



MEMORANDUM

TO: Cannabis Regulatory Commission Board

FROM: Jeff Brown, Executive Director

SUBJECT: Dual Change of Location Request – Ascend New Jersey; Medicinal Dispensary and Class 5 Retailer; Montclair to Wharton

DATE: [DECEMBER 7, 2023](#)

BACKGROUND: On October 13, 2023, the Office of Compliance and Investigations (“OCI”) within the New Jersey Cannabis Regulatory Commission (“NJ-CRC”) received a request submitted by Michael McQueeney, Counsel for Ascend New Jersey, LLC (“Ascend”), to change the location of one of their dispensaries from its current location in Montclair, New Jersey to a new location in Wharton, New Jersey. Submitted with the request was a letter providing rationale for the request, a signed lease as evidence of site control for the Wharton location, and the resolution of support for the medical and adult use dispensing of cannabis for the site from the Wharton Borough Council. The change of location would require amendments to both Ascend’s medicinal dispensing permit sited at the Montclair location as well as its Class 5 Retailer license, and require submission of change of locations fees for each. The requisite fees will be submitted to the NJ-CRC in the amount of \$20,000.00 total (\$10,000.00 for each amendment – license and permit) upon approval by the Board.

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: Ascend is requesting the following change of location for its medicinal dispensing permit and its Class 5 Retailer license:

From: 395 Bloomfield Avenue, Montclair, New Jersey
To: 325 NJ-215 North, Wharton, New Jersey

Ascend is making this request to move to a larger facility that is geographically located in an area that is underserved currently. The Wharton location will have parking, including designated patient parking spaces (the Montclair facility currently has zero parking). The Montclair facility has a total of 1,447 sq. feet with only 852 sq. feet designated as sales floor space. The Wharton space, alternatively, has 3,062 sq. feet of space and approximately 24 total parking spaces. Ascend has provided a patient transition plan with its request including a list of locations that can serve patients and consumers. With approval, Ascend anticipates being able to transition from Montclair to Wharton by early April of 2024.

RECOMMENDATION: Staff recommends approval of this request to amend the cannabis business license and the medical permit of the above-referenced entity. NJ-CRC OCI 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 patients are considered in the location change. The applicant has provided the requisite information.

Following an approval by the Board, OCI staff will coordinate with Ascend to ensure that no dispensing occurs at the new Wharton facility until all requisite inspections take place and the official retailer license and dispensary permit are issued to the entity for the 325 NJ-215 North, Wharton, New Jersey location.

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 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 new dispensary facility to confirm compliance with the law and regulations, prior to executing the official documents for amendment of the Ascend permit and license.