

Township of Lawrence
County of Mercer

Ordinance No. 2400-21

AN ORDINANCE BY THE TOWNSHIP OF LAWRENCE IN MERCER COUNTY, NEW JERSEY RESTRICTING THE OPERATION OF CANNABIS BUSINESSES WITHIN ITS 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*” (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, 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 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, section 31b of the Act also stipulates 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 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, after 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, the governing body of the TOWNSHIP OF LAWRENCE (hereafter, the "TOWNSHIP") has determined that, due to present 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, it is at this time necessary and 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 the six marketplace classes of licensed cannabis-related businesses may operate within the geographic boundaries of the TOWNSHIP; and

NOW, THEREFORE, BE IT ORDAINED, by the governing body of the TOWNSHIP OF LAWRENCE, in the County of Mercer, State of New Jersey, as follows:

1. Pursuant to section 31b of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16), all cannabis establishments, cannabis distributors, or cannabis delivery services are hereby designated to operate within the boundaries of the TOWNSHIP as follows:

2. Mixed Use 2 (MX-2) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. Class 1 Cannabis Cultivator
- b. Class 2 Cannabis Manufacturer
- c. Class 3 Cannabis Wholesaler
- d. Class 4 Cannabis Distributor

3. Mixed Use 3 (MX-3) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 1 Cannabis Cultivator**
- b. **Class 2 Cannabis Manufacturer**
- c. **Class 3 Cannabis Wholesaler**
- d. **Class 4 Cannabis Distributor**

4. Limited Industry (LI-1) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 1 Cannabis Cultivator**
- b. **Class 2 Cannabis Manufacturer**
- c. **Class 3 Cannabis Wholesaler**
- d. **Class 4 Cannabis Distributor**

5. Regional Commercial (R.C.) District: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 5 Cannabis Retailer**
- b. **Class 6 Cannabis Delivery**

6. Highway Commercial (H.C.) District where the property has frontage on U.S. Highway Route 1 between Franklin Corner Road and Quakerbridge Road: the following marketplace classes of licensed cannabis businesses shall be permitted uses:

- a. **Class 5 Cannabis Retailer**
- b. **Class 6 Cannabis Delivery**

7. The number of Class 5 Cannabis Retailers shall not exceed two (2) in the Township at any time. Any currently licensed medicinal marijuana operator in the Township may not be denied under this provision to operate hereafter as a licensed Class 5 Cannabis Retailer or Class 6 Cannabis Delivery Service.

8. The Township shall impose a municipal transfer tax pursuant to the Act for the maximum amount allowable for: (a) receipts from the sale of cannabis by a cannabis cultivator to another cultivator; (b) receipts from the sale of cannabis by one cannabis establishment to another cannabis establishment (“Cannabis establishment” is defined as a cannabis cultivator, manufacturer, wholesaler, or retailer); (c) receipts from the retail sales of cannabis by a cannabis retailer to consumers.

9. Any article, section, paragraph, subsection, clause, or other provision of the Lawrence Township Municipal Code inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

10. If any section, paragraph, subsection, clause, or provision of this ordinance shall be adjudged by a court of competent jurisdiction 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 deemed valid and effective.

11. This ordinance shall take effect upon its passage and publication and filing with the County of Mercer Planning Board, and as otherwise provided for by law.

Adopted: July 20, 2021

RECORD OF VOTE

COUNCIL	AYE	NAY	PRESENT	ABSENT	ABSTAIN	MOVE	SECOND
Mr. Bobbitt	X						
Ms. Lewis	X					X	
Mr. Powers	X						X
Mr. Ryan	X						
Mayor Kownacki	X						

ATTEST:

Kathleen S. Norcia, Municipal Clerk

James S. Kownacki, Mayor

I, Kathleen S. Norcia, Municipal Clerk of the Township of Lawrence, do hereby certify that the foregoing is a true copy of an ordinance duly introduced by the governing body of the TOWNSHIP OF LAWRENCE on June 15, 2021.

Kathleen S. Norcia, Municipal Clerk