



STATE OF RHODE ISLAND
DEPARTMENT OF BUSINESS REGULATION
JOHN O. PASTORE CENTER, BLDGS. 68-69
1511 PONTIAC AVENUE
CRANSTON, RI 02920

IN THE MATTER OF: :
: :
THCBD, LLC, : DBR No. 21OCR005
: :
RESPONDENT. : :
: :

CONSENT AGREEMENT

The Department of Business Regulation, Office of Cannabis Regulation (“Department”) and THCBD, 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 0117 (“Application”) for a medical marijuana cultivator License (“License”) on April 28, 2017.
2. In December of 2017, Respondent provided the required documents for its proposed location at [REDACTED], Hope Valley (“Facility Location 1”), which OCR approved on January 2, 2018 by issuing a conditional approval letter (“Conditional Approval Letter 1”).
3. On August 7, 2018, Respondent informed OCR that it wanted to change the Application to obtain licensure as to a different property than that specified in Conditional Approval Letter 1. The new proposed property was located at [REDACTED], Hope Valley (“Facility Location 2”), adjacent to Facility Location 1.
4. On September 24, 2018, after receiving Facility Location 2’s evidentiary submissions, OCR issued a conditional approval letter (“Conditional Approval Letter 2”) for Facility Location 2.
5. On March 28, 2019, at Respondent’s request for further changes, OCR issued a third conditional approval letter (“Conditional Approval Letter 3”) extending its pre-licensure requirements’ deadline to December 28, 2019 for it to erect a new free-standing pre-fabricated structure, rather than retrofit Facility Location 2’s existing structure pursuant to Conditional Approval Letter 2.



6. On or about December 11, 2019, Respondent informed OCR that it had encountered facility construction obstacles related to Respondent's proximity to a wetland and on January 6, 2020, the Respondent formally requested a third extension for a period of nine (9) months within which to complete DEM's requirements for wetland proximity and construct its proposed facility.
7. On March 12, 2020, after OCR requested and did not receive specific supporting details for Respondent's third extension, OCR sent Respondent a letter rescinding its Application approval, denying its extension request and providing notice of its right to an administrative hearing.
8. On March 17, 2020, Respondent's Counsel provided OCR with additional information explaining its delays, requested a reconsideration of OCR's approval rescission, and requested an administrative hearing.
9. On April 10, 2020, the Department issued an Order to Show Cause ("2020 Order") in conformity with Respondent's Counsel's request for a hearing.
10. On June 23, 2020, the Department and Respondent (the "Parties") entered into a consent agreement ("2020 Consent Agreement") resolving DBR No. 20MM005, wherein the Parties outlined a timetable by which Respondent would complete the pre-requisites for issuance of its License, including the following terms, conditions and deadlines as agreed to in ¶ 12(c), and ¶¶ 12 b. through e. of the Consent Agreement:

"c) Respondent will complete all construction at Facility Location 2 necessary for the satisfaction of the prerequisites for its License issuance pursuant to MMP Rules § 1.3(F)(3) by **October 21, 2020**, specifically including but not limited to the following:

- (1) Any and all tasks represented in the *THCBD, LLC – Marijuana Cultivation Facility - [REDACTED], Hopkinton, RI – Milestone Construction Schedule 5_22_20* (1 page), delivered to OCR via e-mail on May 26, 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 § 1.6.5(D);
 - (3) Issuance of the registry identification cards pursuant to MMP Rules § 1.4;
 - (4) Installation of any grow lights expected to be used for its cultivation of medical marijuana; and
 - (5) Issuance of a Temporary Certificate of Occupancy from the town of Hopkinton (Charlestown).
- b. The DBR Pre-License Inspection pursuant to MMP Rules § 1.3(F)(4) will occur on **October 21, 2020**;
- c. Respondent will submit progress updates on the Facility Location 2'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 activity that occurred at Facility Location 2 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 **October 21, 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 14(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 **October 21, 2020.**"
11. Respondent was not ready for its pre-licensure inspection on October 21, 2020 and the pre-licensure inspection did not take place in conformity with the Consent Agreement ¶12 – b.¹.
 12. Respondent did not complete the requirements of Consent Agreement ¶12 – (c)(1)-(5) by the deadline of October 21, 2020, and as of February 22, 2021 the requirements were still outstanding.
 13. On February 23, 2021, the Department issued an *Order to Show Cause Why Respondent's Application Approval Should Not be Rescinded, Notice of Hearing and Appointment of Hearing Officer* ("Order") to Respondent for failure to complete the pre-licensure requirements by the 2020 Consent Agreement's agreed-upon deadline of October 21, 2020.
 14. Since the Order was issued, Respondent regularly updated the Department on its pre-licensure requirements' progress, which included but was not limited to:
 - a) Respondent's April 20, 2021 submission of the *Certificate of Conformance* from the Department of Environmental Management's ("DEM") Office of Water Resources Permitting Section for Application No. 1914-0173 and authorizing permission for utilization of the sewage disposal system;
 - b) Respondent's May 12, 2021 submission of the final *Certificate of Use and Occupancy* issued by the town of Hopkinton for Facility Location 2;
 - c) Respondent's successful final inspection conducted by OCR on May 25, 2021;
 - d) Respondent's successful surveillance system check conducted by OCR on June 2, 2021;
 - e) Respondent's July 21, 2021 submission of an updated *Form 2* and an associated updated Registry Identification Card Application; and
 - f) Respondent's July 28, 2021 submission of the document entitled *THCBD LLC Duties and Responsibilities of Personnel*.

¹ The Consent Agreement ¶12 contained scrivener's errors as to subparagraph numbering.



15. 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. The Department agrees to abstain from the pursuit of rescission of Respondent's preliminary application approval and to issue Respondent's License based upon the verification provided for items listed in ¶ 14, Respondent's representations set forth below in this ¶ 15 and satisfaction of the following term and condition:
 - a) Respondent acknowledges and admits that it did not complete the pre-licensure requirements by the agreed-upon deadline of October 21, 2020 memorialized in the 2020 Consent Agreement; and
 - b) For violating the terms and conditions set forth in the 2020 Consent Agreement as expressed in ¶ 15(a) of this Consent Agreement, the Respondent shall deliver to the Department an administrative penalty in the amount of five thousand dollars (\$5,000.00) by a check or money order made payable to the "Rhode Island General Treasurer" no later than August 13, 2021.
16. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.
17. *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.*
18. *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.
19. *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 Department:

Signature
Matthew Santacroce
Chief, Office of Cannabis Regulation
Date: 8-16-21

Respondent THCBD, LLC:

Signature
Name: Anthony Walker
Title: owner
Date: 8/8/21

Signature
Date: 8/10/21
Jeffrey Padwa, Esq.
Counsel for the Respondent