

### **MEMORANDUM**

TO: Cannabis Regulatory Commission Board

Christopher Riggs, Acting Executive Director FROM:

**SUBJECT:** Request for Changes of Location: Acreage CCF New Jersey, LLC

JULY 18, 2024 **DATE:** 

BACKGROUND: A request came in on May 14, 2024, from Senior Director of Compliance, Security, & Regulatory Affairs for Acreage Holdings, Lynsi Sheckler, requesting relocation of Acreage CCF New Jersey, LLC's ("Acreage") dispensary facility from its location in Atlantic City to 35 E. Crescent Boulevard in Collingswood, New Jersey. At this time, the location in Atlantic City is not within the limits currently defined where adult use sales can be offered, and therefore Acreage is limited to operating that facility strictly as medical-only. The move to Collingswood would allow Acreage to potentially expand to adult use sales in addition to offering medical services.

#### **AUTHORITY:**

# 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:** Acreage is requesting to change the location of its medical dispensary:

From: 1301 Boardwalk, Atlantic City, New Jersey 08401

To: 35 Crescent Boulevard, Collingswood, New Jersey 08108

Acreage is currently prohibited from offering adult use sales at its location in Atlantic City and is seeking to expand its business by relocating its dispensary to Collingswood and ultimately expanding to include a Class 5 Retailer license. According to Acreage, Collingswood is a municipality of 14,186 residents, in Camden County which houses 523,490. The relocation would allow Acreage to serve a significantly higher number and variety of patients and consumers who do not have access to legal cannabis within the township. Acreage has provided, along with its request, an agreement for the purchase of the 35 Crescent Boulevard location, a Resolution from Collingswood evidencing their support for a future Class 5 Retailer in Collingswood, and a Patient Transition Plan which includes notifying patients of their other Atlantic City-based options for acquiring cannabis.



Further, Acreage is requesting authorization to shut down their Atlantic City facility upon approval of the transfer, as it has become "financially unsupportable" to keep the doors open at Atlantic City due to the very limited medicinal sales. Acreage would like to close the Atlantic City doors in advance of opening in Collingswood without relinquishing its permit back to the NJ-CRC.

**RECOMMENDATION:** Staff recommend 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 licensee/permittee will newly operate, and an employee transition plan. 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 fee for the 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 Acreage permit.

Further, staff has no issue with Acreage closing its Atlantic City location before it is prepared to open in Collingswood without having to return its permit to the NJ-CRC.