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## MEMORANDUM

**TO:** BOARD OF COMMISSIONERS

**FROM:** JEFF BROWN, EXECUTIVE DIRECTOR

**RE:** MPX SATELLITE DISPENSARY REQUEST – PENNSAUKEN

**DATE:** SEPTEMBER 8, 2023

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**BACKGROUND:** On December 31, 2020, MPX New Jersey, LLC (“MPX”) filed a Regulatory Waiver Request for the approval of a satellite dispensing facility at 6325 South Crescent Boulevard, Pennsauken, New Jersey 08110, along with a satellite dispensing facility in Gloucester (Gloucester being approved at the New Jersey Cannabis Regulatory Commission’s April 13, 2023, public meeting) through the Department of Health. At that time, the then-Mayor of Pennsauken had provided a letter of support. On January 1, 2021, the Township Committee was re-organized, and a new mayor was appointed. The new governing body was no longer in favor of the prior-applied for location. In April 2021, MPX sought out and entered into a Letter of Intent for a lease at 5035 Central Highway, Pennsauken, New Jersey 08109 – satisfying the Township Committee’s concerns.

The Pennsauken dispensary will be located at 5035 Central Highway, Pennsauken, New Jersey 08109.

**AUTHORITY:** P.L. 2019, c. 153, “Jake Honig Compassionate Use Medical Cannabis Act,” authorizes an alternative treatment center that was issued a permit prior to the effective date of P.L. 2019, c. 153, or that was issued a permit after the effective date of P.L. 2019, c. 153 pursuant to an application submitted prior to the effective date of P.L. 2019, c. 153 to establish up to two satellite locations for the dispensing of medical cannabis or medical cannabis products.

MPX and its predecessor company were awarded their permit following application through the 2018 Request for Applications and are therefore authorized to operate satellite dispensaries.

**COMPLETENESS REVIEW:** The Compliance Officer completed a memorandum addressing the steps taken to complete compliance review for the MPX Pennsauken satellite dispensary request. An on-site inspection was conducted as well as review of the operator’s floor plans and Standard Operating Procedures to ensure compliance with the following expectations and standards of the New Jersey Cannabis Regulatory Commission (“NJ-CRC”):



- Adverse Event Reporting
- Quality Assurance/Control
- Recall of cannabis and Cannabis Products
- Inventory Control, Storage, and Diversion Prevention
- Recordkeeping
- Waste Disposal and Sanitation
- Dispensing
- Receiving and Reporting of Test Results for Cannabis

The location meets patient needs due to its location in a densely populated area with a currently underserved patient population. The location is near multiple major transportation corridors, including Routes 38, 30, 70, and 130, as well as I-676 and I-76 across the Delaware River into Pennsylvania.

MPX will continue to utilize the “Dutchie” system for its point-of-sale transactions, as it does at its Atlantic City and Gloucester locations. MPX has provided access to the NJ-CRC for its “Dutchie” point of sale system.

A video surveillance system has been installed that provides unobstructed views of the inside and outside of the facility, including the DEA cage and cash safe. Access to the surveillance system has been provided to the NJ-CRC.

MPX received its final certificate of occupancy for the location from Pennsauken’s Building Department on May 15, 2023.

A final inspection was completed for the Pennsauken location on May 25, 2023, by the assigned Compliance Officer.

In order to complete this memorandum, the following documents were reviewed:

- The June 2, 2021, Amended and Restated Regulatory Waiver Request for Approval of an ATC Satellite Dispensing Facility
- Business Plan
- Construction Plan
- Inventory and Product Supply Plan
- Mobilization Plan
- Location/Floor Plans
- Municipal Approvals
- Demonstration of Patient Need



- Ownership structure
- The May 3, 2023, Request for Consideration
- Certificate of Occupancy

**RECOMMENDATION:** It is the recommendation of NJ-CRC staff to approve the MPX request to operate a satellite dispensary at the Pennsauken location. MPX has provided justification for the need to provide additional patient access and has satisfied the following: submitted a complete application, established site control and local approval at the Pennsauken location, and has satisfied the requests of the NJ-CRC Compliance Officer assigned to the ATC.

## APPENDIX

### **N.J. Stat. Ann. § 24:6I-7 (West)**

(d)(i) No entity may be issued or concurrently hold more than one medical cannabis cultivator permit, one medical cannabis manufacturer permit, or one medical cannabis dispensary permit at one time, and no medical cannabis dispensary shall be authorized to establish a satellite location on or after the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.), except that an alternative treatment center that was issued a permit prior to the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.) or that was issued a permit after the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.) pursuant to an application submitted prior to the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.) shall be authorized to maintain up to two satellite dispensaries, including any satellite dispensary that was approved pursuant to an application submitted prior to or within 18 months after the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.). The three alternative treatment centers issued permits pursuant to section 11 of P.L.2019, c. 153 (C.24:6I-7.1) that are expressly exempt from the provisions of subparagraph (i) of subparagraph (a) of this paragraph shall be authorized to establish and maintain up to one satellite dispensary location, provided that the satellite dispensary was approved pursuant to an application submitted within 18 months after the effective date of P.L.2019, c. 153 (C.24:6I-5.1 et al.).

### **N.J. Admin. Code § 17:30A-7.8**

(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.

### **N.J. Admin. Code § 17:30A-7.10**

(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.”