at least one shareholder's proof of residency in the City for five or more years in the past ten years, or at least one shareholder's continuous ownership of a business based in town for five or more years in the past ten years;
- (h) Applicant's experience and/or commitment to community health related programs and associated charitable organizations, including but not limited to, particular attention toward prevention of drug and alcohol abuse including but limited to youth and vulnerable persons both locally and regionally;
- (i) Applicant's demonstrated commitment to diversity in its ownership composition and hiring practices; Applicant's commitment to supporting and working with local micro-licensees, including but not limited to contracting with and training/mentorship; The applicant entity or its parent company holds any certifications as a NJ minority-owned, women-owned, or veteran-owned business;

ORDINANCE

- (j) Applicant's or its owners' demonstrated commitment or sufficient experience as responsible employers, defined as the applicant entity being a party to a labor peace agreement or the applicant entity or its parent company being a party to a collective bargaining agreement in the regulated cannabis industry for at least one year prior to application for a Cannabis Establishment license, in an effort to create well-paying jobs with employee benefits in the municipality (twenty present in total: five points for a labor peace agreement, full twenty points for collective bargaining agreement in effect for at least one year):
- (2) Annually, up to two (2) applicants for a Cannabis Retailer may be recommended to the Governing Body for their consideration in granting a conditional City Cannabis Business Permit with all scores, application submittals and recommendations in a detailed report to be submitted to Council for their consideration. Upon receipt of the Committee's recommendation, the Council reserves the right ask for public presentations when and where appropriate as part of their review process.

§146-24 Award of City Cannabis License

- (1) Notwithstanding the foregoing competitive application process, a notification of award and conditional license shall entitle the recipient applicant to pursue a State license in the requisite classification for up to 12 months, which may be extended in the City Council's discretion for an additional 6 months for good cause. No business may operate until the applicant has received a State license and satisfied other prerequisites of municipal permit. If the recipient of a notice of award and conditional permit has not received a State permit or license within 12 months from issuance, unless extended for good cause, the City Council shall issue a new request for applications and evaluate all applicants for licensure under the above criteria.
- (2) Term of Permit and Permit renewals.
 - a) Any local Permit issued pursuant to this Chapter that receives a State Cannabis License to operate shall be valid for a period of two (2) years from the date of state issuance and shall be renewed in accordance with the provisions of this Chapter.
 - b) The Committee may, at its discretion, adjust the renewal date of the local license to correlate with an applicant's State licensing and renewal schedule.
 - c) Renewal of any license shall be governed by any code amendments, additional restrictions or changes in regulations adopted since the previous license was issued or renewed in addition to any history of property maintenance and zoning code violations.
 - d) Transfer of ownership of any local license or change of location of any license or modification to expand a licensed premise shall be subject to City Planning review and zoning approval. Such review shall be in accordance with 146-23 (Evaluation) and continuance of the Host Agreements.

ORDINANCE

- e) Except where the Committee has received a complete renewal application along with the requisite fees, and has issued a license renewal, it shall be unlawful for any person to manufacture, sell, distribute, transfer, transport, or otherwise remove cannabis or cannabis products from the premises of any license after the expiration date recorded on the face of the license.
- (3) Award - In the event more than one application for a Cannabis Business (Dispensary, cultivation center or manufacturing facility, etc.) of the same classification is awarded by the State and are submitted to the City which are either; too close in proximity to one another, or exceed the number of available licenses, and if the applications comply with all the requirements of this chapter and the Act, the City is not permitted to approve all of the applications because of the limitations set forth in this subsection. The City Council in consultation with the Committee shall make a determination if reasonable accommodations can be made to eliminate the conflict and/or expand the number of available City Cannabis Business licenses awarded in any given year.
- (4) The conditional Local Host Agreement with the City shall be contingent upon State license approval. Upon receipt of a State License, the local host agreement shall be fully executed. No applicant shall commence operation in the City without execution of an Agreement.

§146-25 Mobile Delivery of cannabis products. Cannabis products may be transferred or delivered, consistent with the requirements of the Act. Mobile facilities shall not be permitted unless expressly authorized under the Act or permitted by the Permitting Authority and approved by Special Permit by the City.

§146-26 Operation of multiple cannabis businesses at a single location. A person may vertically integrate a facility permitted by this section at a single location as long as it is in full compliance with the requirements of the Act and the City Land Development Ordinances.

§146-27 Requirements Applicable to All Cannabis Businesses.

- (1) Samples of cannabis products offered for sale may be displayed on shelves, counters and display cases. All bulk cannabis products shall be locked within a separate vault or safe, with no other items in the safe, securely fastened to a wall or floor, as coordinated with the Trenton City Police Department and allowable under Permitting Authority regulations and state legislation.
- (2) Dispensaries may sell "cannabis paraphernalia" as that term is defined in this section to registered qualifying patients only and shall be exempt from the prohibitions contained in other sections of Ordinance.
- (3) Signage.
 - (a) External signage, including window signage, must be limited to text identifying the business and the logo for the business, provided that said logo does not include a cannabis plant leaf and / or outward glorification of cannabis consumption, where applicable.

ORDINANCE

- (b) All other City sign regulations must be complied with the Land Development Ordinance.
- (4) Must adhere to the provisions of the applicable Development plan
- (5) Security and reporting.
- a) Surveillance System.
 - i. Cannabis Establishments shall be monitored at all times by closed-circuit television surveillance system. Security cameras shall be in use 24-hours per day, seven days per week, and shall cover all cannabis dispensing areas, storage areas, all doors and windows with access into the Cannabis Establishment, parking areas if applicable, and any other areas not mentioned if deemed necessary by the Chief of Police or his/her designee. The surveillance system must be capable of providing surveillance of both interior and exterior areas of the Cannabis Establishment and must be of adequate quality, color rendition and resolution to allow the ready identification of an individual on or adjacent to the site.
 - ii. The security cameras must be Internet Protocol (IP) cameras capable of providing real time footage over the internet. Operators must provide the Trenton City Police Department with access to this real-time camera footage in case of an emergency.
 - iii. The recordings shall be maintained at the Cannabis Operation for a period of not less than thirty (30) days and shall be provided to the City Police Department within twenty-four (24) hours of a written request from the Police Department for any recordings.
 - b) Outside areas of the premises and the perimeter shall be lit in accordance with City regulations and all doors equipped with motion censored lights.
 - c) The Trenton City Police Department shall be provided the name and phone number of a staff person to notify during suspicious activity during or after operating hours
 - d) Security staff is required on the premises during all hours of operation.
 - e) The premises must only be accessed by authorized personnel and free of loitering.
 - f) All cultivation of cannabis shall take place in an enclosed, locked facility.
 - g) Storage of currency. All currency over \$1,000 shall be stored within a separate vault or safe, not used for the storage of medical cannabis, securely fastened to a wall or floor, as approved by the Trenton City Police Department.
 - h) Cannabis Establishments shall comply with all security requirements as established by state law and regulations, as they may be updated from time to time.
- (6) **No products to be visible from public places.** Cannabis plants, products, accessories, and associated paraphernalia contained in any cannabis business shall not be visible from a public sidewalk, public street or right-of-way, or any other public place. On-site storage of usable cannabis shall comply with 21 CFR 1301.72.

ORDINANCE

- (7) **No beer or alcohol on premises.** No fermented malt beverages and no alcoholic beverages shall be kept, served or consumed on the premises of a cannabis business.
- (8) **Storage of products.** All products and accessories shall be stored completely indoors and on-site in accordance with the Act and the Permitting Authority regulations.
- (9) **Cannabis Consumption Areas.** No consumption or smoking of any cannabis products shall be allowed or permitted on the premises or adjacent grounds of a cannabis business unless specially permitted through a Consumption Area permit as part of a licensed Medical Dispensary, and the following conditions:
- a) No Cannabis Dispensary shall be permitted to operate a Consumption Area within 200 feet of any residential zoning district of the City or a single-family residential zoning district of any adjacent municipality.
 - b) If cannabis will be consumed by smoking or vaping, the Cannabis Dispensary must comply with the New Jersey Smoke-Free Air Act (N.J.S.A. 26:3D-55 et seq.) and associated regulations (N.J.A.C. 8:6-1.1 et seq.).
 - c) Only cannabis items purchased on-site at the Cannabis Dispensary shall be consumed within the Consumption Area.
 - d) The Consumption Area shall be limited to licensed cannabis retailers and medical dispensaries and endorsed by the State Cannabis Regulatory Commission.
 - e) Each licensed Cannabis Dispensary may operate only one Cannabis Consumption Area.
 - f) The Cannabis Consumption Area shall comply with the definition set forth herein and be either (a) an indoor, structurally enclosed area of the licensed Cannabis Dispensary that is separate from the area in which retail sales of cannabis items occur or (b) an exterior structure on the same premises as the dispensary, either separate from or connected to the dispensary.
- (10) **Prevention of emissions and disposal of materials.**
- a) Sufficient measures and means of preventing smoke, odors, debris, dust, fluids and other substances from exiting the cannabis business premises shall be provided at all times. In the event that any debris, dust, fluids or other substances shall exit the business premises, the property owner and operator shall be jointly and severally responsible for the full cleanup immediately.
 - b) Businesses shall properly dispose of all materials and other substances in a safe and sanitary manner in accordance with state regulations.
 - c) As applicable, cannabis businesses shall be equipped with ventilation systems with carbon filters sufficient in type and capacity to eliminate cannabis odors emanating from the interior to the exterior of the premises discernible by reasonable persons. The ventilation system must be inspected and approved by the Construction Official.

ORDINANCE

- d) If carbon dioxide will be used in any cultivation area, sufficient physical barriers or a negative air pressure system shall be in place to prevent carbon dioxide from moving into the ambient air, into other units in the same building or into an adjacent building in a concentration that would be harmful to any person, including persons with respiratory disease and shall be inspected and approved by the Construction Official and the Fire Marshall.
 - e) All state regulations concerning ventilation systems shall be followed.
- (11) **Compliance with other codes.** Any cannabis business and the adjacent grounds of the cannabis business shall comply with all zoning, health, building, fire, and other codes and ordinances of the City as shown by completed inspections and approvals by the City Planner, Zoning Official, Construction Division/Technical Services, Fire Safety Division, and the City Health Department, if applicable.
- (12) **No harm to public health, safety or welfare.** The premises of a cannabis business, and any adjacent grounds thereto, shall be operated in a manner that does not cause any substantial harm to the public health, safety and welfare.
- (13) **Additional requirements.** At the time a site plan approval is granted, amended, or a major change to a cannabis business is approved, the City may impose on the applicant any condition related to the proposed use that is reasonably necessary to protect the public health, safety or welfare, not inconsistent with the Permitting authority requirements, including but not limited to the following:
- a) Additional security requirements;
 - b) Limits and requirements on parking and traffic flows;
 - c) Requirements for walls, doors, windows, locks and fences on the premises and adjacent grounds;
 - d) Limits on cannabis products that may be sold;
 - e) Requirements and limits on ventilation and lighting;
 - f) Limits on noise inside the licensed premises or on the adjacent grounds;
 - g) Prohibitions on certain conduct in the cannabis business;
 - h) Limits on hours of operation.
- (14) **Penalty for violation.** Any violation of the provisions of this subsection or the conditions of the zoning permit granted, by a cannabis business shall be punishable by a civil fine of up to \$1,000. Each day that a violation is committed, exists or continues shall be deemed a separate and distinct offense. In addition, any violation of the provisions of this subsection, or any conditions imposed by the zoning permit may result in the revocation of the zoning permit.
- (15) **Relationship to any Redevelopment Plan, and the City Zoning and site plan standards.** To the extent any provisions of the City redevelopment plans, zoning and site plan standards conflict with this section, the provisions and standards of this section shall control.

ORDINANCE

§146-28 Disciplinary Actions; Sanctions; Penalties

- (1) Disciplinary actions. Procedures for investigation of permit violations and for suspension, revocation, or other permit sanctions as a result of any such violation shall be as follows:
 - a) First offense: Up to \$250 per violation per day;
 - b) Second offense: Up to \$500 per violation per day;
 - c) Third violation shall result in summary suspension.
- (2) Summary suspension. Notwithstanding the foregoing section, when the City Council has reasonable grounds to believe that a licensee has engaged in deliberate and willful violation of any applicable law or regulation, or that the public health, safety, and/or general welfare has been jeopardized and requires emergency action, the Council may enter a summary suspension order for the immediate suspension of the permit and notice to the Cannabis Regulatory Commission pending further investigation.
 - a) The summary suspension order shall be in writing and shall State the reasons therefore. The licensee shall be afforded an opportunity for a hearing as outlined herein.
 - b) The City Council shall convene a review panel. The hearing shall be scheduled within 30 days of the date of the order.
 - c) The review panel is authorized to impose any fines, conditions, restrictions, suspensions, or combination thereof authorized by the State of New Jersey. In the absence of State specified penalties, the City may issue fines up to, but not to exceed, \$2,500 per offense and/or suspension of license for a period not to exceed 6 months.
- (3) Inactive licenses. Following the commencement of retail sales of cannabis or cannabis products, the Administrator may suspend or revoke any permit if a licensed premise has been inactive or unoccupied by the licensee for at least 6 months.
- (4) State license. The Committee may suspend or revoke any permit if the corresponding State license for the subject location is expired, surrendered, suspended, or revoked.

Section 2. Amend the following Redevelopment Area Plans.

- 1) Permitted Uses - Cannabis Businesses as set forth below shall be Conditional Uses permitted in certain zones. Cannabis Establishments shall comply with the requirements set forth herein.

Canal Banks Redevelopment Plan (as amended September 2005): Section B(2)(b)(4), "Conditional Land Uses – Business A (BA)." Dispensary ONLY along South and North Warren, North Broad Street, North Willow, and East State Street (between Warren and Hogan).

ORDINANCE

Enterprise Avenue Area Redevelopment Plan (as amended January 2005): Section B(2)(a), "Conditional Land Uses," Cultivation and Manufacturing

Route One Industrial Area Redevelopment Plan (as amended June 1997): Section B(2)(a), "Conditional Land Uses," Cultivation and Manufacturing are permitted;

Roebbling Complex Redevelopment Plan (as amended November 1997): Section B (2), "Conditional Uses," Generally, Dispensary is permitted within major retail areas and Cultivation within other areas where existing industrial structures are to remain. Design of such a facility must be positioned to generate an inclusive environment aimed at promoting health, wellness, and economic opportunity through training, mentoring and educational facilities in collaboration with institutions of higher learning or an approved curriculum through the Cannabis Regulatory Commission (CRC) as agreed to with a required redevelopment agreement.

2) Cannabis Dispensaries where permitted as Conditional Uses within the Redevelopment Areas are subject to the following criteria:

- (i) Adherence to the permitted uses and site design standards of the City Land Development Ordinance and Redevelopment Plans.
- (ii) Issuance of Trenton City Cannabis Business Permit.
- (iii) Site plan approval is required.
- (iv) Dispensaries shall limit their hours of operation from 8:00 a.m. to 10:00 p.m., Monday to Sunday, or as otherwise provided for within a special use permit.
- (v) Cannabis Dispensaries shall not be located within 1,000 feet of another Cannabis Dispensary. Medical ONLY Dispensaries are not subject to this provision.
- (vi) Dispensaries must be located on main thoroughfares (e.g., Hermitage, Calhoun, Chamber, Rt206, Hamilton Avenue, etc.) where retail is a prevalent use within the zone, and not off of sides streets and alleys that may be within a permitted zone, but do not front such streets.

3) Vertically Integrated Cannabis Facilities. Academic Medical Center, and Cannabis Training Facility, where permitted are subject to the following criteria:

- i. Adherence to the permitted uses and site design standards of the City Land Development Ordinance and Redevelopment Plans.
- ii. Issuance of Trenton City Cannabis Business License.
- iii. Site plan approval is required.
- iv. If a dispensary is co-located with a cultivation center, the area of the proposed premises utilized for cultivation shall be physically separated from the area of the premises utilized for the dispensing of medical cannabis and open to the public or to patients. Walls, barriers, locks, signage and other means shall be employed to prevent the public or patients from entering the area of the premises utilized for cultivation of medical cannabis.
- v. Dispensary operation must face outward on a main Thorofare where retail is prevalent within the zone.

ORDINANCE

- vi. All facilities shall be Secured in accordance with all applicable provisions as defined in the Act and outlined in Subsection G below.
- vii. Unusual odors, smells, fragrances or other olfactory stimulants shall be prohibited. Odor mitigation filtration systems must be installed and maintained in perfect working order.
- viii. Light pollution, glare or brightness resulting from glow lamps must be 0.5 candle or less at the property line
- ix. Noise beyond the decibel level permitted by City noise ordinances shall be prohibited.

4) Cannabis Cultivation Centers, Manufacturing, Distribution, Wholesalers, and Delivery, where permitted are subject to the following criteria: -

- i. Adherence to the permitted uses and site design standards of the City Land Development Ordinance and Redevelopment Plans.
- ii. Issuance of Trenton City Cannabis Business License.
- iii. Site plan approval is required.
- iv. Cultivation centers shall not be located immediately adjacent to school property used for school purposes where children are present.
- v. All facilities shall be secured in accordance with all applicable provisions as defined in the Act and outlined in Subsection G below.
- vi. No signage other than directional or discrete building identification found in shall be permitted. Signage shall remain innocuous, and part of the general directional signage typically found in industrial manufacturing facilities. Facade signs will be limited to those at the point of entry to the facility and may not be more than six square feet.
- vii. Unusual odors, smells, fragrances or other olfactory stimulants shall be prohibited. Odor mitigation filtration systems must be installed and maintained in perfect working order.
- viii. Light pollution, glare or brightness resulting from glow lamps must be 0.5 candle or less at the property line
- ix. Adherence to Chapter 167 Noise. In addition, Noise decibel levels permitted shall adhere to 137-10 Noise Standards of the City Code

5) Microbusinesses. Microbusinesses are permitted within any area where Cannabis Businesses are permitted within the City according to their use category (i.e., Dispensary, Cultivation, or Manufacturing). Microbusiness may also be located on the same premise as a full licensee as long as training, business incubators, and/or mentorship is being conducted.

6) Additional Requirements Applicable to All Cannabis Businesses.

- a) Samples of cannabis products offered for sale may be displayed on shelves, counters and display cases. All bulk cannabis products shall be locked within a separate vault or safe, with no other items in the safe, securely fastened to a wall or floor, as coordinated with the Trenton City Police Department and allowable under Permitting Authority regulations and state legislation.

ORDINANCE

- b) Dispensaries may sell "cannabis paraphernalia" as that term is defined in this section to registered qualifying patients only and shall be exempt from the prohibitions contained in other sections of Chapter 170 of the Land Development Ordinance.
- c) Signage.
 - i. External signage, including window signage, must be limited to text identifying the business and the logo for the business, provided that said logo does not include a cannabis plant leaf and / or outward glorification of cannabis consumption, where applicable.
 - ii. All other City sign regulations must be complied with.
- d) Outside generators and other mechanical equipment used for any kind of power supply, cooling or ventilation shall be enclosed and have appropriate baffles, mufflers, and/or other noise reduction systems to mitigate noise pollution.
- e) Parking shall be provided as provided below:
 - i. Parking for Dispensaries shall be provided for as retail businesses.
 - ii. Parking for Cultivation Centers shall be provided for as industrial or manufacturing establishment, laboratory use, or storage warehouse.

(8) In the event of a conflict between the City bulk standards and the Act or the Permitting Authority's regulations, the City shall consider the pertinent statute or regulation as justification of any variance and/or design waiver.

Section 3. Amend the Land Development Ordinance (§315)

The Land Development Ordinance shall be amended to permit the various Cannabis Businesses, *in accordance with the conditions set forth in Section 2.* of this ordinance, as follows:

Article XVI, "Mixed Use MU District" §315-103, "Permitted Conditional Uses."

- add: J. Class 5 – Cannabis Dispensaries.
K. Vertically Integrated Cannabis Facilities,
L. Academic Medical Center, and Vocational Training Facility.

Article XX, "Industrial A and B Districts" §315-124, "Permitted Conditional Uses."

- add: (C) Class 1 – Cannabis Cultivators.
(D) Class 2 – Cannabis Manufacturers.
(E) Class 3 – Cannabis Wholesalers.
(F) Class 4 – Cannabis Distributors.
(G) Class 6 – Cannabis Delivery.
(H) Vertically Integrated Cannabis Facilities,
(I) Academic Medical Center, and Vocational Training Facility

ORDINANCE

Article XX, "Industrial A and B Districts" §315-123, "Permitted Accessory Buildings and Uses."

add: C. Research and development accessory to principal use.

Section 4. Chapter 268, TAXATION, is hereby amended by creating Article VII, CANNABIS TRANSFER TAX, to read as follows:

§ 487-21 Purpose.

It is the purpose of this article to implement the provisions of P.L. 2021, c. 16, which authorizes the governing body of a municipality to adopt an ordinance imposing a tax at a uniform percentage rate not to exceed two percent (2%) of the receipts from each sale by a cannabis cultivator; two percent (2%) of the receipts from each sale by a cannabis manufacturer; one percent (1%) of the receipts from each sale by a cannabis wholesaler; and two percent (2%) of the receipts from each sale by a cannabis retailer, which shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon the cannabis establishment.

§ 487-22 Definitions.

Unless otherwise defined herein, as used herein, the City adopts by reference the terms and definitions established by Section 40 of Public Law 2021-16 (N.J.S.A. 24:6I-33).

§ 487-23. Tax established.

- A. There is hereby established a local cannabis transfer tax in the City of Trenton which shall be fixed at a uniform percentage rate of two percent (2%) of the receipts from each sale by a cannabis cultivator; two percent (2%) of the receipts from each sale by a cannabis manufacturer; one percent (1%) of the receipts from each sale by a cannabis wholesaler; one half of one percent (0.5%) of the receipts from each sale by an alternative treatment center (or medical cannabis establishment); and two percent (2%) of the receipts from each sale by a cannabis retailer for every occupancy of a cannabis establishment in the City of Trenton.
- B. In addition to the tax established in paragraph A of this section, a user tax, at the equivalent transfer tax rates, is hereby established on any concurrent license holder, as permitted by section 33 of P.L.2021, c.16 (C.24:6I-46), operating more than one cannabis establishment. The user tax shall be imposed on the value of each transfer or use of cannabis or cannabis items not otherwise subject to the transfer tax imposed pursuant to paragraph A of this subsection, from the license holder's establishment that is located in Trenton City to any of the other license holder's establishments, whether located in this City or another municipality.

ORDINANCE

- C. Any transaction for which the transfer tax or user tax is imposed, or could be imposed, pursuant to this section, other than those which generate receipts from the retail sales by cannabis retailers, shall be exempt from the tax imposed under the “Sales and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.).

§ 487-24. Tax in addition to other taxes or fees.

The cannabis transfer tax shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon property or cannabis establishment.

§ 487-25. Collection.

- A. The transfer tax or user tax imposed by this article shall be collected or paid and remitted to Trenton City by the cannabis establishment from the cannabis establishment purchasing or receiving the cannabis or cannabis item, or from the consumer at the point of sale, on behalf of the City by the cannabis retailer selling the cannabis item to that consumer. The transfer tax or user tax shall be stated, charged, and shown separately on any sales slip, invoice, receipt, or other statement or memorandum of the price paid or payable, or equivalent value of the transfer, for the cannabis or cannabis item.
- B. Every cannabis establishment required to collect a transfer tax or user tax imposed by ordinance pursuant to this section shall be personally liable for the transfer tax or user tax imposed, collected, or required to be collected under this section. Any cannabis establishment shall have the same right with respect to collecting the transfer tax or user tax from another cannabis establishment or the consumer as if the transfer tax or user tax was a part of the sale and payable at the same time, or with respect to non-payment of the transfer tax or user tax by the cannabis establishment or consumer, as if the transfer tax or user tax was a part of the purchase price of the cannabis or cannabis item, or equivalent value of the transfer of the cannabis or cannabis item, and payable at the same time; provided, however, that the Chief Financial Officer of Trenton City shall be joined as a party in any action or proceeding brought to collect the transfer tax or user tax.
- C. No cannabis establishment required to collect a transfer tax or user tax imposed by this section shall advertise or hold out to any person or to the public in general, in any manner, directly or indirectly, that the transfer tax or user tax will not be separately charged and stated to another cannabis establishment or the consumer, or that the transfer tax or user tax will be refunded to the cannabis establishment or the consumer.

ORDINANCE

- D. All revenues collected from a transfer tax or user tax imposed by ordinance pursuant to this section shall be remitted to the Trenton City Chief Financial Officer on a quarterly basis payable for the prior three month's activities and due at the same time as quarterly dates for the collection of property taxes. The revenues due on February 1 of each year shall include all transfer taxes or user taxes collected for the prior year months of October, November and December. The revenues due on May 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of January, February and March. The revenues due on August 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of April, May and June. The revenues due on November 1 of each year shall include all transfer taxes and user taxes collected for the immediate prior months of July, August and September.

§ 487-26. Dedication

- A. One half (50%) of all revenue collected through Chapter 487 Article VII Cannabis Transfer Tax, and one half (50%) all revenue collected through Chapter 146 Article IX Cannabis Businesses shall be dedicated toward Cannabis Training Facilities that support access, training and mentorship within the emerging cannabis industry, including those that support micro licenses in furtherance of the City social justice initiatives.

§ 487-27. Payment; vendor violations and penalties.

- A. The Chief Financial Officer shall collect and administer any transfer tax or user tax imposed to this section.
- B. The municipality shall enforce the payment of delinquent taxes or transfer fees imposed pursuant to this section in the same manner as provided for municipal real property taxes.
- C. In the event that the transfer tax or user tax imposed by this section is not paid as and when due by a cannabis establishment, the unpaid balance, and any interest accruing thereon, shall be a lien on the parcel of real property comprising the cannabis establishment's premises in the same manner as all other unpaid municipal taxes, fees, or other charges. The lien shall be superior and paramount to the interest in the parcel of any owner, lessee, tenant, mortgagee, or other person, except the lien of municipal taxes, and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year.

ORDINANCE

D. A municipality shall file in the office of its tax collector a statement showing the amount and due date of the unpaid balance and identifying the lot and block number of the parcel of real property that comprises the delinquent cannabis establishment's premises. The lien shall be enforced as a municipal lien in the same manner as all other municipal liens are enforced."

Section 4 Severability. Should any section, clause, sentence, phrase or provision of this article be declared unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this article.

Section 5 Repealer. All prior ordinances or parts of same inconsistent with any provisions of this article are hereby repealed to the extent of such inconsistency.

Section 6 Effective Date. This ordinance shall take effect upon final adoption and publication in accordance with law.

	INTRODUCTION				ADOPTION					INTRODUCTION				ADOPTION					INTRODUCTION				ADOPTION											
	AYE	NAY	NV	AB	AYE	NAY	NV	AB		AYE	NAY	NV	AB	AYE	NAY	NV	AB		AYE	NAY	NV	AB	AYE	NAY	NV	AB								
CALDWELL WILSON	✓				✓				RODRIGUEZ	✓								MCBRIDE	✓															
HARRISON	✓				✓				VAUGHN	✓																								
MUSCHAL	✓				✓				WILKINS	✓																								
NV - NO VOTE AB - ABSENT																																		

Adopted on first reading at a meeting of the City Council of the City of Trenton, NJ on MAY 05, 2022

Adopted on second reading after the public hearing on JULY 19, 2022

W. Michael...
AYE
 Mayor
NAY

APPROVED
 REJECTED

Reconsidered by Council – Override Vote

Randy McBride
 President of Council

[Signature]
 City Clerk