ORDINANCE NO. 5500

AN ORDINANCE AMENDING VARIOUS SECTIONS OF CHAPTER 17 OF THE CITY OF ELIZABETH, ENTITLED "LAND DEVELOPMENT CODE," SPECIFICALLY TO CREATE OVERLAY ZONES RELATED TO THE REGULATION OF CANNABIS ESTABLISHMENTS.

WHEREAS, the State of New Jersey (the “State”) has legalized and regulated the adult use of cannabis use and possession for adults 21 years and older via “The New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” P.L. 2021, c.16, N.J.S.A. 24:61-31 to 24:61-56 (the “Act”); and

WHEREAS, pursuant to N.J.S.A. 24:61-45, municipalities have 180 days after the effective date of the Act to take action to either prohibit or limit the number of cannabis establishments, distributors, or delivery services; the location, manner, and times of operation, and establishing civil penalties for violation of ordinances; and

WHEREAS, the City Council has determined that State-licensed businesses that legally sell, and/or distribute cannabis under such State licenses require special attention in the form of an Ordinance tailored toward the municipality, in order to preserve the public health, safety, and welfare of the community and its inhabitants; and,

WHEREAS, pursuant to N.J.S.A. 40:55D-62, the City Council of the City of Elizabeth may adopt or amend a zoning Ordinance relating to the nature and extent of the uses of land and of buildings and structures thereon; and

WHEREAS, the City Council of the City of Elizabeth adopted a resolution dated April 13, 2021, which stated that “since cannabis uses are land use regulations, the City Council of the City of Elizabeth authorizes the Planning Board to recommend a new chapter in the City of Elizabeth Zoning and Land Use Municipal Code to establish and regulate the sale, growth, warehousing, and/or transportation of cannabis;” and

WHEREAS, the City of Elizabeth Planning Board has reviewed the City Council’s request and recommended changes to the City’s Land Development Code, specifically to create two (2) overlay zones related to cannabis; and

WHEREAS, the City Council of the City of Elizabeth wishes to adopt these land use recommendations; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ELIZABETH:

SECTION 1. Section 17.36.010 of the Code of the City of Elizabeth entitled “Establishment of Zones” is hereby amended to add two (2) new overlay zones to the table under Subsection A. as follows:

<table>
<thead>
<tr>
<th>CANNABIS RETAIL OVERLAY ZONE</th>
<th>CRO</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANNABIS MANUFACTURING, CULTIVATION, AND DISTRIBUTION OVERLAY ZONE</td>
<td>CMO</td>
</tr>
</tbody>
</table>

SECTION 2. Section 17.36.210 of the Code of the City of Elizabeth entitled “Cannabis Overlay Zones” is hereby established and shall read as follows:

A. Purpose. New Jersey has signed an adult-use cannabis reform bill into law, legalizing and regulating cannabis use and possession for adults 21 years and older via “The New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace
Modernization Act," \textbf{N.J.S.A.} 24:6I-31 to 24:6I-56, P.L.2021, c.16. The City has determined that State-licensed businesses that legally sell, and/or distribute cannabis under such State licenses require certain land use regulations to control the appropriate locations and zones to permit such uses and set forth specific requirements for such uses, in order to preserve the public health, safety, and welfare of the community and its inhabitants.

B. **Definitions.** Unless specifically defined below, words or phrases used in this Chapter shall be interpreted consistently with the terms defined in \textbf{N.J.S.A.} 24:6I-33.

"TRC" means the Technical Review Committee of the City of Elizabeth Planning Board.

C. **Cannabis Retail Overlay Zone (CRO)**

1. **Location.** The CRO Zone would encompass the parcels as identified on the City Zoning Map in the CRO Zone, which includes the below tax lots:

<table>
<thead>
<tr>
<th>Properties in the CRO Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLOCK</td>
</tr>
<tr>
<td>-------</td>
</tr>
</tbody>
</table>
2. Permitted Uses
   i. Retail cannabis establishments licensed pursuant to N.J.S.A. 24:6I-42 with a "Class 5 Cannabis Retailer license" for adult-use sales.

3. Conditional Uses
   i. Pursuant to N.J.S.A. 24:6I-21, cannabis consumption areas for social, adult-use cannabis consumption, shall meet the following conditions:
a. Cannabis consumption areas shall comply with all bulk requirements and design standards provided under Section 17.36.210.B-4 of this Chapter.

b. Consumption shall be limited to products purchased on-site, and will not permit any outside products to be consumed on premises.

c. Cannabis consumption areas may be located in an indoor, structurally enclosed area of a retail cannabis establishment provided that the area is (1) separate from the area in which retail sales and dispensing of cannabis items occurs, (2) is a minimum of 1,000 square feet, exclusive of the minimum required area for the establishment.

d. Cannabis consumption areas may be located as an exterior, enclosed structure on the same premises as the cannabis establishment, either separate from or connected to the cannabis retailer, at which cannabis items obtained from the retailer may be consumed.

ii. Any deviation from any of the conditions listed under this subsection shall necessitate use "D" variance relief pursuant to Municipal Land Use Law (N.J.S.A. 40:55D-70D, et seq.)

4. Bulk Requirements and Design Standards

i. Any deviation from the below standards and requirements shall necessitate bulk "C" variance relief pursuant to Municipal Land Use Law (N.J.S.A. 40:55D-70C, et seq.);

a. Cannabis establishments shall only be located on the ground floor (i.e. street-level) of any building in which it has been approved to be located.

b. Minimum gross floor area of one thousand (1,000) square feet.

c. Minimum parking requirements shall be one (1) space per one thousand (1,000) square feet of gross floor area (GFA).

d. There shall be no on-site sales of alcohol or tobacco products, and no on-site consumption of food, alcohol, tobacco by patrons.

e. Hours of public operation shall be limited to 9:00 a.m. to 10PM on Monday thru Saturday, and Sunday 11AM to 8PM.

f. Any cannabis use shall comply with all setback or distance requirements established by law and in effect in the zone in which it is to be located as of the time of the application.

g. Signage shall comply with all existing regulations but shall not include language referring to “marijuana” or use any symbols that indicates such, and shall be subject to TRC review and approval.

i. Signage shall be limited to façade/wall signs at the exterior of the building, designating the business name and/or address;
ii. Vinyl window signs and decals shall be limited to
   designating the business name, logo, and/or address,
   which shall comply with “h” above;
iii. Window signs including product display, brand name
    advertisements, or similar shall be prohibited.

5. Other Requirements

i. Security and Lighting.
   a. Exterior lighting plans shall be reviewed and approved by the
      City Engineer in consultation the Elizabeth Police Department
      and submitted with TRC review application and/or site plan
      application.

ii. Air Quality and Ventilation
   a. The facility shall provide an air treatment system 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 within the same building as the licensed facility if the
      use only occupies a portion of a building. The ventilation
      system must be installed to meet ASHRAE62 Indoor Air
      Quality Standards and approved by the City Health Department
      and Building Department and may be subject to periodic
      inspection by both departments.

iii. Submission Requirements
   a. All applications for Cannabis related uses shall be required to
      appear before the TRC.
   b. To protect the public health, safety, and general welfare, and to
      prevent economic stagnation, site plan approval as set forth in
      the Municipal Land Use Law (N.J.S.A. 40:55D, et seq.) is
      required for any Cannabis uses.

iv. Redevelopment Areas
   a. Any property located within a Redevelopment Area with an
      active Redevelopment Plan in place shall be required to amend
      the Redevelopment Plan by Ordinance before the City Council
      to permit cannabis uses.

D. Cannabis Manufacturing, Cultivation, Distribution, and Wholesaling
   Overlay Zone (CMO)

1. Location. The CMO Zone would encompass the parcels as identified on
   the City Zoning Map as the CMO Zone, which includes the below tax lots:

<table>
<thead>
<tr>
<th>Properties in the CMO Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLOCK</td>
</tr>
</tbody>
</table>
iv. Cannabis distribution facility licensed pursuant to N.J.S.A. 24:6l-41 with a “Class 4 Cannabis Distributor license”.

3. Bulk Requirements and Design Standards

i. Any deviation from the below standards and requirements shall necessitate bulk “C” variance relief pursuant to Municipal Land Use Law (N.J.S.A. 40:55D-70C, et seq.);

a. Minimum gross floor area of five thousand (5,000) square feet, except that a microbusiness licensed pursuant to N.J.S.A. 24:6l-36 shall have a minimum gross floor area of one thousand (1,000) square feet.

b. Minimum parking requirements shall be provided as one (1) space per one thousand (1,000) square feet of gross floor area (GFA).

c. Loading spaces shall be provided as (1) space per five thousand (5,000) square feet of gross floor area (GFA).

d. Any cannabis use shall comply with all setback or distance requirements established by law and in effect in the zone in which it is to be located as of the time of the application.

e. Signage shall comply with all existing regulations but shall not include language referring to “marijuana” or use any symbols that indicate such.

4. Other Requirements

i. Security and Lighting

a. All facilities associated with the manufacturing, growing, distribution, or wholesaling of cannabis shall provide security fencing at their location’s perimeter. Facilities shall coordinate with the City of Elizabeth Police Department to provide access for emergency services.

b. Exterior lighting plans shall be reviewed and approved by the City Engineer in consultation the Elizabeth Police Department and submitted with TRC review application and/or site plan application.

ii. Air Quality and Ventilation

a. The facility shall provide an air treatment system 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 within the same building as the licensed facility if the use only occupies a portion of a building. The ventilation system must be installed to meet ASHRAE62 Indoor Air Quality Standards and approved by the City Health Department and Building Department and may be subject to periodic inspection by both departments.

iii. Submission Requirements
a. All applications for Cannabis related uses shall be required to appear before the TRC.

b. To protect the public health, safety, and general welfare, and to prevent economic stagnation, site plan approval as set forth in the Municipal Land Use Law (N.J.S.A. 40:55D, et seq.) is required for any Cannabis uses.

iv. Redevelopment Areas

a. Any property located within a Redevelopment Area with an active Redevelopment Plan in place shall be required to amend the Redevelopment Plan by Ordinance before the City Council to permit cannabis uses.

SECTION 3. In all those areas in the City where cannabis establishments, cannabis distributors, or cannabis delivery uses are not permitted pursuant to this Ordinance, and as shown in the amended Zoning Map attached hereto, such uses shall be prohibited, 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 City.

SECTION 4. All underlying zoning and zoning regulations on the properties encompassed by the Cannabis Overlay Zones shall remain valid and active.

SECTION 5. All ordinances or parts of ordinances inconsistent with the provisions of this ordinance be and the same are hereby repealed.

SECTION 6. If any portion or clause of this ordinance is declared invalid for any reason whatsoever, same shall not affect the validity or constitutionality of any other part or portion of this ordinance.

SECTION 7. The effective date of this ordinance shall be twenty (20) days after its final passage by City Council and approval by the Mayor at the time and in the manner provided by law.

PASSED: ____________________________  PATRICIA PERKINS-AUGUSTE  PRESIDENT OF CITY COUNCIL

APPROVED: ___________________________  J. CHRISTIAN BOLLWAGE  MAYOR

ATTEST: ____________________________  YOLANDA M. ROBERTS, R.M.C  MUNICIPAL CLERK