

#### **MEMORANDUM**

TO: CANNABIS REGULATORY COMMISSION BOARD

FROM: JEFF BROWN, EXECUTIVE DIRECTOR

SUBJECT: REQUEST FOR CHANGES OF LOCATION: ORGANIC REMEDIES

**DATE:** MARCH 13, 2024

**BACKGROUND:** A request came in on January 26, 2024, from President Eric Hauser of Organic Remedies NJ, Inc. ("Organic Remedies") requesting relocation of Organic Remedies Alternative Treatment Center dispensary permit from 205 Timberlane Road, Clarksboro, New Jersey 08020 to 400 South Broadway, Gloucester City, New Jersey 08030. Organic Remedies was awarded its dispensary permit endorsement by the Board via Final Agency Decision on December 7, 2021.

#### **AUTHORITY:**

# 17:30–9.2 Changes to license applicant or license holder; approval and notice; provisional approval

- (a) Cannabis business license holders shall submit an application for an amended license, along with the applicable fee, if any, pursuant to N.J.A.C. 17:30-7.17, for the following material changes, a change:
  - 1. In ownership, which shall include:
    - i. Addition or removal of owners or passive investors;
    - ii. Change in license holder entity structure, including any related mergers, acquisitions, or creation of new related entities;
    - iii. Change in ownership structure or ownership interest that results in a change of owner, pursuant to N.J.A.C. 17:30-9.3; and
    - iv. Any other changes to the ownership and financial information provided to the Commission pursuant to N.J.A.C. 17:30–7.10 and 7.13;
  - 2. Of management services contractor and the terms of any management services agreement; pursuant to N.J.A.C. 17:30-6.9;



- 3. Of financial source and the terms of a financial source agreement (FSA) pursuant to N.J.A.C. 17:30–6.10;
- 4. Of location;
- 5. Of modification of capacity, physical plant, or premises; or
- 6. Of name of the cannabis business.
- (b) Failure to seek approval for such material changes pursuant to (a) above may result in sanctions upon the license holder pursuant to N.J.A.C. 17:30–17, including civil penalties, or suspension or revocation of any license issued to the license holder.

### 17:30-7.17 Cannabis business and testing laboratory fees

- (j) The following material change fees shall be paid by annual license holders, as applicable:
  - 1. The fee to apply for a change of location of a cannabis business premises is:
    - i. Standard cannabis business annual: \$10,000; or
    - ii. Microbusiness: \$1,000;
  - 2. The fee to apply for a change or modification of the cannabis business' capacity or physical plant is \$2,000;
    - i. This fee shall not apply to a microbusiness converting to a standard cannabis business pursuant to N.J.A.C. 17:30–7.15; and
  - 3. The fee to apply for the transfer of more than 50 percent of ownership interest in a license holder is \$20,000.
    - i. Any financial source, management services contractor, owner, or principal may be required to pay background investigation fees as part of an ownership interest transfer.

## 17:30A-7.8 Amendments to alternative treatment center permit

(a) An ATC shall submit to the Commission an application for an amended permit, together with fees, if applicable, pursuant to N.J.A.C. 17:30A–7.10, prior to any:



- 1. Change of the alternative treatment center's location;
- 2. Change of the alternative treatment center's ownership;
- 3. Change of the alternative treatment center's name;
- 4. Change in the alternative treatment center's capacity; or
- 5. Modification of or addition to the alternative treatment center's physical plant.
- (b) The alternative treatment center shall submit the application to the permitting authority no later than 30 business days prior to the change.

#### 17:30A-7.10 Fees

- (a) The following fees apply:
  - 1. The annual fee for the review of a permit renewal application for an alternative treatment center is \$20,000;
  - 2. The fee to apply for a change of location of the alternative treatment center is \$10,000;
  - 3. The fee to apply for a change of capacity or any physical modification or addition to the facility is \$2,000; and
  - 4. The fee to apply for the transfer of ownership of a permit is \$20,000.
- (b) Fees shall be paid by certified check, money order, or any other form of payment approved by the Commission, and made payable to the "Treasurer, State of New Jersey."

**REQUEST:** Organic Remedies is requesting the following change of location for its Alternative Treatment Center dispensary permit:



From: 205 Timberlane Road, Clarksboro, New Jersey 08020 To: 400 South Broadway, Gloucester City, New Jersey 08030

Organic Remedies has lost site control of its original location that was submitted with its Alternative Treatment Center application during the 2019 Request for Applications process. After losing their site control at 205 Timberlane Road, Organic Remedies searched for a suitable dispensary location situated in the same region in which it was awarded – the Southern Region. The new location is in the Southern Region.

**RECOMMENDATION:** Staff recommends approval of the request to amend the medical permit of the above-referenced entity. NJ-CRC OCI requires submission of evidence of site control for the location, evidence of local approvals from the municipality in which the permittee will newly operate. The employee transition plan that is typically required is not necessary in this instance as the entity has yet to begin business operations at the original location. The applicant has provided the requisite information.

The fees, as established by regulation, are \$10,000.00 for change of location of an alternative treatment center. The fees for each change will be invoiced and submitted upon approval by the Board.

Upon approval by the Board and completion of all necessary construction and the transition of equipment, OCI will conduct a site inspection of the new facilities to confirm compliance with the law and regulations, prior to executing the official documents for amendment of the Organic Remedies permit.