Summary of the history of Stockton Borough's process leading up to the 12/4/2025 Special Meeting Cannabis Retail Decision.

- On February 22, 2021, Governor Murphy signed the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (CREAMM Act) into law, legalizing recreational cannabis for adults 21 and over and establishing 6 classes of cannabis business licenses.
- Municipalities were given 180 days from the Act's effective date (until August 22, 2021) to prohibit any or all classes of cannabis businesses by ordinance. If they did not act, cannabis businesses would be permitted in certain zones for five years.
- The Borough of Stockton adopted Ordinance 2021-04 to "opt out" of all classes of cannabis businesses in the Borough. This ordinance was introduced by Council on April 12, 2021, and approved on May 10, 2021.
- In January of 2023, I took office as mayor.
- In late 2024, the Borough Council discovered procedural irregularities surrounding the introduction and adoption of Ordinance 2021-04.
- On October 21, 2024, a Cannabis Committee of the Borough Council was established.
- On November 18, 2024, the Borough introduced Ordinance 2024-12 which permits one Class 5 Cannabis Retailer as a conditional use of the Borough's commercial or retail zones (specifically the CR Zone) and establishes conditional use standards to protect the public interest and which are consistent with state law. This ordinance was adopted on December 16, 2024.
- Following the timeline established in Ordinance 2024-12, the Borough issued a request for applications (RFA) on March 19, 2025 (within 90 days of the effective date of the ordinance).

- The RFA established due dates for questions and for the submission of applications. The Borough received multiple questions and issued addenda and clarifications publicly via the Borough website in response. The Borough also issued Addendum #4: Cannabis Application Scoring Guide on June 2, 2025, establishing a minimum passing score of 80 out of a possible 115 possible points; and issued Addendum/Clarification #6 on July 21, 2025, extending the application due date from July 25, 2025, to August 6, 2025.
- Two applications were received by the Borough prior to the due date of August 6, 2025.
- These applications were reviewed by the Cannabis Review Committee, select Borough professionals, and consultants contracted in connection with the review and analysis of applications.
- All applications, in their entirety, and two confidential reports detailing the Cannabis Review Committee's scoring of the applications based on the published Scoring Guide were distributed to all members of the Council who will be voting on this matter.

The Council's task tonight is very narrow. It is not to determine whether or not cannabis retail should be allowed in the Borough; that was already decided, as was explained in the recap of recent history, and detailed in Ordinance 2024-12.

It is not to determine where a cannabis retailer may be located within the Borough; that was already decided in Ordinance 2024-12 and shared in that ordinance and in the Cannabis Buffer Map.

This was a very methodical, transparent process. The public was kept up to date on the progress via the Borough website and committee reports at Borough Council meetings.

The application criteria and scoring guide were specifically designed to communicate the expectations to prospective applicants and to provide for objective scoring by the Committee members. The Committee evaluated the

applications objectively, based on the facts and objective information and documentation that was reasonably available to the Committee, and with no preconceived notions of the potential outcome.

The Committee's recommendation is being made after careful consideration of the information provided in the applications and in consultation with two different sets of contracted consultants.

The purpose of tonight's meeting is for the Council to (a) consider the Class 5 retail cannabis business applications that have been received; b) convene an executive session for purposes of discussing the Cannabis Review Committee's recommendation under N.J.S.A. 10:4-12(b)7 (matters falling within the attorney-client privilege); and (c) take action via resolution on whether to issue one letter of support, and if so, to which applicant. Formal action will be taken following executive session.

Cannabis Committee Report:

When the Review Committee commenced its review, it had no preconceived notions or expectations. Everything was on the table, and the Committee hoped that it would receive multiple applications that achieved the Borough's standards and to whom it could confidentially issue a resolution of letter of support.

With that as a back drop, the Review Committee has issued a recommendation.

The Committee's recommendation is that neither applicant should be issued a letter of support. This recommendation is based on the Review Committee's review and consideration of each application, and information it learned based on the investigations it undertook with the assistance of its consultants.

The main reason for this is that the score issued for each application was below the minimum 80 points necessary for the Council to consider actually issuing a letter of support to one.

The ordinance explicitly mandated that the RFA identify the points attributable to each evaluation criteria and the minimum score which an application must achieve before further consideration by the Borough Council. Under the ordinance itself, only applications that met this minimum score would be referred to the Borough Council for final consideration of issuance of a "resolution of local support."

The maximum score that could have been earned was 130. The minimum score was 80. Neither applicant achieved this minimum score. As a result, they each failed to meet the minimum established standard for receipt of a letter of support. As a result, the Review Committee does not recommend that a letter of support be issued to either applicant.

The question now is before the Council

1. The Council may accept the Committee's recommendation but it is not required to do so.

2. Alternatively, the Council may issue a letter of support to one of the applicants based on its own scoring, if it determines that one or both applicants have achieved the minimum scoring.