

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY GRANTING MINOR SITE PLAN APPROVAL TO PERMIT
THE OPERATION OF A CLASS 2 CANNABIS MANUFACTURING
FACILITY AT THE SUBJECT PROPERTY LOCATED AT 112 PARK
PLACE, BLOCK 44 LOT 1, IN THE CITY OF ATLANTIC CITY UNDER
APPLICATION #2024-04-3629**

WHEREAS, pursuant to P.L. 2011, c. 18, as amended (the “Act”), the Casino Reinvestment Development Authority (the “Authority”): (i) designated the Atlantic City Tourism District by Resolution 11-25, adopted April 19, 2011; (ii) established the Land Use Regulation and Enforcement Division to, among other matters, hear applications for development in the Tourism District by Resolution 11-33, adopted April 19, 2011; and (iii) adopted the master plan, zoning and land use ordinances and regulations, and zoning maps approved by the City by Resolution 11-34, adopted April 19, 2011; and

WHEREAS, pursuant to Resolution 12-14, adopted February 1, 2012, the Authority adopted the “New Jersey CRDA Atlantic City Tourism District Master Plan” prepared by Jones Lang LaSalle, LLC and dated February 1, 2012 (the “Master Plan”) (as affirmed and readopted pursuant to Resolution 12-23, adopted February 21, 2012), subject to further comment and revision, which master plan shall become effective upon the adoption of design, development and land use regulations on January 2, 2018; and

WHEREAS, Hammerhead Manufacturing Co. NJ, LLC (the “Applicant”), seeks Minor Site Approval to permit the operation of a Class 2 cannabis manufacturing facility at the subject property located at 112 Park Place, Block 44 Lot 1, on the Tax Map of Atlantic City, located in the Resort Commercial (RC) Zoning District, within the Green Zone Redevelopment Area; and

WHEREAS, on June 6, 2024, the Authority’s Land Use Regulation and Enforcement Division convened a public hearing on Application 2024-04-3629 in accordance with the requirements of the Open Public Meetings Act, the Municipal Land Use Law and the Act, and subsequently prepared and delivered a Hearing Officer’s Report and Recommendation dated July 1, 2024 (the “Report”), incorporated herein by this reference and appended hereto as Exhibit “A”; and

WHEREAS, the Authority intends to adopt the findings, conclusions and recommendations of the Hearing Officer, as detailed in the Report dated July 1, 2024.

NOW THEREFORE, BE IT RESOLVED by the Casino Reinvestment Development Authority that:

1. The above recitals are incorporated herein, as if set forth in full.
2. Based on the record in this matter, the Minor Site Plan under Application 2024-04-3629 is hereby approved in accordance with the Hearing Officer’s Report and Recommendation dated July 1, 2024.

3. A copy of this Resolution shall be immediately transmitted to the Governor. This Resolution shall take effect immediately, but no action authorized herein shall have force and effect until the earlier of the passage of ten (10) days, Saturdays, Sundays and public holidays excepted, after the delivery of the copy to the Governor, or the Governor's approval.

I hereby certify that this document is a true and correct copy of Resolution 24-79 of the Casino Reinvestment Development Authority.

Michael Beson
MICHAEL BESON, SECRETARY

MEETING OF JULY 16, 2024



Casino Reinvestment Development Authority Land Use Regulation and Enforcement Division

EXHIBIT "A" TO RESOLUTION 24- , ADOPTED 7/16/2024

TO: Members of the Authority

FROM: Lance B. Landgraf, Jr., Land Use Hearing Officer

COPY: Eric Scheffler, Executive Director

SUBJECT: Hearing Officer's Report and Recommendation
Application #2024-04-3629
Hammerhead Manufacturing Co. NJ, LLC
Minor Site Plan Approval
112 Park Place
Block 44, Lot 1
Resort Commercial (RC) Zoning District
Green Zone Redevelopment Area

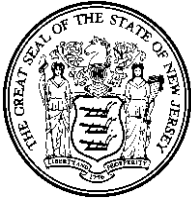
DATE: July 1, 2024

EXECUTIVE SUMMARY

On June 6, 2024, the Casino Reinvestment Development Authority (the "Authority") heard testimony and public comment on the above-subject application. The Applicant, Hammerhead Manufacturing Co. NJ, LLC (the "Applicant"), seeks Minor Site Plan Approval to permit the operation of a Class 2 cannabis manufacturing facility at the subject property. The existing structure is the Claridge Garage and has an existing a Class 5 dispensary for the sale of adult use recreational cannabis on the first floor. The proposed manufacturing facility will be located on the fifth floor. The Applicant will also utilize office space on the third floor. No physical changes to the site plan are proposed.

The Applicant demonstrated by evidence and testimony that the development proposal generally conforms to the site plan standards and technical requirements of the Authority's Tourism District Land Development Rules and the Green Zone Redevelopment Plan. Therefore, for the reasons more fully outlined below, the Hearing Officer recommends that the Application be approved by the Authority.

INTRODUCTION



Casino Reinvestment Development Authority Land Use Regulation and Enforcement Division

Application Information

Hammerhead Manufacturing Co. NJ, LLC
Minor Site Plan Approval
112 Park Place
Block 44, Lot 1
Resort Commercial (RC) Zoning District
Green Zone Redevelopment Area

A hearing on the Application was conducted in accordance with the requirements of the Open Public Meetings Act, the Municipal Land Use Law and P.L. 2011, c. 18.

The Applicant seeks Minor Site Plan Approval to permit the operation of a Class 2 cannabis manufacturing facility at the subject property. The existing structure is the Claridge Garage and has an existing a Class 5 dispensary for the sale of adult use recreational cannabis on the first floor. The proposed manufacturing facility will be located on the fifth floor. The Applicant will also utilize office space on the third floor. No physical changes to the site plan are proposed.

Evidence List

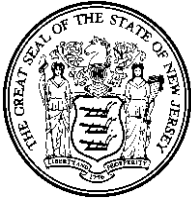
- A-1 Application Materials
- B-1 Letter from ARH Associates dated 5/10/2024

FINDINGS OF FACT

The Applicant seeks Minor Site Plan Approval to permit the operation of a Class 2 cannabis manufacturing facility at the subject property. The existing structure is the Claridge Garage and has an existing a Class 5 dispensary for the sale of adult use recreational cannabis on the first floor. The proposed manufacturing facility will be located on the fifth floor. The Applicant will also utilize office space on the third floor. No physical changes to the site plan are proposed.

The attorney for the Applicant, Theodore Flowers, Esq., introduced the application generally and provided background regarding the specific relief sought by the Applicant.

The Applicant presented the testimony of Jason Sciuillo, P.E., P.P., who was qualified as an expert in the fields of professional engineering and professional planning. Mr. Sciuillo described the location of the site and existing conditions. He explained that the property has an existing a Class 5 dispensary for the sale of adult use recreational cannabis on the first floor. The proposed manufacturing facility will be located on the fifth floor. He testified that the Applicant will also utilize office space on the third floor.



Casino Reinvestment Development Authority Land Use Regulation and Enforcement Division

Mr. Sciullo explained site access, circulation, pedestrian entrance deliveries and loading. The Applicant will lease eight parking spaces in the garage structure and have a striped loading zone. He described the floor plan and layout. He testified that there will be no exterior changes, no signage and no public access. The only people with access to the site will be employees of the Applicant.

Mr. Sciullo testified that domestic waste will be disposed of in the Claridge's interior waste facility. Cannabis waste will be disposed of in accordance with Cannabis Regulatory Commission regulations.

The Applicant presented the testimony of Austin Crissmany, who is the CEO of the Applicant. He described the development proposal and business operations generally. He testified that the Applicant intends to manufacture edible cannabis products at the facility. He provided an overview of the manufacturing process, security procedures and loading. He testified that there will be four to six employees on site at any given time, and that the facility will operate during normal business hours.

Mr. Crissmany testified that the Applicant would agree to the following as a condition of any approval:

- Have its security plan approved by the Atlantic City Police Department.
- Make all security cameras subject to monitoring by the Atlantic City Police Department.
- Comply with all requirements of the Cannabis Regulatory Commission.

Justin Auciello, P.P., was qualified as an expert in professional planning and provided testimony on behalf of the Authority. Mr. Auciello testified that he supports approval of the Application.

Carolyn Feigin, P.E., was qualified as an expert in professional engineering and provided testimony on behalf of the Authority. She requested that the Applicant provide testimony regarding odor mitigation. In response, the Applicant testified that odor mitigation will be provided through carbon filtration and ionization.

CONCLUSIONS OF LAW

Minor Site Plan Approval

A land use agency's authority in reviewing an application for site plan approval is limited to determining whether the development plan conforms to the zoning ordinance and the applicable provisions of the site plan ordinance. See Pizzo Mantin Group v. Township of Randolph, 137 N.J. 216 (1994).



Casino Reinvestment Development Authority Land Use Regulation and Enforcement Division

Here, based on the evidence and testimony, the Applicant has demonstrated that development plan generally conforms to the site plan standards and technical requirements of the Tourism District Land Development Rules and Green Zone Redevelopment Plan.

RECOMMENDATION

For all of the foregoing reasons, the Hearing Officer recommends that the Application for Minor Site Plan Approval to permit the operation of a Class 2 cannabis manufacturing facility at the subject property. The grant of approval of this Application shall be expressly conditioned upon the Applicant complying with all conditions of prior approvals, satisfying all representations made by the Applicant or by others on its behalf during the course of the hearing on this matter before the Hearing Officer.

The grant of approval shall be further conditioned upon compliance with all applicable requirements of the Tourism District Land Development Rules, Atlantic City Ordinances, and the requirements of any City agency, board or authority. Any approval granted in accordance herewith shall be further expressly conditioned upon the Applicant obtaining all other necessary governmental approvals, and compliance with all Federal, State and local laws.



Principals
Richard Rehmann, GISP
Richard Heggan, PLS, PP
Jeffery MacPhee, PLS
Carolyn A. Feigin, PE, PP

May 10, 2024

Lance B. Landgraf, Jr., PP, AICP
Casino Reinvestment Development Authority
Division of Land Use and Regulatory Enforcement
15 S Pennsylvania Avenue
Atlantic City, NJ 08401

Re: TECHNICAL REVIEW #1: CRDA # 2024-04-3629
Minor Site Plan Approval
Hammerhead Manufacturing Company NJ, LLC
112 Park Place (Block 44, Lot 1)
Atlantic City, NJ 08401
ARH # 2410094

Dear Mr. Landgraf:

ARH ASSOCIATES has reviewed the following information towards issuance of Preliminary & Final Major Site Plan Approval for the above-referenced Application:

TITLE / DESCRIPTION	PREPARED / SIGNED / SEALED BY	DATE	DATE LAST REVISED
Cover Letter from Applicant's Engineer	Jason T. Sciallo, PE, PP of Sciallo Engineering Services, LLC	04/18/2024	
Completeness Review Response Memo		04/09/2024	
CRDA Land Use Application	Owner / Applicant	04/17/2024	
Project Narrative			
Four (4) Color Photographs of Site			
Minor Site Plan Checklist (Form #5)	Jason T. Sciallo, PE, PP of Sciallo Engineering Services, LLC	Undated	
"c" Variance Checklist (Form #12)			
Hammerhead Cannabis Manufacturing – Minor Site Plan	Jason T. Sciallo, PE, PP of Sciallo Engineering Services, LLC	04/18/2024	
Architectural Plans and Elevations	CLC Design Studio	Undated	
Safety & Security Plan	Owner / Applicant	Undated	
Manufacturing Plan			
Transportation/Delivery Plan		06/14/2023	03/22/2024

Per this information, our office offers the following comments:

ARH Associates

Corporate Headquarters – 215 Bellevue Avenue – PO Box 579 – Hammonton, NJ 08037 – 609.561.0482 – fax 609.567.8909
Tinton Falls Office – 97 Apple Street – Suite 1 – Tinton Falls, NJ 07724 – 609.561.0482 – fax 609.567.8909

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I. PROJECT INFORMATION & CONTACT INFORMATION

The 29,120 sf site is situated along the triple frontage corner of Ohio Avenue, Pacific Avenue, and Park Place. The site is presently developed with a multistory building that is the parking garage for the Claridge Hotel and also contains retail, office and other uses throughout. The Applicant seeks approval to replace existing office space on the 5th floor with a Class 2 cannabis manufacturing facility as well as occupation of the existing offices on the 3rd floor for their office use. No exterior improvements are proposed. An application for a retail dispensary on the 1st floor was approved under Resolution #23-80 with numerous variances and existing non-conformities in which the current application appears not to exacerbate.

Below please find the contact information for the responsible parties associated with this Application:

APPLICANT
Hammerhead Manufacturing Company NJ, LLC Austin Crissman 801 Mapleton Avenue Middletown, Delaware 19709 Email: austin@hammerheadhemp.com

OWNER
TJM Atlantic City, LLC Brian DeWinne PO Box 2837, Atlantic City, NJ 08401 Phone: 609-487-4400 Email: bdewinne@claridge.com

ARH Associates

TECHNICAL REVIEW #1: CRDA # 2024-04-3629
Minor Site Plan Approval
Hammerhead Manufacturing Company NJ, LLC
112 Park Place (Block 44, Lot 1)
Atlantic City, NJ 08401
ARH # 2410094
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ENGINEER/PLANNER

Jason T. Sciullo, PE, PP
Sciullo Engineering Services, LLC
137 South New York Avenue, Suite B
Atlantic City, NJ 08401
Phone: 609-300-5171
Email: jsciullo@sciulloengineering.com

ARCHITECT

Christine Casile
CLC Design Studio, LLC
112 Park Place
Atlantic City, NJ 08401
Phone: 215-696-0231
Email: christina@clcdesignstudio.com

ATTORNEY

Theodore Flowers
40 West Evergreen Avenue, Suite 104
Philadelphia, PA 19118
Phone: 215-694-0117
Email: ted@moriconiflowers.com

II. ZONING REVIEW

The subject property is situated within the Resort Commercial (RC) zoning district. Cannabis manufacturing is a permitted use in the zone as per the Green Zone Redevelopment Plan. The below table summarizes the bulk requirements for this zone:

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BULK ITEMS	REQUIREMENT	EXISTING	PROPOSED
Max. Principal Building Height	3000 ft (from BFE)	< 300 ft	NC
Min. Lot Area	7,500 sf	29,120 sf	NC
Min. Lot Depth	150 feet	200 feet	NC
Min. Lot Width	50 feet	145.6 feet	NC
Min. Lot Frontage	50 feet	145.6 feet	NC
Min. Principal Front Yard Setback (up to 35' in height)	0 feet	0 feet, 0 feet, +/-10 feet	NC
Min. Principal Front Yard Setback (> 35' in height)	20 feet	0 feet, 0 feet, +/- 20 feet (ENC)	NC
Min. Principal Side Yard Setback (up to 35' in height)	0 feet	0 feet	NC
Min. Principal Side Yard Setback (> 35' in height)	20 feet	0 feet (ENC)	N/A
Min. Principal Rear Yard Setback	20 feet	N/A	NC
Max. Building Coverage	70 %	+ /- 95 % (ENC)	NC
Max. Impervious Coverage	80 %	+ /- 98 % (ENC)	NC

N/A = Not Applicable; NC = No Change; ENC = Existing Non-Conformity;
 NP = Not Provided; TBP = To Be Provided; **V = Variance Required**

PARKING	REQUIREMENT	REQUIRED	PROPOSED
Warehouse	1 space per 500 sf of GFA (1,188 sf)	4 spaces	0 Spaces (See Comment III.B.1. below)

It shall be noted that the Applicant has cautiously requested variances from the number of signs on site which were previously granted under CRDA Resolution 23-80 for the first floor cannabis retail facility, and no new signage is proposed. The Applicant does not exacerbate any existing non-conformities or previously granted variances.

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III. ENGINEERING COMMENTS

A. GENERAL

1. The Tax Map Sheet # shall be provided in the title block on the site plan.
2. The proposed conditions within the Zoning Schedule on the site plan appear to be the existing conditions as these items were previously proposed and approved per CRDA Resolution # 23-80. As the schedule is setup now, it appears the Applicant is proposing signage whereas they state in Note # 7 that no signs are proposed. Also, the Zoning Schedule states three (3) window signs and nine (9) overall signs were previously granted variances, whereas the previously granted variances were for two (2) window signs and eight (8) overall signs. These discrepancies shall be addressed.
3. The minimum lot frontage on the Zoning Schedule shall be revised to match the lot width.
4. The Applicant shall provide testimony regarding odor control mitigation in accordance with CRC regulations for the proposed cannabis cultivation facility.
5. The Applicant shall provide testimony on cannabis waste and general waste disposal for the manufacturing facility. Is cannabis waste to be stored in the plant destruction room? The location of the cannabis waste and general waste areas shall be depicted on the floor plans as necessary.

B. PARKING & LOADING

1. As per N.J.A.C. 19:66-5.8(b), for warehouse uses, the closest applicable use to cannabis manufacturing, one (1) parking space is required per 500 SF of floor area. The 3,200 SF fifth floor cannabis manufacturing facility will require seven (7) parking spaces. Note #5 on the site plan shall be revised to reflect seven (7), not six (6), spaces are required for proposed conditions. The facility will have direct access from within the parking garage which contains more than seven (7) spaces on its respective parking level. It shall be noted the existing use for this cannabis facility was office space which required eight (8) spaces. The Applicant is also occupying the third floor office space, which was previously offices. There is no change to the demand in parking for the third floor operations. The Applicant shall provide testimony on the parking for the site and if the employees will have designated parking stalls.
2. The Applicant shall provide testimony on the loading operations for the cannabis facility. There appears to be a striped area within the garage for loading at the northerly and southerly ends of the facility. What kind of vehicles are anticipated for loading operations? Is this striping existing or proposed? If proposed, does it eliminate existing parking spaces?

IV. COFONE CONSULTING PLANNING REVIEW

Zoning Compliance

The property is located within the Green Zone Redevelopment Area, encompassing the RC Resort Commercial District. The proposed use is a principal permitted use in the Green Zone Redevelopment Area.

The intent of the Green Zone Redevelopment Area is for diversifying the local economy, increasing opportunities for private investment, increasing pedestrian traffic, with collateral reduction in crime, and reducing the existing commercial vacancy rate and abandoned commercial space along Atlantic Avenue and Pacific Avenue and in the Orange Loop.

The engineering review portion of this letter lists required variance relief.

Master Plan Review

The subject property is located within the Atlantic City Tourism District. Pursuant to the New Jersey CRDA Atlantic City Tourism District Master Plan, the overall intention and vision is to “reinvigorate Atlantic City in the near-term as the leading resort destination in the Northeast and beyond (Page 4, New Jersey CRDA Atlantic City Tourism District Master Plan). Among others, overarching objectives are to “develop an economically viable and sustainable tourism district” and “[expand] Atlantic City’s tourism and economic bases” (Id, Page 1-2).

Planning Analysis and Issues for Consideration by the Board

1. No new variances are created. There are various existing, non-conformities on the site, and variances for the sign package for the building’s first floor tenant were granted by the CRDA via Resolution 23-80, adopted June 20, 2023. No additional variance testimony is necessary.

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2. The Applicant shall provide detailed testimony on the operation of the business, with a specific focus on staffing, product manufacturing and storage, security, delivery, etc.
3. Given the nature of the proposed use, the Applicant shall provide testimony on refuse storage and collection.
4. The Applicant shall discuss how the application will advance the intent of the New Jersey CRDA Atlantic City Tourism District Master Plan, the Green Zone Redevelopment Area, and the Tourism District.
5. The Applicant shall comply with the conditions of all previous approvals received for the site.
6. The Applicant shall furnish any resolution and/or prior approvals from, and agreements with, the City of Atlantic City, if any.

V. POST APPROVAL CONSIDERATIONS

Should the Board grant the desired approval for this Application, Applicant, and/or its professionals must:

- A. Submit any required revisions to the Board as outlined above for review.**
- B. Obtain approvals from all outside agencies, if necessary. Provide copies to the Board.**
- C. Contact the Board Secretary to reconcile any outstanding review escrow accounts prior to Final Plan Certification, Signature, or the issuance of building permits, as applicable.**

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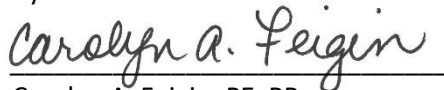
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Any resubmissions in response to this report should be accompanied by a point-by-point response to all items. To facilitate the Board's decision-making process, Applicants are strongly encouraged to resolve as many items as possible prior to the hearing on this matter.

Respectfully Submitted,

ARH ASSOCIATES

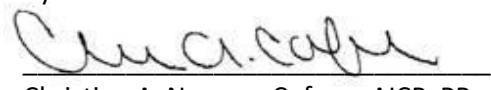
By



Carolyn A. Feigin, PE, PP
CRDA Consulting Engineer

COFONE CONSULTING GROUP

By



Christine A. Nazzaro-Cofone, AICP, PP
CRDA Consulting Planner

cc: Robert L. Reid, AICP, NJPP
Christine A. Nazzaro-Cofone, AICP, PP
Scott Collins, Esq.
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DATE: JULY 16, 2024

HAMMERHEAD MANUFACTURING CO. NJ, LLC – RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING MINOR SITE PLAN APPROVAL TO PERMIT THE OPERATION OF A CLASS 2 CANNABIS MANUFACTURING FACILITY AT THE SUBJECT PROPERTY LOCATED AT 112 PARK PLACE, BLOCK 44 LOT 1, IN THE CITY OF ATLANTIC CITY UNDER APPLICATION #2024-04-3629

Motion: MB

Second: WS

Michael Beson	<u>Y</u>
Sen. Chris Brown <i>for the DCA Commissioner</i>	<u>Y</u>
Daniel Cosner	<u>Y</u>
Christopher Glaum <i>for the State Attorney General</i>	<u>Absent</u>
Michael Hanley	<u>Y</u>
Michael Laughlin	<u>Y</u>
Alicia Magee	<u>Y</u>
Brett Matik	<u>Y</u>
William Mullen	<u>Absent</u>
Paulina O'Connor	<u>Absent</u>
James Plousis	<u>Y</u>
Mayor Marty Small, Sr.	<u>Y</u>
William Sproule	<u>Y</u>
Robert Tighue <i>for the State Treasurer</i>	<u>Y</u>
Joseph Tyrrell	<u>Y</u>
Chairman Mo Butler	<u>Y</u>