

CULTIVATE HOLDINGS, LLC

(MC281266)

(MP281305)

(MR281268)

ESTABLISHMENT OVERVIEW

1. Name of the Marijuana Establishment:

Cultivate Holdings, LLC

2. Address of the Marijuana Establishment:

1764 Main Street, Leicester, MA 01524

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

Cultivation, Tier 2—Indoor Operation (5,001 – 10,000 sq. ft) (MC281266)

Product Manufacturer (MP281305)

Retailer (MR281268)

LICENSING OVERVIEW

4. The licensee was granted provisional license(s) by the Commission for the following Marijuana Establishment license types:
 - a. Retailer (approved on July 2, 2018);
 - b. Cultivation (approved on July 12, 2018); and
 - c. Product Manufacturing (approved on August 23, 2018).
5. The licensee has paid all applicable license fees.
6. No new information has been reported to Commission staff regarding the organizational structure of the entity since the issuance of the provisional license(s).
7. No new information has been discovered by Commission staff regarding the suitability of the licensee or the individuals and entities previously disclosed since the issuance of the provisional license(s).

INSPECTION OVERVIEW

8. The initial inspection took place at the facility on September 18, 2018.
9. The licensee's Marijuana Establishments were inspected by Commission staff and found to be in full compliance with the requirements listed in 935 CMR 500.105 through 935 CMR 500.160 as applicable.
10. No evidence was discovered during the inspection(s) that indicated the Marijuana Establishment(s) were not in compliance with all applicable state and local codes, bylaws, ordinances, and regulations.
11. Specific information from Commission staff's inspection is highlighted below:

- a. Security

All persons arriving at Cultivate must enter through the front entrance where they are greeted by security receptionists. The initial enclosure is where the security receptionist reviews identification and maintains visitor logs. Once approved for entry, all individuals enter the retail area.

All other areas of the building outside of the retail area and a restroom for customers are limited access areas. All doors were locked and could only be opened with an ID badge. All doors had appropriate signage indicating they are limited access areas.

The establishment is equipped with a panic alarm. Burglary and fire alarms are monitored by a security company. Enforcement staff inspected the cameras and monitors on site at the establishment. The camera system produces high-quality images. Commission staff tested the camera system and ensured that time and date stamps are accurate, that clear video images are displayed in real time, and that a still photo can be printed from a video file. The facility is equipped to remain operational during a power outage.

- b. Inventory and Storage

All areas where marijuana is stored were clean with no visible evidence of pests. At present, the licensee produces all of its products in its inventory. Commission staff verified the licensee's plan to ensure that 35% of its inventory would remain medical-use and be preserved for registered patients.

- c. Cultivation Operation (if applicable)

The cultivation area was divided into a clone, vegetation, and four (4) flower rooms. Enforcement staff measured the actual canopy of the facility which is as follows:

| | |
|---------------------|----------------------|
| Flower Room(s) | 2,763 sq. ft. |
| Vegetation Room(s) | 929 sq. ft. |
| Clone Room(s) | 150 sq. ft. |
| Empty Room(s) | 3,802 sq. ft. |
| TOTAL CANOPY | 7,624 sq. ft. |

The licensee has been issued a Tier 2 provisional cultivation license (5,001 sq. ft. – 10,000 sq. ft.). The total canopy falls within this tier.

d. Product Manufacturing Operation (if applicable)

The product manufacture area is a commercial kitchen that manufactures edible products which were indicated in the product manufacturing license application.

The licensee distills oil for its products using an ethanol distillation process.

The kitchen and overall product manufacturing operation were clean, orderly, and in compliance with 935 CMR 500.000.

e. Retail Operation (if applicable)

The retail area is clearly divided by retractable belt-barrier posts into two separate areas, one for medical-use, and the other for adult-use operations. There is a patient consultation area separated from the sales floor. Educational materials are available on the sales floor for both registered patients and adult-use consumers.

f. Transportation

The licensee does not have transportation vehicles and does not transport marijuana. Independent testing laboratories transport samples for testing. The licensee’s transportation policy was reviewed in lieu of inspecting any vehicles and the policy conformed to 935 CMR 500.105(13).

RECOMMENDATION

Commission staff recommends issuing final license(s) for the above Marijuana Establishment(s) with the following conditions:

1. The licensee may cultivate, harvest, possess, prepare, produce, and otherwise acquire marijuana, but shall not dispense, sell, or otherwise transport marijuana to other Marijuana Establishments, or to consumers, until upon inspection, receiving permission from the Commission to commence full operations;
2. The licensee 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. The licensee remains suitable for licensure pursuant to 935 CMR 500.102(1)(a)(2);

4. The licensee shall cooperate with and provide information to Commission investigators, agents, and employees upon request;
5. The licensee shall obtain certification that it is in compliance with or has obtained applicable waivers from the Department of Public Health, as necessary, and provide such certification to the Commission prior to commencing operations;
6. The licensee will submit to the Commission all documents it presently utilizes for agent training purposes;
7. The licensee will submit to the Commission all consumer education material made available to medical-use patients and adult-use consumers, and identify the manner in which it supplies or makes available those materials; and
8. The licensee will present all documents relating to contractual obligations with third-party individuals and entities to investigators for review to ensure compliance with 935 CMR 500.

This recommendation was based on the licensee's demonstrated compliance with the laws and regulations of the Commonwealth, suitability for licensure, and upon the inspection(s) of the licensee's Marijuana Establishment(s).

Commission staff certify that a due diligence review of the licensee's Marijuana Establishment(s) were performed. As of this date, the licensee has demonstrated compliance with the laws and regulations of the Commonwealth and suitability for licensure. Accordingly, the licensee is recommended for final licensure for the Marijuana Establishment(s) with the previously mentioned conditions.

As part of the approval of these final licenses, the Commission authorizes staff to take all necessary actions to review compliance with the above-referenced conditions and to approve the commencement of operations.