BOROUGH OF RIVER EDGE ORDINANCE #24-04

AN ORDINANCE TO AMEND PART II, GENERAL LEGISLATION, CHAPTER 416 ZONING, OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF RIVER EDGE TO ESTABLISH THE CANNABIS OVERLAY ZONE (COZ)

WHEREAS, in 2020 New Jersey voters approved Public Question No. 1, which amended the State of 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, Public Question No. 1 was approved by the voters of the Borough of River Edge; 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 consisting of:

- 1. Class 1 Cannabis Cultivator license, for facilities involved in growing and cultivating cannabis;
- 2. Class 2 Cannabis Manufacturer license, for facilities involved in the manufacturing, preparation, and packaging of cannabis items;
- 3. Class 3 Cannabis Wholesaler license, for facilities involved in obtaining and selling cannabis items for later resale by other licensees;
- 4. 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;
- 5. Class 5 Cannabis Retailer license for locations at which cannabis items and related supplies are sold to consumers; and
- 6. 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 31a of the Act authorizes municipalities to adopt by ordinance regulations governing the number of (1) cannabis establishments, (2) cannabis distributors and (3) 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, Section 31a of the Act also authorizes municipalities to adopt by ordinance regulations governing the local licensing endorsement, location, manner and times of operation of cannabis establishments and cannabis distributors, and the location and manner of cannabis delivery services, and establishing civil penalties for the violation of any such regulations; and

WHEREAS, Section 31b of the Act authorizes municipalities to prohibit by ordinance the operation of any one or more classes of cannabis establishments, distributors, or delivery services anywhere in the municipality, except for the delivery of cannabis items and related supplies by a delivery service based and initiated from outside of the municipality; and

WHEREAS, the Mayor and Council of the Borough of River Edge desires to allow a total of one (1) Cannabis Establishment for certain classes of Cannabis Establishment now permitted by State Law to form within the Borough of River Edge in a strictly limited and controlled manner that protects the interests of the residents and businesses of the Borough of River Edge;

NOW THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Borough of River Edge, located in the County of Bergen, State of New Jersey, that Part II, General Legislation, Chapter 416, Zoning; Article VIII, Conditional Uses, Overlay Zones and Planned Residential Developments, of the Revised General Ordinances of the Borough of River Edge is hereby amended as follows:

<u>Section 1</u>. Part II, General Legislation, Chapter 416, Zoning; Article IV, District Regulations, Subsection 416-10 D., of the Revised General Ordinances of the Borough of River Edge is hereby amended as follows:

All classes of Cannabis Establishments are strictly prohibited from operating anywhere in the Borough of River Edge, except as permitted in the Cannabis Overlay Zone, Section 416-36.3

<u>Section 2</u>. Part II, General Legislation, Chapter 416, Zoning; Article VIII, Conditional Uses, Overlay Zones and Planned Residential Developments, of the Revised General Ordinances of the Borough of River Edge is hereby amended to include the following:

§ 416-36.3 Cannabis Overlay Zone.

A. Purpose.

- 1. To permit one (1) Class 5 Cannabis Retail Establishment to operate within the Borough of River Edge, through the mechanism known as overlay zoning.
- 2. To establish appropriate controls for Cannabis Establishments so as to protect and promote the health, safety, and welfare of the residents of the Borough of River Edge while promoting the growth of the commercial tax base by expanding into new and emerging markets.

B. Effect on underlying zoning.

- 1. As an Overlay Zone, the Cannabis Overlay Zone (COZ) does not replace the existing or "underlying" zone designation.
- 2. Any person or entity that wishes to use or develop upon a property within the COZ shall have the option to use or develop the property in accordance with the regulations of either the COZ or the underlying zone.
- 3. Unless specifically stated to the contrary in this subsection, all "bulk" requirements for the underlying zone shall remain in effect.

C. Cannabis Zoning Overlay Map.

As identified in the Cannabis Overlay Zone Map, which is attached hereto and made part of this Ordinance as an exhibit, identifies the overlay zone along Route 4 East.

D. Definitions.

As used in this article, the following terms shall have the meanings indicated:

CANNABIS

All parts of the plant 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 accordance with P.L. 2016, c. 16 for use in cannabis products as set forth in this act, 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, 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 marijuana 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.).

CANNABIS CULTIVATOR

Any licensed person or entity that grows, cultivates, or produces cannabis in this state, and sells, and may transport, this cannabis to other cannabis cultivators, or usable cannabis to cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers.

CANNABIS DELIVERY SERVICE

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.

CANNABIS DISTRIBUTOR

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.

CANNABIS ESTABLISHMENT

A cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer.

CANNABIS ITEM

Any usable cannabis, cannabis product, cannabis extract, and any other cannabis resin. "Cannabis Item" does not include: Any form of 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 seq.) and P.L. 2015, c. 158 (c. 18a:40-12.22 et seq.); or hemp or 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 seq.).

CANNABIS LEAF

The leaf of the plant Cannabis sativa L. within the plant family cannabaceae.

CANNABIS MANUFACTURER

Any licensed person or entity that processes cannabis items in this state by purchasing or otherwise obtaining usable cannabis, manufacturing, preparing, and packaging cannabis items, and selling, and optionally transporting, these items to other cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers.

CANNABIS MANUFACTURING

The drying, processing, compounding, or conversion of usable cannabis into cannabis products or cannabis resins. "Manufacture" with respect to cannabis does not include packaging or labeling.

CANNABIS OVERLAY ZONE

The overlay zone whereby the approved classes of cannabis establishments are permitted to operate.

CANNABIS OVERLAY ZONE MAP

The official Borough map establishing the Cannabis Overlay Zone.

CANNABIS PARAPHERNALIA

Any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing a cannabis item into the human body. "Cannabis Paraphernalia" does not include drug paraphernalia as defined in N.J.S. 2C:36-1 and which is used or intended for use to commit a violation of Chapter 35 or 362 of Title 2C of the New Jersey Statutes.

CANNABIS PRODUCT

A product containing usable cannabis, cannabis extract, or any other cannabis resin and other ingredients intended for human consumption or use, including product intended to be applied to the skin or hair, edible cannabis products, ointments, and tinctures. "Cannabis Product" does not include (1) usable cannabis by itself; (2) cannabis extract by itself; or (3) any other cannabis resin by itself.

CANNABIS RETAILER

Any licensed person or entity that purchases or otherwise obtains usable cannabis from cannabis cultivators and cannabis items from cannabis manufacturers or cannabis wholesalers, and sells these to consumers from a retail store, and may use a cannabis delivery service or a certified cannabis handler for the off-premises delivery of cannabis items and related supplies to consumers. A cannabis retailer shall also accept consumer purchases to be fulfilled from its retail store that are presented by a cannabis delivery service which will be delivered by the cannabis delivery service to that consumer.

CANNABIS WHOLESALER

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.

CANNABIS, USABLE

The dried leaves and flowers of the female plant Cannabis sativa L., and does not include seedlings, seeds, stems, stalks, or roots of the plant.

E. Cannabis Overlay Zone; conditional use.

1. The conditions set forth in Subsection 2 below apply to all Cannabis Establishments located in the Cannabis Overlay Zone (COZ). All other permitted uses located within the COZ shall follow the underlying zoning regulations.

2. Conditions.

- A. Those Cannabis Establishments possessing a Class 5 Adult Use Cannabis Retail State License issued pursuant to Section 31b of the New Jersey Cannabis Regulatory, Enforcement Assistance and Marketplace Modernization Act (P.L. 2021, c. 16), may operate with the COZ as established in the Cannabis Overlay Map. All cannabis licenses not specifically permitted to operate in the COZ are strictly prohibited from operating anywhere else in the Borough.
- B. The operator of the Class 5 Adult Use Cannabis Retail Establishment shall have first obtained a Resolution of Local Support issued by the Governing Body;
- C. A Cannabis Establishment shall be subject to licensing requirements established in Chapter 268;

- D. All Cannabis Establishments shall undergo site plan review by the Borough's Land Use Board unless the property has received prior approval by the Borough's Land Use Board approving the same Cannabis Establishment license to operate at the proposed location;
- E. The Cannabis Establishment shall have frontage on Route 4 East;
- F. The Cannabis Establishment shall provide a security plan to be reviewed and approved by the Borough's Chief of Police;
- G. For purposes of determining required parking, Cannabis Establishments shall have a parking requirement of one (1) parking spaces per 250 square feet of net retail area plus one (1) parking space for each employee;
- H. Cannabis Establishments operating in the COZ shall be permitted to conduct business during the hours of 10:00 a.m. to 10:00 p.m., Monday through Sunday;
- I. A Cannabis Establishment shall not be located within 1,000 feet of a pre-existing public or private preschools, grade school and high school. Early learning centers, day care centers, residential care homes, colleges, and vocational/trade centers shall not be classified as a school for purposes of this section. The distance shall be measured as follows:
 - i. Distances shall be measured in a straight line from the center of the entrance of the cannabis establishment to the closest point of the school's property line.
 - ii. If the entrance of the Cannabis Establishment is set back from the sidewalk by a walkway or doorway, the measurement is taken from the center of the line where the walkway/doorway meets the sidewalk or curb.
 - iii. For a Cannabis Establishment in a multi-story building, the building entrance at street level is to be used to guide the measurement.
 - iv. Emergency/fire exits, maintenance access, and doors to gain access to nonpublic areas are not used in the measurement.
- J. All activities associated with the Cannabis Establishment shall occur within the building. All Cannabis shall be stored within a secure area not accessible to the public. There shall be no cannabis displayed in the retail floor area.
- K. The Cannabis Establishment shall provide odor mitigation infrastructure that will eliminate odor, smoke, gas, or toxic materials so as not to be detected off-site;
- L. Drive-through access shall be prohibited;
- M. No Cannabis Paraphernalia shall be displayed or kept at the Cannabis Establishment so as to be visible from outside the premises;
- N. No Cannabis Product shall be consumed on the premises of any Cannabis Establishment;
- O. A Cannabis Establishment shall not be located in a residential home, apartment, townhouse, or condominium;
- P. If located in a multi-tenant or mixed-use building, the Cannabis Establishment shall have a separate entrance where no part of the Cannabis Establishment shall be directly accessible from any common area within the building;
- Q. In addition to the signage requirements established for commercial uses in the underlying zone, Cannabis Establishments shall also be subject to the following signage requirements:
 - i. No sign shall be placed on the roof of a building nor placed on its wall so as to exceed the height of the roof of the building;

- ii. No internally illuminated signs shall be permitted;
- iii. No freestanding signs shall be permitted;
- iv. No more than two (2) building mounted signs per Cannabis Establishment is permitted on the site;
- v. The Cannabis Establishment signage may not include a Cannabis Leaf or other image of Cannabis Paraphernalia or Cannabis Product and may not contain images that market to an underage demographic.
- R. Except as modified herein, Cannabis Establishments shall follow the underlying zoning regulations.

Section 2. All other provisions of Chapter 416 of the Code shall remain unchanged.

<u>Section 3</u>. Pursuant to <u>N.J.S.A.</u> 40:55D-26 and <u>N.J.S.A.</u> 40:55D-64, after introduction of this Ordinance, it shall be referred to the Borough of River Edge Land Use Board for the review required by the Municipal Land Use Law, <u>N.J.S.A.</u> 40:55D-1 et seq., prior to the hearing on adoption of this Ordinance.

<u>Section 4</u>. Any article, chapter, section, paragraph, subsection, clause, or other provision of the Code inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

<u>Section 5</u>. In case, for any reason, any portion or provision of this Ordinance shall be held to be unconstitutional or invalid, the same shall not affect any other portion or provision of this Ordinance, except so far as the portion or provision so declared unconstitutional or invalid shall be severed from the remainder or any portion thereof.

<u>Section 6</u>. The Borough Clerk is hereby directed to give notice at least ten (10) days prior to the hearing on the adoption of this Ordinance to the Borough of River Edge Land Use Board and to all other entities entitled thereto pursuant to the provisions of <u>N.J.S.A.</u> 40:55D-15. Upon adoption of this ordinance, after public hearing thereon, the Borough Clerk is further directed to publish notice of the passage thereof and to file a copy of this ordinance as finally adopted.

<u>Section 7</u>. This Ordinance shall be part of the Code of the Borough of River Edge as though codified and fully set forth therein. The Borough Clerk shall have this Ordinance codified and incorporated in the official copies of the Code.

<u>Section 8</u>. This Ordinance shall take effect immediately upon publication and final passage according to law.

INTRODUCED: ADOPTED:

February 26, 2024 March 25, 2024

| | Motion | Second | Yes | No | Abstain | Absent |
|----------------|--------|--------|-----|----|---------|--------|
| Kaufman | Х | | Х | | | |
| Montisano-Koen | | | Х | | | |
| Kinsella | | | Х | | | |
| Malellari | | | Х | | | |
| Benson | | Х | Х | | | |
| Glass | | | Х | | | |
| Mayor Papaleo | | | | | | |

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of River Edge on

March 25, 2024

Anne Dodd, RMC Borough Clerk Thomas Papaleo, Mayo

