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 The Fireplace LLC

DATE: SEPTEMBER 9, 2026

BACKGROUND: A request came in on July 7, 2026 from The Fireplace New Jersey LLC, a Class 1 Cannabis Cultivator, to add 17 exterior hoop houses to increase their total canopy by 39,780 square feet. The current cultivation canopy tier (Tier V) allows for additional mature canopy square footage without requiring a tier change.

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 management 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.

N.J.A.C. 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.

N.J.A.C. 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;*

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:

The Fireplace New Jersey LLC (801 Philadelphia Ave, Egg Harbor City, NJ, 08215), is requesting the following modification:

- Facility Modification: Add 17 exterior hoop houses to increase their total canopy.

A site inspection will be conducted at the facility, if the Board determines to approve the modification.

RECOMMENDATION: Staff recommends approval of this request to modify the facility for the above-referenced entity. NJ-CRC OCI requires submission of a site plan for the modification. The applicant has provided the requisite information.

The fee, as established by N.J.A.C. 17:30-7.17 is $2,000.00 for The Fireplace New Jersey LLC's proposed modification. Any fees required by the Board for the modification 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 reduced canopy space to confirm compliance with the law and regulations.