

RESOLUTION 2025-88

DENYING ISSUANCE OF LETTER OF SUPPORT TO APPLICANTS FOR CANNABIS RETAIL BUSINESSES

WHEREAS, on December 16, 2024, Council adopted Ordinance 24-12 to: permit Class 5 cannabis businesses in Stockton Borough's CR zone; and define the process and criteria for municipal approval of up to one Class 5 retail license in the Borough; and

WHEREAS, in accordance with Ordinance 24-12, on about March 19, 2025 the Borough, through issuance of a formal Request for Cannabis Applications, advertised the formal solicitation of applications from interested Class 5 cannabis businesses for consideration of an award of the Borough's local support to pursue same at the State level; and

WHEREAS, pursuant to the Request for Cannabis Applications, as amended by eight Addenda/Clarifications to said Request for Cannabis Applications (collectively, the "RFA"), applications were due on or before August 6, 2025 at 11:00 a.m. (also collectively referred to as the "Application Solicitation"); and

WHEREAS, through the Application Solicitation, the Borough sought applications from cannabis retailers with the qualifications, responsibility, financial capability, and experience to operate a highly-regulated business within the Borough; and

WHEREAS, two applications were received on or before August 6, 2025 as follows:

- Application by Local Flower, LLC to operate a Class 5 Retail Business at 25 Risler Street in Stockton, New Jersey; and
- Application by Happy Tree Farmacy, LLC to operate a Class 5 Retail Business at 8 Risler Street in Stockton, New Jersey; and

WHEREAS, the Council's Cannabis Review Committee ("Review Committee") was charged with reviewing, evaluating, and scoring each application in accordance with the established evaluation criteria set forth in the RFA; and

WHEREAS, as part of this analysis, the Review Committee was authorized to conduct investigations of the Applicants, corroborate the accuracy of the contents of their applications, and call upon the assistance of consultants as necessary in the course of its review; and

WHEREAS, in accordance with the requirements set forth above and in consultation with the Borough Attorney, the Review Committee commenced its work by reviewing the applications for completeness and found both applications to be complete and responsive to the basic threshold submission requirements necessary for the Application Solicitation; and

WHEREAS, following its completeness review, the Review Committee commenced its evaluation and scoring of the substance of the two applications; and

WHEREAS, during its substantive evaluation and scoring work, the Review Committee recommended that the Council hire Phoenix Advisors to assist the Review Committee with its analysis of the financial aspects of the applications and Jersey Professional Management to assist the Review Committee with its investigation of each Applicant's (and their owners') work and operational history, impact on municipal operations, and regulatory performance in other jurisdictions; and

WHEREAS, as authorized by Ordinance 2024-12 and the RFA, the Review Committee, with the assistance of the two consultants and the Borough Attorney, completed its review, evaluation and scoring of the Local Flower and Happy Tree Farmacy applications and on December 3, 2025, submitted to Council written evaluations of each application and recommendations in connection therewith; and

WHEREAS, as part of its substantive review, the Review Committee was required to determine which applications (if any) met the minimum total score of 80 points for the core categories established in the RFA; and

WHEREAS, the Review Committee was further charged with ranking the applications achieving the minimum score and then issuing a recommendation to the Council based thereon; and

WHEREAS, based on its evaluations and scoring of both applications, and its investigations of the Applicants and contents of their Applications, the Review Committee has issued to the Council written findings and analysis which concludes that neither Local Flower nor Happy Tree Farmacy has achieved the minimum score prerequisite to consideration of issuance of a resolution of local support by the Borough; and

WHEREAS, as a result of its determination that neither Applicant has achieved the minimum required score of 80 points, the Review Committee recommends that the Council deny the issuance of a resolution of local support to both Applicants; and

WHEREAS, the Council may, but is not required to, accept the recommendations of the Review Committee, and is required to take final action upon the applications no later than December 4, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Stockton, County of Hunterdon, State of New Jersey, as follows:

1. The recitals in the above “Whereas” clauses are hereby incorporated herein as if fully restated.
2. In accordance with Ordinance 24-12 and the Application Solicitation, Council accepts the recommendations of the Review Committee as set forth in said

Committee's written scoring and evaluations completed on Local Flower, LLC and Happy Tree Farmacy, LLC.

3. Consistent with this determination and for all of the reasons set forth in the Review Committee's written scoring and evaluation materials, the Council finds it to be in the best interest of the Borough to deny the issuance of resolutions of support to the Applicants.
4. A copy of this Resolution shall be sent to Local Flower, LLC and Happy Tree Farmacy, LLC.