

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
JOHN O. PASTORE CENTER, BLDG. 68-1
1511 PONTIAC AVENUE
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF	:	
	:	
BAYSIDE GROWERS, LLC,	:	DBR No. 19MM012
	:	
RESPONDENT.	:	

CONSENT AGREEMENT

The Department of Business Regulation (the “Department”) through its Office of Cannabis Regulation (“OCR”) and Respondent Bayside Growers, LLC (the “Respondent”) hereby agree to resolve the above-captioned matter pursuant to R.I. Gen. Laws § 42-35-9(d).

It is hereby agreed by and between the Department and the Respondent that:

1. Respondent submitted its medical marijuana cultivator application, Application No. MMP CV 0048, on April 7, 2017.
2. On June 2, 2017, the Department issued an initial conditional approval letter (“Conditional Approval Letter”), which specified certain express conditions, including but not limited to construction of its facility (“Facility”) at ██████████ Warwick, RI 02888 (the “Location”), the location proposed in the initial application documents.
3. From March 2, 2018 through August 5, 2019, the Respondent requested three extensions, all of which were granted pursuant to further express conditions, including but not limited to the initiation and completion of construction of its Facility at the Location. The third and most recent request for an extension sought a deadline of April 30, 2020 that the Department declined, instead imposing a deadline of February 1, 2020 for completion of the Facility only if construction on the building began within thirty (30) days of the August 22, 2019 on-site inspection.
4. On November 8, 2019, the Division sent the Respondent a letter (“Denial Letter”) informing it that the Division was denying its request for a third extension and also rescinding the Division’s original grant of conditional approval for its failure to begin Facility construction in the time allotted and informing the Respondent of its right to a hearing.
5. By letter dated November 13, 2019, the Division received documents from Respondent’s Counsel acknowledging receipt of the Denial Letter and describing Respondent’s newly amended Facility construction plans.

6. On November 15, 2019, the Department received a request for an administrative hearing from Respondent's Counsel.
7. On November 26, 2019, the Department issued an *Order to Show Cause Why Application Should Not Be Denied, Notice of Hearing and Appointment of Hearing Officer* ("Order"), after which the parties conducted one pre-hearing conference on December 12, 2019.
8. Respondent now requests that the Department consider the construction heretofore completed on the Facility as evidence that it complied with the condition on which its third request for an extension was initially granted.

Applicable Law

9. Pursuant to 230-RICR-80-5-1, *Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation* ("MMP Rules") § 1.5(B)(1), "Licensed cultivator applications may be submitted to DBR for consideration through April 30, 2017. The application period will be reopened each subsequent year during the months of January, February, and March. DBR reserves the right to modify the application periods based on patient and program need."
10. Pursuant to MMP Rules, § 1.5(D)(1), "DBR will evaluate applicant based upon the information provided by applicant on the application forms/submissions and otherwise obtained during the application process."
11. Pursuant to MMP Rules, § 1.5(D)(2), "Each application for a licensed cultivator shall be on such forms and through such submission mechanisms as designated by DBR."
12. Pursuant to MMP Rules, § 1.5(B)(2), "Upon notification of approval of an application from DBR, the approved applicant must take reasonable and documented efforts to complete the prerequisites for issuance of the license which steps are detailed in § 1.5(E) of this Part. If such efforts take longer than nine (9) months, the approved applicant must show good cause to DBR why additional time should be granted and the application approval should not be rescinded."

Conditions

9. The Department and the Respondent have agreed to an amicable resolution of this matter without an administrative hearing and its attendant time and costs. As such, the Department and the Respondent agree to the following:
 - a. Respondent will complete all construction on the Facility necessary for satisfaction of the prerequisites for its License issuance pursuant to MMP Rules § 1.5(E)(4) by **April 17, 2020**, specifically including but not limited to the following:

- (1) Any and all tasks represented in the *Bayside Growers Schedule* (3 pages), delivered to OCR via e-mail on January 15, 2020;
 - (2) Installation and successful operation of Respondent's video surveillance system and remote access to its continuous live feed to OCR pursuant to MMP Rules § 1.7(F)(4);
 - (3) Issuance of the registry identification cards pursuant to MMP Rules § 1.5(E)(6) and §1.6;
 - (4) Installation of any grow lights expected to be used for its cultivation of medical marijuana; and
 - (5) Issuance of a Certificate of Occupancy from the city of Warwick.
- b. The DBR Pre-License Inspection pursuant to MMP Rules § 1.5(E)(4) will occur on **April 17, 2020**;
 - c. Respondent will submit progress updates on the Facility's construction via e-mail to Mr. David Brooks, OCR Inspector (David.Brooks@dbr.ri.gov) and Mr. Peter Squatrito, OCR Inspector (Peter.Squatrito@dbr.ri.gov) by the close of business every Monday and said reports shall include any Facility activity that occurred in the seven (7) days prior to the date of its submission and such reporting shall continue from the date of execution of this consent agreement until OCR issues Respondent its License but not later than **April 17, 2020**;
 - d. Respondent will supply OCR with any and all supplemental materials requested for verification of any representation or assertion made in any weekly report submitted to OCR as a result of Respondent's compliance with paragraph 9(c) of this consent agreement;
 - e. Respondent acknowledges, understands and agrees that OCR will not issue any further extensions to Respondent for the completion of any pre-requisites for issuance of its License beyond the date of **April 17, 2020**.
10. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.

Legal Effects of Consent Agreement

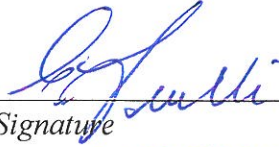
11. *Waiver of Hearing and Appeal.* By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 *et seq.*
12. *Enforcement.* If the Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in

violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.

13. *Compliance; Laws.* Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

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For the Division:



Signature

Date: 1-22-2020

Ms. Erica Ferrelli
Economic and Policy Analyst
Office of Cannabis Regulation

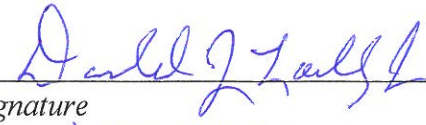
For the Respondent:



Signature

Date: 1-22-2020

Bayside Growers, LLC



Signature

Date: 1-22-2020

Donald Lally, Esq.
Counsel for the Respondent