

Special Meeting of Mayor and Council June 10, 2024
Town Hall Council Chambers, 100 Central Avenue
Closed Session 6:00
Public Session 7:00 P.M.

MEETING CALLED TO ORDER

CLOSED SESSION ATTENDANCE ROLL CALL

Councilperson:

Furgione - Present

Gribbin – Present

Marino -Present

Oliva- Present – Arrived at 6:30

R. Rodio- Present

S. Rodio – Present

Mayor DiDonato - Present

PRESENT ALSO

Michael Malinsky, Town Solicitor

Bob Vettese, Public Works Manager

EXECUTIVE SESSION Resolution #089-2024

Motion by Council Person Marino Second Gribbin
Enter into Executive Session

Motion by Council Person Furgione Second Oliva
Close Executive Session

RESUME REGULAR MEETING-ROLL CALL

Councilperson:

Furgione - Present

Gribbin – Present

Marino -Present

Oliva- Present

R. Rodio- Present

S. Rodio – Present

Mayor DiDonato - Present

PRESENT ALSO

Michael Malinsky, Town Solicitor

Bob Vettese, Public Works Manager

Mark Hermann of ARH, Town Engineer

PUBLIC NOTICE

Notice of this meeting has been posted and given to official newspapers. Please familiarize yourselves with the fire exits to the right and rear of the Council Chambers. Please do not proceed beyond the front benches without invitation from the Mayor to do so. Also, each person who wishes to address Council will be allotted 5 minutes.

PLEDGE OF ALLEGIANCE

PUBLIC HEARD FOR AGENDA ACTION ITEMS

Frank Chappine 442 Bellevue Ave- He does not agree with the Cannabis Ordinance. We need to try and protect our community and our children. Please turn down this application for a cannabis grower. There are issues with the product; it can be dangerous to individuals. His wife almost lost her life from the use of cannabis. He also spoke about the type of plants they use.

Suzanne Cruz 232 S. Washington Street- Cannabis can cause Toxic by-products. Will our environment be protected? This will also cause and increase in crime.

Rick Sepe 308 Orchard Street- Hammonton is all about family and faith, this will affect that. The odor that is produced from this will not be good for the Town. The traffic that this will cause will have a negative effect on the intersection where this proposed business will go. If we allow a business like in our Town what's next. Keep us the Blueberry Capital of the world.

Brian Mchale 30 Gold Drive- He left the Town of Hammonton in 2008 but kept his house to retire here. Hammonton is a special community because of the families that are here. What is the value of the cannabis? When will the first high jacking occur in the middle of Bellevue Ave, this will happen? This is the greatest little Town in the world, let keep it that way.

Frank Curcio 10 Bairdmore Ave - This is wrong for the Town. He works for the NJ DEP, and these types of facilities cause a lot of odor in communities. There will be an odor coming from this. There is no fail safe way to keep this odor away.

Stanley Hammonton Resident- Your minds are made up already. This will be a terrible mistake; he would rather pay more in taxes than have this in Hammonton.

Councilman Jon Oliva- Council is taking this seriously. This is a big decision to make and we need to make an educated decision. He also received a lot of calls and emails regarding this. The state has legalized this and it will continue to exist where in our Town or not. This is an opportunity to keep taxes down for our residents.

Mayor DiDonato- Spoke about the ordinance, stating that this is only the 1st reading only, there will be a 2nd reading. The second reading will have another public portion for residents to comment on.

Joe Berenato 314 W. Pleasant- This will allow for only cultivation and manufacturing only? This will not allow for sales in the Town of Hammonton. There will no consumption at all in the Town from this proposed location?

Joe Caruso 52 Main Road- Tax dollars that will come into Hammonton will be approximately how much? It could be up to \$312,000 to \$368,000 a year. The odor issues, if there is odor when will the Town be able to shut down the operations? The Town would hire a contractor at the cost of the company to investigate the issue. This process could take up to 30 days.

Rick Sepe 308 Orchard Street- If odor issue is reported, how fast the Town can get a contractor to inspect the smell. Why is this happening in our community?

Lorraine Chappine 442 Bellevue Ave- She took the gummies for her arthritis. She couldn't respond after taking it. Our kids may take this and they could have even more dire consequences.

Ashley Walsh Pocono Organics-

She answered some of the questions asked.

Why do employees have hazmat suits on – It is for the protection of the plants. Employees bring in dirt and other substances.

Traffic issue- They don't use tracker trailers. The deliveries occur in small vans with 2 security officers.

Water usage- Onsite well water would be used. There is no water going into our water system.

Ashley stated she doesn't want to hurt people she wants to help them. There is a large capital investment to open this type of business. She would employ up to 50 to 75 employees. We do not market to children. Revenue could be up to 15 million. There will be 2 armed individuals at all times. They need to follow state laws and regulations at all times.

Chief Kevin Friel- The DEA this past month passed a law to change cannabis to class 3. We need to have parents monitor their use and storage around their kids. There will not be any large vehicles making deliveries. There will be a filtration system in place to capture the odor. This is not a dispensary; they can not sell at all.

Mayor DiDonato- It is his job to put all the options on the table and think of all the residents in the Town not just the few. Council has a responsibility of trying not to raise taxes for the residents. Freedom is a double edge sword some residents want it some do not. Council must think about the residents that can't afford the tax increase. This also has the potential to create 25 to 50 jobs for our residents. We have to look at all the options.

Joe Caruso 52 Main Road – The ordinance to not have cannabis was passed last year. What has changed since then?

Debbie Shane 3rd Street – If the goal is not to have a dispensary, then why have any cannabis at all?

Councilman Furgione- he explained the zoning board aspect of this. The ordinance has to go to the planning/zoning board for their comments. This would be treated like any other application if the ordinance passes. There will be an RFP process for the cannabis grower. Please visit the NJ website that shows that 65% of residents voted in favor of this. 208 municipalities in the state have voted not to do this.

Councilman Gribbin- He has received numerous calls and emails regarding this. The vote tonight is not a vote to have it approved; it is only to gather more information. The vote will not change the state law allowing cannabis. 64% of Hammonton residents voted for cannabis in 2020. Having this in the Town will not make it easier to get it. This is not the final decision tonight; we will have another meeting in July. He intends to visit the site and others to make an educated decision.

Councilman Sam Rodio - I try to do my best for everyone in the Town not just for a few. I don't like to be told you have to do this or that. It starts at home not where it's sold. I will always make the best decision for the Town. Everyone in the Town can put their name on a Ballot; I will make the best decision for the Town.

Town Solicitor Mike Malinsky- reviewed the changes to the ordinance.

DISPENSE WITH REGULAR ORDER OF BUSINESS

Introduction of Ordinance # 014 -2024- Permitting Certain Cannabis Uses and Licenses

ORDINANCE #014 -2024

AN ORDINANCE TO AMEND CHAPTER 175, CHAPTER 181 AND CHAPTER 254 OF THE GENERAL ORDINANCES OF THE TOWN OF HAMMONTON PERMITTING CERTAIN CANNABIS USES, ESTABLISHING LOCAL CANNABIS ESTABLISHMENT LICENSES AND IMPOSING A CANNABIS TRANSFER AND USER TAX

BE IT ORDAINED by the Mayor and Council of the Town of Hammonton, County of Atlantic and State of New Jersey as follows:

Chapter 254, an ARTICLE III is added which states as follows:

ARTICLE III.
Cannabis Tax

§254-25. Definitions

A. As used in this Article, the following terms shall have the meanings indicated below:

CANNABIS - means 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.2021, c. 16 (C.24:61-31 et al.) 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.24:61-1 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 - means 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. This person or entity shall hold a Class 1 Cannabis Cultivator license.

CANNABIS DELIVERY SERVICE - means 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. This person or entity shall hold a Class 6 Cannabis Delivery license.

CANNABIS DISTRIBUTOR - means 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. This person or entity shall hold a Class 4 Cannabis Distributor license.

CANNABIS ESTABLISHMENT - means a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer.

CANNABIS MANUFACTURER - means 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. This person or entity shall hold a Class 2 Cannabis Manufacturer license.

CANNABIS PRODUCT - means a product containing usable cannabis, cannabis extract, or any other cannabis resin and other ingredients intended for human consumption or use, including a product intended to be applied to the skin or hair, edible cannabis products, ointments, and tinctures. "Cannabis product" does not include: (1) usable cannabis by itself; or (2) cannabis extract by itself; or (3) any other cannabis resin by itself.

CANNABIS RETAILER - means 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. This person or entity shall hold a Class 5 Cannabis Retailer license.

CANNABIS WHOLESALER - means 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. This person or entity shall hold a Class 3 Cannabis Wholesaler license.

LICENSE - means a license issued under P.L.2021, c. 16 (C.24:6I-31 et al.), including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer license, or a Class 6 Cannabis Delivery license. The term includes a conditional license for a designated class, except when the context of the provisions of P.L.2021, c. 16 (C.24:6I-31 et al.) otherwise intend to only apply to a license and not a conditional license.

LICENSEE - means a person or entity that holds a license issued under P.L.2021, c. 16 (C.24:6I-31 et al.), including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer license, or a Class 6 Cannabis Delivery license, and includes a person or entity that holds a conditional license for a designated class, except when the context of the provisions of P.L.2021, c. 16 (C.24:6I-31 et al.) otherwise intend to only apply to a person or entity that holds a license and not a conditional license.

MICROBUSINESS - means a person or entity licensed under P.L.2021, c. 16 (C.24:6I-31 et al.) as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service that may only, with respect to its business operations, and capacity and quantity of product: (1) employ no more than 10 employees; (2) operate a cannabis establishment occupying an area of no more than 2,500 square feet, and in the case of a cannabis cultivator, grow cannabis on an area no more than 2,500 square feet measured on a horizontal plane and grow above that plane not higher than 24 feet; (3) possess no more than 1,000 cannabis plants each month, except that a cannabis distributor's possession of cannabis plants for transportation shall not be subject to this limit; (4) acquire each month, in the case of a cannabis manufacturer, no more than 1,000 pounds of usable cannabis; (5) acquire for resale each month, in the case of a cannabis wholesaler, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof; and (6) acquire for retail sale each month, in the case of a cannabis retailer, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof.

- B. Any Term not defined herein shall have the meaning established by the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act at N.J.S. 24:6I-33.

§254-26. Cannabis Tax

- A. Tax established. There is hereby established a local cannabis transfer tax on the sale of cannabis or cannabis products by a cannabis establishment located in the Town. The tax is hereby imposed on the receipts from the sale of cannabis by a cannabis cultivator to another cannabis cultivator; receipts from the sale of cannabis or cannabis products from one cannabis establishment to another cannabis establishment; receipts from the retail sales of cannabis or cannabis products by a cannabis retailer to retail consumers who are 21 years of age or older; or any combination thereof. Sales by a cannabis establishment located in the Town are subject to the tax established herein even if the cannabis or cannabis products are delivered to another municipality.

- B. Rate. The amount of the tax shall be 2% of the receipts from each sale by a cannabis cultivator; 2% of the receipts from each sale by a cannabis manufacturer; 1% of the receipts from each sale by a cannabis wholesaler; and 2% of the receipts from each sale by a cannabis retailer.
- C. User tax. In addition to the transfer tax, there shall be a 2% user tax imposed on any concurrent license holder operating more than one Cannabis Establishment. 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 paragraph (A) of this section, from the license holder's establishment that is located in the Town to any of the other license holder's establishments, whether located in the Town or another municipality. The cannabis transfer tax and user tax shall collectively be referred to in this Article as the "cannabis tax".
- D. The cannabis tax set forth in this section shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance on a cannabis establishment.

§254-27. Collection of Cannabis Tax

- A. The cannabis tax imposed by this Article shall be collected or paid and remitted to the Town by the cannabis establishment from the cannabis establishment purchasing or receiving the cannabis or cannabis product, or from the consumer at the point of sale, on behalf of the Town by the cannabis retailer selling the cannabis item to that consumer. The transfer tax or 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. All cannabis tax imposed by this Article shall be remitted to the Chief Financial Officer of the Town on a quarterly basis payable for the prior three month's activities and due at the same time as quarterly dates for the collection of property taxes. The revenues due on February 1 of each year shall include all cannabis taxes collected for the prior year months of October, November and December. The revenues due on May 1 of each year shall include all cannabis taxes collected for the immediate prior months of January, February and March. The revenues due on August 1 of each year shall include all cannabis taxes collected for the immediate prior months of April, May and June. The revenues due on November 1 of each year shall include all cannabis taxes collected for the immediate prior months of July, August and September. Simultaneous with payment of the cannabis tax, the licensee shall submit an affidavit signed by the Chief Financial Officer, Comptroller, or other similarly situated person who is responsible for the licensee that certifies the total receipts from each sale so that an accurate calculation of the cannabis tax due may be determined.
- B. Every cannabis establishment required to collect a cannabis tax imposed by this chapter shall be personally liable for the cannabis tax imposed, collected, or required to be collected under this chapter. Any cannabis establishment shall have the same right with respect to collecting the cannabis tax from another cannabis establishment or the consumer as if the cannabis tax was a part of the sale and payable at the same time, or with respect to nonpayment of the cannabis tax by the cannabis establishment or consumer, as if the cannabis tax was a part of the purchase price of the cannabis or cannabis product, or equivalent value of the transfer of the cannabis or cannabis product, and payable at the same time.
- C. No cannabis establishment required to collect a cannabis tax 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 cannabis tax will not be separately charged and stated to another cannabis establishment or the consumer, or that the cannabis tax will be refunded to the cannabis establishment or the consumer.
- D. The Town shall enforce the payment of delinquent cannabis taxes imposed pursuant to this Article in the same manner as provided for municipal real property taxes. In the event that the cannabis tax imposed by this Article 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 municipal 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 municipal taxes, and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year. The Town shall file in the office of the Tax Collector a statement showing the amount and due date of the unpaid balance 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. Upon written request of the Town, a cannabis establishment shall submit an auditor's report for the preceding fiscal or calendar year, certified by a certified public accountant, to the Town. The auditor's report shall include, but not be limited to, all receipts generating cannabis taxes, and such details as may relate to the financial affairs of the cannabis establishment and to its operations and performance, and shall be prepared in a manner consistent with the current standards of the Financial Accounting Standards Board. Said auditor's report shall be submitted to the representatives of the Town within 60 days of receipt by the cannabis establishment of the Town's request for said auditor's report.
- F. Late Payments. The Town shall impose the rate of interest upon any late payment of the cannabis tax set forth in this Article in accord with the annual resolution adopted by the governing body fixing the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes as provided by law.
- G. Failure of the cannabis establishment to make full payment of the user and transfer taxes hereinabove imposed shall be grounds for the immediate revocation and/or termination of any local annual cannabis license.

A Chapter 181 titled "Cannabis Establishments" is added which states as follows:

CHAPTER 181.
CANNABIS ESTABLISHMENTS

§181-1. Definitions

- A. As used in this Article, the following terms shall have the meanings indicated below:

CANNABIS ADVISORY COMMITTEE ("CAC") - A committee created for the purpose of reviewing and grading all applicants and proposals for the receipt of any cannabis business within the Town and consisting of the following:

Mayor or the Mayor's designee;

Two members of Town Council;

Town Zoning Officer;

Town Business Administrator; and

Chief of Police.

- B. Any Term not defined herein shall have the meaning established in Ordinance §254-25.

§181-2. License Required

- A. No person shall operate a cannabis establishment or otherwise cultivate, sell, or distribute cannabis within the Town without having obtained a license in accordance with this Chapter.
- B. Local licensing authority. Town Council shall constitute the issuing authority for the issuance of a local license and for the suspension or revocation of any license issued hereunder.

§181-3. License Fees and Maximum Number of Licenses

The annual license fee and maximum number of licenses for cannabis establishments in the Town shall be as follows:

<u>Class of License</u>	<u>Annual License Fee</u>	<u>Maximum Number of Licenses</u>
<u>Class 1 Cultivator</u>	<u>\$10,000.00</u>	<u>1</u>
<u>Class 2 Manufacturer</u>	<u>\$10,000.00</u>	<u>1</u>

The following cannabis establishments shall not be permitted in the Town: Class 3 Cannabis Wholesaler; Class 4 Cannabis Distributor; Class 5 Cannabis Retail; and Class 6 Cannabis Delivery.

The License Fee shall be initially paid to the Town upon the approval of a municipal license by Town Council. Thereafter, the annual license fee shall be paid on or before February 1 of any year.

§181-4. License Expiration and Renewal

Licenses for cannabis establishments shall expire on December 31 of each year. Renewals must be submitted by December 1 of each year. After the effective date of this Chapter, entities covered under this Chapter shall be required to register prior to the issuance of a Certificate of Occupancy or otherwise commencing its business operations. Such license shall be valid for the calendar year within which it is issued.

§181-5. Application, Evaluation, and Issuance of License

A. In order to obtain a cannabis license, application must be made to the Town of Hammonton, Office of the Clerk who shall distribute the application to the Cannabis Advisory Committee. The Town Cannabis Advisory Committee (CAC) shall act as the body for local review for the Town for all cannabis establishments permitted herein; however, the authority to award, suspend or revoke such license remains with Town Council. The application shall be on standardized forms established by the CAC and available in the office of the Business Administrator once the Town has issued a request for proposal (RFP) of the unissued and available licenses. The CAC shall establish a reasonable application period and deadline for all applications and shall include sufficient notice of the application period opening. The CAC may request proposals for one or more licenses in their sole discretion. An application shall be deemed incomplete and shall not be processed by the CAC until all documents and application fees are submitted and approved by the Solicitor or special counsel. The CAC shall advise the governing body and Mayor as to the issuance of cannabis business licenses within the Town, and such review shall be based upon the information contained in a request for proposals issued by the governing body and must contain the following to be considered complete:

- (1) Complete Application
- (2) Application Fee
- (3) Annual Licensing Fee
- (4) Proof of payment of all real estate taxes due on the premises on which the cannabis establishment is located.
- (5) Proof of payment of all transfer and user taxes required by Chapter 254, Article III of the Town Code.
- (6) Proof of ownership of the property on which the cannabis establishment will be located.
- (7) In the alternative, if the Applicant shall be leasing the property on which the cannabis establishment will be located, an executed acknowledgment by the property owner that unpaid license fees and cannabis transfer and user taxes shall become a lien on the property. Such acknowledgment shall be in a form approved by the Town and on file in the Clerk's Office.
- (8) A copy of the State License. If no State License has been issued, the Applicant shall submit proof that an Application for State Licensure has been filed with the New Jersey Cannabis Regulatory Commission for the Class of License sought with the Town.
- (9) Emergency contact information to be utilized by police, fire, and EMT personnel in the event of an on-site emergency.
- (10) Security Plan, which shall, at a minimum consist of the following:

- a. Proof of submission of such security plan to the Hammonton Police Department.
 - b. Overview of and type of security systems to be installed.
 - c. 24-hour monitoring by closed-circuit television surveillance system. Security cameras shall be in use 24-hours per day, seven days per week, and shall cover all cannabis dispensing areas (if applicable), cannabis growing areas (if applicable), storage areas, all doors and windows with access into the cannabis establishment, parking areas (if applicable), and any other areas not mentioned if deemed necessary by the Chief of Police or his/her designee. The surveillance system must be capable of providing surveillance of both interior and exterior areas of the cannabis establishment and must be of adequate quality, color rendition and resolution to allow the ready identification of an individual on or adjacent to the site.
 - d. The security cameras must be Internet Protocol (IP) cameras capable of providing real time footage over the internet. Operators must provide the Hammonton Police Department with access to this real-time camera footage in case of an emergency.
 - e. The recordings shall be maintained at the cannabis establishment for a period of not less than thirty (30) days and shall be provided to the Hammonton Police Department within twenty-four (24) hours of a written request from the Police Department for any recordings.
 - f. Information as to whether on-site security or armed guards will be provided. To the extent not already required by the entity's State license, all licensed facilities must provide at least one security guard (or more if required by the State) during all times the facility is operating or open to the public (if applicable). At a minimum, the security guard shall be a State Certified Security Officer whose certification is in good standing.
- (11) Summary of how all products and materials will be tracked and inventoried.
 - (12) Lighting plan that provides adequate security lighting and motion-sensor lights at all entrances and exits.
 - (13) Business Registration Certificate authorizing Applicant to do business in the State of New Jersey.
 - (14) A copy of Applicant's corporate/company governing documents (i.e., certificate of incorporation, certificate of formation, operating agreement, shareholders agreement, bylaws, and/or partnership agreements), copy of Internal Revenue Service EIN confirmation letter for the Applicant, the Applicant's organizational chart, including the identity and ownership interest of all persons, email address, and one or more phone numbers of each stakeholder of the applicant entity, including designation of the highest ranking officer or representative as an emergency contact person, contact information of the emergency contact person.
 - (15) If the applicant is an individual, the applicant's name, date of birth, social security number, physical address, including residential and any business address or addresses, copy of government-issued photo identification, email address, one or more valid phone numbers including emergency contact information.
 - (16) A photo copy of a valid, unexpired driver's license or state-issued identification card for all owners, directors and officers of the proposed establishment.
 - (17) The names addresses, phone numbers, and email addresses of three professional references with whom the applicant (or highest ranking representative if an entity) has or had professional business dealings and a brief description of the professional relationship to the references(s).
 - (18) Consent to perform a background check/investigation by the Hammonton Police Department on all owners, directors and officers of the proposed establishment and authorization for same to be provided to the CAC and Town Council.

- (19) Background of the applicant, including past ownership interest in a business operating in the State of New Jersey and experience in the cannabis industry in this state or other states.
 - (20) Nuisance Mitigation Plan, which shall provide detailed information on how the cannabis establishment will address noise, dust, light, glare, smoke, noxious gases, vibrations, waste, unsafe conditions or other negative impacts which otherwise may be injurious to the public health, safety or welfare of the residents of the Town of Hammonton, if any, from the cannabis facility
 - (21) Odor Mitigation Plan, which shall provide detailed information on odor control from the proposed cannabis establishment. 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
 - (22) Area impact, including the proximity of the cannabis establishment to properties zoned or used residentially and plans for litter control, loitering, neighborhood outreach, noise mitigation, and resident safety.
 - (23) A location area map of the cannabis establishment and surrounding area that identifies the relative locations and the distances (closest property line to the subject cannabis establishment's property line) to the closest real property comprising a public or private pre-elementary, elementary, vocational or secondary school, any house of worship, public playground or park or governmental building.
 - (24) Community Impact Statement, which shall include assistance in community support, public outreach and municipal sponsored educational programs the Applicant will provide or support.
 - (25) Concept Plan for the proposed Cannabis Establishment including, but not limited to, proposed floor plans and/or architectural plans and renderings showing the designs for both the interior and exterior of the Cannabis Establishment, on-site parking plans, location of deliveries, on-site circulation and ingress and egress from the site.
 - (26) Business plan and financial plan.
 - (27) Proof the Applicant has or will have lawful possession of the site proposed for the Cannabis Establishment (i.e., Contract of Sale, Lease, or Deed).
 - (28) Proposed employee outreach for jobs within the Town of Hammonton and factors in recruitment for most qualified candidates.
 - (29) Community impact fees and how same were calculated as well as an outline of the benefits the applicant will provide to the Town should a license be issued. For purposes of this §181-5(A)(29), the term "Community Impact Fee" shall mean those costs and fees incurred by the Town which are reasonably related to the construction and operation of the cannabis facility and include, but are not limited to: a) increased use of Town services; b) increased use of Town infrastructure; c) the need for additional Town infrastructure, employees and/or equipment; d) costs incurred by the Town for Town accountant or chief financial officer to audit taxes due to Town pursuant to §254-27; and e) costs incurred by the Hammonton Police Department and/or Town regarding the enforcement of this Chapter 181 and Sections 254-26 through 254-27.
- B. Application fee. A non-refundable application fee of \$1,000 shall be submitted by the Applicant with the application.
 - C. Evaluation of award. All applicants shall submit their proposal and shall make a presentation in person to the CAC. The CAC reserves the right to schedule a public meeting with the applicant to consider the application and proposal. The CAC shall consider the application, proposal submitted as well as the proposed terms of a host community agreement including at least the specified terms

and conditions contained herein as well as any other matter the applicant wishes the CAC to consider.

- (1) Each member of the CAC shall grade the submissions utilizing a 100-point total. Each member shall grade the submissions based upon the number of points they feel are appropriate in each category or item in their sole discretion, and the applicant with the most overall points shall be recommended to the governing body, which may accept or reject the recommendations. Should they reject the recommendations, the reasons for such rejection shall be placed upon the record by way of a resolution outlining the reasons for same.
- D. Host community agreement. Upon a recommendation for the issuance of a license, an applicant must execute a host community agreement which contains all of the proposals submitted by the applicant in the request for proposals as well as the factors contained this section and such other proposals submitted by the applicant.
- E. Issuance. Upon approval of an application, Town Council shall, by Resolution, issue a license to operate a cannabis business in the Town, which shall be subject to the following conditions:
 - (1) Submission of an application to the Hammonton Planning Board for Conditional Use and Site Plan Approval or, if the cannabis establishment will be operating out of an already existing building, Conditional Use and Waiver of Site Plan Approval (whichever is applicable as determined by the Town of Hammonton Planning Board), within 150 days of the adoption of the Resolution by Town Council. To be clear, nothing in this Section shall be interpreted as to prevent the Hammonton Planning Board from denying a Waiver of Site Plan and requiring Site Plan approval even if the cannabis establishment will be operating out of an already existing building.
 - (2) Receipt of a Conditional License from the Cannabis Regulatory Commission prior to submission of an application to the Hammonton Planning Board and receipt of an Annual License from the Cannabis Regulatory Commission within one (1) year of the issuance of a Resolution by the Town of Hammonton Planning Board granting Conditional Use and Final Site Plan Approval or Conditional Use and Waiver of Site Plan Approval (whichever is applicable as determined by the Town of Hammonton Planning Board).
 - (3) Receipt of a Certificate of Occupancy for the cannabis establishment within one (1) year of the issuance of a Resolution by the Town of Hammonton Planning Board granting Conditional Use and Final Site Plan Approval or Conditional Use and Waiver of Site Plan Approval (whichever is applicable as determined by the Town of Hammonton Planning Board).
 - (4) Should the applicant fail to satisfy any of the deadlines established above, the Town reserves the right to withdraw municipal authorization and issuance of the license, but may extend any deadlines upon a showing of good cause in the sole opinion of Town Council.

§181-6. Revocation of License

- A. Any license issued pursuant to this Chapter may be suspended or revoked for violation of any of the following:
 - (1) Subsequent knowledge of fraud, misrepresentation or incorrect statements provided by an applicant on the application form.
 - (2) Any fraud, misrepresentation, or false statements made in conducting the cannabis business.
 - (3) Any violation of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (N.J.S. 24:6I-31, et. seq.) or the rules and regulations of the Cannabis Regulatory Commission.
 - (4) Subsequent conviction of an owner, director, officer, stockholder, and/or member of the cannabis establishment of any federal or state statute or regulation, or of any local ordinance, which adversely reflects upon the person's ability to conduct the cannabis business in a professional, honest and legal manner. Such violations shall include, but are not limited to,

violations of Title 2C, New Jersey Code of Criminal Justice, burglary, theft, fraud, terroristic threats, unlawful business practices, and any form of actual or threatened physical harm against another person.

- (5) Failure of the Cannabis Establishment to pay the annual license fee by February 1 of any given year.
 - (6) Engaging in or the occurrence of any prohibited activity as set forth in Section 181-7 on the property where the cannabis establishment is located.
 - (7) Violation of any other provision of this Chapter.
 - (8) Failure to pay any tax required pursuant to Chapter 254, Article III.
 - (9) Failure to provide 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. Odor from the facility shall be monitored on an annual basis at the discretion of the Town by a licensed, qualified contractor chosen by the Town at a cost that shall be paid for by the licensed cannabis business.
 - (10) Failure to pay the cost to have the odor monitored on an annual basis by the Town as set forth in (9) above.
 - (11) Failure of a Class 1 cannabis cultivation establishment to have an acceptable water reclamation plan reviewed and approved by the Town Engineer or to make any modifications to such water reclamation plan as required by the Town Engineer in the future.
 - (12) Having an onsite sign that contains any of the following words: "cannabis," "marijuana," "pot," and/or "weed."
 - (13) Having off-site advertising signage for the cannabis establishment located in the Town.
- B. Notice of a hearing for the suspension or revocation of a license shall be given in writing by the Town Clerk to the license holder. The notice shall specifically set forth the grounds upon which the proposed revocation is based and the time and place of the hearing. Such notice shall be served by mailing a copy to the licensee at his or her last known address by certified mail, return receipt requested, at least twenty-one (21) days prior to the date set for the hearing.
- C. Appeal. Any person whose permit is suspended or revoked under this section shall have the right to appeal that decision to a court of competent jurisdiction.

§181-7. Prohibited Activity

The following is prohibited from occurring at any cannabis establishment or on the property that any cannabis establishment is located on:

- A. Cannabis shall not be used, smoked, ingested or otherwise consumed on the premises of any cannabis business.
- B. No outdoor storage of cannabis or cannabis products is permitted at any time.
- C. No consumption lounges or consumption area shall be permitted within the Town of Hammonton.
- D. No outdoor grow area or agricultural greenhouse for cannabis cultivation shall be permitted within the Town of Hammonton.

§181-8. Unpaid License Fees to Become a Lien

If annual license fees under this Chapter are not paid by February 1, the Clerk shall certify the unpaid license fees to Town Council, who shall examine the certificate and, if it is correct, cause the cost as shown thereon, together with any penalty assessed pursuant to this Chapter, to be charged against the lands. The amount so charged shall become a lien upon the lands and be added to and become a part of the taxes next to be assessed and levied upon

the lands and shall bear interest at the same rate as taxes and be collected and enforced by the same officer and in the same manner as taxes. Costs shall be in addition to any penalties imposed for any violation of this Chapter.

§181-9. Violations and Penalties

Any person violating any provision of this Chapter shall, upon conviction be subject to fines of up to \$2,500 for a first offense, \$5,000 for a second offense, and \$10,000 for a third offense.

Chapter 175, Article XIII, Section 145, Subsection M, is changed to read as follows:

M. Cannabis.

- (1) Prohibited cannabis establishments. The following cannabis establishments shall be prohibited in the Town of Hammonton: Class 3 Cannabis Wholesaler; Class 4 Cannabis Distributor; Class 5 Cannabis Retail; and Class 6 Cannabis Delivery. Although the Town of Hammonton does not permit Class 6 Cannabis Delivery establishments within the Town, the delivery of cannabis items and related supplies by a licensed cannabis delivery service shall be permitted within the Town.
- (2) Permitted cannabis establishments. Class 1 Cannabis Cultivator and Class 2 Cannabis Manufacturer as defined in Section 254-25 shall be permitted as a conditional use in the following Zoning Districts in accordance with the standards set forth in Section 175-145(M)(3):
 - a. Agricultural Production Zone (AP)
 - b. Agricultural Production/Compatible Light Industry Zone (AP/CLI)
 - c. Highway Business Zone (HB)
- (3) Specific standards. Any permitted cannabis establishment must submit for Conditional Use and Site Plan approval or, if the cannabis establishment will be operating out of an already existing building, Conditional Use and Waiver of Site Plan approval (whichever is applicable as determined by the Hammonton Planning Board). To be clear nothing in this Section shall be interpreted as to prevent the Hammonton Planning Board from denying a Waiver of Site Plan and requiring Site Plan approval even if the cannabis establishment will be operating out of an already existing building. The following conditions must be satisfied:
 - a. The cannabis establishment shall have been issued a license by the Town of Hammonton pursuant to Chapter 181 of the General Ordinances of the Town of Hammonton.
 - b. The cannabis establishment shall have been issued a Conditional License from the Cannabis Regulatory Commission.
 - c. No cannabis establishment shall permit on-site consumption of cannabis or cannabis related products, including no on-site sales and consumption of alcohol or tobacco products.
 - d. All cannabis establishment operations shall be conducted within a building. No operations shall be conducted outside. No outside storage of any cannabis, cannabis products or cannabis related materials shall be permitted.
 - e. Deliveries to any cannabis establishment shall be limited to the timeframe of 8:00 a.m. to 9:00 p.m., seven days a week.
 - f. 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. Odor from the facility shall be monitored on an

- annual basis at the discretion of the Town by a licensed, qualified contractor chosen by the Town at a cost that shall be paid for by the licensed cannabis business.
- g. 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.
- h. A water reclamation plan for Class 1 cannabis cultivation establishment shall be submitted to be reviewed and approved by the Town Engineer.
- i. No cannabis establishment shall be located within 1,000 feet of any property a) used for school purposes, including, but not limited to, universities, colleges, elementary school, charter school, secondary school, vocational school, kindergarten and preschool; or b) which is owned by or leased to any university, college, elementary school, charter school, secondary school, vocational school, kindergarten, preschool, or school board (collectively Items a) and b) shall be referred to as "school use"). For purposes of measuring the buffer distances mandated herein and in Subsection j below, the measurement shall begin at the outer boundaries or lot lines of the respective school use; or church, public park or municipal building and be measured to the outer boundaries or lot lines of the property the cannabis establishment is located on.
- j. No cannabis establishment shall be located within 500 feet of any church, public park or municipal building. For purposes of this Section 175-145(M)(3)(j), the terms "church," "public park" and "municipal building" shall have the following meanings:
- (i) CHURCH - a building or group of buildings, including customary accessory buildings, designed or intended for public worship. For the purpose of this Section 175-145(M)(3)(j)(i), the word "church" shall include chapels, congregations, cathedrals, temples and similar designations, as well as parish houses, convents and such accessory uses.
- (ii) MUNICIPAL BUILDING – any building or structure owned, leased, controlled or used by the Town of Hammonton.
- (iii) PUBLIC PARK – a tract of land owned by the Town of Hammonton, Atlantic County, State of New Jersey, or a branch of government and available to the general public for recreational purposes.
- k. 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.
- (i) Cannabis cultivator- one per every 1,000 square feet of gross floor area or one per two employees at maximum shift, whichever is greater.
- (ii) Cannabis manufacturer- one per every 1,000 square feet of gross floor area or one per two employees at maximum shift, whichever is greater.
- l. Signage: Signage shall comply with §175-161, Signs. The following words shall be prohibited from appearing on any sign: "cannabis," "marijuana," "pot" and "weed." No cannabis business shall place or cause to be placed any off-site advertising signage.
- m. A traffic impact study is required which includes estimated delivery vehicles, size of vehicles and number of employees.
- n. A security plan that at a minimum demonstrates how the cannabis establishment will maintain effective security and control of the operations.
- n. Cannabis waste shall be stored, secured, and managed in accordance with applicable state laws.
- o. A 50 foot wide planted buffer and fencing is required along any property line that abuts the RR, R-1, or R-3 zoning districts or a lot that contains a residential use. All screening shall be in conformance with Section 175-91.
- p. The cannabis establishment shall comply with the following bulk standards: (i) If located in the AP Zoning District, the applicable bulk standards, if any, set forth in Section 175-148 et. seq.; (ii) If located

in the AP/CLI Zoning District, the applicable bulk standards, if any, set forth in Section 175-149 et. seq.; and (iii) If located in the HB Zoning District, the bulk standards set forth in Section 175-155(D).

BE IT FURTHER ORDAINED, that 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 adjudicated, and the remainder of the Ordinance shall be deemed valid and effective; and

BE IT FURTHER ORDAINED, that any Ordinances or parts thereof in conflict with the provisions of this Ordinance are repealed to the extent of such conflict; and

BE IT FURTHER ORDAINED, that this Ordinance shall take effect following adoption and approval in the time and manner prescribed by law.

NOTICE IS HEREBY GIVEN that the foregoing Ordinance was introduced in and passed the first reading at a meeting of Town Council of the Town of Hammonton, County of Atlantic and State of New Jersey held on June 10, 2024, and said Ordinance will be further considered for final passage and adoption at a public hearing to be held at the Municipal Building located at 100 Central Avenue, Hammonton, NJ 08037, on July 24, 2024, at 7:00 PM or as soon thereafter as the matter may be reached.

Motion by Council Person Gribbin Second Oliva
Ordinance has passed 1st reading, and is approved for publication

Roll Call:

- Councilperson:
- Furgione - No
- Gribbin – Yes
- Marino -No
- Oliva- Yes
- R. Rodio- No
- S. Rodio – Yes
- Mayor DiDonato - Yes

Mayor DiDonato declares motion is carried

Resolution #090-2024- Capital Budget Amendment 2024 Road Program

WHEREAS, the need has arisen to introduce bond ordinance to provide funds for various road surfacing improvements, including all appurtenances necessary and related thereto, and;

WHEREAS, the regulations of the Local Finance board (N.J.A.C. 5:30-4.3(b)) of the Division of Local Government Services, Department of Community Services requires that the municipality adopt a temporary capital budget if a bond ordinance is to be passed prior to the adoption of the Annual Capital Budget, and;

WHEREAS, the ordinance provides a total appropriation as follows:

General Capital Fund

<u>1) Purpose</u>	<u>Total</u>	<u>Debt Authorized</u>	<u>CIF Down payment</u>
Various Road Surfacing Improvements Including but not limited to French Street, Bemhouse Ave, Rocco Drive, Pine, Basin, Oak and Union Roads and various other roads	<u>\$ 525,000</u>	<u>\$ 498,750</u>	<u>\$ 26,250</u>

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Town of Hammonton, County of Atlantic that:

- (1) a Temporary Capital Budget is hereby created for the following:

General Capital Fund

Various Road Surfacing Improvements
Including but not limited to French Street,
Bemhouse Ave, Rocco Drive, Pine, Basin,
Oak and Union Roads and various other
roads \$525,000

- (2) the projects will be included in the Annual Capital Budget, and
- (3) one certified copy shall be forwarded to the Director of the Division of Local Government Services immediately after passage .

Motion by Council Person Oliva Second S. Rodio
Resolution #090-2024 is adopted

Roll Call:

Councilperson:
Furgione - Yes
Gribbin – Yes
Marino -Yes
Oliva- Yes
R. Rodio- Yes
S. Rodio – Yes
Mayor DiDonato - Yes

Mayor DiDonato declares motion is carried

Introduction of Bond Ordinance #015-2024- 2024 Road Program

BOND ORDINANCE PROVIDING FOR VARIOUS ROADWAY IMPROVEMENTS, BY AND IN THE TOWN OF HAMMONTON, IN THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY, APPROPRIATING \$525,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$498,750 IN BONDS OR NOTES OF THE TOWN TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED AND ENACTED BY THE TOWN COUNCIL OF THE TOWN OF HAMMONTON, IN THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the Town of Hammonton, in the County of Atlantic, State of New Jersey (the "Town"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the aggregate sum of \$525,000, which sum includes \$26,250 as the aggregate amount of down

payments for said improvements or purposes required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). The down payments are now available by virtue of a provision or provisions in a previously adopted budget or budgets of the Town for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$525,000 appropriation not provided for by said down payments, negotiable bonds of the Town are hereby authorized to be issued in the principal amount of \$498,750 pursuant to, and within the limitations prescribed by, the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Town in a principal amount not exceeding \$498,750 are hereby authorized to be issued pursuant to, and within the limitations prescribed by, the Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said obligations are to be issued, include, but are not limited to, various roadway improvements to the entire lengths or portions thereof of French Street, Bernhouse Avenue, Rocco Drive, Pine Road, Basin Road, Oak Road, Union Road and to various other roads within the Town as deemed necessary. Such improvements and purposes shall also include, as applicable, milling, paving, reconstruction, repairing and resurfacing, drainage improvements, inlet, manhole and water valve replacements, the restoration or construction of or improvements to curbs, sidewalks, traffic line striping, driveway aprons or barrier-free ramps, intersection improvements, and drainage improvements.

(b) The above improvements and purposes set forth in Section 3(a) shall also include, as applicable, surveying, construction planning, engineering and design work, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, environmental testing and remediation and also all work, materials, equipment, labor and appurtenances as necessary therefor or incidental thereto.

(c) The aggregate estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$498,750.

(d) The aggregate estimated cost of said improvements or purposes is \$525,000, the excess amount thereof over the estimated maximum amount of bonds or notes to be issued therefor, is the aggregate down payments for said purposes in the amount of \$26,250.

SECTION 4. In the event the United States of America, the State of New Jersey and/or the County of Atlantic make a contribution or grant in aid to the Town for the improvements and purposes authorized hereby and the same shall be received by the Town prior to the issuance of the bonds or notes authorized in Section 2 hereof,

then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey and/or the County of Atlantic. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey and/or the County of Atlantic shall be received by the Town after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose. This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the Town as a result of using funds from this bond ordinance as “matching local funds” to receive such contribution or grant in aid.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the Town (the “Chief Financial Officer”), provided that no note shall mature later than one (1) year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of N.J.S.A. 40A:2-8.1. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The Town hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable, for the Town. The capital or temporary capital budget of the Town is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget of the Town, a revised capital or temporary capital budget for the Town has been filed with the Division of Local Government Services.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements or purposes which the Town may lawfully undertake as general improvements or purposes, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements or purposes within the limitations of said Local Bond Law, according to the reasonable life thereof computed from the date of said bonds authorized by this bond ordinance, is 10 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Town and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and such statement shows that the gross debt of the Town as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by \$498,750 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$105,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the improvements or purposes herein before described.

SECTION 8. The full faith and credit of the Town are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Town, and the Town shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Town for the payment of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The Town reasonably expects to reimburse any expenditures toward the costs of the improvement or purpose described in Section 3 hereof and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. This Section 9 is intended to be and hereby is a declaration of the Town's official intent to reimburse any expenditures toward the costs of the improvement or purpose described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations Section 150-2 . No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions

under Sections 142 through 147, inclusive, of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized by this bond ordinance used to reimburse the Town for costs of the improvement or purpose described in Section 3 hereof, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of any bonds or notes authorized by this bond ordinance or another issue of debt obligations of the Town, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1). The bonds or notes authorized herein to reimburse the Town for any expenditures toward the costs of the improvement or purpose described in Section 3 hereof will be issued in an amount not to exceed \$498,750. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of Section 150 of the Code. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than any bonds or notes authorized by this bond ordinance is paid, or (ii) the date the improvement or purpose described in Section 3 hereof is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

SECTION 10. The Town covenants to maintain the exclusion from gross income under section 103(a) of the Internal Revenue Code, of 1986, as amended, of the interest on all bonds and notes issued under this ordinance.

SECTION 11. The Chief Financial Officer of the Town is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Town and to execute such disclosure document on behalf of the Town. The Chief Financial Officer is further authorized to enter into an appropriate undertaking to provide secondary market disclosure on behalf of the Town pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Town and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Town fails to comply with its undertaking, the Town shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 12. This bond ordinance shall take effect twenty (20) days after the first publication

hereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

Motion by Council Person Gribbin Second Oliva

Ordinance has passed 1st reading, and is approved for publication

Roll Call:

Councilperson:

Furgione - Yes

Gribbin – Yes

Marino -Yes

Oliva- Yes

R. Rodio- Yes

S. Rodio – Yes

Mayor DiDonato - Yes

Mayor DiDonato declares motion is carried

Other items of discussion (possible Ordinance or Resolution may be adopted or introduced)

None

PUBLIC HEARD

No one desired to be heard

MEETING ADJOURNED

Motion by Council Person Gribbin Second Oliva