ORDINANCE NO. 2025-06 TOWNSHIP OF EAST WINDSOR COUNTY OF MERCER

AN ORDINANCE TO CREATE A NEW SUBCHAPTER 5-25 "CANNABIS REGULATION" UNDER CHAPTER 5, "GENERAL POLICE REGULATIONS", OF THE REVISED GENERAL ORDINANCES OF THE TOWNSHIP OF EAST WINDSOR, TO RESTRICT THE OPERATION OF CANNABIS BUSINESSES WITHIN THE TOWNSHIP'S 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, codified at N.J.S.A. 24:61-31 et. seq. (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, N.J.S.A. 24:61-45 authorizes municipalities by ordinance to adopt regulations governing the number of cannabis establishments (defined in N.J.S.A. 24:61-33 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, N.J.S.A. 24:61-45(b) 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, due to 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 at the time of the adoption of the Act, the Township, by Ordinance 2021-04, adopted on June 8, 2021, opted out of permitting all classes of cannabis businesses, all classes of cannabis establishments or cannabis distributors or cannabis delivery services, except for the delivery of cannabis items and related supplies by a delivery service located outside of the Township; and

WHEREAS, the Township has determined that it is at this time 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 Class 5 and Class 6 licensed cannabis businesses may operate within the geographic boundaries of the Township;

NOW THEREFORE, BE IT ORDAINED by the Township Council of the Township of East Windsor as follows:

<u>SECTION 1</u>. Chapter 5 *General Police Regulations* of the Township Revised General Ordinances is amended by the addition of a new subsection 5-25 to read as follows:

Section 5-25. Cannabis Regulation

5-25.1 Purpose:

The purpose of this ordinance is to regulate the location, manner, times of operation and types of licensed cannabis businesses that may operate in the Township, in accordance with the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, codified at N.J.S.A. 24:61-31 et. seq. (the "Act").

5-25.2 Permitted Cannabis Businesses:

a. Class 5 Cannabis Retailer within the HC and HC-2 Zones, located along US Route 130, between Hickory Corner Road and Route 133, where the property has frontage on US Route 130.

b. Class 6 Cannabis Delivery which is owned by and emanates from an approved Class 5 Cannabis Retailer location.

5-25.3 Number of Permitted Class 5 Cannabis Retailers.

The number of Class 5 Cannabis Retailers, and related Class 6 Cannabis Delivery service, shall not exceed one (1) in the Township at any time.

5-25.4 Prohibited Cannabis Businesses.

Class 1 Cannabis Cultivator, for facilities involved in growing and cultivating cannabis, Class 2 Cannabis Manufacturer, for facilities involved in the manufacturing, preparation, and packaging of cannabis items, Class 3 Cannabis Wholesaler, for facilities involved in obtaining and selling cannabis items for later resale by other licensees and Class 4 Cannabis Distributor, 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 shall not be permitted within the Township.

5-25.5 Municipal Taxation

The Township shall impose a municipal transfer tax pursuant to the Act for the maximum amount allowable for receipts from the retail sales of cannabis by an approved and licensed cannabis retailer to consumers.

5-25.6 Enforcement:

This ordinance shall be enforced by the Zoning Officer and the East Windsor Township Police Department.

5-25.7 Violations and Penalties:

Any person(s) who is found to be in violation of the provisions of this ordinance shall be subject to penalty as provided under Section 5-8 of the Township Code.

SECTION 2. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 3. If any section, subsection, clause or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the remaining portions of this Ordinance.

<u>SECTION 4</u>. This Ordinance shall take effect 20 days after final passage and publication according to law.

ATTEST:

ALLISON QUIGLEY Municipal Clerk JANICE S. MIRONOV Mayor