



STOCKTON BOROUGH COUNCIL SPECIAL MEETING MINUTES

Date: December 4, 2025 7:00 P.M.

Held through Zoom

Mayor Aaron Lipsen., called the regular meeting of the Stockton Borough Council to order on December 4, 2025, at 7:00 P.M. Mayor Lipsen announced that this meeting is called pursuant to the provisions of the Open Public Meetings Act. Notice of this meeting was transmitted to the Hunterdon County Democrat and the Trenton Times, was posted on the Borough Website, posted on the door at the Municipal Building and filed with the Borough Clerk.

PLEDGE OF ALLEGIANCE

Mayor Lipsen led those in attendance in the pledge to the nation's flag.

ROLL CALL

Present: Councilperson Brown, Councilperson Hunt, Council President Mann, Councilperson Meltzer, Mayor Aaron Lipsen, Borough Attorney Lisa Maddox, and Borough Clerk Laurie A. Courter.

Absent: Councilperson Fisher (Excused), Councilperson Folz (Excused)

MAYORS STATEMENT

Mayor Lipsen gave the following statement:

We'd like to share a summary of the history of the Borough's process leading up to tonight's meeting: On February 22, 2021, Governor Murphy signed the New Jersey Cannabis Regulatory Enforcement Assistance and Marketplace Modernization 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 5 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 the 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 of the 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, as required by law, permits one Class 5 cannabis retailer as a conditional use of the borough's commercial or residential zones. I think some, related to the CR zones, established conditional use standards to protect the public interests which were consistent with state law. The ordinance was adopted on December 16th, 2024. Following the

timeline established by Ordinance 2024-12, the Borough issued a request for applications, an RFA, on March 19, 2025, with 90 days of the effective date of the Ordinance 98.

The RFA established due dates for questions from the submissions of applications. For the submission of applications, the Borough received multiple questions and issued addenda clarifications publicly via the Borough's website in response. The Borough also issued Addendum Number 4, Candidates Application Scoring Guide, on June 2nd, 2025. That was available to the public. And to all potential applicants. Establishing a minimum passing score of an 80 out of a possible of 115 possible points, and issued addendum and clarification number 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 earlier recap. And detailed in Ordinance 2024-12. It is not to determine where cannabis retailers 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 very methodical and transparent. The public was kept up to date on progress via the Borough's website and committee reports at Borough Council meetings, and reflected in the minutes. The application's criteria and scoring guides were specifically designed to communicate the expectations to prospective applicants and to provide objective scoring by the committee members.

The committee evaluated the applications objectively, based on facts and objective information and documentation that was reasonably available to the committee, 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 consultations with two different sets of contracted professionals. The purpose of tonight's meeting is for Council, is to A; consider a Class 5 retail cannabis business application that has been received, and B; convene an executive session for purposes of discussing the Cannabis Review Committee's recommendations under NJSA.10 :4-12B7. Matters falling within the attorney-client privilege. And C; to take action via resolution on whether to issue a letter of support. And if so, to which applicant. Formal action will be taken following the executive session. Please be advised that this is not a public hearing coming up. It is simply open public comment, as required in all public meetings.

OPEN PUBLIC COMMENT – PRIVILEGE OF THE FLOOR

Mayor Lipsen opened the public comment. Hearing no members of the public speak up, Mayor Lipsen closed the floor to public comment.

EXECUTIVE SESSION

Discuss Cannabis Review Committee's recommendation and obtain advice of Counsel – Matters falling within the attorney-client privilege (N.J.S.A. 10:4-12b(7))

Motion made by Mann and seconded by Hunt to pass resolution to enter executive session, all were in favor.

**RESOLUTION
TO ENTER INTO EXECUTIVE SESSION**

WHEREAS, Section 7 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this governing body is of the opinion that such circumstances presently exist,

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

1. The public shall be excluded from discussion of and action upon the hereinafter specified subject matter.
2. The general nature of the subject matter to be discussed is as follows:
Discuss Cannabis Review Committee's recommendation and obtain advice of Counsel Matters falling within the attorney-client privilege (N.J.S.A. 10:4-12b(7))

The discussion is anticipated to take approximately 30 minutes.

3. It is intended at this time that the matters discussed will be made public when the need for confidentiality no longer exists.
4. This resolution shall take effect immediately.

MOTION

Motion made by Mann and seconded by Hunt to exit executive session, all were in favor.

Mayor Lipsen thanked the applicants for their interest in preparing and submitting their applications. Mayor Lipsen went on to personally thank the Borough Council, professionals, and contracted consultants for working diligently through the process and for their honest and unbiased, objective analysis of the applicants based on facts and not emotions or opinions.

NEW BUSINESS

Class 5 retail cannabis business applications; review Committee's Recommendations to Council

At this time Mayor Lipsen turned the meeting over to the Cannabis Committee Chair, Tom Hunt.

Mr. Hunt gave the following statement:

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 confidently issue a resolution of a letter of support. With that as a backdrop, though, 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 under our scoring rubric and the RFA, 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 a 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 base score that could have been earned was 115 points, the minimum score to be considered was 80, neither applicant achieved this minimum score. As a result, they each failed to meet the minimums established standard for a receipt of a letter of support, and as a result, the review committee does not recommend a letter of support be issued to either applicant.

We're putting this question before the Council tonight, anyway and the Council may accept the committee's recommendation, but it's not required to do so. 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 score.

Attorney Maddox gave the following statement:

The Committee has issued one report in connection with its review of each application. Each report summarizes the important elements of that application, discusses the Committee's findings and conclusions regarding that application and applicant, scores the application, and addresses the results of the Committee's investigations of each applicant.

These two reports are not public records. This means that they are not subject to disclosure under OPRA. The reason is that, due to the nature of the content of the applications themselves, there are several exceptions under OPRA that require the protection of the contents of the reports from public disclosure.

The applications contain security information and procedures, proprietary commercial and financial information, information which, if disclosed, would give an advantage to competitors; personal information; and analysis and recommendations of the review committee which is protected by the deliberative process privilege.

Now, importantly, while OPRA does not consider these reports public records, there is a mechanism for the two applicants to obtain copies of their own individual reports. This is under the Common Law – so if an applicant wants a copy of the report done on their application, then they should submit a Common Law request for access to the report. The Borough's OPRA form is available on the Borough's website. Page 4 contains a portion where a Common Law records request is made. We're not trying to put up roadblocks – this is important information that we're trying to protect. We're trying to protect the integrity of the records involved and the interests of the applicants. The applicants can make those request as early as tomorrow.

Mayor Lipsen asked for a motion to open the discussion. Motion made by Brown to open the discussion to the council, motion seconded by Mann, motion carried.

Brown stated that, being a member of the review committee, he supports the recommendations that were made to the Council and will vote in accordance with those recommendations.

Mr. Hunt agreed with Brown and stated he too would vote in favor of the recommendations.

Meltzer stated that she too supports the recommendation of the committee and added that the scoring criteria was very clear. There were deficiencies on both and she supports going forward with the committee's recommendations. Mann stated that he read through all the material and stated that it seems a lot of money was spent to get the applications evaluated. He added that they should use those evaluations.

RESOLUTIONS

Motion made by Brown and seconded by Hunt to approve Resolution 2025-88

Roll call: Brown, Hunt, Mann, and Meltzer.

Ayes: 4

Nays: 0

Motion passes.

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 or 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 LLC, nor Happy Tree Farmacy LLC, 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.

OPEN PUBLIC COMMENT FOR ITEMS ON THE AGENDA

Mayor Lipsen opened the floor to public comment.

Peyton Odenwald, made the following statement:

All I wanted to say was that, again, I am the daughter of Michael, who's one of the people that are trying for this, but all I wanted to say that his plan to open a dispensary will not only help this community, and it won't hurt it. I work with many affluent members of the community that not only own businesses within, but are an integral part of the community, and they would love to see this take action, as I would, and so I would hope that you would consider that when making your decision. So, thank you.

Mayor Lipsen replied: Council did decide not to move forward with either applicant, but we do thank you for your comments.

Micheal Odenwald (applicant) made the following statement:

The last 22 months, evaluation of my applications and my convictions. I've been not just largely, but completely ignored. For those who are part of the Cannabis Committee, minus an executive of a cannabis company who's recused himself and Peter Folz, who has also recused himself, the rest of you remain with a decision that indicates not the benefit of the community. But the disrespect of someone who has indicated and completely displayed benefit to the community. So, Ms. Meltzer, Mr. Brown, Mr. Hunt, Mr. Lipsen, Mr. Mann, as you make these decisions, and you go by them as integral, integral individuals in this community, I must say, you have looked past the data. You've completely overlooked the value to the generations that follow, you have kicked the can down the road of the challenges. Infrastructure, Mr. Brown, you own infrastructure; I've listened to everything you said.

You've paid no attention, really to infrastructure problems. Mayor Lipsen, I could go on for the three more minutes that I have. Mr. Mann, perhaps the biggest hypocrite here. Because you introduced me to this property. You told me it wasn't owned by someone. You said, go for it, Mike, and I did. And here I am with a property that's perfectly suited to benefit the exact generation, which are those people who have lived in this town, who can't afford more tax increases. So, Michael Mann, you should feel ashamed of where you have landed on this decision and this will follow you, long past you. Ms. Meltzer, you're the future of this town right now. You are in a perfect position to be mayor. You have a responsibility of what would I do with cannabis revenue, tax revenue, or what will I do without? And boy, oh boy, do you have a great decision in front of you, and one to defend. So I will close on this. Mr. Hunt, shame on you. Mr. Brown, shame on you. Mr. Lipsen, shame on you. Mr. Mann, shame on you. Miss Meltzer, shame on you. Ms. Maddox, I don't know how you can ever, ever represent another municipality in the context of cannabis, because you have completely disrespected entrepreneurship in New Jersey. Thank you very much, good night.

Mayor Lipsen responded and thanked Mr. Odenwald and added that he understands that emotions are high, but assures him that decisions were made using objective analysis based on facts, not emotions or opinions.

Raaj(applicant) gave the following statement:

Thank you so much. My name is Raaj, I am one of the applicants and just want to thank you all for your review, especially Mayor Lipsen and the members of the Council, City Clerk, City Attorney, thank you all. I would like to note, I believe I understand why, there were some inconsistencies with my application. I just would like to note it for the record, if there is an appeal process in the future. For one, there's already a resolution issued to this company, which I completely understand. The reason being is I was planning to amend the company name to Happy Tree Stockton LC. because of that issue. And I didn't have the business tax registration certificate on time. And with RFPs, I, from what I understand, there's no, leeway on, having all the complete documents. And this entity already had the business tax registration certificate pre-issued. And then I would also like to note anything regarding qualifications. Our existing dispensary in New Jersey right now, we pay about \$84,000 a year in taxes to our municipality. I think that's a huge benefit to the municipality, and we also make regular donations, So, I you know, I think we're a proven operator. It's not a concept. We have several stores in California. And if there's anything that I can address as far as inconsistencies with the application, I would love to address it either publicly or privately. That is all, thank you so much.

Mayor Lipsen replied to Mr. Raaj that the Council is not prepared to make any comments tonight .

Hearing no other members of the public speak up, Mayor Lipsen closed the floor to public comment.

NEXT MEETING

Mayor Lipsen announced the next meeting will be held on December 15th at 7PM via Zoom.

ADJOURNMENT

A motion was made by Hunt and seconded by Brown to adjourn the meeting.

The meeting adjourned at 8:34 PM.

Laurie A. Courter

Laurie A. Courter, Borough Clerk