

**Ordinance Introduced in First Reading June 15;
Public Hearing Tuesday, July 13, 2021 at 4:30 p.m.**

21-009 D

**AN ORDINANCE OF THE BOROUGH OF RUMSON PROHIBITING THE
OPERATION OF ANY CLASS OF CANNABIS BUSINESSES WITHIN ITS
GEOGRAPHICAL BOUNDARIES AND AMENDING CHAPTER XXII,
DEVELOPMENT REGULATIONS, OF THE BOROUGH OF RUMSON CODE**

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, consisting of:

- 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 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.

WHEREAS, Section 3 of the Act defines a “cannabis establishment” as “a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer”); and

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, 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 21, 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, in 2026, 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 with appropriate approvals within the municipality; and

WHEREAS, the Borough of Rumson has determined that, due to the detrimental impacts that permitting one or more classes of cannabis business might have on New Jersey municipalities in general, and on our community in particular, it is at this time necessary and appropriate, and in the best interest of the health, safety and welfare of the Borough's residents and members of the public who visit, travel, or conduct business in the Borough of Rumson, to amend the Borough's regulations to prohibit all manner of cannabis/marijuana-related within the geographic boundaries of the Borough of Rumson.

BE IT ORDAINED by the Borough Council of the Borough of Rumson, County of Monmouth, and State of New Jersey that Chapter XXII, Development Regulations, of the Code of the Borough of Rumson is hereby amended or supplemented as follows:

PURPOSE

The purpose of this Ordinance is to add definitions relative to cannabis and to amend prohibited uses.

Chapter XXII (Development Regulations) of the Code of the Borough of Rumson is hereby amended or supplemented as follows (new text is double underlined, text to be deleted is ~~struck through~~ and notations to the reader and changes in subparagraph designations either with or without changes to content are italicized):

SECTION 1.

That Chapter XXII, Development Regulations, subsection 22-2 *Definitions* shall be amended as follows:

22-1 TITLE AND PURPOSE.

No Change.

22-2 DEFINITIONS.

22-2.1 Purpose through 22-2.3 Intent of Certain Terms and Words.

No Change.

22-2.4 Definitions.

Certain words, phrases, and terms in this chapter are defined for the purpose herein as follows:

ACCESSORY BUILDING, STRUCTURE OR USE through CALIPER.

No Change.

CANNABIS

Shall mean 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 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.).

CANNABIS CULTIVATOR

Shall mean 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

Shall mean 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

Shall mean 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

Shall mean a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer.

CANNABIS MANUFACTURER

Shall mean 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 RETAILER

Shall mean 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

Shall mean 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.

CAPITAL IMPROVEMENT through ZONING PERMIT

No Change.

22-3 ADMINISTRATION through 22-4 PROCEDURE.

No Change.

SECTION 2.

That Chapter XXII, Development Regulations, subsection 22-5 *Zoning District Regulations* shall be amended as follows:

22-5 ZONING DISTRICT REGULATIONS.

22-5.1 Zoning Map and Schedule through 22-5.2 Description of Districts.

No Change.

22-5.3 Permitted and Prohibited Uses.

- a. Any use, except for municipal essential services, or municipal park/recreation space or municipal open space, which is not specifically listed as a permitted use, an accessory use or a conditional use shall be deemed a prohibited use.
- b. Prohibited uses shall include but not be limited to the following:
 1. through 28.

No Change.

~~29. The sale medicinal and recreational marijuana, its derivatives, accessories, and paraphernalia.~~

29. Cannabis establishments, distributors and delivery services. 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 prohibited from operating anywhere in the Borough of Rumson, except for the delivery of cannabis items and related supplies by a licensed cannabis delivery service based and initiated from a cannabis delivery service licensed location outside of the Borough of Rumson.

22-5.4 Regulations Controlling the R-1 Residential Zone District through 22-5.22 Carton Street Affordable Housing Zone (AH-1).

No Change.

22-6 CONDITIONAL USES through 22-12 SPECIFICATIONS OF DOCUMENTS TO BE SUBMITTED.

No Change.

SECTION 3.

All Ordinances or parts of Ordinances inconsistent with this Ordinance if held to be unconstitutional or invalid for any reason, such decision shall not affect the remaining portions of this Ordinance.

SECTION 4.

The Borough Clerk is hereby directed, upon adopt of the Ordinance after public hearing thereon, to publish notice of the passage thereof and to file a copy of this Ordinance as finally adopted with the Monmouth County Planning Board as required by N.J.S.40:55D-16. The Clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Borough Tax Assessor as required by N.J.S.40:49-2.1.

SECTION 5.

This Ordinance shall take effect immediately upon final passage and publication according to law and filing with the Monmouth County Planning Board.

Introduced: June 15, 2021.

Passed and Approved:

I hereby approve of the
passing of this ordinance.

Joseph K. Hemphill
Mayor

Attest:

Thomas S. Rogers
Municipal Clerk/Administrator