Susan Kent, Chair Valerie De La Rosa, First Vice Chair Eugene Yoo, Second Vice Chair



Antony Wong, Treasurer Emma Smith, Secretary Brian Pape, Assistant Secretary Mark Diller, District Manager

COMMUNITY BOARD NO. 2, MANHATTAN

3 WASHINGTON SQUARE VILLAGE NEW YORK, NY 10012-1899 www.manhattancb2.org P: 212-979-2272 F: 212-254-5102 F: info@manhattancb2.org Greenwich Village * Little Italy * SoHo * NoHo * Hudson Square * Chinatown * Gansevoort Market

25 November 2024

To: Tremaine Wright Chair NYS Cannabis Control Board Felicia A. B. Reid Executive Deputy Director Acting Executive Director NYS Office of Cannabis Management

RE: Elise Pelka LLC d/b/a Flynnstoned OCMCAURD-2022-000180 388 West Street, 10014

Dear Chair Wright, and Acting Executive Director Reid,

Community Board #2, Manhattan adopted the following resolution at its Full Board meeting on 21 November 2024:

Resolution to Deny the Application for Elise Pelka LLC d/b/a Flynnstoned 388 West Street 10014

- 1. WHEREAS, on October 17, 2024, CB2 received a Notification to Municipality form OCM-06009 for an Adult-Use Retail Dispensary License for Elise Pelka LLC d/b/a Flynnstoned Cannabis Co. at 388 West Street, 10014, a one-story building with a cellar level located within the Weehawken Street Historic District; and
- 2. WHEREAS, the proposed premises is on the north/west corner of Christopher Street and the riverfront featuring 89' feet of frontage on West Street, 30' feet on Christopher Street to the north, 80' feet on Weehawken Street to the east, with alternate addresses at 390 West Street, 187 Christopher St., and 10 Weehawken St.; and
- 3. Whereas, a projected opening date of April 2025, and proposed hours of operation, Monday-Wednesday 10AM-9PM, Friday-Saturday 10AM-10PM, Sunday 10AM-8PM were submitted via questionnaire; and
- 4. WHEREAS, on July 19, 2023, the corporate entity <u>Elise Pelka LLC¹</u> was granted a provisional license No. OCMCAURD-2022-000180, yet no individual demonstrating control over the applying business was present; and

¹ https://www.nycompanyregistry.com/companies/elise-pelka-llc/

- 5. WHEREAS, a NY DOS Certificate of Incorporation was submitted to CB2 on behalf of this application for <u>Flynnstoned Corporation</u>, as was an OCM Certificate of Licensure No. OCM-CAURD-23-000010 dated (6/2/2023), also in the name of Flynnstoned Corporation, not the business entity submitted to CB2, <u>Elise Pelka LLC</u>/OCMCAURD-2022-000180², raising questions about what entity is applying; and
- 6. WHEREAS, while Ms. Pelka was cited on the questionnaire as the qualifying justice involved individual owning at least fifty-one percent (51%) controlling interest of that business, the cap table³ submitted to CB2 identifies Ms. Pelka and Mr. Flynn as having equal ownership at 50% each; and Mr. Flynn's description of Ms. Pelka as "just a silent partner" raises questions about TPI compliance; and
- 7. WHEREAS, Mr. Flynn answered in the affirmative via <u>questionnaire</u>⁴ a plan to transfer or sell ownership or voting stakes in the business raising questions about who would have control over the proposed dispensary and operations; and
- 8. WHEREAS, the <u>official Flynnstone Cannabis Company YouTube</u>⁵ channel, <u>and other</u> <u>YouTube channels</u>⁶ contains several video of individuals, including dispensary staff, partygoers, and ownership participating in cannabis consumption at a third floor lounge, and other spaces within the Flynnstoned flagship in Syracuse, raising questions about compliance with on-site consumption regulations and operational integrity; and
- 9. WHEREAS, the proposed premises is a one-story retail building completed in 1938 within the landmarked <u>Weehawken Street Historic District</u>⁷, a distinctive enclave of fourteen buildings on one of the city's shortest blocks representing a century of history, character architecture and development in the Village's Hudson River waterfront; and
- 10. WHEREAS, the property broker stated that the premises is currently under construction, which was confirmed by the applicant (then rescinded), yet no required permits have been filed with the Landmarks Preservation Commission (LPC), or Department of Buildings (DOB) raising questions about compliance with district regulations; and
- 11. WHEREAS, The <u>1938 Certificate of Occupancy</u>⁸ allows for only 10 occupants, yet the applicant has 40 employees which the Applicant later said was a typo; and
- 12. WHEREAS, neither a current DOB Certificate of Occupancy or DOB Letter of No Objection was provided, and an alternate non-compliant document from a third-party was submitted in their stead; and
- 13. WHEREAS, the proposed premises is located in a flood zone with a history of severe flooding, yet no flood mitigation measures were addressed raising concerns about structural safety and tenant vulnerability; and
- 14. WHEREAS, residents living within 300-feet of the proposed premises cited heightened security concerns due to ongoing burglaries on the block; and
- 15. WHEREAS, security concerns are justified as theft, robberies, and burglaries of licensed dispensaries are becoming increasingly common, as multiple NYS dispensaries have been subject to such criminal activities; and
- 16. WHEREAS, it has been reported that an <u>attempted burglary at the Flynnstoned</u>⁹ flagship in Syracuse, and similar events at multiple licensed dispensaries throughout the state sometime result in crime spilling over into the surrounding areas; and

² https://cannabis.nv.gov/system/files/documents/2023/07/ccb-caurd-provisional-license-approvals-7-19-23_0.pdf

³ A cap table, or capitalization table, is a document that shows a company's ownership structure and equity capitalization.
⁴ https://cbmanhattan.cityofnewyork.us/cb2/wp-content/uploads/sites/9/2024/11/PUBLICQUESTIONNAIRE_ElisePelkaLLCdbaFLYNNSTONED_388WestSt10014.pdf

https://www.youtube.com/watch?v=oalcFOMXnCE https://www.youtube.com/watch?v=ygr7P8HaLV0

https://s-media.nyc.gov/agencies/lpc/lp/2183.pdf

^a https://drive.google.com/file/d/1tGF-26en4NI0xc59yI5q66Bqsat0cQj1/view?usp=sharing
^b https://www.svracuse.com/crime/2024/08/five-boys-accused-of-break-ins-at-2-gun-stores-failed-attempt-at-svracuse-cannabis-shop.html

- 17. **WHEREAS**, The heightened risk of crime associated with a cash-heavy business model is highlighted by the recent burglary of a CB2 dispensary on November 16, 2024; and
- 18. WHEREAS, failure to conduct meaningful outreach to local stakeholders has fostered mistrust with the community; and
- 19. WHEREAS, the security plan submitted via questionnaire failed to include adequate measures to prevent burglaries, or deter spillover crime impacting neighboring residential buildings and businesses; and
- 20. WHEREAS, the proposed dispensary's close proximity to several places that provide services and activities for local families including multiple schools, educational facilities, the 420 apartments of the <u>West Village Houses development</u>¹⁰, the Christopher/West Street bus stop¹¹ and the <u>Hudson River Park and Christopher Street Pier/45</u>¹², directly across the street from the proposed premises, where many schools and children's classes/activities occur all year round, raised concerns about public safety and community impact; and
- 21. WHEREAS, the proposed premises is directly opposite (75ft.) a supportive housing site for homeless and/or very low-income New Yorkers slated for 180 Christopher Street¹³, raises additional concerns about the impact on vulnerable populations; and
- 22. WHEREAS, several formal letters of opposition have been received by CB2 and local elected officials, including from two nearby buildings representing approximately 140 residential units; and
- 23. WHEREAS, several residents from nearby buildings attended the hearing, citing concerns which included increased insurance premiums, increase in pedestrian and vehicular traffic in the already busy residential area, increased illegal use of cannabis in area parks and other public and prohibited spaces, an uptick in criminal activity, and general neighborhood disruption; and
- 24. **WHEREAS**, the president of a nearby Condo Association confirmed that its insurance premiums would substantially increase if the dispensary is approved raising concerns that longtime Village residents ability to age-in-place if priced-out of their homes as a result of the dispensary; and

THEREFORE, BE IT RESOLVED, Community Board 2 (CB2) strongly recommends the <u>denial</u> of the Adult-Use Retail Dispensary License application for Elise Pelka LLC d/b/a Flynnstoned Cannabis Co. at 388 West Street, NY, NY 10014, due to the extensive and documented issues outlined, and that this decision shall be deemed part of the record upon which the Office of Cannabis Management (Office) makes its recommendation to the Cannabis Control Board (Board) to grant or deny the application per §76 section 4 of NYS Cannabis Law.

- Inconsistent and incomplete documentation regarding ownership, entity control, and compliance with regulatory requirements.
- Possible violations of cannabis consumption regulations and operational integrity at the applicant's other business locations.
- Failure to address historic preservation requirements and flood zone mitigation measures for the landmarked premises within the Weehawken Street Historic District.

¹⁰ <u>https://en.wikipedia.org/wiki/West_Village_Houses</u>

¹¹ <u>https://bustime.mta.info/m/index?q=903030</u> ¹² https://hudsonriverpark.org/

https://villageview.nyc/2024/01/05/bailey-holt-house-to-be-replaced-with-a-16-story-tower/

- Concerns regarding public safety, increased crime risks, and insufficient security measures for a cash-heavy business in a residential neighborhood.
- Lack of meaningful outreach to local stakeholders and overwhelming community opposition, including formal letters of objection from residents to the CB and elected officials.
- Proximity to schools, parks, supportive housing for vulnerable populations, and other sensitive areas that make the location inappropriate for a cannabis dispensary.

BE IT FURTHER RESOLVED, CB2 strongly advises that applications of this nature must meet the highest standards of transparency, community engagement, and compliance with all applicable regulations, including but not limited to cannabis law, state regulations, zoning, historic preservation, and security requirements, to be considered viable. The applicant's demonstrated lack of preparedness and the significant concerns raised by the community make this application unsuitable for approval.

Passed with 37 Board Members in Favor, 1 recusal (M. Metzger)

Thank you for your consideration. Please advise us of any decision or action taken in response to these comments.

Sincerely,

Susan Kent, Chair Community Board #2, Manhattan

Mar Hıtzgerald

Mar Fitzgerald, Chair Cannabis Licensing Committee (CLC) Community Board #2, Manhattan

SK/fa

Cc: Pascale Bernard, Deputy Director of Intergovernmental Affairs, NYS OCM Philip Rumsey, Manager of Intergovernmental Outreach, NYS OCM Hon. Eric Adams, Mayor of the City of New York Hon. Jumaane Williams, NYC Public Advocate Hon. Brad Lander, NYC Comptroller Hon. Mark Levine, Manhattan Borough President Hon. Christopher Marte, Council Member Hon. Erik Bottcher, Council Member Hon. Carlina Rivera, Council Member Hon. Kathy Hochul, Governor of the State of New York Hon. Daniel Goldman, Congressman Hon. Brad Hoylman-Sigal, NYS Senator Hon. Brian Kavanaugh, NYS Senator Hon. Deborah Glick, Assembly Member Hon. Grace Lee, Assembly Member Dynishal Gross, Commissioner, NYC Small Business Services Susan Kent, Chair Valerie De La Rosa, First Vice Chair Eugene Yoo, Second Vice Chair



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25 November 2024

To: Tremaine Wright Chair NYS Cannabis Control Board Felicia A. B. Reid Executive Deputy Director Acting Executive Director NYS Office of Cannabis Management

RE: Seven Forty Eight LLC d/b/a Dazed OCMCAURD-2022-000287 112 Mulberry Street 10013

Dear Chair Wright, and Acting Executive Director Reid,

Community Board #2, Manhattan adopted the following resolution on 21 November 2024:

Resolution to Deny the Application for Seven Forty Eight LLC d/b/a DAZED 112 Mulberry Street 10013

- 1. WHEREAS, on October 21, 2024, CB2 received a Notification to Municipality form OCM-06009 for an Adult-Use Retail Dispensary License for for Seven Forty Eight LLC, 112 Mulberry Street 10013, a 5-story mixed-use building built in 1920 with 18 units; and
- 2. WHEREAS, Various parties have previously submitted and withdrawn NTM forms on behalf of Seven Forty Eight LLC, 112 Mulberry Street 10013 on 7/18/24, 8/2/24, 8/13/24, 9/16/24, and 10/3/24, repeatedly imposing undue burden on the Community Board and CB2 office staff, as significant time and City resources are expended to research and process each individual application prior to hearings; and

- 3. **WHEREAS**, the proposed premises is on the east side of Mulberry Street between Hester Street to the North and Canal Street to the South with 25.92 ft of street frontage; and
- 4. WHEREAS, the proposed premises is subject to Special Use Regulations and strict construction and design restrictions as it is located within the <u>Special Little Italy District</u> (LL)¹; which was established to preserve and enhance the historic and commercial character of this traditional community, preserve the vitality of street life by reducing conflict between pedestrian and vehicular traffic, permit rehabilitation and new development consistent with the residential character and scale of the existing buildings in the area, improve the physical environment, and promote the more desirable use of land in the area; and
- 5. WHEREAS, a projected opening date of April 2025, and proposed hours of operation, 8AM-12AM, 7-days per week were submitted via questionnaire; and
- 6. WHEREAS, on July 19, 2023, the corporate entity Seven Forty Eight LLC was granted a license No. OCMCAURD-2022-000287 on July 20, 2024, yet the individual with principal control over the applying business wan not present; and
- 7. WHEREAS, ownership of this license was submitted via questionnaire as: Victor Parise 30%, Richard Rainone 24.5%, Christopher Vianello 24.5%, and Keshawn Warner 21%; and
- 8. WHEREAS, all three minority owners <u>have two other dispensaries in Monson and Holyoke</u> <u>Massachusetts</u>, and own and have operated Dazed dispensary at 33 Union Square West since April 2023; and
- 9. WHEREAS, the Dazed Instagram page² channel, and other social media account³ contains several videos featuring extensive programming on the sidewalk outside the store, just opposite the Union Square Park Playground, which includes <u>smoking cafes</u>, <u>branded BMX activations</u>, performances and amplified music, <u>liquor partnerships and bar set-ups</u> from <u>Villon Cognac</u> and <u>Belaire Rosé Champagne</u>. as well as, in-store events with rap performances, influencers and deejays, raising questions about the brand's operational methods, compliance with city laws and state regulations, operational integrity; and
- 10. WHEREAS, research has revealed that Mr. Parise, the principal owner of Seven Forty Eight LLC, may have some association with the unlicensed cannabis delivery service <u>VGI</u>⁴/Vic's Green Team, which advertises sale, discounts and delivery of multiple products including out-of-state cannabis, flavored nicotine vapes and magic mushrooms; and
- 11. WHEREAS, nearby Mulberry Street business owners, including the producers of the <u>Feast of</u> <u>San Gennaro</u>⁵, an annual festival and major economic driver for Little Italy businesses that

¹ https://zr.planning.nyc.gov/article-x/chapter-9 ²https://www.instagram.com/dazedcanna/reels/?hl=en

³ https://www.youtube.com/watch?v=ygr7P8HaLV0 https://yotnyc.com/?express=false&orderType=Delivery

⁵ <u>https://sangennaronyc.org/</u>

takes place over 11 days across 11 blocks of Mulberry Street annually, verbally expressed strong opposition to the proposed dispensary, they have yet to submit comments; and

12. WHEREAS, Mr. Rainone stated that he spoke with two individuals he met exiting the residential portion of the building, no meaningful outreach has been performed; and

THEREFORE, BE IT RESOLVED, Community Board 2 (CB2) recommends the <u>denial</u> of the Adult-Use Retail Dispensary License application for Seven Forty Eight LLC d/b/a DAZED at 112 Mulberry Street, NY, NY 10013 due to the documented issues herein, and that this decision shall be deemed part of the record upon which the Office of Cannabis Management (Office) makes its recommendation to the Cannabis Control Board (Board) to grant or deny the application per §76 section 4 of NYS Cannabis Law.

Passed: Passed with 37 Board Members in Favor, 1 recusal (M. Metzger)

Thank you for your consideration. Please advise us of any decision or action taken in response to these comments.

Sincerely,

Susan Kent, Chair Community Board #2, Manhattan

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