

TEMESCAL WELLNESS OF MASSACHUSETTS, INC. (MRN281309)

BACKGROUND & APPLICATION OF INTENT REVIEW

1. Name of the Marijuana Establishment and its application number:

Temescal Wellness of Massachusetts, Inc. (MRN281309)

2. Address of the Marijuana Establishment:

252 Coolidge Street, Hudson, MA 01749

3. Type of license sought (if cultivation, its tier level and outside/inside operation):

Retailer

4. Applicant is a licensee or applicant for other Marijuana Establishment license(s):

Cultivation (MCN281550) Product Manufacturer (MPN281402) Retailer (MRN281588)

5. List of all required individuals and their business roles in the Marijuana Establishment:

Robert Johnson—Board Member Edward Rebholz—Board Member

6. List of all required entities and their roles in the Marijuana Establishment:

Temescal Wellness of Massachusetts, LLC. has indirect authority over the applicant. It was formed for the purpose of providing initial capital and operations management services for the RMD business. The applicant represents that Edward Rebholz exercises 100% of control over this entity.

7. Priority status of applicant:

RMD Priority (RP201850)

8. Location and status of business if it is an RMD:

The RMD is in compliance with the Department of Public Health (DPH). The RMD business will be co-located with the adult-use business in Hudson. The RMD has a Final Certificate of Registration for dispensing in Hudson and cultivation/processing in Worcester.

9. Information regarding host community agreement certification:

The Host Community Agreement was executed on June 8, 2018; certification provided.

10. Information regarding community outreach meeting:

The community outreach meeting was held on March 30, 2018. Notice was published at least seven days prior in the Daily News. The applicant certified notice to the municipality and abutters. The applicant certified compliance with the community outreach meeting requirements.

11. Any objections regarding compliance with local ordinances and bylaws presented by the municipality:

No objections were communicated to the Commission. The Commission received a response from the municipality on September 13, 2018, stating that the applicant was in compliance with all local ordinances and bylaws.

12. Summary of plan to positively impact areas of disproportionate impact:

The applicant plans to do the following:

- i. Assist individuals in sealing cannabis-related criminal records by continuing to provide guidance and resources;
- ii. Provide economic opportunity for those who have been harmed by cannabis prohibition; and
- iii. Provide safe consumer access to legal adult-use cannabis and reduce the historic stigma and associated prejudices of marijuana in the locations in which it operates.

SUITABILITY REVIEW

13. Concerns arising from background checks on individuals associated with the application:

No concerns.

14. Concerns arising from background checks on entities associated with the application:

No concerns.

15. Applicant's disclosure of any past civil or criminal actions:

No disclosures.

16. Applicant's disclosure of any occupational license issues:

No disclosures.

17. Applicant's disclosure of any business interests in other jurisdictions:

The following individual disclosed marijuana-related business interests in other jurisdictions:

- i. Edward Rebholz has an interest in the following businesses:
 - 1. Temescal Wellness, Inc., which is a cannabis treatment center located in New Hampshire; and
 - 2. Temescal Wellness of Maryland, LLC., which is a corporation holding three medical marijuana licenses and is located in Maryland.

None of the disclosures presented suitability issues.

18. Status of applicant's compliance with the Department of Revenue and Secretary of the Commonwealth:

March 30, 2018 | Certificate of Good Standing, Secretary of the Commonwealth (Certification Number: 18040013470) April 5, 2018 | Certificate of Good Standing, Department of Revenue (Letter ID: L1680908032)

MANAGEMENT AND OPERATIONS REVIEW

19. Applicant's proposed timeline to become operational in the adult-use market:

The applicant currently operates an RMD dispensary at this location. The applicant states it has taken all necessary steps to be operational in the adult-use industry upon issuance of a final license.

20. Applicant's proposed hours of operation:

Monday-Saturday: 10:00 a.m. to 7:00 p.m. Sunday: 12:00 p.m. to 5:00 p.m.

- 21. Applicant's compliance with submitting summaries of the following plans, policies and procedures:
 - a. Security Plan
 - b. Prevention of Diversion Plan
 - c. Storage of Marijuana Plan
 - d. Transportation Plan
 - e. Inventory Procedures
 - f. Quality Control and Testing Procedures
 - g. Personnel Procedures
 - h. Dispensing Procedures
 - i. Record-Keeping Procedures
 - j. Maintenance of Financial Records Policy
 - k. Diversity Plan

The applicant is fully compliant with submitting all summaries. All summaries were determined to be substantially compliant with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable. Full compliance will be reviewed during inspections and will be required before a final license is issued.

22. Summary of diversity plan:

The applicant plans to do the following:

- i. Continue to work with a staffing agency to hire minority individuals from communities, such as Pittsfield, who have been harmed by cannabis prohibition;
- ii. Continue to utilize the MA Supplier Diversity Office in order to identify certified minority, women, and veteran-owned businesses for vending and contracting services;
- iii. Continue to hold equal opportunity career fairs; and
- iv. Measure the diversity of the organization against the demographics of the Marijuana Establishment's host community.
- 23. Summary of cultivation plan (if applicable):

Not applicable.

24. Summary of products to be produced and/or sold (if applicable):

Not applicable.

25. Plan for obtaining marijuana or marijuana products (if applicable):

The applicant is a vertically-integrated RMD and is applying for adult-use cultivation and product manufacturing licenses. In addition to providing its own supply of marijuana, it plans to procure additional supply from existing RMD wholesale partners if those partners are also granted adult-use licenses.

26. ISO 17025 Certifying Body and Certificate Number (if applicable):

Not applicable.

RECOMMENDATION

Commission staff recommend issuing a provisional license with the following conditions:

- (1) Final license is subject to certification that applicant remains in compliance with DPH regulations, 105 CMR 725.000;
- (2) Final license is subject to inspection and audit to ascertain compliance with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable;
- (3) Final license is subject to inspection and audit to ascertain that its facilities are compliant with all applicable state and local codes, bylaws, ordinances, and regulations;

- (4) The applicant shall cooperate with and provide information to Commission investigators, agents, and employees upon request; and
- (5) Provisional license subject to the payment of the appropriate license fee pursuant to 935 CMR 500.005.

This recommendation was based on the applicant's demonstrated compliance with the laws and regulations of the Commonwealth, suitability for licensure, and upon the evaluation of the thoroughness of the applicant's responses to the required criteria.

Commission staff certify that a due diligence review of the application was performed. As of this date, the applicant has demonstrated compliance with the laws and regulations of the Commonwealth and suitability for licensure. Accordingly, the applicant is recommended for provisional licensure with the previously mentioned conditions.