

Town of Camden
Public Workshop
Caesar Rodney High School
October 29, 2024
7:00 P.M.

CALL TO ORDER

This Public Workshop was being held in compliance with the Delaware Open Public Meeting Act by posting the agenda on October 18, 2024, in the following manner:

- a. The electronic sign,
- b. The official bulletin board,
- c. The official Town of Camden website, and
- d. The Delaware State News.

Council Attending: Mayor Dougherty, Vice-Mayor Sturgeon, and Councilman Ridgely

Council Absent: Councilwoman Rhodes and Councilman Woodall

Staff Attending: Town Manager Harold Scott Jr, Account Specialist Malori Lewis, and Administrative Assistant Diane Mosby

REVIEW

Marijuana Rules & Regulations Presentation with Commissioner Rob Coupe

In Commissioner Coupe's absence, Deputy Marijuana Commissioner Paul Hyland introduced himself and gave a presentation on the marijuana rules and regulations (presentation attached).

DISCUSSION

This recording can be requested for review.

ADJOURNMENT

This Public Workshop ended at 8:21 p.m.

*Respectfully submitted,
Malori Lewis, Account Specialist*



Office of the Marijuana Commissioner

October 29, 2024

Deputy Commissioner Paul Hyland



Agenda

- Timeline for Implementation and License Types
- Application & Licensing Process
- Considerations – Towns, Cities and the Gray Market



Timeline for Implementation



Title 4 § 1343. Licensing Process



License Types - Total New Licenses – 125

Cultivation - 60

Open Cultivation License: 20

Social Equity Cultivation (≥ 2500 ft²): 10

Microbusiness Cultivation: 20

Social Equity Micro Cultivation (≤ 2500 ft²): 10

Retail - 30

Open Retail License: 15 (Lottery in Dec)

Social Equity Retail License: 15

Manufacturing - 30

Open Manufacturing: 10

Social Equity Manufacturing: 10

Microbusiness Manufacturing: 10

Testing Lab - 5

Open Testing Lab: 3 (1 unfilled)

Social Equity Testing Lab: 2



includes 47 Social Equity Licenses



Application & License Costs:

- Non-refundable Application fee is **\$5,000**
- Discount: **Social Equity** application fee is **\$1,000** (§1337)
- Discount: **Microbusiness** application fee **\$3,000** (§1341)

OMC license fee is **\$10,000** for two-year license (adjusted costs for Cultivation license based on plant grow canopy size cost \$2,500, \$7,500, or \$10,000)

- **Social Equity** and **Microbusiness** licenses are discounted to 40% of regular license and cost **\$4,000** for two-year license.
- Sunday Sales require a **\$500** biennial license fee §1309 (b)(3).
- (**Note:** T4 §1309(b) May not sell or deliver on Thanksgiving, Easter or Christmas)



License Types cont'd.

Conversion License (HB408)

Cultivation - \$200, 000

Manufacturing - \$100,000

Retail- \$100,000

Lab Testing - \$100,000

Pathway for current Medical Marijuana Providers to enter the Adult Use Market and continue to serve Patients in the Medical Marijuana Program

Up to 32 Conversion Licenses could be issued raising \$4.2 million in funding for the **Marijuana Social Equity Business Development Fund**



Licensing Process



○ Step 1: The License Application Process – Minimum Qualifications

- Applicants only commit to a County of operation and do not submit the intended physical location of their business



○ Step 2: The Lottery Drawing – Selection Process

- Selected Applicants are chosen in each category of license and County of operation



○ Step 3: The Selected Applicants Notification

○ Step 4: The Conditional License

○ Step 5: The Active License

License Types Available per County

LT= License Type	LT - 1 Open Cultivation	LT - 2 S / E Cultivation	LT - 3 Micro Cult	LT - 4 Open Manu	LT - 5 S / E Manu	LT - 6 Micro Manu	LT - 7 Open Retail	LT - 8 S / E Retail	LT - 9 Open Testing Lab	LT - 10 S / E Testing Lab	LT - 11 S / E Micro Cult	TOTALS
Number of Licenses	20	10	20	10	10	10	15	15	3	2	10	125
New Castle County	9	5	9	5	5	5	7	7	1	1	5	59
Kent County	4	2	4	2	2	2	3	3	1	0	2	25
Sussex County	7	3	7	3	3	3	5	5	1	1	3	41

License Application Process – Closed Sept. 30th

OMC License Applications - Paid Only 10/22/2024 Update

Paid Application License Types	Total Applications	Licenses Available	New Castle County		Kent County		Sussex County	
			Apps.	Licenses Available	Apps.	Licenses Available	Apps.	Licenses Available
01-Open Cultivation	95	20	37	9	31	4	27	7
02-SE Cultivation	100	10	44	5	27	2	29	3
03-Micro Cultivation	25	20	6	6	9	6	10	8
04-Open Manufacturer	61	10	27	5	20	2	14	3
05-SE Manufacturer	92	10	43	5	23	2	26	3
06-Micro Manufacturer	20	10	9	5	8	2	3	3
07-Open Retailer	0	15	0	7	0	3	0	5
08-SE Retailer	315	15	120	7	96	3	99	5
09-Open Testing Lab	2	3	1	1	1	1	0	1
10-SE Testing Lab	2	2	1	1	0	0	1	1
11-SE Micro Cultivation	15	10	5	5	4	2	6	3
Total (Applications Submitted & Paid)	727	125	293	56	219	27	215	42

Results for Open Retail are not official until internal audit is completed and minimum qualifications review process is finalized. Open Retail Lottery will be held in December 2024. Over 500 applications received for the 15 Open Retail Licenses



Will required 21 Lottery
Drawings 10/24/2024

Data from 10.22.2024

Focus on Retail Licenses – Kent County

- Available Retail Licenses in Kent County: 6 Marijuana Retail Store Licenses (3 Social Equity Retail and 3 Open License Retail)
- Marijuana Retail Store Conversion Licenses approved in Kent County:
Not open yet for Adult Use
 - Conversion Licenses – Medical Marijuana Program: There are 4 approved conversion license retail locations in Kent County. None are within the Camden Town limits.
 - Columbia Care 200 S. Dupont Blvd, Smyrna DE 19977
 - Best Buds 516 Jefferic Blvd, Dover, DE 19901
 - The Farm 105 Irish Hills Rd Felton, DE 19943
 - Fresh Delaware 635 N. Dupont Blvd Milford, DE 19963



Medical Marijuana Program (MMP)

Current Medical Marijuana Retail Locations

• Best Buds	516 Jefferic Blvd	Dover, DE 19901
• Best Buds	23 Georgetown Plaza	Georgetown, DE 19947
• Columbia Care	5608 Concord Pike	Wilmington, DE 19803
• Columbia Care	200 S. Dupont Hwy	Smyrna, DE 19977
• Columbia Care	36725 Bayside Outlet	Rehoboth Beach, DE 19971
• First State Compassion	37 Gernay Dr	Wilmington, DE 19804
• First State Compassion	12000 Old Vine Blvd	Lewes, DE 19958
• Fresh Delaware	800 Ogletown RD	Newark, DE 19911
• Fresh Delaware	22982 Sussex Hwy	Seaford, DE 19973
• Fresh Delaware	Milford Shopping Center	Milford, DE 19964
• The Farm	105 Irish Hills Rd	Felton, DE 19943
• The Farm	240 S. DuPont Hwy	New Castle, DE 19720
• Field Supply	4555 Kirkwood Hwy	Wilmington, DE 19808

13



Currently Open



Open 2024



6- Licensed Operators in OMM combine for 13 retail locations
5 have cultivation - 4 have manufacturing



Lottery Process



Step 1: Drawing held Thu. 10/24/2024

- If an applicant passes the minimum qualifications review and has paid their application fee, they receive a lottery number generated by the system
- A separate drawing will be conducted for each category of license by County.
- The 10/24/2024 Lottery will include all categories except Open Retail Licenses
- Open Retail License Lottery will be conducted in a December 2024 Lottery Drawing



Step 2: The Lottery Drawing –

- will be broadcast on Facebook Live but will only reveal the selected Lottery Number.
- The selected applicants will be officially notified by the OMC in the days following the lottery.



Step 3: The Selected Applicants Notification

- Once all Selected Applicants have been officially notified the identity of the selected applicants will be shared with the media and the public

○ Step 4: The Conditional License

- Selected Applicants will be issued a Conditional License and begin the Supplemental Application Process

○ Step 5: The Active License

- The Active License is not issued until the entire process is completed and all requirements of Title 4 § 1354 have been met

My Town & The OMC

§ 1354 Grounds for refusal of license; transfer or extension of premises.

(a) The Commissioner **may not** grant a license under this chapter in any county or subdivision thereof, if granting a license is contrary to the law of any **municipality or county** adopted under § 1351 of this title.

(b) The Commissioner **may refuse** to license an applicant if the Commissioner has substantial evidence that would reasonably support a belief that any of the following apply:

(1) There are sufficient licensed premises in the **municipality or county**, or the granting of a license in the **municipality or county** stated in the application is not otherwise demanded by public interest or convenience.

(d) The Commissioner **may refuse** to grant a license to sell marijuana, marijuana products, or marijuana accessories to any new establishment to be located **in the vicinity of a church, school, college or substance abuse treatment facility** as defined under § 2203 of Title 16...

(e) The Commissioner **shall refuse** to grant a license for the sale of marijuana, marijuana products, or marijuana accessories **when there is an existing licensed establishment of the same type within 1200 feet by accessible public road or street in any incorporated city or town, or within 1 mile by accessible public road or street in any unincorporated or rural area. ...**



My Town & The OMC

§ 1354 Grounds for refusal of license (cont'd)

(g) The Commissioner may not grant a new license of any type and may not grant an extension of premises of an existing license of any type unless the application for said new license or for said extension is accompanied by a certificate of compliance from the appropriate political subdivision showing all of the following:

- (1) That the premises where the license is to be used are properly zoned for the applicant's intended use.
 - (2) That all necessary permits have been approved.
 - (3) That the applicant has complied with all other applicable licensing requirements of the appropriate political subdivision.
- (h) Subsection (g) of this section does not apply to any application for a temporary extension of premises as authorized by Commissioner rule if such application has not been objected to by the appropriate political subdivision and the political subdivision was provided with notice of the application by the applicant within 7 days of the date the application is filed with the Commissioner.



Questions



Commissioner Rob Coupe
Deputy Commissioner Paul Hyland
Director Joe Schlimer, Medical Marijuana Program
Keila Montalvo, Community Relations Officer
Taylor Shannon, Administrative Specialist II
DAG Adria Martinelli, Legal Counsel
Dawn Robinson, Social Equity Program



Website OMC.Delaware.gov
Also on **Facebook**, **Instagram** and **X**



**THE OFFICE OF THE
MARIJUANA
COMMISSIONER**

CONTACT US

302-244-3662

OMC@DELAWARE.GOV

Not in My Town

§ 1351 Local control - A municipality may prohibit the operation of ...

- Marijuana Use is Legal – it can be used in your jurisdiction
- Does the illegal market currently supply marijuana users?
- Improving Blighted Areas? Industrial areas?
- Medical Card Holders – how many are in your town or jurisdiction? (532)
- Will persons with disabilities benefit from having a dispensary nearby?
- Would your town benefit from the employment opportunities?
- Opportunities for the construction trades and other businesses?



What's in My Town?

- Keep an eye on this developing “gray market”
- Hemp based THC infused products
- 2018 Farm Bill unintentionally created this market
- Unregulated after cultivation
- Intoxicating hemp products
- 0.3% THC limit dry weight
- delta 8 THC synthesized from CBD
- CBD + acid + heat = delta-8 THC
- Congress working on a new 5-year authorization...



Reference Slides Follow. If needed

§ 1387 Appropriation of revenue.

(b) The funds in the **Justice Reinvestment Fund** in each fiscal year shall be appropriated to the Criminal Justice Council to administer grants, contracts, services, or initiatives that focus on any of the following:

- (1) Restorative justice, jail diversion, workforce development, industry-specific technical assistance or mentoring services for economically-disadvantaged persons in disproportionately-impacted areas.
- (2) Addressing the underlying causes of crime, reducing drug-related arrests, and reducing the prison population in this State.
- (3) Creating or developing technology to assist with the restoration of civil rights and expungement of criminal records.
- (4) Supporting social equity applicants with select business-related expenses.
- (5) Supporting or providing reentry services for justice involved individuals.

Any remainder in the Fund at the end of a fiscal year is not subject to reversion.

Funds related to the Marijuana Control Act

Established 15% sale tax

Marijuana Regulation Fund

The Office of the State Treasurer shall administer the fund §1381(a)

Justice Reinvestment Fund

7% of monthly total tax revenue collected will be allocated to the Justice Reinvestment Fund

The Criminal Justice Council (CJC) will administer grants, contracts, services or initiatives §1387(b)

Marijuana Social Equity Business Development Fund

Created in the Bond Bill Sect.101 and included \$2.0 million in funding from the bond bill. These funds will support the Social Equity Program grant initiative.



Other topics....

DTCC Marijuana Industry Training Program – Workforce Development January 2025

Testing Project with DSP of the products from the illegal market to compare to the standards in the regulated market

OMC FAQs page at our website omc.delaware.gov

- How do I know the marijuana products I buy are safe?
 - To reduce the risk of consuming dangerous substances from marijuana, it is important to buy marijuana from a State of Delaware regulated business. To protect the public, all marijuana grown in Delaware undergoes a rigorous testing protocol to detect mold, bacteria, yeast, pesticides, solvents, and heavy metals testing.
- **DATA & METRICS-** what data points should be studied by the State?
 - Employment impact?
 - Crime and Drug Use?
 - Economic Impact?
 - Highway Safety?
 - Health and Safety? E.R. Visits?

