

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

IN THE MATTER OF	:	
	:	
ODRAGON, LLC,	:	DBR No. 20MM0014
	:	
RESPONDENT.	:	
	:	

CONSENT AGREEMENT

The Department of Business Regulation (“Department”), Office of Cannabis Regulation (“OCR”) and ODragon, LLC, a Rhode Island limited liability company (“Respondent”), hereby consent and agree that:

1. Respondent submitted its medical marijuana cultivator application, Application No. MMP CV 0114 (“Application”), on April 28, 2017.
2. On July 10, 2019, after the Respondent had encountered difficulties with several other conditionally approved locations, OCR issued its latest conditional approval letter to Respondent (“Conditional Approval Letter”) for the proposed licensed premises location at [REDACTED] (“Facility”); the deadline for completion of the Facility and Respondent’s medical marijuana license prerequisites was April 10, 2020.
3. On or about March 10, 2020, the Respondent requested an extension beyond the April 10, 2020 deadline outlined in the Conditional Approval Letter to a new deadline of November 30, 2020 due to the necessity of obtaining pre-construction approvals from the Town of Richmond, the Department of Environmental Management (“DEM”), and the Department of Transportation (“DOT”) and Respondent also requested that the license class applied for be changed from Class A to Class B.
4. In response to Respondent’s extension request as outlined in ¶ 3, OCR requested more information from Respondent, which has been provided regularly since March of 2020. The Department did not issue a formal extension approval to Respondent.
5. On or about June 29, 2020, DOT, through its Division of Highway and Bridge Maintenance, sent Respondent a letter (“DOT Letter”) outlining its receipt and review of Respondent’s Physical Alteration Permit Application (“PAPA”) No. 200317-C, stating that PAPA No. 200317-C met DEM’s design requirements for “construction of the work within or impacting the State Highway Right-of-Way, which will be issued upon the receipt and acceptance of the

following: Original Insurance Certificate (Section 4.8 Insurance Requirements of the Department's Rules and Regulations for PAPA) [and] Original bond in the amount of \$14,448.69 for the proposed work within or impacting the State Highway Right-of-Way (Section 4.7 Bond Requirements of the Department's Rules and Regulations for PAPA)." The DOT Letter states that it "shall not be construed as a physical alteration permit authorizing construction within or impacting the State Highway Right-of-Way. A permit will not be granted until all of the documentation requested above has been received and accepted."

6. On or about September 29, 2020, Respondent received an approval letter from DEM's Office of Water Resources entitled "Insignificant Alteration – Permit" for Application No. 20-0079, wherein DEM granted approval for an insignificant alteration to freshwater wetlands related to construction of the Facility according to certain terms and conditions outlined therein. Respondent has also informed the Department that it will need to obtain OWTS and RIPDES Permits from DEM.
7. On October 23, 2020, the Town of Richmond, Building/Planning/Zoning Department, sent Respondent a letter entitled "Development Plan Review application, GDRAGON LLC – AP [REDACTED]" which included notice of several necessary revisions to Respondent's application before the Planning Board conducts a meeting on November 24, 2020 to consider it.
8. Based upon the foregoing, the Department believes it has sufficient cause to pursue administrative action in the form of rescission of Respondent's Application approval in accordance with *Rules and Regulations Related to the Medical Marijuana Program Administered by the Office of Cannabis Regulation at the Department of Business Regulation* ("Regulation") § 1.3(C)(1), as Respondent has been unable to meet the prerequisites for issuance of its medical marijuana cultivator license pursuant to the requirements detailed in the Regulation, § 1.3(F) and as further outlined in the Conditional Approval Letter within nine (9) months of its issuance, and that it does not possess reasonable good cause for an extension.
9. In an effort to affect a timely and amicable resolution of the issues raised in this Consent Agreement without an administrative hearing, the Department and the Respondent enter into this Consent Agreement solely for the purpose of avoiding the burdens and expenses of litigation. Because the Respondent has demonstrated unforeseen delays in the Facility's threshold requirements as discussed in ¶¶ 5, 6 and 7 of this Consent Agreement, the Department agrees to approve an extension request for completion of Respondent's Facility, to abstain from pursuing rescission of its conditional approval given Respondent due to its inability to meet the deadlines specified in the Conditional Approval Letter, and affording Respondent one last opportunity to satisfy all prerequisites for issuance of a medical marijuana cultivator license to Respondent based upon Respondent's representation as set forth in ¶9(a) and its satisfaction of the following terms and conditions as set forth in ¶ 9(b)-(g):
 - a) Respondent affirms, agrees and represents that in connection with this Consent Agreement it is solely responsible for obtaining all DOT, DEM, Town of Richmond Planning/Zoning/Fire/Building and other state and local permits and approvals with respect to the Facility and operation thereof and satisfying all terms and conditions set forth therein to the satisfaction of the applicable issuing authority by the deadline set

forth in ¶ 9(g) below (the “Permits and Approvals”) and that any delay in Respondent’s obtaining the Permits and Approvals will not be acceptable grounds for extension of any deadlines as set forth in this Consent Agreement;

- b) Respondent will provide to the Department, specifically Peter Squatrito (Peter.Squatrito@dbr.ri.gov), OCR Investigator, and Erica Ferrelli (Erica.Ferrelli@dbr.ri.gov), OCR Senior Policy and Programs Analyst, on or before the 30th day of each month, an update of the list described below in ¶ 9(c)(i) together with copies of any and all correspondence between Respondent or any third-party working on Respondent’s behalf, and DOT, DEM or the Town of Richmond until OCR issues Respondent its License but in no event any later than **July 5, 2021**;
- c) **Concurrently with the execution of this Consent Agreement**, but not later than **December 15, 2020**, Respondent will provide to OCR the following:
 - i. A written list detailing all completed and pending Facility construction and improvements and all finally issued and pending Permits and Approvals and the status of same (including deadlines and time tables);
 - ii. Evidence of ownership and/or lease of the property on which the Facility will be located with owner agreement to permit licensed cultivation;
 - iii. The Zoning certificate or special use permit and the Planning approval that has been issued by the Town of Richmond;
 - iv. Evidence that the Facility will not be within 1,000 ft. of a preexisting public or private school;
 - v. Final diagram for the Facility; and
 - vi. List of names, addresses and dates of birth of all persons who will be employees or agents of the Respondent as a Licensed Cultivator at inception.
- d) In connection with ¶ 9(e) of this Consent Agreement, the annual cultivator licensing fee of \$35,000 pursuant to MMP Rules § 1.3(F)(2) shall be paid on or before **July 5, 2021**.
- e) Respondent must complete all construction and improvements at the Facility necessary for the satisfaction of the prerequisites for its License issuance pursuant to MMP Rules § 1.3(F) by **July 5, 2021** specifically including but not limited to the following:
 - i. Any and all construction and improvements in the list and monthly updates to same delivered by the Respondent to the Department described in ¶9(b) and 9(c)(1) hereof;
 - ii. Installation and successful operation of Respondent’s video surveillance system and remote access to its continuous live feed to OCR pursuant to MMP Rules § 1.6.5(D);
 - iii. Divestiture of any prohibited material financial interests or control, including relinquishment of any caregiver registrations or cooperative cultivation licenses;

- iv. National criminal background checks completed for all officers and directors (or managers/members for an LLC), employees and agents and issuance of the registry identification cards pursuant to MMP Rules § 1.4;
 - v. Delivery to OCR of the final issued DOT Physical Alteration Permit, DEM Alteration, OWTS, RIPDES Permits, Town of Richmond Certificate of Occupancy, Planning, Fire and Zoning Permits and Approvals and any other final state and local Permits and Approvals, together with a letter or other satisfactory written confirmation from each applicable issuing authority that all terms and conditions set forth therein have been satisfied.
- f) The OCR Pre-License Inspection pursuant to MMP Rules § 1.3(F)(4) will occur on or before **July 5, 2021**.
 - g) Respondent acknowledges, understands and agrees that OCR will not issue any further extensions of time to Respondent for the completion of any pre-requisites for issuance of its License beyond the date of **July 5, 2021**.
10. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.
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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Signature Page

For the Division:



Signature

Date: 12-30-2020

Ms. Erica Ferrelli

Respondent:



Signature

Date: 12/15/2020

Owen Long

Senior Economic and Policy Analyst
Office of Cannabis Regulation

ODragon, LLC



Signature
Date: 12/15/20

Jeffrey Padwa, Esq.
Counsel for the Respondent