

# Ordinance of the City of Paterson, N.J.

No. 12 .....1st Reading No. 23-029 .....

No. 9 .....Public Hearing  
(2nd Rdg. & Final Passage)

Division

TITLE: **ORDINANCE AMENDING PATERSON  
CODE CHAPTER 172, ENTITLED  
"CANNABIS LICENSING AND OPERATING,"  
WITH REGARD TO THE NUMBER OF  
CLASS 1 CULTIVATORS (GROWERS)  
AND WITH REGARD TO FEE REFUNDS**


Date ..APRIL 25, 2023.....

Date to Mayor ..APRIL 27, 2023..

Date Returned ..MAY 1, 2023.....

Date Submitted to  
Council ..MARCH 28, 2023.....

Factual Contents Certified to By

 Title *Director*  
Approved As To Form and Legality  
on Basis of Facts Set Forth

Date *3/23/23*

  
CORPORATION COUNSEL

*3/23/23*  
Date

COUNCILPERSON ..MARITZA DAVILA.....

Moved the Following Ordinance:

**WHEREAS**, on June 28, 2022, via the adoption of Ord. No. 22-047, the Municipal Council created Chapter 172 of the Paterson Code, entitled "Cannabis Licensing and Operating," pursuant to the State authority of N.J.S.A. 24:6I-45; and

**WHEREAS**, generally-related matters are governed by Paterson Code Chapter 445, Article III, entitled "Medical Cannabis Transfer Tax," created on October 13, 2020 via the adoption of Ord. No. 20-058, and amended on May 12, 2022 via the adoption of Ord. No. 22-042; and

**WHEREAS**, other generally-related matters are governed by the amendments to Paterson Code Ch. 113, Art. II, now titled "Consumption in Public of Alcohol or Cannabis," whose said amendments were made on January 18, 2022 via the adoption of Ord. No. 22-002; and

**WHEREAS**, now, in 2023, the Council wishes to increase the number of licenses for Class 1 Cultivators (i.e., growers) from three (3) to six (6), where more than three (3) licensees have already been given conditional approval by the State of New Jersey, subject to local municipal approval; and

**WHEREAS**, the Council also wishes to provide for refunds for unsuccessful applicants.

**NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF PATERSON** that the Paterson Code shall be hereby be amended as follows, with any additions indicated by underlining, and aby deletions indicated by [brackets]:

**SECTION I:**

**§ 172-2 License Classes, and Certain Class-Related Requirements**

**A. Generally. SAME**

**B. Certain Class Related Requirements.**

1. The maximum number of licenses available for each Class is as follows:

Class 1-Cultivator- up to [~~three (3)~~] six (6) Licenses.

Class 2-Manufacturer- up to three (3) Licenses.

Class 3-Wholesaler- three (3) Licenses.

Class 4-Distributor- up to three (3) Licenses.

Class 5-Retailer- up to three (3) Licenses.

Class 6-Delivery- up to three (3) Licenses.

2. SAME

3. SAME

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**SECTION II:**

**§ 172-6 The Licensing Process**

**A. Local Licensing Authority. Same**

**B. Application. Same**

1. **Completion of Form. Same**
2. **Proof of Rights to Location. Same**
3. **Affidavit of Compliance with Laws. Same**
4. **Location in Compliance with Zoning & Location Restrictions. Same**
5. **Proof of Financial Ability to Operate. Same**
6. **Application and License Fees [(Non-Refundable)].** The applicant shall submit all required fees[, which are nonrefundable,] for the application and license, conditioned upon State issuance of license/authority to operate, in accordance with the following fee schedule:

\$30,000 for a Paterson resident, who resides in Paterson at least one year prior, and

\$60,000 for a non-resident.

If final approval of the application is denied by the City of Paterson, then the application fee that the applicant has paid shall be refunded.

7. **1<sup>st</sup> Year Registration Fee (Subject to Reduction). Same**
8. **Criminal Background Check; Prior Cannabis License Suspensions. Same**
9. **Preferences for Award of Licenses. Same**
10. **Coordination of State Approval and Local Approval. Same**
11. **Modification of Requirements. Same**
12. **Council Approval by Resolution Required, for All New Cannabis Licenses. Same.**

**C. Term of license, license renewals, transfer, and expansion. Same**

**SECTION III:** All Ordinances or portions of Ordinances inconsistent herewith are hereby repealed to the extent of their inconsistency only.

**SECTION IV:** If any part of this Ordinance shall be declared to be invalid or inoperative, such part shall be deemed severable and the invalidity thereof shall not affect the remainder of this Ordinance.

**SECTION V:** The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Code of Paterson.

**SECTION VI:** This Ordinance takes effect upon passage, approval and publication as required by law, whose time frame may be modified if the Council duly adopts a Resolution for Accelerated Effect

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pursuant to N.J.S.A. 40:69A-181.

**SECTION VII:** The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this Ordinance reveals a conflict between those numbers and the existing Code, in order to avoid confusion and possible accidental repealers of existing provisions.

**SECTION VIII:** The City Clerk and the Corporation Counsel may correct any clerical errors in the printing, publication and codification of this Ordinance, provided both concur with the correction being made and both certify in writing to the Municipal Council as to the specifics of the clerical correction no later than seven (7) days before the correction is made, or, where a legal deadline for publication applies, no later than the date of the next Regular Meeting. The said certifications shall also be prominently posted no later than the date of the next Regular Meeting, and thereafter shall be annexed to the corrected original Ordinance and retained by the City Clerk.

**STATEMENT OF PURPOSE**

The purpose of this Ordinance is to amend certain sections of Chapter 172 of the Paterson Code, entitled "Cannabis Licensing and Operating." More specifically, § 172-2 is amended to increase the number of licenses for Class 1 Cultivators (i.e., growers) from three (3) to six (6), and § 172-6 is amended to provide for refunds for unsuccessful applicants.

\\PATCITYF3\legal\documents\Ben-David Seligman\Legal Matters Without Files\Cannabis\ord.amending.cannabis.BD.per-Council.ED.03.23.23 (6-growers&refund).docx

SECONDED BY COUNCILPERSON . . . ALEX MENDEZ/LUIS VELEZ . . . . .

*Do Not Use Space Below This Line*

RECORD OF COUNCIL VOTE ON FINAL PASSAGE	AYE	NAY	ABSTAIN	ABSENT
1. ABDELAZIZ, ALAA "AL"				X
2. COTTON, RUBY N.	X			
3. DAVILA, MARITZA	X			
4. JACKSON, MICHAEL	X			
5. KHALIQUE, SHAHIN	X			
6. MENDEZ, ALEX	X			
7. MIMMS, LILISA				X
8. UDDIN, MD FORID				X
9. VELEZ, LUIS	X			

Adopted on first reading at a meeting of the Council of the City of Paterson, N.J., on MARCH 28, 2023 . . . . . Adopted on

second and final reading after hearing on April 25, 2023 . . . . .

Approved  Reconsidered  Over   
Rejected By  By Council  Ride   
Mayor ANDRÉ SAYEGH Date                      Vote Aye  Nay

Shahine . . . . . Council President Jacqueline Murray . . . . . Acting City Clerk  
SHAHIN KHALIQUE JACQUELINE MURRAY

## Public Notices

### CITY OF PATERSON ORDINANCE ORDINANCE AMENDING PATERSON CODE CHAPTER 172, ENTITLED "CANNABIS LICENSING AND OPERATING," WITH REGARD TO THE NUMBER OF CLASS 1 CULTIVATORS (GROWERS) AND WITH REGARD TO FEE REFUNDS

WHEREAS, on June 28, 2022, via the adoption of Ord. No. 22-047, the Municipal Council created Chapter 172 of the Paterson Code, entitled "Cannabis Licensing and Operating," pursuant to the State authority of N.J.S.A. 24:61-45; and

WHEREAS, generally-related matters are governed by Paterson Code Chapter 445, Article III, entitled "Medical Cannabis Transfer Tax," created on October 13, 2020 via the adoption of Ord. No. 20-058, and amended on May 12, 2022 via the adoption of Ord. No. 22-042; and

WHEREAS, other generally-related matters are governed by the amendments to Paterson Code Ch. 113, Art. II, now titled "Consumption in Public of Alcohol or Cannabis," whose said amendments were made on January 18, 2022 via the adoption of Ord. No. 22-002; and

WHEREAS, now, in 2023, the Council wishes to increase the number of licenses for Class 1 Cultivators (i.e., growers) from three (3) to six (6), where more than three (3) licenses have already been given conditional approval by the State of New Jersey, subject to local municipal approval; and

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A. Generally. SAME

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1. The maximum number of licenses available for each Class is as follows:

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Class 6-Delivery- up to three (3) Licenses.

2. SAME

3. SAME

#### SECTION II:

##### § 172-6 The Licensing Process

A. Local Licensing Authority. Same

B. Application. Same

1. Completion of Form. Same

2. Proof of Rights to Location. Same

3. Affidavit of Compliance with Laws. Same

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5. Proof of Financial Ability to Operate. Same

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7. 1st Year Registration Fee (Subject to Reduction). Same

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9. Preferences for Award of Licenses. Same

10. Coordination of State Approval and Local Approval. Same

11. Modification of Requirements. Same

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Same.

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#### NOTICE OF PENDING ORDINANCE

The Ordinance published herewith was introduced and passed upon first reading at a Regular Meeting of the Municipal Council of the City of Paterson, in the County of Passaic, New Jersey held on TUESDAY, MARCH 28, 2023.

It will be further considered for final passage after hearing thereon at a meeting of said Municipal Council to be held in the Council Chambers on TUESDAY, APRIL 11, 2023 at 7:00 p.m., and during the week prior to and up to and including the date of such meeting, copies of said Ordinance will be made available at no cost at the Clerk's Office in City Hall to the members of the general public who shall request the same.

JACQUELINE MURRAY  
ACTING CITY CLERK  
0005649502

Herald News-April 3, 2023 Fee: \$94.38

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