

**READINGTON TOWNSHIP COMMITTEE
VIRTUAL SPECIAL MEETING – MARCH 28, 2023**

Mayor Juergen Huelsebusch *calls the meeting to order at 9:00 a.m.* announcing that all laws governing the Open Public Meetings Act have been met and that this meeting has been duly advertised.

PRESENT: Mayor Mr. J. Huelsebusch, Deputy Mayor A. Mueller, Mr. J. Albanese, Mr. J. Heller and and Mr. V. Panico

ALSO PRESENT: Administrator R. Sheola, Attorney S. Dragan, Municipal Clerk K. Parker

ABSENT: None

Mayor Huelsebusch led those present in the *Salute to the Flag*.

NEW BUSINESS

1. ***Approval of Municipal Cannabis License / Verano NJ, LLC***

The following resolution was offered for consideration:

#R-2023-68

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON**

WHEREAS, pursuant to Ordinance #02-2022 adopted on February 7, 2022 (Readington Township Code Section 88-1 et seq.), the Township of Readington ("Township") published notice on April 28, 2022 inviting applications for one (1) municipal business license for a cannabis establishment (adult use) to be located within the Licensed Cannabis Business Overlay ("LCBO") Zone District in the Township; and

WHEREAS, the Township received an application on July 20, 2022 from Verano, NJ, LLC ("Applicant") for municipal business licenses to operate as both a Class 1 cannabis cultivator and Class 2 cannabis manufacturer on property it leases from Branchburg Route 22, LLC ("Owner"), which property is known as Block 14, Lot 49 on the official tax map of the Township and is commonly known as of 3576 Hwy. 22, Whitehouse Station, N.J (the "Property"); and

WHEREAS, the Applicant submitted additional documentation to the Township in support of its application on October 26, 2022 and on January 20, 2023, respectively, after having been notified on August 25, 2022 and December 26, 2022, respectively, that the Township's Cannabis Business Application Review Committee (the subcommittee which was charged with reviewing the application for recommendation to the Township Committee), had found it to be incomplete as to several items; and

WHEREAS, the Township's Cannabis Business Application Review Committee reviewed the January 20, 2023 submission, and on March 24, 2023 provided the Township with its recommendation of approval with conditions, which conditions the Township Committee agrees should be imposed; and

WHEREAS, the Applicant has been operating at the Property as a pre-existing state licensed Alternate Treatment Center pursuant to the "Jake Honig Compassionate Use Medical Cannabis Act, "P.L. 2009, c. 307 (N.J.S.A. 24:61-1 et seq.), and has approval from the State of New Jersey to operate as an "expanded" ATC, meaning that it may cultivate and process/manufacture both medical and personal use cannabis at the Property, as a result of Class I (cultivator) and Class 2 (manufacturer) licenses #C000009 and #M000007, respectively, granted by the State of New Jersey Cannabis Regulatory Commission Office of Compliance and Licensing, on or about April 17, 2022; and

Resolution #R-2023-68 cont'd:

WHEREAS, the Applicant has requested the Township to supply a letter to the CRC in support of its application to renew its state expanded Alternative Treatment Center (“ATC”) licenses #C000009 (Class I Cultivator) and #M000007 (Class 2 Manufacturer) which are due to expire on April 17, 2023; and

WHEREAS, in addition to the above, during the course of the application process, the Applicant has made certain tax payments to the Township pursuant to Township Code Sections 88-12, et seq. pertaining to the imposition of cannabis transfer and user taxes on adult use cannabis, as authorized by the State of New Jersey; and

WHEREAS, the Township Committee does not believe that it has thus far received sufficient information supporting the amount paid toward the transfer/user taxes, in terms of accounting and/or characterization, and the Applicant does not agree with the amounts paid. Accordingly, both the Applicant and Township have agreed that the Township may have a forensic audit conducted, to be paid for by the Applicant, in order to review the information provided by the Applicant in conjunction with the transfer/user taxes. The choice of the auditing firm shall be the Township’s; and

WHEREAS, the Township Committee agrees that the Applicant’s application can be approved with conditions in order to facilitate the processing of the Applicant’s state license renewals.

NOW, THEREFORE BE IT RESOLVED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF READINGTON AS FOLLOWS:

1. The preambles above are incorporated herewith as if fully repeated herein.

2. The Township Committee approves the application of the Applicant, Verano NJ, LLC for municipal Class 1 “Cannabis Cultivator” and Class 2 “Cannabis Manufacturer” licenses in the Township of Readington to be used at the property known as Block 14, Lot 49 on the official tax map of the Township, commonly known as 3576 Hwy. 22, Whitehouse Station, NJ 08889, subject to the following conditions:

(A) Per the recommendations of the Cannabis Business Application Review Committee the Township requires the following:

i. The Applicant will supply the Township with copies of its air pollution control permit(s) and certificate(s) from the NJDEP to operate the cannabis extraction operation, spent cannabis storage and cannabis shredding being conducted on site, together with a description of the processes used, within 30 days of issuance of same by the NJDEP. The Township reserves the right to review these processes, as well as any resulting compliance and/or odor concerns, as part of any future permit renewal applications submitted by the Applicant.

ii. The Applicant shall provide the Township’s Code Official with copies of completed assessment logs for all routine carbon filter inspections and replacements conducted on site, as well as completed logs for all outdoor assessments conducted on the Property. All logs shall be submitted on a monthly basis. Copies of past logs dating back to April 17, 2022 shall be submitted within 30 days of the date of this resolution.

iii. The Applicant shall provide a copy of its final application to New Jersey American Water for connection to public water within six (6) months of the date of this resolution. The Applicant shall apprise the Township Administrator and Engineer of its progress on the application as milestones are completed.

(B) The Applicant shall provide all necessary/requested data on recreational sales or transfers from April 20, 2022 to date and quarterly thereafter.

(C) As set forth above, the Township may obtain a forensic audit of all recreational and medical sales or transfers from April 20, 2022 to the date of this resolution and then quarterly thereafter; the auditor shall be chosen by the Township and paid for by the Applicant as provided by ordinance.

Resolution #R-2023-68 cont'd:

(D) All tax monies held in escrow for the Township shall be released to the Township simultaneously with the release of the approval letter to the CRC. After the results of the audit are completed and provided to the Township and the Applicant, any excess monies collected shall be promptly returned to the Applicant; if the Applicant owes additional monies, they shall be paid immediately.

(E) All real estate and user/transfer taxes shall be paid during the term of this license.

3. During the term of this license, the Applicant will be responsible for complying with any and all applicable municipal, County and State ordinances, rules and regulations, whether set forth in this resolution or not.

4. This license approval shall run from March 28, 2023 and shall expire on March 28, 2024. All future annual municipal license renewal applications shall be submitted at least 90 days' prior to the expiration date of the municipal licenses issue.

5. A copy of this resolution approving the Applicant's municipal licenses shall be submitted to the Applicant and the New Jersey Cannabis Regulatory Commission. In addition the Township hereby authorizes submission of the requested letter approving the Applicant's State expanded ATC license renewals to the Applicant.

A MOTION was made by Mr. Panico to adopt this resolution, seconded by Mr. Albanese and on Roll Call vote the following was recorded:

Mr. Albanese	- Aye
Mr. Heller	-Aye
Mr. Mueller	- Aye
Mr. Panico	- Aye
Mayor Huelsebusch	-Aye

COMMENTS FROM THE PUBLIC

Mr. John Broten inquired about the content of the resolution and wanted to clarify that the cannabis business remains as cultivating and manufacturing.

COMMENTS FROM THE GOVERNING BODY

There were none.

As there was no further business, **A MOTION** was made at 9:15 a.m. by Mr. Mueller to adjourn the meeting, seconded by Mr. Albanese with a vote of ayes all, nays none recorded.

Submitted:

Karin M Parker, RMC
Municipal Clerk