



TO: Verona Township Council
FROM: Dan Hauben, PP AICP, DMR Architects
RE: Cannabis Business Siting Analysis
DATE: November 3, 2022

Council Members,

DMR Architects was requested by the Township to prepare this report on behalf of the Township Council in order to assist the Council in considering whether or not to permit recreational cannabis businesses in the Township and where in the Township such businesses should be considered to be permitted.

The intent of this report is to provide the following information and guidance:

- Provide an analysis of the locations of existing and operational cannabis businesses in the state, including the types of roads they front on, the amount of parking provided, and the surrounding area context; and
- Identify zoning tools that can be considered in order to protect the public in areas where cannabis is a permitted use.

On September 19th, a presentation was given to the Township Council pertaining to recreational cannabis. The presentation provided information on the positive and negative aspects of permitted cannabis within the Township. The presentation addressed myths about legal cannabis and highlighted some of the benefits a community may incur from permitting cannabis and some of the protections included in the CREAMM Act to protect the public welfare.

As presented at the meeting, the State permits six (6) classes of cannabis operations at this time:

1. Cultivation (growing product),
2. Manufacturing (processing product),
3. Distribution (bulk transport of product),
4. Wholesale (bulk buying and selling of product),
5. Retail (on-site sale of product to consumer), and
6. Delivery (delivery of product to consumer).

As with any business, each type of cannabis operation has distinctive requirements for location, infrastructure, space, and facilities in order to operate effectively. Similarly, municipalities have an interest in regulating where these businesses are located, how they relate to their surroundings, and how they operate.

At the time of this writing, “personal use” (recreational) cannabis licenses are limited to one (1) cultivation licenses and 20 retail (dispensary) licenses. There are several cannabis cultivation and manufacturing sites licensed under the medicinal cannabis rules around the State. There are currently no licensed distribution, wholesale, or delivery-only operations in the State. Therefore, the siting analysis of cultivation and manufacturing operations in the state will be limited to medical-licensed operations.

As of this writing there are 20 licensed recreational / personal-use cannabis dispensaries in New Jersey including three (3) in Essex County:

1. RISE on Bloomfield Avenue in Bloomfield,
2. Ascend on Bloomfield Avenue in Montclair, and
3. Apothecarium on Springfield Avenue in Maplewood.

The majority of the current personal-use dispensary operators in the State have existing medically-licensed cultivation and manufacturing locations either at the personal-use dispensary location or elsewhere in the State. These are Alternative Treatment Center operators who have been authorized by the NJ Cannabis Regulation Commission (CRC) to expand to personal-use subject to certain conditions, including their ability to continue to service their medicinal cannabis clients.

Cultivators and Manufacturers

As the name would suggest, cultivators are licensed to grow cannabis products and sell them for processing or for sale by dispensaries. Manufacturers convert cannabis plant to other usable forms and may package and sell those items to other manufacturers, licensed wholesalers, or cannabis retailers. Most of the existing cultivator and manufacturing operations in the state are co-located with each other or with dispensary uses. Current locations licensed for cultivation and/or manufacturing include the following:

1. Garden State Dispensary / Ayr – Recreational - 950 Us Highway 1 N, Woodbridge, NJ 07095
 - This site is licensed for cultivation and retail dispensary and is located in a highway retail district along US-1 North, a six-lane north-south highway generally servicing urban and densely suburban communities in Middlesex, Union, and Essex Counties.
 - The site is occupied by a concrete block retail building with a 17,400 s.f. footprint.
 - It is served by about 83 parking spaces for a ratio of one space for every 200 to 250 square feet of gross floor area, which is consistent with typical parking ratios for retail and business uses.
 - The facility is 260 feet to a public park (Regina Street Park) and across the highway from a cemetery. It is also 580 feet from the nearest residential property, but otherwise the immediate surrounding uses are commercial in nature.
 - Woodbridge Township's zoning ordinance prohibits cannabis cultivation, manufacture, wholesale, or distributors from being within 1,000 feet from any dwelling, school, library, child-oriented facility, park, place of worship, or public building, except for facilities like this one which were originally licensed as alternative treatment centers prior to the current personal-use regulations. Personal-use retailers are also permitted at existing locations previously licensed as alternative treatment centers but prohibited in all other cases.
2. Acreage CCF (The Botanist) – Medicinal - 100 Century Drive, Egg Harbor Township, NJ 08234
 - Similar to the previously listed site, this site is a multi-functional facility licensed for cultivation, processing, and dispensing of medical cannabis.

- The facility is a warehouse type structure with a footprint of 81,450 s.f. with a portion having two stories.
 - It is located in an industrial district but is contiguous to an isolated residential street.
 - The property has 92 parking spaces for a ratio of one space per 885, which is reflective of the predominantly industrial function of the site as opposed to retail. Parking is to be based on existing regulations for similar uses.
 - The ordinance regulates noise, presence of minors, proximity to schools and parks (1,000 feet), odor control, security practices.
3. Zen Leaf (Verano) – Medicinal - 3576 US-22, Branchburg, NJ 08876 (Readington Township)
- This facility is a former 123,790 s.f. retail building (appears to be a former hardware store) on US-22 that has been repurposed for cannabis cultivation and manufacturing.
 - The portion of the highway fronted upon by the site has four lanes, and the surrounding area is generally rural, low-density highway commercial.
 - Low density rural residential properties are located across the highway, whereas properties adjacent to the site are wooded or agricultural in nature.
 - The site appears to generally have a typical highway retail parking ratio, although that ratio may have been slightly reduced as the conversion of the facility from retail to agricultural and manufacturing in nature resulted in loading areas being lost for exterior industrial equipment.
 - The Township ordinance regulates hours of operation, security practices, displays, odor, waste storage and removal, lighting, signage, water usage. Location is controlled by way of the boundaries of the overlay zone in which cannabis uses are permitted.
4. Curaleaf – Medicinal – 111 Coolidge Avenue, Bellmawr, NJ 08031
- Curaleaf operates a cultivation and manufacturing facility across the street from its medical dispensary in Bellmawr.
 - The facility is an approximately 10,000 s.f. warehouse style building with at least 17 parking spaces, and is located in an industrial and business district across State Highway 42 from any residential areas.
 - The parking ratio equates to about one space per 588 square feet, which is a common ratio for industrial uses. The ratio required by the ordinance for cultivators and manufacturers is one space per 1,000 s.f. of gross floor area or one space per two (2) employees at maximum shift, provided there be no fewer than four spaces.
 - The Borough ordinance regulates security practices, hours, record keeping, signage and displays, on-site consumption, sale of unrelated items, odor control, noise, loitering, and proximity to any residential zone, place of worship, school, or day care (200 feet).

Other cultivator sites in the state can be found in agricultural or manufacturing areas in lower density parts of the state. Cultivators have the ability to be sited in commercial, industrial, or agricultural districts provided there is sufficient land and building area to provide for profitable and efficient scale of the operation and also to ensure there are adequate buffers from incompatible uses. Traditional downtowns are not suitable for

these operations due to the density and smaller lot sizes, but retail shopping centers may provide the space needed to accommodate these uses. Additionally, provided enough space, cultivator operations can collocate with other licensed operations like dispensaries or manufacturing.

Retail (Dispensaries with on-site transactions)

This section specifically addresses the dispensaries licensed to sell recreational cannabis products in a retail fashion.

1. Apothecarium – 1865 Springfield Avenue, Maplewood, NJ 07040
 - The Maplewood Apothecarium dispensary has a floor area of approximately 6,500 s.f. and is served by a parking lot with 12 spaces, for a ratio of one space per 541 s.f.
 - The dispensary is located in the downtown on a lot with 100-feet of depth and 125 feet of width.
 - Surrounding uses include downtown commercial and mixed-use buildings, as well as a church. Springfield Avenue is a two-lane road with on-street parking on both sides of the street.
 - The nearest school is an elementary school 1,725 feet to the east, and there is a soccer field 1,675 feet away.
 - The rear lot line is shared with the property line of single-family dwellings on Hilton Avenue.
 - Chapter 98 of the Maplewood Township code requires a 500-foot buffer to the entrance of any school and 200 feet to the entrance to any house of worship, measured as the crow flies to the primary entrance. It also requires a 500-foot buffer between any two cannabis retail establishments. The code also regulates signage, product displays, and odor, as well as operational aspects including hours, on-site consumption, security, and storage.
2. RISE – 26-48 Bloomfield Avenue, Bloomfield, NJ 07003
 - The Bloomfield RISE dispensary is located in a 9,430 s.f. building on an irregularly shaped 27,500 s.f. tract between Bloomfield Avenue, North 16th Street, North 15th Street, and Chester Avenue in downtown Bloomfield.
 - The building is served by a parking lot with 30 spaces, for a ratio of one space per 314 s.f.
 - The site surrounded by one- and two-family dwellings to the south and west, and commercial and mixed-use properties along Bloomfield Avenue.
 - The dispensary is 1,070 feet from the nearest school – Carteret Elementary School to the north. Essex County Branch Brook Park is half a mile away, and school athletic fields are located 1,900 feet away.
 - This stretch of Bloomfield Avenue is a four-lane highway with street parking on both sides.
 - Bloomfield's zoning code requires a parking ratio of 1 space per 150 s.f. of customer service area (only those areas of the interior utilized by customers to complete transactions).
 - The ordinance also requires 200 feet to any school or house of worship, and prohibits certain operational aspects including

interior visibility, non-cannabis product/paraphernalia sales, drive-through transactions, etc.

3. Ascend – 395 Bloomfield Avenue, Montclair, NJ 07042

- The Ascend dispensary is located in a storefront unit in a four-storefront building on Bloomfield Avenue in Montclair’s downtown.
- DMR estimates the unit as having a floor area of 1,430 s.f. and no on-site parking.
- Surrounding uses include mixed residential and commercial, retailers, restaurants, and various services.
- It is located 764 feet from the Montclair public library and two blocks away from residential neighborhoods. It is also located 1,772 s.f. from the Montclair Community Pre-K, 1,380 feet from Christ Church Montclair, and across the street from Seymour Pedestrian Plaza and 635 feet from Crane Park.
- Montclair requires a 250-foot buffer to any school or childcare facility. It also regulates aspects of operations including odor, security, and signage.

4. Shopping Center sites

Several of the existing licensed personal-use dispensaries in the State are located in multi-tenant shopping centers, and are even attached to or within the same building as other businesses. As a result, it is challenging to specify how many parking spaces serve the dispensary, as the dispensary parking spaces are contained within the existing spaces of the shopping facility. These shopping centers are typically along or at the intersection of local or regional highways. Examples include:

- The Cannabist – 1692 Clements Bridge Road, Deptford, NJ: Located at the end unit of Locust Grove Shopping Plaza at the intersection of two major arterials and surrounded by large retail shopping facilities.
- Garden State Dispensary – 59 NJ-35, Eatontown, NJ 07724: Located on site with auto-repair shops, adjacent to a historic neighborhood shopping area and in close proximity to residential areas. Zoning for cannabis retail in Eatontown prohibits dispensaries from being within 1,000 feet of any school. Other sections of the code regulate aspects of the business operation including sales to minors, hours, sale of non-cannabis product or paraphernalia, and site security.
- Zen Leaf – 2100 Route 66, Neptune, NJ 07753: Located in a multi-tenant building with personal services and auto-repair uses in a shopping-center cluster at the intersection of State Highway 66 and Neptune Boulevard (a major arterial) and directly adjacent to residential neighborhoods. Neptune’s ordinance conditions cannabis retail uses on a 1,000-foot distance from any school or daycare and regulates nuisances such as lighting, odor, seed control, water usage, and operational aspects like hours.

5. Highway Frontage Sites

Several dispensaries around the state are located along highway-fronting sites that have no comparison in Verona as they are isolated from any residential

neighborhoods or are located in major, heavily developed shopping corridors. For reference, examples include:

- Garden State Dispensary / Ayr - 2536 Rt. 22, Union, NJ 07083: This highway-side dispensary has approximately 4,000 square feet GFA and 14 parking spaces for a ratio of 1 space per 285 s.f. It is located in a shopping and industrial corridor and is not near any residential neighborhoods or institutional uses.
- Apothecarium – 200 Route 17, Lodi, NJ 07644: This dispensary has a floor area of 5,000 s.f. and is served by 24 spaces on site, for a ratio of one space per 208 s.f. An addition 18 spaces are provided on an additional lot. The ordinance requires the use to comply with the same parking ratio for retail uses, which is 1 space per 250 s.f. of gross floor area plus 1 space per 2 employees. The site is across Route 17 and Interstate 80, or 440 feet, from the nearest residential use.

Distributors, Delivery, and Wholesalers

There are no licensed business in these categories at this time.

Analysis

Legally existing cannabis businesses in the State are currently limited to cultivation, manufacture (processing), and dispensing for medical and recreational purposes.

Cultivation and manufacturing operations occur in or along existing industrial districts in warehouse type buildings or commercial highway corridors in converted commercial service buildings or vacated retail facilities. Dispensaries are found in those types of areas as well as shopping centers and downtowns. Often, cultivator and manufacturing operations are co-located with each other or with dispensaries if the site has sufficient space, circulation, and access to accommodate the operations.

There are currently no licensed distributors, wholesalers, or retail-delivery operations in the State; however, based on DMR's research, it would seem that the siting criteria for these uses would likely be consistent with their non-cannabis equivalents.

The parking ratios for these uses differ little if at all from non-cannabis uses. That is reasonable considering that cannabis uses serve a very specific clientele and, while some dispensaries may be reportedly experiencing long lines, the demand by that clientele will be served by more locations as time goes on.

Nearly all municipalities that permit dispensaries have conditions and rules in place to protect the public welfare, some of which matches or expands upon those already put in place by the State. These include:

- Minimum distances from schools, childcare, or places of worship;
- Odor control;
- Environmental impact;
- Hours of operation;
- Security procedures;
- Record keeping procedures;
- Service to minors (younger than 21);
- Consumption on site;

- Sale of goods unrelated to cannabis consumption.

Conclusions

If the Township wishes to permit personal-use cannabis businesses, it will find that other municipalities around the State have permitted dispensaries in their downtowns and shopping centers and have permitted growing and manufacturing operations in commercial and industrial districts where there are sizable, underutilized properties or buildings. The Township may wish to consider its downtown, the Pilgrim Shopping Center, or the Grove Avenue / Ozone Avenue / Commerce Court areas for these uses, or even some of the deeper properties along Pompton Avenue (Rt 23) when making its zoning decisions.

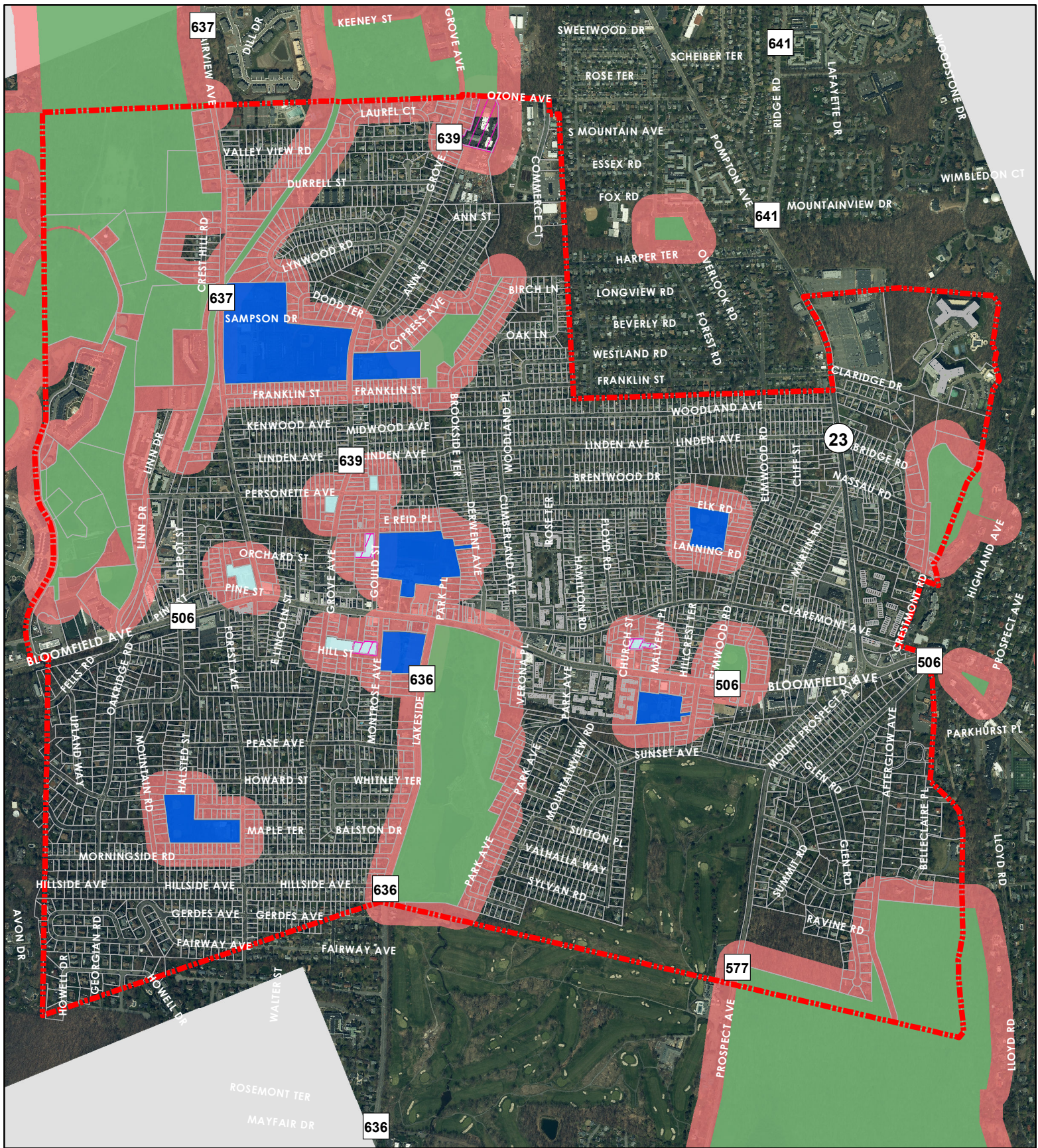
Cannabis related uses can be permitted as conditional uses in existing zones or as permitted uses in overlay zones, and both methods can be used to adequately distance the use from sensitive areas such as schools or playgrounds. The land use ordinance or a specific cannabis licensing ordinance can be used to regulate issues like odor, appearance, and public safety.

If the Township establishes cannabis businesses as a conditional use in an existing zone, it may choose to establish minimum distances to uses like schools, parks, child care, and places of worship, as allowed by the State's regulations. The map attached to this report identifies those uses in the Township and displays 250-foot buffers from their property lines to provide an example of how those buffers would constrain the location of a cannabis business in the Township. These buffers consume substantial portions of Bloomfield Avenue.

The Township may also choose to follow the example of towns like Montclair that restrict proximity based on the locations of building entrances for child cares, schools, or houses of worship rather than the property lines, or some of the towns in this report that did not require buffers from parks.

Sincerely,
A handwritten signature in black ink, appearing to read "Dan Hauben", written over the word "Sincerely,".

Dan Hauben, PP, AICP
DMR Architects



250-Foot Buffers

- Buffer
- School
- Childcare
- Park
- Church

POTENTIAL CANNABIS USE BUFFERS

VERONA TOWNSHIP, NJ



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