

EXHIBIT "A" TO RESOLUTION 25- , ADOPTED 9/16/2025

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 #2024-07-3662 ACC Atlantic City Cannabis, LLC

Minor Site Plan Approval with Variance Pursuant to N.J.S.A. 40:55D-

70(c)

1714 Atlantic Avenue Block 156, Lot 8

Central Business (CBD) Zoning District

Green Zone Redevelopment Area

DATE: August 4, 2025

EXECUTIVE SUMMARY

On June 19, 2025, the Casino Reinvestment Development Authority (the "Authority") heard testimony and public comment on the above-subject application. The Applicant, ACC Atlantic City Cannabis , LLC (the "Applicant"), seeks Minor Site Plan Approval to permit the operation of a Class 5 dispensary for the sale of adult use recreational cannabis at the subject property. With the exception of lighting and security cameras, no exterior improvements are proposed. The property has several pre-existing, non-conforming conditions that are not exacerbated or impacted by the development proposal. A variance pursuant to N.J.S.A. 40:55D-70(c) is required for parking.

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 Green Zone Redevelopment Plan. In addition, the Applicant demonstrated by evidence and testimony that the grant of the requested variance is warranted. Therefore, for the reasons more fully outlined below, the Hearing Officer recommends that the Application be approved by the Authority.



INTRODUCTION

Application Information

ACC Atlantic City Cannabis, LLC Minor Site Plan Approval with Variance Pursuant to N.J.S.A. 40:55D-70(c) 1714 Atlantic Avenue Block 156, Lot 8 Central Business (CBD) 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 5 dispensary for the sale of adult use recreational cannabis at the subject property. With the exception of lighting and security cameras, no exterior improvements are proposed. The property has several pre-existing, non-conforming conditions that are not exacerbated or impacted by the development proposal. A variance pursuant to N.J.S.A. 40:55D-70(c) is required for parking.

Evidence List

- A-1 Application Materials
- A-2 Site Plan, Lighting Plan and Circulation Plan
- A-3 License Agreement
- A-4 Security Plan
- A-5 Security Overlay Plan
- B-1 Letter from Environmental Resolutions, Inc. dated May 7, 2025

FINDINGS OF FACT

The Applicant seeks Minor Site Plan Approval to permit the operation of a Class 5 dispensary for the sale of adult use recreational cannabis at the subject property. With the exception of lighting and security cameras, no exterior improvements are proposed. The property has several pre-existing, non-conforming conditions that are not exacerbated or impacted by the development proposal. A variance pursuant to N.J.S.A. 40:55D-70(c) is required for parking.

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



The Applicant presented the testimony of Melissa Jackson, who is the owner of the Applicant. She explained her educational background, and experience in healthcare and the cannabis industry.

Ms. Jackson testified regarding operational features for the proposed facility, including security procedures, product storage and inventory management. She testified that all product and cash will be stored in a vault at the facility. She testified that trash will be stored in a designated area indoors and carted to the curb on collection days. Any cannabis waste will be disposed of in accordance with Cannabis Regulatory Commission ("CRC") regulations.

Ms. Jackson testified that all loading of product will occur through the rear entrance with video camera monitoring. She also testified that she intends to install a vinyl window sign that will comply with all signage requirements of the Authority's Tourism District Land Development Rules and Green Zone Redevelopment Plan. Ms. Jackson testified that she anticipates that the facility will have two employees on site at any given time and will be open from 10 am and 7 pm.

Ms. Jackson testified that the Applicant will agree to the following as a condition of any approval:

- Comply with all standards and requirements of the Green Zone Redevelopment Plan, including architectural standards.
- 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 CRC.

The Applicant presented the testimony of Pericles Stavridis, P.E., who was qualified as an expert in the field of professional engineering. Mr. Stavridis described the location of the site, existing conditions and development proposal. He described proposed layout, floor plan and operations plans.

Mr. Stavridis explained that the Applicant proposes to renovate the interior of a portion of the second story of the existing structure for use as a cannabis dispensary. With the exception of lighting and security cameras, no exterior improvements are proposed.

Mr. Stavridis testified that there are four existing parking spaces on site. In response to questioning from CRDA staff and consultants, Mr. Stavridis agreed to stripe the existing parking spaces and delineate one as ADA compliant. He testified that the Applicant has obtained license over adjacent Lots 22 and 23 for access and 7 additional parking spaces. He agreed to revise the site plan and license agreement to clearly indicate access and



parking. He testified that delivery vehicles will traverse the licensed area, unload at the rear of the building and leave the way that they entered.

The Applicant presented the testimony of Neal Patel, who was qualified as an expert in the field of cannabis operations and security. Mr. Patel testified as to operational and security aspects of the facility. He testified that loading of cash and product would take place in the morning before the facility opens and security personnel will be present. He testified that he anticipates 1-2 deliveries per week.

The Applicant presented the testimony of Nicholas Graviano, who was qualified as an expert in professional planning. Mr. Graviano testified that the property has several pre-existing, non-conforming conditions that are not exacerbated or impacted by the development proposal. These include lot area, lot width, lot frontage, building coverage and front yard setback. He testified that the Applicant requests a variance pursuant to N.J.S.A. 40:55D-70(c) to permit 4 on-site parking spaces where a minimum of 9 on-site parking spaces are required.

Mr. Graviano testified that the 4 existing parking spaces on site, together with the 7 parking spaces on the adjacent licensed area, are sufficient to accommodate the Applicant's parking needs. Mr. Graviano testified that the exceptional narrowness, shallowness, shape, or exceptional topographic conditions of the property and the structure lawfully existing thereon create a hardship in complying with the strict requirements of the Authority's Tourism District Land Development Rules.

Mr. Graviano further testified that the development proposal will promote the purposes of the Municipal Land Use Law ("MLUL") by promoting the general public health, safety and welfare (Purpose A) through the repurposing a portion of a vacant structure; providing sufficient space and appropriate locations for a variety of commercial uses (Purpose G) and promoting a desirable visual environment (Purpose I). Moreover, Mr. Granviano testified that the approval of the application would promote the objectives of the Green Zone Redevelopment Plan by diversifying the local economy through the introduction of recreational cannabis. With respect to the negative criteria, Mr. Graviano testified that the grant of the variances would not have any substantial detriment to the Tourism District Master Plan or Tourism District Land Development Rules.

Jeffrey Hanson, P.E., was qualified as an expert in the field of professional engineering and provided testimony on behalf of the Authority. Mr. Hanson requested that all parking be striped and that signage in the front window direct patrons to parking in the rear of the site. In response to questioning by Mr. Hanson, the Applicant agreed to comply with all comments and requirements in his letter dated May 7, 2025. Mr. Hanson testified that he generally supports the approval of the Application.



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. <u>See Pizzo Mantin Group v. Township of Randolph</u>, 137 N.J. 216 (1994).

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.

Variances Pursuant to N.J.S.A. 40:55D-70(c)

For variances requested pursuant to N.J.S.A. 40:55D-70(c)(1) and (c)(2), an applicant must demonstrate through evidence and testimony that the positive and negative criteria of the statutory requirements have been met.

Positive Criteria

The positive criteria for variances requested pursuant to N.J.S.A. 40:55D-70(c)(1) is satisfied if relief can be granted for a specific piece of property upon the finding of hardship arising out of the exceptional narrowness, shallowness, shape, or exceptional topographic conditions of specific piece of property or from a structure lawfully existing thereon. See Lang v. Zoning Board of Adjustment, 160 N.J. 41 (1999). The positive criteria for variances requested pursuant to N.J.S.A. 40:55D-70(c)(2) is satisfied if one or more purposes of the Municipal Land Use Law would be advanced by a deviation from the zoning ordinance requirements and the benefits of that deviation would substantially outweigh any detriment to the public good. Ketcherick v. Bor. Mountain Lakes, 256 N.J. Super. 646 (App. Div. 1992); Green Meadows v. Planning Board, 329 N.J. Super. 12 (App. Div. 2000).

Here, the Applicant requests a variance pursuant to N.J.S.A. 40:55D-70(c) to permit 4 onsite parking spaces where a minimum of 9 on-site parking spaces are required. The exceptional narrowness, shallowness, shape, or exceptional topographic conditions of the property and the structure lawfully existing thereon create a hardship in complying with the strict requirements of the Authority's Tourism District Land Development Rules.

In addition, the development proposal will promote the purposes of the MLUL by promoting the general public health, safety and welfare (Purpose A) through the repurposing a portion of a vacant structure; providing sufficient space and appropriate



locations for a variety of commercial uses (Purpose G) and promoting a desirable visual environment (Purpose I). Moreover, the parking deficiency is ameliorated through the provision of off-site parking on the adjacent property. Finally, the approval of the application would promote the objectives of the Green Zone Redevelopment Plan by diversifying the local economy through the introduction of recreational cannabis.

Negative Criteria

Relief under N.J.S.A. 40:55D-70(c)(1) and (c)(2) cannot be granted unless the negative criteria is satisfied. The negative criteria required for all "c" variances is that the requested relief can be granted without substantial detriment to the public good and without substantially impairing the intent and purpose of the zone plan and the zoning ordinance.

The evidence and testimony demonstrate that the grant of the requested variance will not create any detriment to the public good, and will not substantially impair the purpose and intent of the Tourism District Mast Plan and the Tourism District Land Development Rules.

RECOMMENDATION

For all of the foregoing reasons, the Hearing Officer recommends that the Application for Minor Site Plan Approval with a variance pursuant to N.J.S.A. 40:55D-70(c) to permit the operation of a Class 5 dispensary for the sale of adult use recreational cannabis at the subject property be approved. 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.

4904-8751-5223, v. 1