



## MEMORANDUM

**TO:** Cannabis Regulatory Commission Board

**FROM:** Jeff Brown, Executive Director

**VIA:** Office of Compliance and Investigations

**SUBJECT:** Dual Change of Location Request – MPX New Jersey, Atlantic City Dispensary/Retailer

**DATE:** [SEPTEMBER 8, 2023](#)

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**BACKGROUND:** On August 11, 2023, the Office of Compliance and Investigations received a request submitted by Erin McCarthy, Vice President and Associate Counsel for MPX New Jersey LLC, to change the location of one of their dispensaries from their current location in Atlantic City, New Jersey to a different location in Atlantic City. Submitted with the request was a letter providing rationale for the request, a signed lease as evidence of site control for the new location, resolutions from the City Council of Atlantic City as well as the Atlantic City Casino Reinvestment Development Authority evidencing local support and land use approval, confirmation that the requisite fees will be paid at the time the change is approved, and a patient transition plan. The change of location would require amendments to both MPX New Jersey LLC's medicinal permit sited at the location as well as its Class 5 Retailer license, requiring submission of change of locations fees for each.

### **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:** MPX New Jersey LLC is requesting the following change of location for its medicinal dispensary permit and its Class 5 Retailer license:

From: 153 S. New York Avenue, Units A and B, Atlantic City, New Jersey  
To: 120-124 St. James Place, Atlantic City, New Jersey

At the time of the 2018 application for a permit, the current location was proposed only as a temporary location due to the size limitations of that facility. The proposed new location was always, even back in 2018, the anticipated permanent facility. However, construction delays have prevented MPX New Jersey LLC from making the move to their final location at St. James Place. All construction is anticipated to be completed and transition plans are set for a move from the current facility to the final permanent facility in mid-September 2023.

The new location will allow MPX New Jersey LLC to occupy approximately five thousand square feet of commercial space.

**RECOMMENDATION:** Staff recommends approval of this request to amend the cannabis business license and the medical permit of the above-referenced entity. The Office of Compliance and Investigations 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 a patient transition plan to ensure that the entity’s current patient population will be informed of the move and will be provided options for continuing to acquire their medicine. The applicant has provided the requisite information.

The fees, as established by regulation, are \$10,000.00 each – for change of location of a standard recreational business and for change of location of an alternative treatment center. A fee of \$20,000.00 in total will be required upon approval by the Board of the changes of location.

Upon approval by the Board and completion of all necessary construction and acquisition of the required Certificate of Occupancy for the new location, the Office of Compliance and Investigations will conduct a site inspection of the new facility to confirm compliance with the law and regulations, prior to executing the official documents for amendment of the MPX New Jersey LLC permit and license.