



Request for Cannabis Business License Applications

Applications Due: December 15, 2022 by 11 AM

In accordance with the provisions of Borough Ordinance #859, a copy of which is attached, the Borough of Hopewell utilizes a Request for Applications process to identify and evaluate qualified cannabis businesses. The solicitation for the first round of applications for Cannabis Class 5 Retailers and Class 6 Delivery Services is hereby issued as of Thursday, October 27, 2022. Responses are due from qualified cannabis business applicants on or before **Thursday, December 15, 2022 at 11 AM** in order to be considered for this round of cannabis business licensing in the Borough of Hopewell.

Any and all questions regarding this application or the licensing process shall be submitted in writing (via email to Michele Hovan @ michele.hovan@hopewellboro-nj.us) no later than **December 1, 2022**. Written responses shall be made available to all proposed applicants, with a copy of the questions and responses posted on the Borough website prior to the application due date.

There is one Class 5 Retail Cannabis Retail License available, and only one letter of endorsement may be issued at the conclusion of this solicitation and evaluation process. Additional letters are available for Class 6 Cannabis Delivery Services Licenses (no limit). There may be additional requests for applications in the future, depending on the availability of licenses.

Applicants are asked to submit proposal packages in electronic and hard copy format. Submissions shall be emailed to the Borough Administrator (michele.hovan@hopewellboro-nj.us) and mailed/delivered to: Michele Hovan, Borough Administrator, Borough of Hopewell, 88 East Broad Street, Hopewell, NJ 08525.

At the conclusion of the solicitation period, the Borough Administrator or her designee will evaluate and score each application in accordance with the established evaluation criteria (see Part 6). The Borough reserves the right to conduct its own investigation of the applicants and the veracity of the contents of their applications. The Borough Administrator/designee will rank the applications and issue a recommendation to the governing body accordingly. The governing body will then vote on a resolution of local support for the qualifying applications, which can then be submitted to the Cannabis Regulatory Commission as part of the state licensing process.

The successful applicants, if any, shall be required by the Borough to seek and obtain conditional use and site plan approval from the Borough Planning Board. Such approval shall be sought expeditiously and concurrently while applying for a state cannabis license. Applicants shall have up to 6 months to secure their state cannabis licenses, which may be extended by 6 months at the discretion of the Borough Administrator. Once an applicant secures its state license, a copy of the state license and application materials must be provided to the Borough, after which the local cannabis business license will be issued in accordance with Section 20-2.4 of Chapter 20 of the Code of the Borough of Hopewell (Ordinance #859, Sec. 7, Exhibit A).



Cannabis Business License Application

Type of Application

☐ Class 5 Cannabis Retail License

☐ Class 6 Cannabis Delivery Services License

PART 1: BUSINESS INFORMATION

Entity Name			
Trade Name (DBA)			
Mailing Address			
Street	City	State	Zip

A. Business Type

☐ Sole Proprietorship

☐ Corporation/LLC/LLP

☐ S-Corporation

☐ Partnership

☐ Other _____

B. Business Ownership

Applicant shall provide a list of every individual or person with 10% or more interest in the proposed cannabis business as well as a copy of the organizational chart. Please indicate any pre-existing ties to the Hopewell Borough community. *See Part 4: Required Documents.*

C. Qualifications and Experience

Applicant shall provide a summary of its qualifications and experience, particularly as they pertain to operating in highly-regulated industries, including cannabis-related businesses in New Jersey or in other locations. Please provide details if you have experience operating a retail cannabis business. *See Part 4: Required Documents.*

D. Financial Capacity

Applicant shall provide a summary of its financial capability to open and operate a cannabis establishment and the sources of funds to do so. If possible, provide documentation as to the number of months of operating expenses it has in reserve to sustain its operation. *See Part 4: Required Documents.*

E. Does the applicant qualify as a Diversely Owned Business, pursuant to the criteria in N.J.A.C. 17:30-6.4?

If yes, please provide a copy of information evidencing that status.

☐ Yes

☐ No

F. Does the applicant qualify as a Social Equity Business as defined by N.J.A.C. 17:30-6.6? If yes, please provide a copy of information evidencing that status.

☐ Yes

☐ No

PART 2: APPLICANT INFORMATION

A. Applicant / Primary Contact Person

Should be a principal or officer of the applying business entity and be able to address questions related to the application. This individual will receive application status updates and notifications.

Name			
First		Last	
Mailing Address			
Street		City	State
			Zip
Phone		Email	

B. Local Operator

Individual responsible for the day-to-day operations, if different than applicant.

Name			
First		Last	
Mailing Address			
Street		City	State
Phone		Zip	

C. Does the applicant or operator (or an affiliate¹ of either) hold a cannabis license or letter of endorsement from any other jurisdiction? If yes, please describe.

☐ Yes☐ No

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¹ For purposes of this Application, "affiliate" shall mean any person (including a business entity or individual) who owns at least 10% of, has at least 10% owned by, controls, is controlled by, or is under common control of the applicant or operator.

D. Has the applicant or operator (or an affiliate of either) been issued a license by the Cannabis Regulatory Commission? If yes, please stipulate what type of license and for which location. If no, please indicate how far along applicant is into the process.

☐ Yes

☐ No

E. Has the applicant or operator (or an affiliate of either) been denied a cannabis license or had their license suspended or revoked in New Jersey or any other jurisdiction within the United States? If yes, please explain. Note: any individual or person proposed to have an ownership interest in the license shall not have had any cannabis license or permit revoked for a violation affecting public safety in the State of New Jersey or a subdivision thereof within the preceding five (5) years. Please provide verification/details.

☐ Yes

☐ No

PART 3: LOCATION & OPERATIONS INFORMATION

A. Physical Address of Business Location

Street		Zone
Block	Lot	Qualifier (if any)

B. Property Owner Information

Name			
First		Last	
Mailing Address			
Street		City	State
Phone		Zip	

C. Does the applicant have legal possession of the proposed location? Please describe the form of site control (lease, own, letter of intent, etc.) below and attach documentation.

☐ Yes☐ No

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D. Does the proposed business fill a vacant storefront?

☐ Yes☐ No

E. Safety and Security Plan

Applicant shall provide an overview of the safety and security plan for the storage of products, physical security, video surveillance, security personnel, and visitor management. Be sure to articulate how it plans to prevent minors from entering the site and purchasing cannabis and cannabis-related products. Please limit length and include the essential components. *See Part 4: Required Documents.*

F. Does the applicant have a workforce development and job creation plan? Does it include diversity and hiring local residents? If yes, please explain the plan and level of commitment below (attach additional pages if needed).

☐ Yes

☐ No

G. Does the applicant commit to expeditiously and in good faith submit and pursue an application for conditional use and all other local land use approvals (including historic preservation approvals if necessary), and does the applicant further commit to work with the Borough Administrator to comply with the Borough's licensing requirements? If yes, please describe below (attach additional pages if needed).

☐ Yes

☐ No

H. Do the applicant's plans include improving the property, including high-quality building and site design and/or is the applicant committed to working with the Borough on improving accessibility and condition of the property? If yes, please describe below (attach additional pages if needed).

☐ Yes

☐ No

I. Does the applicant's business have a plan for making its operation sustainable? If yes, please describe below. Examples include, but are not limited to purchase of renewable energy, energy-efficiency measures such as LED lighting and EnergyStar appliances, etc. (attach additional pages if needed).

☐ Yes

☐ No

J. Please describe the applicant's community impact plan – including applicant's commitment to the Hopewell Borough local community, commitment to social responsibility and statement regarding its commitment to research related to cannabis. Include the applicant's record of social responsibility, philanthropy, and ties to the Borough, if any (attach additional pages if needed).

PART 4: CHECKLIST & REQUIRED DOCUMENTS

The failure to submit any of the following shall result in the designation of the application as incomplete, in which case the application shall not be further evaluated and scored.

	1. Application Fee. The applicant shall submit payment for the <u>Nonrefundable</u> Application Fee of \$2,000.00.
	2. License Fee. The application shall submit payment for the Annual License Fee of \$2,000.00. (<u>Refundable</u> if applicant is not issued a Borough license).
	3. New Jersey Business Registration Certificate. Provide proof of registration with the New Jersey Department of the Treasury, Division of Revenue and Enterprise Services.
	4. Statement of business ownership. Applicant to provide a list of every individual or person with more than 10% interest in the proposed cannabis business, including the full name, title within the entity, date owner acquired interest in entity and the percentage of ownership interest.
	5. Business organizational chart. Provide a copy of applicant's organizational chart, including the identity of individuals or persons with any ownership interest (even less than 10% interest). If an owner meets the criteria for social equity, minority, woman, disabled veteran, etc., please indicate accordingly. In addition, please be sure to indicate any specific connections to the Hopewell Borough community.
	6. Qualifications and experience summary. Applicant's qualifications and experience, particularly as it pertains to operating in highly-regulated industries. Please limit length and include the essential components.
	7. Financial capacity summary. Describe the financial capability of the applicant to open and operate a cannabis establishment and the sources of funds it has available to do so. If possible, applicant shall provide documentation as to the number of months of operating expenses it has in reserve to sustain its operation. Please limit length and focus on the essential components.
	8. Evidence of site control. Attach documentation showing the lawful possession of the premises proposed for the cannabis establishment. 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. If the proposed location is not owned by the applicant, supportive materials must indicate that the landlord is aware that the tenant's use of the premises will involve activities related to a cannabis business.
	9. Safety and security plan summary. Provide an overview of the safety and security plan for the storage of products, physical security, video surveillance, security personnel, and visitor management. Be sure to articulate how it plans to prevent minors from entering the site and purchasing cannabis and cannabis-related products. Please limit length and include the essential components.
	10. Documentary proof of compliance with all State and local laws regarding affirmative action, anti-discrimination and fair employment practices.
	11. Letter from the Borough Zoning Officer stating the premises will conform to the Borough's zoning requirements, as set forth in Chapter 12 of the Code of the Borough of Hopewell, allowing for activities related to the operation of the proposed cannabis business to be conducted at the premises.
	12. Survey and/or photographs. If available, please provide any documents that illustrate the existing conditions of the property and exterior of any building(s) the premises.

	13. Proposed floor plans and/or architectural renderings. If available, please provide any documents that illustrate the designs for the interior of the building and storefront.
	14. Completed and fully signed application. Be sure to execute all of the certifications. Only fully executed applications shall be considered.
	15. Additional pages in response to/support of Parts 1, 2 and 3 questions, if any.

PART 5: CERTIFICATIONS

OATH OF APPLICATION

I declare **UNDER PENALTY** of perjury, false swearing and/or unsworn falsification to authorities, pursuant to New Jersey Code of Criminal Justice (N.J.S.A.2C:28-1 et seq.), that

- I am duly authorized to submit this application on behalf of the above-named entity and that all information and documentation submitted in connection with this application are true and accurate to the best of my knowledge and belief.
- I have not knowingly omitted, or otherwise failed to disclose any documents and/or information which would impact the decision to grant or deny this application.
- I acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Borough of Hopewell Code and all rules and regulations which govern my application and with all relevant and applicable provisions of the New Jersey state law.
- No individual or person that has an ownership in the above-named business entity has had any cannabis license or permit revoked for a violation affecting public safety in the State of New Jersey or a subdivision thereof within the preceding five (5) years.

Applicant Name

Applicant Signature

Title

Date

CERTIFICATION OF COMPLIANCE WITH NEW JERSEY STATE AND LOCAL LAWS REGARDING AFFIRMATIVE ACTION; ANTI-DISCRIMINATION; AND FAIR EMPLOYMENT PRACTICES.

I, _____, hereby certify that the applicant, including the owners and operators of the proposed facility, is in compliance with all State and Local laws and regulations regarding affirmative action; anti-discrimination; and fair employment practices and will continue to remain in compliance so long as they are operating in the Borough of Hopewell, in accordance with this application and any subsequent approvals granted as a result.

Further, I, _____, hereby certify that the applicant, including owners and operators of the proposed facility, will not and shall not discriminate based upon race, color, religion (creed), gender identity or expression, age, national origin, ancestry, disability, marital status, sex, affectional or sexual orientation, military status, familial status or nationality, in any of its activities or operations.

Applicant Name

Applicant Signature

Title

Date

Agreement to Notify Borough of Changes in Ownership and Maintain Conditions of Municipal Approval

I, _____, hereby certify that the business entity named in this application understands and agrees that it has a continuing obligation to notify the Borough of Hopewell, within a reasonable amount of time, of any changes to ownership in the business entity. This obligation shall continue up to and through such time as the applicant is issued a license by the Borough of Hopewell, during licensure, and during the renewal of such licensure.

I, _____, further certify that the business entity understands and agrees that:

- The contents of this application (and attachments) will be used in deciding whether or not the business entity will be granted a resolution of local support; and
- Should the governing body grant a resolution of local support to the entity, the resolution shall set forth conditions of its local support, which shall include but not be limited to compliance with the material contents of this application; and
- The failure to maintain the conditions of approval set forth in the resolution, both before and during licensure, may be grounds for the denial of a renewal of a license or revocation of license.

Applicant Name

Applicant Signature

Title

Date

PROPERTY OWNER'S CONSENT

I, _____, hereby certify that I am the owner of record of the property described hereon and that I concur with the documents presented to the Borough. I hereby authorize the applicant to submit this application.

Property Owner

Property Owner Signature

Title

Date

PART 6: EVALUATION CRITERIA

CORE CATEGORY	CRITERIA	POINTS
Qualifications & Experience (Part 1.C)	Applicant clearly demonstrates that it has the capacity, experience and qualifications to successfully operate the cannabis business.	0/5/10/15
Financial Capacity (Part 1.D)	Applicant demonstrates sufficient financial capacity to open and operate the business.	0/5/10/15
Evidence of Site Control (Part 3.C)	Applicant demonstrates sufficient evidence of lawful possession of the premises necessary to open and operate the business.	0/5/10/15
Safety & Security Plan (Part 3.E)	Applicant clearly presents the sufficiency of its safety and security plan, including details on how it will prevent minors from access to the site and purchasing cannabis and cannabis-related products.	0/5/10/15
Workforce Development & Job Creation Plan (Part 3.F)	Applicant includes a workforce development and job creation plan that includes, but is not limited to, diversity and local hiring.	0/5/10/15
Commitment to Work with Local Officials (Part 3.G)	Applicant demonstrates a commitment to work with Borough land use and administrative officials to satisfy zoning, land use, historic preservation (if applicable) and licensing requirements.	0/5/10/15
Improvements to Design & Accessibility (Part 3.H)	Applicant demonstrates a commitment to a high-quality building and site design and/or applicant commits to working with the Borough on improving accessibility and the condition of the property.	0/5/10/15
Sustainable Operations (Part 3.I)	Applicant has a plan to operate sustainably; examples include purchase of renewable energy, energy-efficiency measures (LED lighting, EnergyStar appliances), etc.	0/5/10/15
Community Impact, Social Responsibility and Research Statement (Part 3.J)	Applicant's commitment to the local community, commitment to social responsibility and statement committing to research related to cannabis.	0/5/10/15/20
TOTAL SCORE – CORE CATEGORIES	<i>For Borough Use Only</i>	
BONUS POINTS Bonus Points will be available only	Diversely Owned Business (Part 1.F)	5

to qualified applicants that achieve the minimum passing score of 70 from the core categories above.	Social Equity Business (Part 1.G)	5
	Fills Vacant Storefront (Part 3.D)	5
	Total Bonus Points – For Borough use only	

Applicants must earn a minimum of 70 points within the core categories in order to qualify for a cannabis business license in Hopewell Borough. Bonus points are available only to qualified applicants who meet this threshold.

Applications will be ranked in the order of the total amount of points accumulated by an applicant, starting with the highest point total.

ORDINANCE NO. 859

AN ORDINANCE OF THE BOROUGH OF HOPEWELL, COUNTY OF MERCER, NEW JERSEY, PERMITTING CLASS 5 AND 6 CANNABIS BUSINESSES IN CERTAIN ZONES OF THE BOROUGH, REGULATING CLASS 5 AND 6 CANNABIS BUSINESSES, AMENDING CHAPTER XII, "ZONING," AND ESTABLISHING A NEW CHAPTER XX, "CANNABIS BUSINESSES," OF THE "REVISED GENERAL ORDINANCES OF THE BOROUGH OF HOPEWELL, 1975"

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 cannabis by adults twenty-one 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 established 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 one licensed cultivator to another licensed cultivator, or cannabis items in bulk from any type of licensed cannabis business to another;
- Class 5 Cannabis Retailer license, for locations at which cannabis items and related supplies are sold to consumers; and
- Class 6 Cannabis Delivery license, for businesses providing courier services for consumer purchases that are fulfilled by a licensed cannabis retailer in order to make deliveries of the purchased items to a consumer, and which service would include the ability of a consumer to make a purchase directly through the cannabis delivery service which would be presented by the delivery service for fulfillment by a retailer and then delivered to a consumer; and

WHEREAS, section 31a of the Act 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 operation of such establishments, distributors or delivery services, and establishing civil penalties for the violation of any such regulations; and

WHEREAS, section 31b of the Act authorizes municipalities by ordinance to prohibit the operation of any one or more classes of cannabis establishments, distributors, or delivery services anywhere in the municipality; and

WHEREAS, section 31b of the Act also stipulates, however, that any municipal regulation or prohibition must be adopted within 180 days of the effective date of the Act (i.e., by August 22, 2021); and

WHEREAS, pursuant to section 31b of the Act, the failure to do so shall mean that for a period of five years thereafter, the growing, cultivating, manufacturing, selling and reselling of cannabis and cannabis items shall be permitted uses in all industrial zones, and the retail selling of cannabis items to consumers shall be a conditional use in all commercial and retail zones; and

WHEREAS, at the conclusion of the initial and any subsequent five-year period following a failure to enact local regulations or prohibitions, the municipality shall again have 180 days to adopt an ordinance regulating or prohibiting cannabis businesses, but any such ordinance would be prospective only and would not apply to any cannabis business already operating within the municipality; and

WHEREAS, by Ordinance No. 846 adopted on May 6, 2021, the Mayor and Council of the Borough of Hopewell determined it to be in the Borough’s best interest to amend the “Revised General Ordinances of the Borough of Hopewell, 1975” (“Borough Code”), and specifically

Chapter XII thereof, entitled “Zoning,” to prohibit all manner of cannabis-related land use and development within the Borough; and

WHEREAS, since the adoption of Ordinance No. 846, the Borough has continued to research, study and analyze the constantly evolving landscape of the Act; and

WHEREAS, based on its research and information now available from the Cannabis Regulatory Commission, the Borough seeks to amend the Borough Code to permit class 5 cannabis retailers and class 6 cannabis delivery services in specified zoning districts in the Borough, and to define the process and the criteria for municipal approval of such cannabis retailers and delivery services within the Borough.

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Hopewell, County of Mercer and State of New Jersey, as follows:

1. Preamble incorporated. The preamble to this ordinance is hereby incorporated as if fully restated herein.

2. General prohibition on all classes of cannabis businesses, except class 5 cannabis retailers and class 6 cannabis delivery services. Pursuant to section 31b of the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (P.L. 2021, c. 16) (the “Act”), all class 1 cannabis cultivators, class 2 cannabis manufacturers, class 3 cannabis wholesalers and class 4 cannabis distributors, as said terms are defined in section 3 of the Act and section 12-4 of Chapter XII of the “Revised General Ordinances of the Borough of Hopewell, 1975” (“Borough Code”), are hereby prohibited from operating anywhere in the Borough.

3. Prohibited uses under Chapter XII, “Zoning.” Section 12-5.8, which sets forth the “Prohibited uses” in the Borough, is hereby amended as follows (additions are underlined; deletions are [bracketed]):

§12-5.8 Prohibited uses.

- k. The operation of any and all class 1 cannabis cultivators, class 2 cannabis manufacturers, class 3 cannabis wholesalers and class 4 cannabis distributors [classes of cannabis establishments or cannabis distributors or cannabis delivery services], as said terms are defined in this chapter and in section 3 of P.L. 2021, c. 16 (N.J.S.A. 24:6I-33), but not the delivery of cannabis items and related supplies within the Borough by a cannabis delivery service located outside the Borough].

4. **Conditional Uses in “S Service Zone.”** Chapter XII of the Borough Code, “Zoning,” is hereby amended by adding a new section to allow class 5 cannabis retailers and class 6 cannabis delivery services as conditional uses within the “S Service Zone,” and as follows (additions are underlined; deletions are [bracketed]):

§12-14D. S SERVICE ZONE.

§12-14D.4. Conditional Uses.

- a. Class 5 cannabis retailers and class 6 cannabis delivery services, as said terms are defined in this chapter and section 3 of P.L. 2021, c. 16 (N.J.S.A. 24:6I-33), subject to the requirements set forth in section 12-18 and chapter 20 of this Code.

5. **Conditional uses in “B-R Business Zone.”** Section 12-15.3, which sets forth the “Conditional uses” within the “B-R Business Zone,” under Chapter XII of the Borough Code, “Zoning,” is hereby amended by adding a new subsection d. thereto as follows (additions are underlined; deletions are [bracketed]):

§ 12-15.3 Conditional Uses.

- d. Class 5 cannabis retailers as said term is defined in this chapter and section 3 of P.L. 2021, c. 16 (N.J.S.A. 24:6I-33), subject to the requirements set forth in section 12-18 and chapter 20 of this Code.

6. **Permitted conditional uses under Chapter XII.** Section 12-18.2, which sets forth the minimum requirements for permitted conditional uses under Chapter XII of the Borough Code, “Zoning,” is hereby amended by adding new subsections i. and j. thereto as follows

(additions are underlined; deletions are [bracketed]):

§ 12-18.2 Permitted Conditional Uses.

i. Cannabis retailers, subject to the following:

1. The premises operated by the cannabis retailer shall conform to all zoning requirements set forth in chapter 12 for the zone in which the use is conditionally permitted, as well as the general requirements set forth in chapter 12, unless otherwise specifically provided under this section.
2. The operating hours of a cannabis retailer shall be between 9:00 a.m. and 8:00 p.m. daily. It shall be unlawful for any cannabis retailer to sell or dispense cannabis or cannabis products at any time other than between these hours.
3. A cannabis retailer shall be accessible directly from a right-of-way through a separate entrance independent from any other retail ingress.
4. No cannabis product shall be visible from a public sidewalk, public street or right-of-way or any other public place.
5. All cannabis products shall be stored securely indoors and onsite.
6. Consumption of cannabis products, by any means of ingestion, shall not be permitted on the cannabis retailer premises or adjacent grounds.
7. 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.
8. The premises operated by a cannabis retailer shall be secured in accordance with State of New Jersey statutes and regulations and shall have a round-the-clock video surveillance system, 365 days a year.
9. Signage design at the premises operated by a cannabis retailer shall comply with the Borough's sign regulations at section 12-17A of the Code. In addition, signage design shall not include artistic or photographic renderings of cannabis plants or the glorification of cannabis or its use.
10. No cannabis retailer shall be housed in a vehicle or any movable or mobile structure.
11. A cannabis retailer shall prevent and eliminate any conditions on the site that constitute a nuisance, including but not limited to: preventing odors from escaping the interior of the facility; maintaining the exterior of the facility and immediately adjacent sidewalk and public right of way free of

litter, debris, and trash; and properly storing and disposing of all waste generated on the site in accordance with applicable law and regulation.

12. A cannabis retailer shall not provide for a drive-through facility.

j. Cannabis delivery services, subject to the following:

1. The physical premises utilized by a cannabis delivery service to operate said business, which shall include all office and parking facilities used thereby, shall conform to all zoning requirements set forth in chapter 12 for the zone in which the use is conditionally permitted, as well as the general requirements set forth in chapter 12, unless otherwise specifically provided under this section.
2. The operating hours of a cannabis delivery service shall comply with applicable law and regulations.
3. No cannabis product shall be visible from a public sidewalk, public street or right-of-way or any other public place.
4. Consumption of cannabis products, by any means of ingestion, shall not be permitted on a cannabis delivery service's premises or adjacent grounds.
5. The premises operated by a cannabis delivery service shall be secured in accordance with State of New Jersey statutes and regulations and shall have a round-the-clock video surveillance system, 365 days a year.
6. Signage design at a premises operated by a cannabis delivery service shall comply with the Borough's sign regulations at section 12-17A of the Code. In addition, signage design shall not include artistic or photographic renderings of cannabis plants or the glorification of cannabis or its use, and signage at the premises shall communicate that the facility is not open to the public.
7. Cannabis items shall not be stored or housed at a cannabis delivery service's premises, and shall not be left unattended in vehicles.
8. A cannabis delivery service shall prevent and eliminate any conditions on the premises operated by said service that constitute a nuisance, including but not limited to: preventing odors from escaping the interior of the facility operated at the premises; maintaining the exterior of the facility and immediately adjacent sidewalk and public right of way free of litter, debris, and trash; and properly storing and disposing of all waste generated on the site in accordance with applicable law and regulation.

7. **New Chapter of the Borough Code regulating the local approval and licensing of cannabis retailers and cannabis delivery services.** The Borough Code is hereby amended by

adding a NEW Chapter 20 thereto to regulate cannabis retailers and cannabis delivery services permitted in the Borough, and to establish standards for local approval and licensing of same, and which shall read as set forth in in Exhibit A attached hereto and incorporated herein as if fully restated.

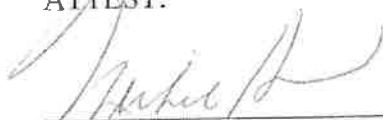
8. Referral to Planning Board. Following introduction and prior to adoption, the Clerk shall cause a copy of this ordinance to be referred to the Hopewell Borough Planning Board for review pursuant to N.J.S.A. 40:55D-26.

9. Repealer. All ordinances and resolutions or parts thereof inconsistent with this ordinance are repealed.

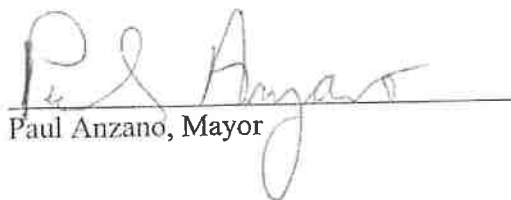
10. Severability. If any section, paragraph, subsection, clause or provision of this ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and the remainder of this ordinance shall be valid and enforceable.

11. Effective Date. This ordinance shall take effect twenty days from the date of its adoption and upon filing with the Mercer County Planning Board, as required pursuant to N.J.S.A. 40:69A-181 and N.J.S.A. 40:55D-16.

ATTEST:



Michele Hovan, Borough Administrator/Clerk



Paul Anzano, Mayor

Introduced: August 4, 2022
Referred to Planning Board: September 7, 2022
Adopted: September 8, 2022

EXHIBIT A

CHAPTER 20 CANNABIS BUSINESSES

§20-1 GENERAL PROVISIONS.

§20-1.1 Authority; Purpose.

- a. This chapter is enacted in accordance with the provisions of the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act" (P.L. 2021, c. 16) (the "Act"), and the regulations promulgated by the Cannabis Regulatory Commission ("CRC"), N.J.A.C. 17:30-1.1 et seq.
- b. The purpose of this chapter is to regulate the establishment and operation of cannabis businesses in the Borough of Hopewell and to specify the conditions and limitations applicable thereto.

§20-1.2 Definitions.

For the purpose of this chapter and all other applicable chapters of this Code, words and phrases herein shall have the meanings set forth in the Act and section 12-4 of Chapter XII of the "Revised General Ordinances of the Borough of Hopewell, 1975," as may be amended from time to time.

§20-1.3 Applicable laws.

- a. All applications for local support, all municipal approvals issued and all proceedings under this chapter shall be in accordance with the Act, regulations referred to in section 20-1.1 above, and all other applicable laws of the State of New Jersey.
- b. The provisions and standards set forth in this chapter are subject to the enabling authority of the State of New Jersey, by and through the CRC, and are subject to compliance with all statutes and/or regulations promulgated and adopted by the State of New Jersey or its agencies.
- c. If any provision of this chapter is inconsistent with the statutes and/or regulations of the State of New Jersey or its agencies, the State statutes and/or regulations shall prevail.

§20-2 STATE AND MUNICIPAL LICENSES AND APPROVALS REQUIRED.

§20-2.1 Licenses required.

No cannabis business shall operate in the Borough without the receipt of a state permit or license and full regulatory oversight of the cannabis business by the CRC or other state licensing authority and final issuance of a license by the Borough in accordance with the provisions of this chapter.

§20-2.2 Maximum quantity of municipal licenses authorized.

Only the following marketplace classes of cannabis businesses shall be allowed to operate in the Borough, subject to the maximum quantity limitations and requirements set forth herein and elsewhere in this Code, and all other classes shall be prohibited:

Class 5 Cannabis Retailer	One license
Class 6 Cannabis Delivery Service	No limit

§20-2.3 Applications for local support; issuance of resolution(s) of local support.

- a. Any person seeking to operate a cannabis retail or cannabis delivery service in the Borough shall submit an application to the Borough for local support, pursuant to the Act, and specifically N.J.S.A. 24:6I-45(c) and N.J.A.C. 17:30-5.1(g).
- b. Applications shall be solicited and submitted in accordance with the following:
 1. Within sixty (60) days of the effective date of this chapter, and thereafter within sixty (60) days of the availability of any new or existing license, the Borough shall issue a request for applications from applicants seeking to operate any class of cannabis business in the Borough.
 2. All responses to the request for applications shall be on standardized forms issued by the Clerk's office and accompanied by the following to be deemed complete:
 - a. Nonrefundable application fee, in accordance with section 20-3.1 below.
 - b. A letter from the Borough zoning officer stating the proposed location of the requestor's cannabis business will conform to the Borough's zoning requirements, as set forth in chapter 12 of the Code, allowing for activities related to the operations of the proposed cannabis business to be conducted at the location.
 - c. Proof that the requestor has or will have lawful possession of the premises proposed for the cannabis business, 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.
 - d. Affidavit and documentary proof of compliance with all State and local laws regarding affirmative action, anti-discrimination and fair employment practices. The requestor shall also certify under oath that said applicant 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.
 - e. Affidavit or other documentary proof that any person proposed to have an ownership interest in the license shall not have had any cannabis license or permit revoked for a violation affecting public safety in the State of New Jersey or a subdivision thereof within the preceding five (5) years.

- f. A narrative describing how the requestor intends to comply with the Borough's conditional use and licensing requirements.
 - g. Any other information and documents specifically to demonstrate the applicant's financial sustainability, community benefits, local hiring process, promotion of diverse ownership structures and environmental sustainability.
- c. Applications, upon being deemed complete, shall be reviewed by the Borough Administrator or designee, and scored based upon evaluation criteria as listed within the request for applications, which shall include, but not necessarily be limited to, financial sustainability, community benefits, local hiring process, promotion of diverse ownership structures and environmental sustainability. The highest scoring applicants will then be referred to the Council for consideration of the issuance of a "resolution of local support." The Borough Council shall take action on a complete application within thirty (30) days of receipt of same by the Administrator's office.
- d. Notwithstanding the foregoing competitive application process, a resolution of local support shall entitle the recipient applicant to pursue a State permit or license in the appropriate classification for up to six months, which may be extended in the Administrator's discretion for an additional six months for good cause. No license to operate shall issue until the applicant has received a State permit or license and satisfied other prerequisites of municipal licensure. If the recipient of a notice of award and local support has not received a State permit or license within six months from issuance, unless extended by the Administrator as set forth herein, then the Administrator shall issue a new request for applications and evaluate all applicants for licensure under the above criteria.
- e. Final approval from the Borough will be in the form of a local business license being issued pursuant to section 20-2.4 below.
- f. At no time shall the resolutions of local support issued by the Borough for which a State permit or license is pending exceed the quantity of available licenses in the Borough for the type of cannabis business sought.

§20-2.4 Municipal licensing.

- a. A license to operate a cannabis business shall be granted by the Borough Council only when the applicant who has received a resolution of local support has:
 - 1. Received a state permit or license authorizing the operation of the cannabis business in the Borough by the CRC or other state licensing authority;
 - 2. Received conditional use and site plan approval from the Planning Board;
 - 3. Complied with all elements of its concept plan;
 - 4. Complied with any other applicable Borough ordinance; and

5. Paid the annual registration (license) fee required by section 20-3.1 below.
- b. Except as otherwise provided immediately below, each municipal license shall be effective from January 1 until December 31 and shall be annually renewed upon the submission of an application and renewal fee provided all conditions and requirements of applicable State law and this chapter are met. The Borough may, at its discretion, adjust the renewal date of the municipal approval to correlate with an applicant's State licensing and renewal schedule.
 1. A new license shall be effective upon its issuance. If issued after January 1st, then the license shall be in effect for its initial term until December 31st of the following calendar year.

§20-3. MUNICIPAL FEES.

§20-3.1. Application fee; annual licensing fee.

- a. The application and annual fees for cannabis licenses in the Borough shall be as follows:

<u>Class of License</u>	<u>Application Fee (nonrefundable)</u>	<u>Annual Registration (License) Fee</u> (refunded in the event the applicant does not receive a license)
Class 5 Cannabis Retailer	\$2,000.00	\$2,000.00
Class 6 Cannabis Delivery Service	\$2,000.00	\$2,000.00

- b. The annual license fee shall be paid on or before January 1 and shall cover the time period from January 1 until December 31, except for the first year a license is issued, as more specifically set forth in section 20-2.4b.1 above.
- c. Licenses issued pursuant to this chapter shall be personal to the licensee and shall not be transferable.
- d. A separate license shall be required for each class of cannabis business, and a separate application fee and registration fee shall be charged for each type of license.

§20-4 ENFORCEMENT, VIOLATIONS AND PENALTIES.

§20-4.1 Suspension, revocation or non-renewal of license.

Any suspension, revocation or non-renewal of a CRC-issued license or permit for the operation of any cannabis business, or any adjudication of felony criminal guilt by the cannabis business or any of its principals, shall constitute an automatic revocation of a local license issued pursuant to this chapter, at which time the operation shall immediately cease. A criminal conviction voids and prohibits any future reinstatement of a local license.

§20-4.2 Violations and penalties.

Any violation of the terms of this chapter, of any condition of the license, or of any State, or local law, regulation or provision of this Code may result in the revocation of a license authorized under this chapter, and may further subject the licensee to any applicable penalties, including but not limited to the general penalties set forth in section 3-11.1 of this Code.

§20-4.3 Enforcement.

The provisions of this chapter shall be enforced by the Hopewell Township Police Department or any other organization duly authorized to provide law enforcement services to the Borough, Borough zoning officer and/or Borough health officer as appropriate based on the nature of the violation.

§20-5 LOCAL CANNABIS TRANSFER AND USER TAX.

§20-5.1 Purpose.

The purpose of section 20-5 et seq. is to implement the provisions of the Act, set forth at N.J.S.A. 40:48I-1, which authorize a municipality to impose transfer and user taxes on cannabis establishments.

§20-5.2 Definitions.

All terms herein shall be defined as set forth in section 3 of the Act and section 12-4 of Chapter XII of the Borough Code.

§20-5.3 Cannabis transfer tax.

- a. All cannabis businesses operating in the Borough shall be subject to the following transfer tax on the sale of cannabis or cannabis related items:

Class 5 cannabis retailers: Two percent (2%) of the receipts from each sale.

- b. The transfer tax imposed pursuant to this section shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity with regard to cannabis.
- c. Any transaction for which the transfer tax is imposed shall be exempt from the tax imposed under the "Sales and Use Tax Act," N.J.S.A. 54:32B-1 et seq.
- d. The transfer tax shall be collected or paid, and remitted to the Borough by the cannabis business purchasing or receiving the cannabis or cannabis item. The transfer 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.

§20-5.4 Cannabis user tax.

- a. Any concurrent license holder operating more than one cannabis business shall be subject to a two percent (2%) user tax. 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 this article, from the license holder's establishment that is located in the Borough to any of the other license holder's establishments, whether located in the Borough or in another municipality.
- b. The user tax shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity with regard to cannabis. Any transaction for which the user tax is imposed, is exempt from the tax imposed under the Sales and Use Tax Act, N.J.S.A. 54:32B-1 et seq.
- c. The 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.

§20-5.5 Collection of cannabis transfer and user tax.

In accordance with the provisions of the Act:

- a. Every cannabis establishment required to collect the transfer and user taxes imposed by this chapter shall be personally liable for the transfer and user tax imposed, collected, or required by this chapter and the Act.
- b. Any cannabis establishment collecting a transfer tax or user tax shall have the same right with respect to collecting the tax from another cannabis establishment or the consumer as if the tax was a part of the sale and payable at the same time. With respect to non- payment of the transfer tax or user tax by the cannabis establishment or consumer, as if the tax was part of the purchase price of the cannabis or cannabis item and payable at the same time, provided that the Borough's chief financial officer is 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 the transfer and user taxes imposed by this chapter 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.

§20-5.6 Remittance of cannabis taxes; delinquencies.

- a. All revenues collected from the transfer tax and user tax imposed pursuant to this chapter shall be remitted to the Borough's chief financial officer on a monthly basis.

- b. The chief financial officer shall enforce the payment of delinquent taxes or transfer fees imposed by this chapter 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 chapter 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 Borough 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 Borough taxes, and shall be on a parity with and deemed equal to the Borough lien on the parcel for unpaid property taxes due and owing in the same year.
- d. The Borough shall file in the office of its tax collector a statement showing the amount and due date of the unpaid balance of cannabis taxes 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.
- e. No licensed cannabis establishment operating in the Borough shall be permitted to renew a license issued pursuant to this chapter should any transfer or user tax imposed hereunder be delinquent.