MINUTES – PUBLIC MEETING NO. 21-10-15
OCTOBER 15, 2021 – 11:30AM
Publicly Accessible Online via Zoom (or address when in-person)

1. CALL TO ORDER

The October 15th, 2021 public meeting of the New Jersey Cannabis Regulatory Commission was called to order by Chairwoman Houenou at 11:31am at 225 East State Street, Trenton, New Jersey 08608 via Zoom Webinar.

Executive Assistant Erin Hogan read the Notice of Public Meeting:

“Madam Chairwoman, this is a Regular Meeting of the New Jersey Cannabis Regulatory Commission. Adequate notice of this meeting has been provided in accordance with the Senator Byron M. Baer Open Public Meetings Act. The Annual Meeting Schedule was noticed to the Asbury Park Press, Atlantic City Express, Bergen Record, Courier Post, and the Trenton Times in April 2021. The annual meeting notice was also provided to the Secretary of State and posted on the Secretary’s public bulletin board. The time and date change for this meeting was noticed to the same papers, the Secretary of State, and posted on the Secretary’s public bulletin board. Information regarding the virtual nature of the meeting due to the COVID-19 pandemic was posted in publications and on the CRC website. The meeting time and location has also been posted on the website of the New Jersey Cannabis Regulatory Commission and with the Office of the Secretary of the State.”

2. ROLL CALL

Executive Assistant Hogan took the roll, and the following Commissioners were present:

Mr. Charles Barker, Ms. Maria Del Cid-Kosso, Mr. Samuel Delgado, Ms. Krista Nash, and Ms. Dianna Houenou. No one was absent.

The following CRC staff members were present virtually: Jeff Brown, Erin Hogan, Wesley McWhite.
3. EXECUTIVE SESSION

Chairwoman Houenou called for a motion to go into Executive Session for 90 minutes to discuss legal matters and litigation updates. Vice Chair Delgado made the motion, and Commissioner Nash seconded. Hearing no discussion, Ms. Hogan took the vote.

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso
NAYS: None

The motion was passed.

Executive session started at 11:35am and ended at 12:18pm.

4. APPROVAL OF PREVIOUS MEETING MINUTES

The open, public portion of the meeting began at 1:03pm. Chairwoman Houenou asked for a motion to adopt the minutes for the September 14th public meeting, including executive session minutes. Ms. Hogan noted that the minutes were shared with the Commission members prior to the meeting. Commissioner Nash made the motion to adopt the meeting minutes, and Commissioner Del-Cid seconded. Hearing no discussion, Chairwoman Houenou called the vote.

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Barker, Commissioner Del Cid-Kosso
NAYS: None

The motion was carried.

5. CONSIDERATION OF 2019 RFA CULTIVATION AWARDS

Executive Director Brown provided a summary of the 2019 Request for Applications (RFA) and staff recommendations for cultivation endorsement awards:

This RFA was issued prior to the effective date of Jake Honig’s law. Under both the Compassionate Use Medical Marijuana Act and Jake Honig’s Law, the Cannabis Regulatory Commission is charged with seeking to ensure the availability of a sufficient number of alternative treatment centers throughout the state, pursuant to need, including at least two each in the northern, central, and southern regions of the state.

Pursuant to the terms of the RFA, the Commission convened a selection committee to score and evaluate each application. The RFA has been a two-year process that started on July 1, 2019. The RFA noted that the Department of Health, Division of Medicinal Marijuana (the Department), proposed to issue 15 dispensary awards, five cultivation awards, and four vertically integrated awards. Applications were accepted up until the deadlines of August 21st and 22nd, 2019.

198 timely submissions were received by the Department, but two of those applications were noted to be incomplete. On November 18, 2019, 51 applicants were disqualified for the submission of incomplete or otherwise deficient applications. 17 of those applicants appealed the Department’s decision to the Superior Court Appellate Division.

On December 23, 2019, The Superior Court Appellate Division issued a stay of the Department’s proceedings based on the appeals and on January 14, 2020 the Appellate Division
issued a clarification that the stay included all proceedings, even scoring of applications. As a result, the review of submitted applications came to a complete stop as of January 15, 2020.

On February 18, 2021, more than one year after the stay was imposed, the court affirmed the Department's decisions in all but one case and dissolved the stay on the request for applications. As a result, the Department was allowed to resume evaluation and scoring.

April 12, 2021, the Cannabis Regulatory Commission was formed and assumed authority over the Department of Health's responsibilities concerning medicinal cannabis. Director Brown emphasized that the Commission was presently considering awards under a medicinal RFA and the applications are to serve patients. As such, the awardees have to prove themselves in serving patients before converting to recreational cannabis activities.

Director Brown explained that, if staff recommendations were approved, the Commission would offer a formal debriefing period after issuance of these awards, which will commence on Friday, October 19, 2021, at 5:00pm.

The first recommendations for selection in the 2019 cultivation RFA were the two highest scoring cultivation applications in both the 30,000 square foot canopy tier and 20,000 square foot canopy tier and the highest scoring application for the 5,000 square foot canopy tier. For the 30,000-square-foot tier, the recommended awardees were Hillview Med, Inc. in the northern region and CYOURNJ, LLC in the northern region. For the 20,000-square-foot tier, the recommended awardees were GSCL Management, LLC in the northern region and NJ Nectar Ventures, LLC in the central region. The recommended awardee for the 5,000-square-foot tier was Noble Valley Harvest Company in the central region.

After these awards, Director Brown recommend that the Commission select the next five highest scoring applicants: Green Medicine NJ, LLC in the central region, Bloom Medicinals of PA, LLC in the southern region, ZY Labs, LLC in the central region, Releaf, LLC in the southern region, and NAR Group, Inc. in the central region.

Chairwoman Houenou asked for a motion to adopt the resolution concerning the approval of applications for cultivation permit endorsements pursuant to the 2019 Request for Applications process as recommended by CRC staff. Commissioner Nash moved and Commissioner Del Cid-Kosso seconded. Hearing no discussion, Ms. Hogan called the vote.

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Del Cid-Kosso
NAYS: Commissioner Barker

The resolution passed.

6. CONSIDERATION OF 2019 RFA VERTICALLY INTEGRATED AWARDS

Executive Director Brown provided his recommendations for vertically integrated awards: awarding the highest scoring application in each region and a fourth award issued in a region based on need.

The highest scoring applicant in the northern region was Etain NJ, LLC, the highest in the central region is Altus New Jersey, LLC, And the highest in the southern region was Greenhouse Wellness of NJ, LLC.
Staff determined the central region to be the region of greatest patient need, and the fourth award was recommended to go to the next highest scoring applicant in the central region, Holistic NJ 1, LLC.

Chairwoman Houenou asked for a motion. Commissioner Del Cid-Kosso motioned to approve the resolution for vertically integrated permits pursuant to a 2019 Request for Application process as recommended by Executive Director Brown and CRC staff. Commissioner Nash seconded. Hearing no discuss, Ms. Hogan called the vote:

AYES: Chairwoman Houenou, Vice Chair Delgado, Commissioner Nash, Commissioner Del Cid-Kosso
NAYS: Commissioner Barker
The resolution passed.

7. PUBLIC COMMENT

Chairwoman Houenou reminded applicants with questions about or grievances with the 2019 RFA process to submit their question or grievance in writing to crc.licensing@crc.nj.gov by 5:00pm Eastern Time on Tuesday, October 19, 2021. Members of the public who are not looking to share questions or grievances with the RFA could submit their comments to the CRC during and after the public meeting in writing via the CRC website at nj.gov/cannabis/meetings by 5:00pm on Monday, October 18th. The Chair reminded public that all submitted questions and comments were shared with the commission members and are made public along with the minutes.

Director of the Office of Diversity and Inclusion, Wesley McWhite, called on members of the general public. All speakers were given three (3) minutes to speak.

**Dr. Monique Hamilton:** Board certified in internal medicine. The CRC can best achieve compliance with the New Jersey medical cannabis program rules by seeking the assistance of medical professionals. The CRC should consider soliciting the help of the public with formulation of a public committee to help ensure CRC initiatives. It is important for patients to have ongoing assessments and evaluations while using medical cannabis to receive the highest quality patient care. This should include more than 1 medical visit a year. There should be a bona fide visit. This would ensure patient safety, which is the patient’s right.

**Hasaan Austin:** Just wanted to speak to this process from a business development standpoint. They represent entrepreneurs, connecting them to municipalities. There is a lot of activity in the marketplace that is disturbing. We spend a lot of time trying to eliminate barriers from service providers, attorneys, etc., which are a lot of barriers for people pursuing licensing. We understand that legal counsel is often necessary, but sometimes it’s not necessary that you have to have a comprehensive package. For the business providers, don’t be so inclined to overcharge applicants, it’s important that we provide a certain level of assistance in this new market and don’t create barriers. These barriers also exist on the municipal level, like charging for support letters to municipalities. You are doing a disservice to marketplace by creating these barriers to this emerging marketplace and encourages CRC to create a healthy marketplace to sustain itself.

**Travis Ally:** Vertical applicant from the 2019 RFA in the northern region. Very disappointed in the results as they didn’t crack the top 10. When will they be able to get applications and evaluate their scores? Of the vertical winners, how many of them were diverse applicants? Will that information be shared? As it relates to future rounds of licensing, is there going to be any
sort of accommodation provided for the 2019 applicants as far as skipping the line, particularly for applicants from the 2019 RFA that were in good standing, held on to their property for two years, in their count about $700,000 and were diversely and veteran owned?

Aaron Streeter: Resident of Camden, New Jersey. Wants to open a small microbusiness coming to Camden, first of their kind. Happy with the CRC moving along. I hope they stick to their word about the impact zone and legacy guys. Make it happen for us that are living in the impact zones.

Chirali Patel: She has the utmost trust in the CRC to do the right thing in curtailing the issues we are facing in the industry. As Director Brown said, and as a patient, she has severe concerns that there is not education coming into the space. ATC recommendations don’t come with any specifications that comes with the medicine. A lot of this is subjective, but to the extent where the CRC can hold these Alternative Treatment Centers accountable for more information, that would be great because she doesn’t feel anyone is doing a great job at that right now. With social equity, when CRC came out with regulations, the CRC is doing the right thing, but now we have municipalities doing the opposite in their jurisdictions. It’s hindering the smaller players. They can’t afford to spend $10,000 at the municipal level, as well as the state level application. People have been waiting so long for adult use, it won’t kill anyone to take more time to deal with the inconsistencies. Especially for those in the legacy market, it’s different for them to share their experience because their opening themselves up to liability. These people already spent time behind bars they shouldn’t have to spend any more money on these municipal fees. Please take care of social equity.

Jerel Registe: Managing Director of the Curio WMBE Fund, a $30 million private equity fund developed to provide capital to help minority and disabled veteran entrepreneurs looking to establish cannabis dispensaries in NJ and other attractive cannabis markets. The fund supports diverse entrepreneurs by removing the access to the capital barrier that’s made it so difficult for them to successfully apply for and build dispensaries while providing a pathway to 100% debt-free ownership of a successful business. Encouraging the Commission to evaluate the ownership requirements included in the regulations published last month regarding upcoming personal use licensing process. Bill SB 2875 is being expected to be signed by Governor Murphy in the coming days which will enable prospective licensees to gain access to necessary capital to build a successful business by providing a path to debt-free, 100% ownership of their business.

Darrin Chandler Jr.: Vertically integrated 2019 RFA applicants. Unfortunately, they lost and are disappointed with results and kind of disappointed with CRC for not being ahead of it. Forced to carry real estate for all this time with no communication. You preach fairness and social equity but there has to be some consolation to that. We all took a risk and waiting for 28 months. Wanted to know the reason that vertical licenses weren’t increased as well alongside of the cultivation licenses. Congratulations to all the winners.

Ronald P. Mondello, Esq.: They’ve attended all CRC meetings. Crimes and immigration attorney – “crimmigration” for short. Representing people of color, mostly foreign nationals as a public defender or in private practice. Here to speak on behalf of those with no voice. Feels the CRC is missing their mark with decriminalization. His clients aren’t U.S. citizens, but they are more severely ripped away from their families. You have influence. Perhaps in the CRC’s conversations with the Governor, there is some way the CRC can strongly convey a message that these foreign nationals of color with minor drug infractions have some sort of special consideration given their impending banishment from the only country they love.
Scheril Murray Powell, Esq.: Cannabis agricultural and dietary supplement attorney. Has been doing this for six years now. Proud to see things are advancing. Comment is specific to agenda items. Congrats to the winners. After being involved in this process since 2019, this was one of the first matters that the CRC decided to take care of. Thanks to CRC for ending this suspenseful period of who was getting their licenses. This will allow the CRC to move forward with social equity licenses. Good to see progress and there are always going to be people that aren’t successful when we have these types of selection processes, but it’s important to move forward with the rules that have been designed to create a fair market. This is a good thing for cannabis patients. A lot of these who are adult use patients, are also medical patients but just wish to be anonymous. This is good for the users, cities, and economy of NJ. They are available as a resource moving forward with regards to screening at CSI. Looking forward to what’s next.

Zach Katzen: Atlantic City Cannabis Commission. Speaking on the challenges for municipalities for legalization. The CRC was tasked to create a monumental leg in a short period of time and one of the things he thinks was left behind was guidance for municipalities. Municipalities need guidance on how to enact an office for cannabis. How should towns handle this? They are lost. They are trying not to make a mistake while navigating this new industry. They need guidance and understanding to regulate this billion-dollar industry. This is why people are seeing discrepancy on whether to charge for application fees – it’s not because they’re trying to undermine anyone, but they really just don’t know. They need a framework. There probably should be one officer of cannabis in your town for cannabis, or a hotline or some point of contact that towns can reach out to for understanding and basic knowledge. Because at the end it helps create a better product and consumer relationship. The medical patients are going to have a better experience because the town is run properly because they’ll know how to approach them.

Charles Latini Jr.: On behalf of American Planning Association, the New Jersey chapter, thank you for the opportunity to address this body once again. Working in government for 25 years now and the development of a process and its inclusivity and transparency is truly, difficult work. Compelled to consider the process in how information is disseminated, shared and partnerships formed. Encourages CRC to look at Arnstein’s Ladder of Public Participation in how to formulate processes. Transparency and true inclusion is work that is important to fortify the CRC against lawsuits and frustration. The American Planning Association has been leading public policy and is willing to help the CRC.

Leo Bridgewater: Thanks for the continued emphasis on patients and engagement with the public and reminds everyone to maintain that in terms of being cognizant of patient need and logistical aspect of turning on this legal industry. This is a monumental task, but right now 366,000 have had their records expunged. We continue to make a way to way for these people to be a part of the industry. Thank you and look forward to the continued engagement.

David Feder: Appreciate the CRC and happy to get the 2019 license applicant awarded. How did CRC decide to expand program in one category over the other? Why did the CRC only expand cultivation rather than vertical, because vertical does have cultivation too? But mirroring what was said earlier, he thinks the CRC should do something to accommodate people who have spent time, maintaining relationships and spending money. CRC should consider that strongly as it comes to upcoming round for adult use licenses in exchange for all the work and money they spent to get to this timeline. For municipalities themselves, they are requiring their own RFA processes in some cases, almost as extensive as the application itself. These are
highly sensitive things they are requesting for business that want to be in their municipality, so CRC should take a look at this and make it more feasible.

**Jason Bacon:** Comment regarding specific cannabis rules for conditional microbusiness license applicants, specifically the stipulation is found in Subchapter 7, Section 3, Paragraph C, Item 14 which states for a microbusiness license applicant to prove that at least 51 percent of the total number of persons included in the microbusiness license application or license holder, including all owners, principals and employees, are residents of either the municipality in which the microbusiness is or will be located or of a municipality bordering such a municipality at the time of application. Asking the CRC to amend and strike this stipulation, specifically in a conditional application. For social equity applicants, essentially every township has banned personal-use cannabis businesses, this will require an applicant to, in advance of submitting just a conditional license application to move to a particular municipality that allows recreational cannabis businesses.

**Gerald (George) Witherspoon:** Extends gratitude to the Commission on the process thus far. First question regards consumption lounges. If someone could share the regulations in NJ regarding consumption lounges, particularly the stipulation which states that they have to be annexed or attached to a retail dispensary, and are there any paths moving forward for standalone consumption lounges? Second question is regarding the coordination and partnership between the state and municipalities? It seems to be a reoccurring issue that municipalities are taking the same and running with your domain.

**George Boley Jr.:** Question considering the categories 4 and 6 regarding adult use consumption. Do we know what those fees are?

**Matthew Baker:** Thanks for today’s presentation. He saw guidance for winners of cultivation and vertically for 2019 awards. He doesn’t know if he missed the dispensary awards if so, can you please put those back up?

**Eric Jiang:** Is it up to municipalities to determine if business can operate within school zone or worship location or will they still enforce the 1000 feet zoning? Spoke with zoning officer in town he was interested in, and he said it was okay if it is not right in front or next to such locations. But he wanted to check with CRC to see if it was still 1000 feet. Thanks for working hard and fighting for us and the licenses.

8. **ADJOURNMENT**

Chairwoman Houenou called for a motion to adjourn. Commissioner Barker made the motion and Commissioner Del Cid-Kosso seconded. Chairwoman Houenou called the vote.

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\text{AYES: Chairwoman Houenou, Commissioner Delgado, Commissioner Nash,}
\text{ Commissioner Barker, Commissioner Del Cid-Kosso}
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NAYS: None

The public meeting adjourned at 2:31pm.

**CERTIFICATION**

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I hereby certify that the foregoing minutes represent a true and complete summary of the public meeting held by the Cannabis Regulatory Commission on Friday, October 15, 2021.

Christopher Riggs  
Chief Counsel  
Date: 12/8/21

Erin Hogan  
Executive Assistant  
Date: 12/8/2021