

BOROUGH OF PITMAN
WORK SESSION MINUTES
NOVEMBER 14, 2022

Call to Order

Time: 6:00 p.m.

Open Public Meetings Act Statement – Pursuant to the Open Public Meetings Act, I hereby announce that adequate notice of the time and date of this meeting was published in the South Jersey Times on November 10, 2022, posted on the Borough Hall front door, and advertised on the Borough of Pitman website continuously since November 10, 2022.

Roll Call

Council President Fitzpatrick: Present	Councilperson James: Present
Councilman Kelly: Present	Councilman Mazzola: Present
Councilwoman Milward: Absent	Councilman Weng: Present
Mayor Razzo: Present	Borough Solicitor Eleftheriou: Present
Clerk O'Donnell: Present	

Discussion

Motion to Open Discussion: Weng	Second: Mazzola
Time: _____ p.m.	

Addition to Formal Meeting Agenda

Councilman Mazzola requested that “Employment” be added to Resolution No. 210, 2022, which authorizes a Closed Meeting, as a subject for discussion in the meeting. Council members agree to the addition.

Information on Cannabis Options for Pitman

Councilman Kelly led the introduction of Barry Owen, Chairman of the Economic Development Committee, who introduced EDC member and coordinator of this discussion, Jason Blackmore, who in turn introduced Meggan Ciaccia (present in person), Todd Scattini, Josh Alper, and Jennifer Maden (present via Zoom).

Todd Scattini, Chairman of the Board of Blue Diamond Ventures Inc./Harvest 360

Mr. Scattini explained the effects and impact of the legalized sale of cannabis as improving social justice and equity, providing major economic impact locally, and on state and federal levels, and has had a positive impact on health and wellness, especially within the veteran community.

Josh Alper, Chief Strategy Officer, Blue Diamond Ventures Inc./Harvest 360

Mr. Alper identified the cannabis industry as an emerging technology industry, with New Jersey having the best program which includes many high tech growing facilities. The program allows for the many facets of the cannabis industry which include growers, processors, distribution, testing and sales. Mr. Alper stated that in municipalities with legalized cannabis laws, property values generally improve. On speaking of the requirement for special use permits from the local Zoning Boards, he mentioned that the one thousand foot rule from churches, schools, and day cares would remain in effect for the cannabis industry in New Jersey due to the New Jersey regulations in place. It was noted that the one thousand foot rule for cannabis is not found in the federal regulations for drugs.

Meggan Ciaccia, Ciaccia CPA – South Jersey CPA

Ms. Ciaccia has twenty years of accounting experience and has educated herself at seminars and conferences associated with the cannabis industry. She provides professional support to clients who are involved in the cannabis industry.

Jennifer Maden, Assistant Dean and Director of Graduate Studies at the Rohrer College of Business, Rowan University

Ms. Maden stated that Rowan University offers academic programs for the professional development, recruitment, marketing, and academic advisement of those interested in pursuing a career in the cannabis industry. She said that Rowan University now offers an MBA in cannabis studies.

In response to questions from Mayor Razze and members of Council, the following points were made by the speakers:

- Revenue from the cannabis industry is not limited. It can be used for schools, police, education.
- Organizations such as AMVETS and the VFW have publicly supported cannabis usage.
- It is important to maintain oversight of revenues and how they are used.
- The cost to municipalities to run a cannabis program can be significant.
- The program must be large enough in scale and scope to support the city obligation to run the program.
- In administering a program, the licensing and permitting fees must be sufficient enough to cover all extra costs such as security plans, inspections, funding, and hiring attorneys.
- Cannabis is a business more highly regulated than alcohol.

Mr. Blackmore referred to the various types of cannabis licensing available, one of which is delivery. He said that Pitman cannot stop a licensed delivery service from another town as long as they operate within the parameters set by the licensing town.

Mr. Scattini said that the borough should look at cannabis licensing as an opportunity for the borough to generate revenue. The location of the retail sites is critical for the success of the businesses.

Ms. Caccia said that three dispensaries can anticipate five million dollars in revenue for medical and recreational sales combined. She said that the facilities are audited every three years by the Internal Revenue Service and a point of sale system is the required use for payment. She stressed that it is a highly regulated industry with regular inspections performed by the State of New Jersey, with only the State having the ability to revoke a license.

Mr. Owen asked what role Blue Diamond Ventures, Inc. plays in the cannabis industry and was told by Mr. Scattini that Blue Diamond does not own licenses but rather works with clients and municipalities to set up programs and vet clients for municipalities. Mr. Owen asked why revenue figures have not been published yet in New Jersey. Mr. Scattini said that a presentation made on October 27, 2022 included revenue figures. He will send the report to the EDC. He said that there are presently eighteen dispensaries open in the State of New Jersey. The revenue shown is mainly from the larger dispensaries open at this time.

Motion to close discussion: Weng
Time: 7:19 p.m.

Second: Mazzola

Public Portion

Motion to open to the public: Weng
Time: 7:19 p.m.

Second: Mazzola

Nick Aspras, 415 Poinsett Avenue – Referencing the schools, Mr. Aspras asked how the measurement is taken to determine the legal distance of 1000 feet and was told that the measurement is from property line to property line.

Walt Madison, 152 West Avenue – Mr. Madison asked if the amount purchased/delivered is limited and was told that it is monitored by the facility and the State of New Jersey.

Judy Walker, 503 Hudson Avenue – Ms. Walker asked what the process was for the Borough and was told that first a feasibility study is performed, which can be costly, then an ordinance is created that regulates all aspects of the cannabis program to be implemented. Mr. Owen replied that the EDC is not a legislative body and the cannabis regulations imposed by the Borough are not their decision. They can only make recommendations to Council.

Ms. Walker said that she found the discussion at this meeting to be interesting but wondered if there were any red flags present in the reports. Mr. Scattini said that the biggest red flag for the Borough is the potential for litigation saying that Pitman must craft an ordinance to be fair and equitable to the residents

Jason Blackmore, 712 W. Holly Avenue – Mr. Blackmore asked if Rowan University is involved in the testing labs for cannabis. Ms. Maden said that Rowan is not involved at this time but that conversations are ongoing but with nothing official yet.

Shannon Morton, 407 Ardmore Avenue – Ms. Morton asked if there should be someone in the Borough who would be the Administrator of the program and what would be the cost to the Borough for an Administrator. Mr. Scattini replied that someone or a group from the Borough should oversee the program. He said that the tax revenue to the town is the smallest part of the benefit. The major benefit is in property value increases and the increase in foot traffic to the area depending on the location of the dispensary.

Harry McCleish, 128 Glen Lake Avenue – Mr. McCleish said that residents are only hearing the positive points tonight; anything negative is not being heard.

Randall Craig, Cedar Avenue – Mr. Craig said that he sees the effect that pot has had on long-term users and on their children.

Joe Evans, 327 Legion Court – Mr. Evans said that as a long-time Emergency Responder he has seen an increase in motor vehicle accidents due to cannabis use. Mr. Scattini responded that the National Traffic Safety Institute reports an increase in accidents where people tested positive for cannabis use at the time of the accident, but that accidents are not caused by cannabis.

Lora Dale, 302 Edgemoor – Ms. Dale stated that in Colorado motor vehicle accidents have increased due to cannabis use and California now has vending machines dispensing cannabis. She stated that legalized cannabis is a slippery slope that can have significant repercussions that towns cannot go back on. Mr. Scattini said that New Jersey is the twentieth state to move on cannabis sales and the thirtieth state to move on medicinal sales. He cautioned the Borough not to over tax the dispensaries, a move that could result in an increase in black market sales due to its ability to provide a cheaper product. Mr. Scattini repeated that there has not been an increase in the statistics concerning crime or accidents due to cannabis usage in the United States.

Kim Russell, 530 Wayne Avenue – Ms. Russell said that the Borough is already having problems with the kids in town with vandalism, etc. She said that people are not using cannabis for medicinal purposes, and fears that cannabis licenses issued for Pitman will bring “all kinds of people” into town. She said that the

town has changed a lot in the last twenty-five years, and that it is not as “safe feeling” anymore. She said that the town is too small for this type of business to come in.

Motion to close public portion: Weng
Time: 8:05 p.m.

Second: Mazzola

Miscellaneous

Mayor Razzo thanked the members of the Economic Development Committee who put this forum together and thanked the speakers who participated in the discussion.

Adjournment

Motion to adjourn: Weng
Time: 8:05 p.m.

Second: Mazzola

Respectfully Submitted,

Judith O'Donnell
Borough Clerk/Administrator