



MEMORANDUM

TO: Cannabis Regulatory Commission Board
FROM: Jeff Brown, Executive Director
SUBJECT: Consideration of Conditional License Applications
DATE: December 2, 2022

EXECUTIVE SUMMARY

On August 19, 2021, the Cannabis Regulatory Commission (herein referenced as “Commission” or “CRC”) adopted rules pursuant to P.L. 2021, C.16 which established the licensure process for cannabis businesses and testing laboratories. N.J.A.C. 17:30-6 through 7 outlines the application process and requirements for both conditional license applicants and annual license applicants. The rules also include the eligibility requirements and limitations for Social Equity Businesses, Diversely-Owned Businesses, and Impact Zone Businesses.

This memo outlines the process and recommendations concerning 113 applications for conditional licenses. These conditional license applications, which include 18 Class 1 Cultivator applications, 14 Class 2 Manufacturer applications, and 81 Retailer applications have been reviewed, scored, and are recommended for approval by the CRC Staff.

Pursuant to rules on cannabis business licensure, the CRC issued a Notice of Application Acceptance (“Notice”) on November 9, 2021, which outlined the specific criteria for each application type and the dates on which the CRC would begin accepting applications. The Notice of Application Acceptance also outlined the specific priority by which applications would be reviewed by the CRC.

On December 15, 2021, the CRC began accepting applications for Class 1 Cultivation, Class 2 Manufacturing, and Testing Laboratory licenses.

On March 15, 2021, the CRC began accepting applications for Class 5 Retailer licenses.

As of November 15, 2022, 2022, the CRC has received 1,461 applications, including:

- 392 Class 1 Cultivation Applications
- 225 Class 2 Manufacturing Applications
- 4 Class 3 Wholesaler Applications
- 10 Class 4 Distributor Applications
- 810 Class 5 Retailer Applications
- 11 Class 6 Delivery Applications
- 9 Testing Laboratory Applications



- 25 applications remain ineligible for license types submitted prior to their respective application acceptance date

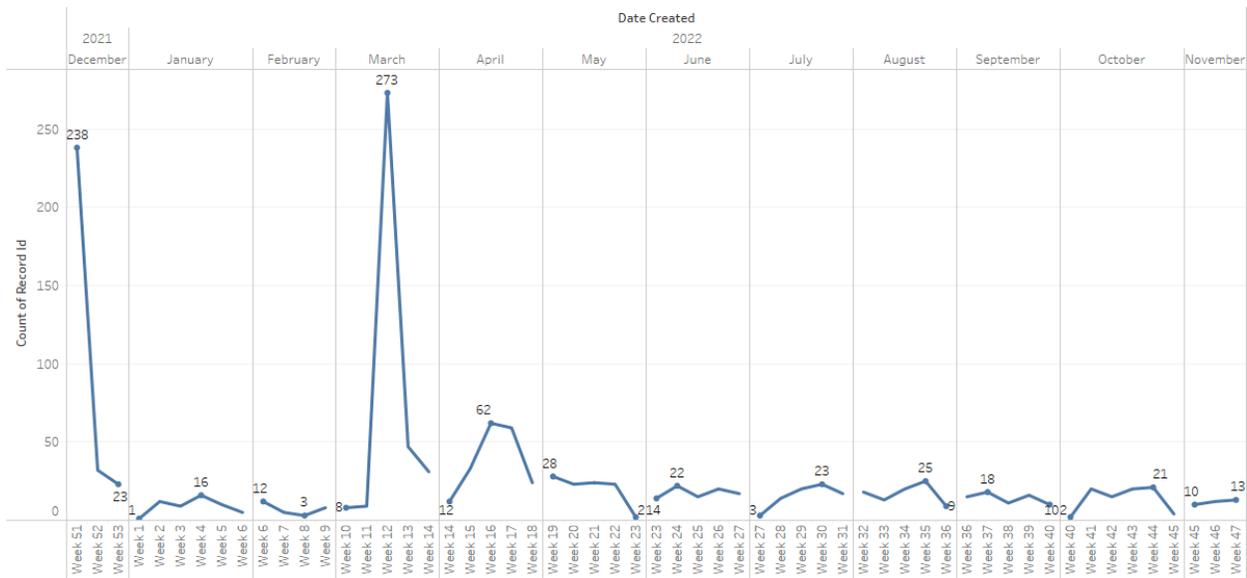
Of the applications received:

- 1,031 Diversly-Owned Businesses (71%)
- 361 Social Equity Businesses (25%)
- 619 Impact Zone Businesses (42%)

Furthermore, of the applications received by November 15, 2022, 1,183 have been conditional license applications and 278 have been annual license applications.

Of the 1,461 applications received; 1,401 applications have begun the review process.

Applications Over Time Thru 11/15/2022



AUTHORITY

N.J.S.A. 24:6I-35(a)(1) provides that the Commission shall adopt rules and regulations, which include the procedures for the application for a license or conditional license to operate as a cannabis establishment. N.J.S.A. 24:6I-35(a)(4) requires the incorporation of the licensing social equity goals established by the Office of Minority, Disabled Veterans, and Women Cannabis Business Development. N.J.S.A. 24:6I-36 provides the Application process for a conditional license to operate a cannabis establishment. N.J.S.A. 24:6I-36(e) requires the Commission to prioritize applications on the basis of impact zones to advance social equity goals.



The governing regulations at N.J.A.C. 17:30-6.1(c)(2) state that the Commission shall provide notice of the initial acceptance of license applications in the New Jersey Register, on the Commission website, to the Commission email list, and at a Commission public meeting.

The governing regulations at N.J.A.C. 17:30-6.1(d) provide that the Commission shall review, score, and approve conditional and annual cannabis business license applications and issue licenses to applicants that receive a full score or greater, and shall have the full authority to establish the priority by which conditional and annual cannabis business license applications and applicants are reviewed, scored, approved, and issued, such that: 1. Social equity businesses, diversely owned businesses, and impact zone businesses always have priority over other license applicants; 2. Conditional license applicants always have priority over annual license applicants; 3. Microbusinesses license applicants always have priority over standard cannabis business license applicants; 4. License applicants given bonus points pursuant to N.J.S.A. 24:6I-36.d(2) have priority over license applicants with no bonus points; and 5. The priority of the review, scoring, and approval of license applications and issuance of licenses is consistent with meeting the market demands of the state, the Act and this chapter.

- Measures by which the license applicant will be scored;
- Maximum scores for each individual measure; and
- The total score required for a license applicant to be approved for a license.

REVIEW PROCESS OVERVIEW: CONDITIONAL LICENSE APPLICATIONS

To review conditional license applications, the CRC has developed an application review process that aligns with the authorizing statutes, the CRC's regulations, and the Notice of Application Acceptance.

The process includes the following chronological steps:

1. Priority Assignment – Applications are assigned to their relevant priority level based on responses to questions on the application. This assignment occurs for all applicants after they submit their applications into the licensing system.
2. Priority Verification – Once assigned a priority, the applications are then reviewed to ensure the applicant has submitted the proper documentation to support their priority assignment. If they have submitted the documentation, they remain in queue to be reviewed. This includes a review of any materials submitted to qualify as a Social Equity Business, a Diversely-Owned Business or an Impact Zone Business. If they have not submitted proof to back up their priority designation, the application is marked for rejection and curing.



3. Completeness Review – Applications are reviewed for completeness to ensure everything required by the Notice is included in the application. If an application is deemed incomplete, it is marked for rejection and curing.
4. Scoring – Applications that have been deemed complete are then scored in accordance with the rubric in the Notice. For conditional license applications, this includes an evaluation of their Business Plan and Management Profile, their Regulatory Compliance Plan, and their Plan to Obtain Liability Insurance. Applications receive full points if they pass a measure, and no points if they fail. Conditional applications need to score 100 pts in order to be advanced. If an application fails in scoring, it is marked for rejection and curing.
5. Qualification, Limitations, Financial/Management Agreement Review – Following scoring, conditional applications that have passed all three mandatory measures are then reviewed to ensure they are compliant with:
 - a. N.J.A.C. 17:30-6.8 (Limitations on license holders, owners, principals, pass investors, financial sources, management services contractors and vendor-contractors);
 - b. N.J.A.C. 17:30-6.9 (Management services agreements);
 - c. N.J.A.C. 17:30-6.10 (Financial source agreements); and
 - d. N.J.A.C. 17:30-7.4 (Conditional license holder qualification).
6. Quality Control – Any application that is deemed eligible for approval following a qualification review, is then given a quality control review to ensure that the determination is accurate.
7. Recommendation to the CRC Board – Applications that pass a quality control check are then recommended for approval to the board.

If an application is deemed incomplete, fails scoring, or is missing information required to qualify for priority designation, it is rejected and returned to the applicant to amend (“cure”) and resubmit. When an applicant resubmits, the application is placed in line for review again in accordance with its priority designation and the time at which it was resubmitted (“first in time”).



RECOMMENDATION

This recommendation is for the approval of 113 conditional license applications, including 18 Class 1 Cultivator applications, 14 Class 2 Manufacturer applications, and 81 Retailer applications. These applications have been reviewed and passed every step of the process.

No.	Applicant ID	Applicant Business Name	License Type	Business Category
1	2069	420 Blastoff	Cultivator	Micro
2	2392	LoveGrow Company LLC	Cultivator	Micro
3	2284	Max E Genetics	Cultivator	Micro
4	1851	Stray Moose LLC	Cultivator	Micro
5	2136	The Cloud Museum LLC	Cultivator	Micro
6	1896	WeedCraft, Inc.	Cultivator	Micro
7	2346	Alb Labs LLC	Cultivator	Standard
8	2409	Amcann Group LLC	Cultivator	Standard
9	1077	Boss Greens LLC	Cultivator	Standard
10	2353	Burn Factory Inc.	Cultivator	Standard
11	2368	Carte Blanche Cannabis	Cultivator	Standard
12	1068	Garden State Born LLC	Cultivator	Standard
13	2237	Green Garden Holdings LLC	Cultivator	Standard
14	2438	Green Zen Therapy, LLC	Cultivator	Standard
15	1267	Herbal Vybz, LLC	Cultivator	Standard
16	2166	Klub Canivibe LLC	Cultivator	Standard
17	2339	New Jersey Pure Roots LLC	Cultivator	Standard
18	1176	Quail Pond Farms	Cultivator	Standard
19	2020	NJ Extracts LLC	Manufacturer	Micro



No.	Applicant ID	Applicant Business Name	License Type	Business Category
20	2428	Atlantic Cultivators LLC	Manufacturer	Standard
21	2381	Eastern Tiger LLC	Manufacturer	Standard
22	1231	FSBT Holdings 1, Inc.	Manufacturer	Standard
23	2238	Green Garden Holdings LLC	Manufacturer	Standard
24	2183	Greenway Systems LLC	Manufacturer	Standard
25	2167	Klub Canivibe LLC	Manufacturer	Standard
26	2379	Littie, LLC	Manufacturer	Standard
27	2150	Loud Labs NJ	Manufacturer	Standard
28	1312	Mule Extracts LLC	Manufacturer	Standard
29	2338	New Jersey Pure Roots LLC	Manufacturer	Standard
30	2347	Newton AgriCulture LLC	Manufacturer	Standard
31	1944	Triple G Farms OZ, LLC	Manufacturer	Standard
32	2306	Victory Natural Farms LLC	Manufacturer	Standard
33	2431	Bergen County Cannabis, Inc	Retailer	Micro
34	1928	BHJ Associates Inc.	Retailer	Micro
35	2324	Brokin Hearts Premium Goods, LLC	Retailer	Micro
36	1396	Cameron L. Smith LLC	Retailer	Micro
37	2195	Canabhang LLC	Retailer	Micro
38	1663	Dank Poet Dispensary	Retailer	Micro
39	2305	Dank the Bear	Retailer	Micro
40	1621	Enchanting Dandelions, LLC	Retailer	Micro
41	1971	Flwr Shop LLC	Retailer	Micro



No.	Applicant ID	Applicant Business Name	License Type	Business Category
42	1845	GF Financial Inc.	Retailer	Micro
43	1431	Goddess Herbs LLC	Retailer	Micro
44	1737	Happy Time Buds LLC	Retailer	Micro
45	2175	Herbarium Dispensary LLC	Retailer	Micro
46	1723	Ivory Organic & Wellness Center	Retailer	Micro
47	2129	Jane's Joint	Retailer	Micro
48	2373	Jersey Cannabis Brothers LLC	Retailer	Micro
49	1931	J I Consulting Group	Retailer	Micro
50	1726	L'Eagle Dispensary LLC	Retailer	Micro
51	1773	Lemon Cannabis LLC	Retailer	Micro
52	2119	Liberty City Weed Deliveries	Retailer	Micro
53	1763	Monmouth Greens LLC	Retailer	Micro
54	1996	NJ Pure	Retailer	Micro
55	1840	Ophanim Care	Retailer	Micro
56	2111	Pure Lotus LLC	Retailer	Micro
57	2371	The Green Smile, LLC	Retailer	Micro
58	2358	7 Realmz LLC	Retailer	Standard
59	2344	77 Main Street LLC	Retailer	Standard
60	2376	A1 Cannabis Corner LLC	Retailer	Standard
61	2066	All coast trading company	Retailer	Standard
62	1422	Atlantis Cannabis LLC	Retailer	Standard
63	1503	Authentic New Jersey LLC	Retailer	Standard
64	1612	Best Buds Bayonne LLC	Retailer	Standard



No.	Applicant ID	Applicant Business Name	License Type	Business Category
65	2404	Beyond BLeaf LLC	Retailer	Standard
66	2352	Bless Wellness LLC	Retailer	Standard
67	1774	Blue Moon Lounge LLC	Retailer	Standard
68	2225	Brighter Daze	Retailer	Standard
69	2382	BWell Holdings NJ Inc	Retailer	Standard
70	2332	Dank Dynasty Club LLC	Retailer	Standard
71	1444	Docanna LLC	Retailer	Standard
72	2185	Dog Top LLC	Retailer	Standard
73	2369	Floro Highland Park	Retailer	Standard
74	2377	Floro Hopewell LLC	Retailer	Standard
75	2374	Flowerbomb Dispensary LLC	Retailer	Standard
76	1652	Flowerpower Wellness LLC	Retailer	Standard
77	2194	Golden Tender Enterprises	Retailer	Standard
78	1475	Green Velvet Dispensary	Retailer	Standard
79	2359	Green Vibes	Retailer	Standard
80	1607	Healer Dispensary	Retailer	Standard
81	1777	High Expectations for U	Retailer	Standard
82	2380	High Karma	Retailer	Standard
83	1468	Honeyleaf New Jersey LLC	Retailer	Standard
84	2064	House of Buds	Retailer	Standard
85	1802	Kemistry NJ LLC	Retailer	Standard
86	2309	La Vida Gardens LLC	Retailer	Standard



No.	Applicant ID	Applicant Business Name	License Type	Business Category
87	2415	Le Fleur Dispensary LLC	Retailer	Standard
88	2085	Legacy Cannabis Solutions LLC	Retailer	Standard
89	2182	Mo Blessings LLC	Retailer	Standard
90	1483	Modern Leaf LLC	Retailer	Standard
91	2274	Night Owl, LLC	Retailer	Standard
92	2406	Ocean Wave Cannabis Corporation	Retailer	Standard
93	1441	Pink Balloon, LLC	Retailer	Standard
94	1736	Power Flower	Retailer	Standard
95	2343	Primavera Products LLC	Retailer	Standard
96	1964	Quiet Bloom LLC	Retailer	Standard
97	1856	Roots NJ LLC	Retailer	Standard
98	2341	Route 22 Dispensary	Retailer	Standard
99	1646	RS Operations LLC	Retailer	Standard
100	1505	Rumor NJ LLC	Retailer	Standard
101	2348	SC-Greenss LLC	Retailer	Standard
102	2442	SensiLeaf	Retailer	Standard
103	2219	Shiv Prasad LLC	Retailer	Standard
104	1521	Somerdale Cannabis	Retailer	Standard
105	1587	The Banc Street Collective LLC	Retailer	Standard
106	2151	The Franklin Cure Room LLC	Retailer	Standard
107	2349	The Friendly Flower LLC	Retailer	Standard
108	2390	The Grass Cab, LLC	Retailer	Standard



No.	Applicant ID	Applicant Business Name	License Type	Business Category
109	2370	The Mary Jane Joint	Retailer	Standard
110	2075	Tommy's 321 LLC	Retailer	Standard
111	2375	Turareum	Retailer	Standard
112	2024	Unity Labs LLC	Retailer	Standard
113	2293	White Rabbit Woodbridge LLC	Retailer	Standard

These applications have been deemed compliant with their priority designation, deemed complete, and scored for potential approval. They have also been reviewed for license-holder qualification provisions, for license-holder limitations, and any proposed financial source or management services agreements have received an initial review.

CRC staff have determined that these license applications are eligible for approval by the CRC and that these license applicants are eligible to hold conditional licenses.

Therefore, CRC staff recommend the CRC Board **APPROVE** these applications for conditional licensure. The CRC staff further recommends that approvals include the following required terms and conditions:

CONDITIONAL LICENSE CONDITIONS

1. Conditional licenses issued in accordance with this recommendation shall be automatically granted the additional 45 days allowed by statute to file a conditional conversion application, extending the conditional license phase to 165 days from the date of license issuance.
2. Conditional license-holders shall comply with all relevant provisions of N.J.A.C. 17:30-6 through 7 regarding conditional licenses, license-holders, and the conditional license phase.
3. If issued a conditional license as a Social Equity Business, Diversely-Owned Business or Impact Zone Business, maintaining eligibility as such is a condition of the license and a condition of seeking an annual license through a conditional conversion application.
4. Conditional license-holders may add new owners in the conditional license phase, however, 51% or a majority of the ownership shall remain with the owners that qualified for the conditional license.
5. Conditional license-holders shall provide an attestation certifying that they will submit to a criminal history background check. No license holder or license applicant shall be



granted an annual license without submitting to a criminal history background check and satisfactorily demonstrating that all statutory and regulatory requirements have been satisfied.

6. Conditional license holders are NOT authorized to cultivate, manufacture, sell or otherwise possess cannabis or cannabis items.