

# **APOTHCA, INC.** MRN281447

#### **BACKGROUND & APPLICATION OF INTENT REVIEW**

1. Name and address of the proposed Marijuana Establishment:

Apothca, Inc. 491 Lynnway, Lynn, MA 01905

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

Retail

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

Cultivation /Tier 5 – Indoor (30,001 to 40,000 sq. ft) (MCN281276) Product Manufacturer (MPN281445)

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

Andrew Young – Executive/Officer Rachmil Lekach – Director Moshe Bleich – Director Corey Cutler – Director Leon Nitka – Director Joseph Lekach – Close Associate Daniel Karten – Close Associate Michael Thompson – Close Associate

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

Artcan, LLC – is the source of debt capital for the proposed establishment. The applicant has reported that Artcan, LLC, does not have an equity interest in the proposed establishment.

6. Applicant's priority status and information pertaining to co-located operations:

RMD Priority (RPA201880)

The RMD business will be co-located with the adult-use business in Lynn. The RMD has a Final Certificate of Registration for dispensing, cultivation, and processing.

- 7. The applicant and municipality executed a Host Community Agreement on August 14, 2018.
- 8. The applicant conducted a community outreach meeting on May 16, 2018 and provided documentation demonstrating compliance with Commission regulations.
- 9. The Commission received a municipal response from the municipality on November 7, 2018 stating the applicant was in compliance with all local ordinances and bylaws.
- 10. The applicant proposed the following programs for its Positive Impact Plan:
  - a. Institute hiring practices that will prioritize the hiring of individuals from disproportionate areas with a focus on Fitchburg;
  - b. Conduct industry specific educational seminars in cultivation, manufacturing, retail operations, and overall business training;
  - c. Partner with or support organizations providing jail diversion and restorative justice programs;
  - d. Provide financial mentoring services or host organizations providing these services; and
  - e. Hold monthly informational sessions regarding the process for sealing and expunging criminal records.

## SUITABILITY REVIEW

- 11. There were no concerns arising from background checks on the individuals or entities associated with the application.
- 12. There were disclosures of any past civil or criminal actions, occupational license issues, or marijuana-related business interests in other jurisdictions.

These disclosures did not raise suitability issues.

### MANAGEMENT AND OPERATIONS REVIEW

- 13. The applicant states that it can be operational within three (3) months of provisional licensure.
- 14. The applicant's proposed hours of operation are the following:

Monday – Sunday: 9:00 a.m. – 8:00 p.m.

- 15. The applicant submitted all applicable and required summaries of plans, policies, and procedures for the operation of the proposed establishment. The summaries were determined to be substantially compliant with the Commission's regulations.
- 16. The applicant proposed the following programs for its Diversity Plan:
  - a. Host career fairs in underrepresented and minority communities;
  - b. Utilize suppliers who are committed to diversity and inclusion;

- c. Encourage employees from diverse groups to refer applications for employment;
- d. Establish recruitment efforts at higher learning institutions; and
- e. Develop relationships with organizations serving minorities, women, people of all gender identities and sexual orientations, veterans, and persons with disabilities for employment referrals.
- 17. Summary of cultivation plan (if applicable):

Not applicable.

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

Not applicable.

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

The applicant is a vertically integrated RMD that has applied for adult-use cultivation and product manufacturing licenses. The applicant plans to provide its own marijuana products.

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

Not applicable.

## **RECOMMENDATION**

Commission staff recommend provisional licensure with the following conditions:

- 1. Final license is subject to inspection to ascertain compliance with Commission regulations;
- 2. Final license is subject to inspection to ascertain compliance with applicable state laws and local codes, ordinances, and bylaws;
- 3. The applicant shall cooperate with and provide information to Commission staff;
- 4. Provisional licensure is subject to the payment of the appropriate license fee;
- 5. Final license is subject to the licensee providing Commission staff with clarification as to whether it shall do the items outlined in the "Continuing Efforts" section of its Positive Impact Plan; and
- 6. Final license is subject to the licensee providing Commission staff with the metrics and measurements it will utilize to assess the progress or success of its Positive Impact Plan.

The applicant has demonstrated compliance with the laws and regulations of the Commonwealth and suitability for licensure. Therefore, the applicant is recommended for provisional licensure.