

**TOWNSHIP OF GREENWICH  
COUNTY OF WARREN  
STATE OF NEW JERSEY**

**ORDINANCE #114-2023**

**AN ORDINANCE OF THE TOWNSHIP OF GREENWICH,  
COUNTY OF WARREN, STATE OF NEW JERSEY,  
AMENDING AND SUPPLEMENTING CHAPTER 16-14.2 AND  
CREATING A NEW SECTION 16-19B-22 TO ALLOW  
RETAIL CANNABIS AS A CONDITIONAL USE**

**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**, on April 14, 2021, via Ordinance No. 103-2021, all cannabis businesses were prohibited in the Township of Greenwich (the “Township”) and Section 16-3.3 of the Township Code was amended to include cannabis-related definitions and Section 16-14 was added to the Township Code to expressly prohibit the use of cannabis activity;

**WHEREAS**, the Township wishes to amend the changes made by the passing of Ordinance No. 103-2021 and allow for some restricted cannabis activity;

**NOW, THEREFORE BE IT ORDAINED**, by the Township Committee of the Township of Greenwich, the County of Warren, State of New Jersey as follows:

- A. Cannabis establishments Class 1, 2, 3, and 4 shall not be permitted as a use in any zone in the Township.
- B. Cannabis establishments Class 5, retail, shall be a permitted conditional use in the following Zoning District in accordance with the standards under Subsection D below:
  - a. Highway Business Zone (B-2).
- C. There shall be no more than one Class 5 retailer awarded a conditional use approval and site plan approval in the Highway Business Zone (B-2).
- D. Any Cannabis use must submit for a conditional use approval and site plan approval to the Planning Board. The following conditions must be satisfied:
  - a. All Class 5 establishments located without the Township shall meet all requirements for licensure and hold the appropriate license issued by the Cannabis Regulatory Commission, Department of Treasury, State of New Jersey.
  - b. The premises operated by the cannabis retailer shall conform to all zoning requirements set forth in chapter 16 for the zone in which the use is conditionally permitted, as well as the general requirements set forth in chapter 16, unless otherwise specifically provided under this section.
  - c. 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.
  - d. All facilities shall be closed within enclosed buildings and shall not be permitted outdoors.
  - e. All cannabis products shall be stored securely indoors and onsite. No operations shall be conducted outside. No outside storage of any cannabis, cannabis products or cannabis related materials shall be permitted.
  - f. No cannabis product shall be displayed in any windows or doors. No cannabis product shall be visible from a public sidewalk, public street or right-of-way or any other public place.

- g. Deliveries to any Cannabis business shall be limited from 8:00 a.m. to 8:00 p.m., seven days a week.
- h. Cannabis waste shall be stored, secured, and managed in accordance with applicable state laws.
- i. Consumption of cannabis products, by any means of ingestion, shall not be permitted on the cannabis retailer premises or adjacent grounds.
- j. 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.
- k. All cannabis establishments shall provide detailed information on odor control from these sites. This shall include air treatment systems with sufficient odor absorbing ventilation and exhaust systems such that any odors generated inside the facility are not detectable by a person of reasonable sensitivity anywhere on adjacent property, within public rights of way, or within any other unit located in the same building if the use occupies a portion of a building. All cannabis establishments shall provide for noise mitigation features designed to minimize disturbance from machinery, processing and/or packaging operations, loading and other noise generating equipment or machinery. All licensed facilities must operate within applicable state decibel requirements.
- l. No cannabis Class 5 establishments shall be located within 500 feet as measured from the building to the common property line or zone, of an elementary school, high school, or charter school.
- m. No cannabis retailer shall be housed in a vehicle or any movable or mobile structure.
- n. 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.
- o. Signage design at the premises operated by a cannabis retailer shall comply with the Township's sign regulations at section 16-11 of the Code. In addition, signage design shall not include artistic or photographic renderings of cannabis leaves, plants or the glorification of cannabis or its use.
- p. 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.

- q. The following parking schedule shall be used to calculate the required number of off-street parking spaces per use. Where the calculation results in a fraction of a space, the required number of parking spaces shall be rounded to the nearest whole number.

Number of Parking Spaces Required

Class 5 Retailer – two (2) spaces per every 500 square feet of gross floor area

E. Additional Criteria for Cannabis Establishments

- a. For each cannabis establishment located within the Township a security plan shall be submitted to the Greenwich Township Police and a copy of the submission shall be provided to the Township. The security plan shall demonstrate how the facility will maintain effective security and control of the operations. The plan should include the following but not limited to:
  - i. Type of security system to be installed.
  - ii. Installation, operation and maintenance of security camera covering all interior and exterior parking lots, loading areas and other such areas of the establishments.
  - iii. Tracking and record keeping of products and materials.
  - iv. Type of lighting provided in and around the establishments.
  - v. Location on-site security team and armed guard on premises.

**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 Greenwich Township 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.

## EXHIBIT A

### CHAPTER 20 CANNABIS BUSINESSES

#### GENERAL PROVISIONS.

##### **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 business in the Township of Greenwich and to specify the conditions and limitations applicable thereto.

##### **Applicable laws.**

- a. all municipal approvals issued and all proceedings under this chapter shall be in accordance with the Act, 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.

#### STATE AND MUNICIPAL LICENSES AND APPROVALS REQUIRED.

##### **Licenses required.**

No cannabis business shall operate in the Township 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 Township in accordance with the provisions of this chapter.

##### **Maximum quantity of municipal licenses authorized.**

Only the following marketplace classes of cannabis businesses shall be allowed to operate in the Township, 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

Not more than 1

**Municipal licensing.**

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.

1. A new license shall be effective upon its issuance. If issued after January 1<sup>st</sup>, then the license shall be in effect for its initial term until December 31<sup>st</sup> of the following calendar year.

**MUNICIPAL FEES.**

**Application fee; annual licensing fee.**

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

Class 5 Cannabis Retailer	\$2,000.00	\$2,000.00
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- 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.
- c. Licenses issued pursuant to this chapter shall be personal to the licensee and shall not be transferable.

**ENFORCEMENT, VIOLATIONS AND PENALTIES.**

**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.

**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 4-7.21 of this Code.

**Enforcement.**

The provisions of this chapter shall be enforced by the Greenwich Township Police Department, and/or Zoning Officer.

**LOCAL CANNABIS TRANSFER AND USER TAX.**

**Purpose.**

The purpose of section 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.

**Definitions.**

All terms herein shall be defined as set forth in section 3 of the Act and section 16-3 of Chapter of the Township Code.

**Cannabis transfer tax.**

- a. All cannabis businesses operating in the Township 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 Township 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.

**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 Township to any of the other license holder's establishments, whether located in the Township 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.

**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 Township'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.

**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 Township'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 Township 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 Township taxes, and shall be on a parity with and deemed equal to the Township lien on the parcel for unpaid property taxes due and owing in the same year.

- d. The Township 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 Township shall be permitted to renew a license issued pursuant to this chapter should any transfer or user tax imposed hereunder be delinquent.

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Robert Barsony, Mayor

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Lisa A. Burd, RMC, CMC, CMR  
Township Clerk/Administrator

Introduction: November 8, 2023  
Publication: November 23, 2023  
Second Reading: December 21, 2023  
Adoption: December 21, 2023  
Publication: January 25, 2024