



MEMORANDUM

TO: Cannabis Regulatory Commission Board

FROM: Christopher Riggs, Acting Executive Director

SUBJECT: Request for Modification of Capacity, Physical Plant, Premises, or Administrative Office for Atlantic Cultivators LLC

DATE: DECEMBER 17, 2025

BACKGROUND: A request came in on May 20, 2025, from Atlantic Cultivators LLC (“Atlantic Cultivators”) an Adult Use Class 1 Cannabis cultivator, requesting an increase of their cultivation canopy tier from indoor Tier I to outdoor Tier VI, which would allow Atlantic Cultivators to grow in a canopy area up to 150,000 square feet.

AUTHORITY:

N.J.A.C. 17:30–10.4 Cannabis Cultivator Production Management Tiers

(a) All cannabis cultivators shall be assigned a cultivation production management tier at license issuance and reassigned at renewal, as necessary.

(b) The cannabis cultivator shall accurately calculate its plant count and mature cannabis plant grow canopy area.

1. Square footage of a mature cannabis plant grow canopy area is measured horizontally, starting from the outermost point of the furthest plant in a grow canopy area and continuing around the outside of all plants located within the mature cannabis plant grow canopy area.

2. If a vertically tiered or shelving system is included in the cultivation area, the surface area of each tier or shelf must be included in calculating the grow canopy area.

3. A mature cannabis plant grow canopy area is the total square feet in which a cannabis cultivator plants and grows cannabis plants, and does not include areas exclusively used for harvesting, drying, curing, packaging, labeling, or storing cannabis.

(c) The following are the cannabis cultivator cultivation production tiers:

1. Microbusiness Cultivator. A cannabis cultivator with a microbusiness license:



- i. May cultivate and possess no more than 1,000 mature cannabis plants each month; and*
 - ii. May cultivate an unlimited number of immature cannabis plants, germinated seeds, cuttings, or clones;*
 - iii. In a physical plant occupying an area that does not exceed 2,500 square feet; and*
 - iv. In a total mature cannabis plant grow canopy area that does not exceed 2,500 square feet, measured on a horizontal plane, and 24 feet, measured vertically above that plane.*
- 2. Tier I Cultivator. A cannabis cultivator with a Tier I Cultivator license may cultivate in a mature cannabis plant grow canopy area that does not exceed 10,000 square feet.*
- 3. Tier II Cultivator. A cannabis cultivator with a Tier II Cultivator license may cultivate in a mature cannabis plant grow canopy area that is greater than 10,000 square feet, but does not exceed 25,000 square feet.*
- 4. Tier III Cultivator. A cannabis cultivator with a Tier III Cultivator license may cultivate in a mature cannabis plant grow canopy area that is greater than 25,000 square feet, but does not exceed 50,000 square feet.*
- 5. Tier IV Cultivator. A cannabis cultivator with a Tier IV Cultivator license may cultivate in a mature cannabis plant grow canopy area that is greater than 50,000 square feet, but does not exceed 75,000 square feet.*
- 6. Tier V Cultivator. A cannabis cultivator with a Tier V Cultivator license may cultivate in a mature cannabis plant grow canopy area that is greater than 75,000 square feet, but does not exceed 100,000 square feet.*
- 7. Tier VI Cultivator. A cannabis cultivator with a Tier VI Cultivator license may cultivate in a mature cannabis plant grow canopy area that is greater than 100,000 square feet, but does not exceed 150,000 square feet.*
- 8. Expanded ATC Cultivator. An expanded ATC cultivator with a cannabis cultivator license may cultivate medical cannabis and personal use cannabis in a combined mature cannabis plant grow canopy area that does not exceed 150,000 square feet.*



(d) A cannabis cultivator applying for a conditional or annual standard cannabis business license may choose its tier in its application and shall include an explanation of the anticipated demand for its products that justify such tier choice.

N.J.A.C. 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 or the terms of any management services agreement; pursuant to N.J.A.C. 17:30-6.9;

3. Of financial source or 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, premises, or administrative office; 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. 17:30-20, including civil penalties, or suspension or revocation of any license issued to the license holder.



N.J.A.C. 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.*

REQUEST:

Atlantic Cultivators, an Adult Use Class 1 Cannabis cultivator is requesting the following modification:

- Modification of Capacity: from indoor Tier I to outdoor Tier VI (greater than 100,000 square feet but no more than 150,000 square feet)

Atlantic Cultivators is requesting an increase of their canopy size from 10,000 square feet to up to 150,000 square feet. A site inspection will be conducted on the increased canopy space, if the Board determines to approve the increase.

RECOMMENDATION: Staff recommends approval of this request to modify the capacity for the above-referenced entity. NJ-CRC OCI requires submission of a site plan and Standard Operating Procedures for the modifications. The applicant has provided the requisite information.



As a Class 1 Cannabis Cultivator, the fee, as established by N.J.A.C. 17:30-7.17 is \$2,000.00 for Atlantic Cultivator's proposed modification of capacity. Any fees required by the Board for the increases 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 increased canopy space to confirm compliance with the law and regulations.