CITY OF NEW YORK MANHATTAN COMMUNITY BOARD FOUR

424 West 33 Street, Suite #580 New York, NY 10001 tel: 212-736-4536 www.nyc.gov/mcb4



JESSICA CHAIT Chair

JESSE R. BODINE District Manager

April 9, 2025

Felicia A. B. Reid Acting Executive Director NYS of Cannabis Management Harriman State Office Building Campus 1220 Washington Ave. Albany, NY 12207

Tremaine Wright Chairwoman Cannabis Control Board Harriman State Office Building Campus 1220 Washington Ave. Albany, NY 12207

RE: 442 Tenth Avenue (34th/35th) – Balagan Cannabis

Dear Ms. Reid and Ms, Wright,

Manhattan Community Board 4 ("MCB4"), on April 2, 2025, voted, by a vote of 41 for, 3 against, 0 abstaining, and 0 present-not-eligible, to recommend approval of the application of Balagan Cannabis for an Adult-Use Retail Dispensary at 442 Tenth Avenue, New York, NY 10001.

Balagan Cannabis, a social and economic equity applicant is a majority woman owned business that currently operates a dispensary in Northampton, Massachusetts. The connection to this community and the primary reason for the site selection stems from Rudick Law Group, Balagan's legal counsel. Rudick Law, founded by Lauren Rudick, specializes in cannabis law and their offices are in our community, only several blocks away from the proposed location for Balagan Cannabis. The site 442 Tenth Avenue for the past hundred years was home to Veterans Chair Caning and Repair. If granted the license by OCM in April, it is expected construction of the space will take up to 5 to 6 months, pushing the potential opening towards the end of the year.

Balagan Cannabis is seeking an Adult-Use retail dispensary license. Adult-Use retail dispensaries are the principal license to conduct retail sales of adult-use cannabis products to consumers over twenty-one (21) years old. Retail dispensaries are allowed to

acquire, possess, sell, and deliver adult-use cannabis products from their own licensed premises and licensed distributors, in addition to other select items including paraphernalia. Balagan Cannabis will offer in-store and online items with delivery service available. Proposed hours of operation are 8am to 10pm Monday through Friday and 10am- 10pm Saturday and Sunday.

The space is in compliance with all OCM requirements regarding distance away from other dispensaries, schools and houses of worship. However, it is in close proximity to Bella Abzug Park, which is of concern for some community members. Legal Counsel, Lauren Rudick, who frequents this park with her family, expressed confidence that the proposed dispensary would not be a contributor to problems at that park related to cannabis.

Balagan Cannabis's experience in the industry combined with a very well-versed cannabis attorney provides assurance this applicant has a strong understanding of the complexity of OCM regulations. MCB4 recommends approval if and only if the Applicant agrees to the following stipulations:

- Actively engage with the local Block Associations and other community stakeholders with the aim of solving problems if they arise
- Commits to not using the backyard, which is designated as an employee break area for cigarette smoking or play amplified music in this space
- The Applicant will operate the dispensary in accordance with the methods outlined in the applicant's MCB4 Cannabis Task Force application (annexed hereto as Exhibit A).

MCB4 District Office	MCB4 Cannabis Task Force	Date
Signature: Jesse Bodine Print: Jesse Bodine	Signature: Print: Delores Rubin	Date: 4/8/25 Date: 4/8/25
Applicant		
Print: Rachael Workman		Date:
Signature: Albah		4/7/2025

Jessica Chair

Chair

Manhattan Community Board 4

MCB4 Cannabis Licensee Application

Email *
lrudick@rudicklawgroup.com
Corporation Name *
Balagan Cannabis NY LLC
*Doing Business As *
Balagan Cannabis
Address (or intended address) *
442 10th Avenue, New York, New York 10001
Attorney/Representative
Rudick Law Group, PLLC (Lauren A. Rudick, Esq.)
Owner *
Rachael Workman

Please list all individuals and entities with financial interest in this business and percentage of

Phone Number/Email Address * (917) 405-4206 / Irudick@rudicklawgroup.com
Application Type *
Adult-Use Retail Dispensary
Adult-Use Retail Dispensary & Consumption Facility
Microbusiness
Registered organization (ROD)
Other:
Does the Applicant have a fully executed lease? *
Yes
○ No

Balagan Short Fo	
Please upload the Sit	te & Security plans for your business.
2025-03-10 RLG	
	mation: Name, Phone Number, Business Address & Email Address * Madison Realty Capital, (646) 868-7600; 520 Madison Avenue, Suite 3501, New York
442-10 Owner LLC c/o I New York 10022.	
442-10 Owner LLC c/o I New York 10022. Applicant Priority	Madison Realty Capital, (646) 868-7600; 520 Madison Avenue, Suite 3501, New York
442-10 Owner LLC c/o I New York 10022. Applicant Priority	Madison Realty Capital, (646) 868-7600; 520 Madison Avenue, Suite 3501, New York
442-10 Owner LLC c/o I New York 10022. Applicant Priority Social & Economic	Madison Realty Capital, (646) 868-7600; 520 Madison Avenue, Suite 3501, New York

Has the owner filed with the Cannabis Control Board/OCM? *
YesNo
If no, when does the owner plan on filing?
Pursuant to § 119.1 of the Adult-Use Cannabis Regulations, has the applicant confirmed that * the location is NOT (a) on the same road and within 200 feet of a building occupied exclusively as a house of worship?
○ No
(b) on the same road and within 500 feet of the entrance of a building occupied exclusively as a * school?
YesNo

(c) on the same road and within 500 feet of a structure and its grounds occupied exclusively as * a public youth facility?	
○ Yes	
○ No	
N/A (see § 119.1 (3))	
Are there any drug treatment facilities, harm reduction facilities, playgrounds or parks within * 1000 ft. of the proposed cannabis business location? If yes, please list: No	

Community Notification/Relations

List all: block associations; tenant associations, co-op boards or condo boards of residential buildings; and community groups that applicant has notified regarding its application. For each please list both the organization and individual you contacted.

Option 1

If the location has residential units in the same building, please list both the method and date of when notice was provided to those residential units and can you confirm the residential units are aware of this application?

On March 10, 2025, Notice of this Application was prominently posted via the Public Notice form provided by CB4, on the door to Residential Units (above the buzzers) and on the front of the anticipated Retail Storefront. Notices were also prominently posted on neighboring street corners (corners of 34th Street and 35th Street, where both streets intersect with 10th Avenue). The Owner has asked the Landlord to also post the Notice in the Laundry Room of the Building and/or any other common area (and that such posting occur no later than March 10, 2025). As of the date of this Application, we are unable to confirm if residential units are aware of this application.

Will applicant provide owner cell phone number to neighbors and respond to complaints that arise?	*
○ Yes	
No	
Will applicant inform the Community Board of its job openings and/or provide a hyperlink to applicants jobs webpage?	*
Yes	
○ No	
Background	
Does the owner(s) have a connection to Community District 4? *	
O Business Owner	
Resident	
Other	
None	

Please provide a brief overview of the applicant's previous business experience. Please list all owned/operated businesses within Community District 4.

The ownership team behind this application brings a wealth of entrepreneurial expertise across multiple industries, with a proven track record of building and scaling successful businesses. In addition to bringing cannabis business expertise (described further below) to the table, this team's collective experience spans high-end hospitality, real estate investment, brand development, and legal expertise. Itamar Alpert's strategic investment background offers the team unparalleled financial and operational acumen. Gil Sasson's deep experience in hospitality and operating community-based, coupled with Raz Gal's leadership and legal expertise (spouse of Rachael Workman), further solidify the team's ability to navigate and expand in a competitive industry. In 2023, the team welcomed seasoned entrepreneur Randy Gindi, whose extensive background in fashion licensing and wholesale apparel, hospitality, and real estate adds another dimension of strategic growth potential. And in addition to the founding partners, Rachael Workman, a native of Northampton, Massachusetts and Creative Director at SHADOW, a leading NYC-based creative communications agency, has played a vital role in shaping Balagan's brand and strategy. Her extensive network in retail, hospitality, and legal communities has provided critical support to the business's growth and expansion. With a strong foundation in retail and business development, this team is well-positioned to succeed in New York's emerging cannabis industry.

Balagan Cannabis NY will be the ownership team's first venture in CB4.

If the applicant has previous experience in the cannabis industry, please explain.

Founders Raz Gal, Adi Nagli, Itamar Alpert, and Gil Sasson, lifelong friends from Northern Israel, launched Balagan Cannabis in Northampton, Massachusetts, during the pandemic in October 2021, creating a thriving dispensary and café concept. Moreover, Adi Nagli's decade-long success in the cannabis industry, including operating nursery and retail ventures in Maine, has been instrumental in Balagan Cannabis's growth, while Itamar Alpert and Randy Gindi both have prior experience working in cannabis accessories with Itamar cofounding Nugglis, a cannabis brand focused on CBD products, glassware, and smoking accessories, provides applicant with much-needed operational acumen. Together, this team has decades worth of experience developing and operating a cannabis business in constantly evolving regulatory regimes.

Is there any other information the applicant would like to provide the Board regarding work or life experience?

None at this time.

Operational Details

State the name and type of business previously located in this space. *

For the past 100 Years, the business previously located at the proposed location is Veterans Chair Caning and Repair, a furniture retail and restoration store.

What are the hours of	operation M-F?*	
What are the hours of	peration Sat-Sun? *	
10-10		
Please upload applica	ts security plan or provide detailed description in the next respons	e. *
Please upload applica	ts security plan or provide detailed description in the next respons	e. *
	ts security plan or provide detailed description in the next respons	e. *
). 2025-03-10 RLG	ts security plan or provide detailed description in the next respons	e. *
	ts security plan or provide detailed description in the next respons	e. *

What is the anticipated increase in sidewalk traffic? How will you manage the sidewalk, crowd control, vehicular traffic? Will you use utilize stanchions and ropes?

Though there is no data currently available with respect to traffic impacts of cannabis retail dispensaries in NYC, traffic data from other states like New Jersey, the configuration of the neighborhood in which our proposed location sits, and the steps we intent to take to mitigate any adverse effects on congestion and traffic, taken together, leads us to conclude that a cannabis dispensary located at the proposed location is unlikely to cause a significant or unmanageable increase in traffic. Specifically, this conclusion is based on:

Traffic Data from Nearby States: A traffic impact study for a proposed 3,802-square-foot cannabis dispensary in Woodbury Heights, New Jersey, for example, estimated an increase of 40 vehicle trips during the morning peak hour, 72 during the evening peak hour, and 110 during the Saturday peak hour. These figures are relatively modest and suggest that dispensaries do not substantially burden local traffic systems. Another traffic study for a proposed dispensary in Danbury, Connecticut, estimated an increase of approximately 500 vehicle trips on a typical weekday, representing a 2% rise in traffic volume on the affected road.

Hudson Yards Configuration: Hudson Yards is a modern, mixed-use development designed to accommodate high volumes of both vehicular and pedestrian traffic. It offers multiple parking facilities, including partnerships with services like Icon Parking, ensuring ample parking availability for visitors. Additionally, Hudson Yards is well-served by public transportation, including the 34th Street–Hudson Yards subway station (7 train), numerous bus routes, and proximity to Penn Station, encouraging visitors to opt for public transit over personal vehicles.

Planned Traffic Management Solutions: To ensure smooth traffic flow and mitigate potential congestion, the following measures will be implemented:

Traffic Impact Assessments: Conduct comprehensive studies to anticipate changes in traffic patterns and address potential issues proactively.

Parking Management: Collaborate with local parking providers to secure dedicated parking spaces for dispensary customers, minimizing the impact on existing parking resources.

Security Measures: Employ trained personnel to manage pedestrian flow and maintain order, preventing sidewalk congestion and ensuring a pleasant experience for all visitors.

Community Engagement: Engage with local residents and businesses to address concerns, gather feedback, and adjust operations as needed to align with community expectations.

Regulatory Compliance: Adhere strictly to local laws regarding odor, noise, and sidewalk usage to minimize disturbances and maintain a harmonious environment.

By considering data from other states, leveraging the robust infrastructure of Hudson Yards, and implementing targeted traffic management strategies, the opening of a retail cannabis dispensary in this area is projected to have a minimal (or modest, at worst) impact on local traffic conditions.

How many employees does the applicant expect to employ? How many full-time/part-time? *	
20 FT employees	

Please provide the applicant's hiring plan; please explain if the applicant will take steps to hire from CB4.

- 1. Hiring.
- a. General Hiring Plan.
- i. Identify key positions in Balagan Cannabis NY LLC, such as budtenders, delivery drivers, and managers. These roles are essential for the smooth operation of the dispensary and require specific skills and knowledge about responsibility. For example, budtenders should have a deep understanding of cannabis products, as well as strong customer service skills, while delivery drivers should have a valid driver's license and a clean driving record.
- ii. Develop detailed job descriptions and requirements for each position. These job descriptions should clearly outline the responsibilities, qualifications, and experience required for each role. This will help to ensure that candidates are well-suited for the position and that they understand the expectations of the role.
- iii. Utilize a variety of recruitment methods, such as online job postings on sites such as indeed.com or LinkedIn, and employee referrals, to attract a diverse pool of candidates. This will help to ensure that Balagan Cannabis NY LLC has a diverse and inclusive workforce. By advertising job opportunities through different channels, the dispensary will be able to reach a wide range of candidates and increase the chances of finding the right people for the job.
- iv. Prioritize hiring individuals from communities disproportionately impacted by the War on Drugs. This will help to address the social injustice caused by the War on Drugs and provide opportunities for individuals who have been affected by it. By hiring individuals from these communities, the dispensary will be able to contribute to the healing process and be a part of the change.
- b. Compliance with CB4 Hiring Practices in New York.
- i. Engage with Local Workforce Development Partners
- 1. Collaborate with CB4-endorsed employment and training services, including the New York State Department of Labor, Consortium for Worker Education, Job Path, and other key workforce organizations.
- 2. Leverage these partnerships to recruit, train, and support local job seekers, including individuals from underrepresented groups, persons with disabilities, and those reentering the workforce.
- ii. Prioritize Local Hiring Through Business Improvement Districts
- 1. Establish recruitment pipelines with BIDs such as the Flatiron/23rd Street Partnership, 34th Street Partnership, Garment District Alliance, and Times Square Alliance.
- 2. Actively participate in BID-sponsored job fairs, networking events, and workforce programs to source qualified candidates.
- iii. Implement Fair and Inclusive Hiring Practices
- 1. Develop transparent recruitment and screening procedures that promote equal employment opportunities.
- 2. Ensure that hiring processes consider skill-based qualifications and provide pathways for career advancement.
- iv. Promote Economic Development and Workforce Stability
- 1. Support CB4's vision for local economic growth by prioritizing hires from within the district and offering career development opportunities.

- 2. Engage in community workforce initiatives that provide training, apprenticeships, and skill-building programs for local residents.
- v. Monitor and Report Hiring Outcomes
- 1. Maintain compliance with CB4 hiring guidelines by tracking employment data, hiring success rates, and community impact.
- 2. Regularly assess and refine hiring strategies to align with evolving workforce needs and CB4 recommendations.

2. Training.

a. Develop and implement comprehensive training programs for all employees.

These programs should cover cannabis products, industry regulations, customer service, and compliance with state and local laws and regulations. It is important that all employees have a thorough understanding of the products and the regulations to ensure that they can provide accurate information to customers and to avoid any legal issues. Training should also include information on the safe handling, storage and transportation of products, as well as the handling of cash.

- b. Provide ongoing training and development opportunities to ensure that employees stay up-to-date on industry trends and best practices. As the cannabis industry is constantly evolving, it is important that employees are kept informed about the latest products and regulations. This can be done through regular training sessions, workshops, and seminars.
- 3. Diversity and Inclusion.
- a. Promote a culture of diversity and inclusion, consistent with the various regulatory criteria deemed critical to the State's cannabis business licensing scheme. This includes valuing the unique contributions of all employees and creating an environment where everyone feels respected and included.
- b. Foster an inclusive culture by encouraging open communication, collaboration, and mutual respect among employees.
- c. Provide training on diversity, equity, and inclusion for employees to increase awareness and understanding of the importance of inclusion in the workplace.
- d. By implementing these strategies, the dispensary will be able to attract and retain top talent, maintain strict compliance with all laws and regulations, and promote a culture of diversity and inclusion. Additionally, by actively engaging with the local community, the dispensary can build positive relationships and promote the responsible use of cannabis.
- 4. Safety and Health.
- a. Provide a safe and healthy work environment for employees. This includes ensuring that all safety protocols are followed and that all employees have access to personal protective equipment if needed.
- b. Regularly review and update safety protocols to ensure that they are up-to-date and in line with OCM regulations and industry best practices.
- 5. Employee Benefits.
- a. Develop and implement a comprehensive benefits package for employees. This should include, at a minimum, health insurance, retirement plans, and paid time off. By offering a comprehensive benefits package, the dispensary will be able to attract and retain top talent.
- b. Additional benefits such as flexible working hours, remote working options, and professional development opportunities can also be considered.

- 6. Employee Retention.
- a. Develop and implement employee retention policies to maintain and retain an experienced workforce. This can include employee recognition programs, regular performance evaluations, and opportunities for career advancement.
- b. By focusing on employee retention, the dispensary will be able to build a strong and dedicated workforce.
- 7. Compliance.
- a. Establish and maintain strict compliance with all state and local laws and regulations related to the sale, possession, and consumption of cannabis. It is important that the dispensary follows all regulations to avoid any legal issues and to maintain a good reputation in the community.
- b. Regularly review and update policies and procedures to ensure ongoing compliance. As regulations change it is important to review and update the dispensary's policies and procedures accordingly.
- 8. Community Outreach.
- a. Actively engage with the local community to address any concerns and promote the responsible use of cannabis. This will help to build positive relationships with the community and address any concerns they may have.
- b. Consider offering discounts to veterans and individuals from disproportionately impacted communities. This will help to support these groups and recognize their contributions to the community.
- 9. Marketing.
- a. Develop and implement a variety of marketing strategies compliant with OCM regulations, such as social media advertising, flyers, and community events, to promote the dispensary. These strategies will help to increase brand awareness and attract customers to the dispensary.
- 10. Review and Adapt.
- a. Continuously review and adapt the employment plan to ensure that it is meeting the needs of customers and employees and that it is in compliance with all laws and regulations. The cannabis industry is constantly evolving, so it is important

that the dispensary's employment plan is reviewed and updated regularly to ensure that it remains effective.

What products does the applicant expect to carry? *

Cannabis products: packaged flower & prerolls, concentrates, edibles, capsules, tinctures, topicals, vaporizers

Cannabinoid hemp products: CBD-infused products

Non-cannabis items: apparel, accessories, paraphernalia

Will the applicant accept online or telephone orders? If yes, how will the applicant verify the purchaser is over the age of 21? (See § 123.10 (d)(4))

•

Yes, the applicant will accept online orders.

In order to verify the age of purchasers of such orders, applicant shall, in accordance with § 123.10 (d)(4)) of New York Adult-Use Cannabis Regulations:

- (1) require online purchasers to agree to "an attestation that the individual ordering is twenty-one (21) years of age or older," before the online purchase is completed; and
- (2) direct the retail dispensary employee who transports the cannabis product to, before providing the cannabis product to the cannabis consumer, "obtain verification of the identity and the age of the cannabis consumer at the point of delivery by viewing or scanning a valid form of identification which shall include:
- "(i) a valid driver's license or non-driver identification card issued by the New York State Department of Motor Vehicles, the federal government, any United States territory, commonwealth or possession, the District of Columbia, a state or local government within the United States or a provincial government of the dominion of Canada; (ii) a valid federal, state, or local government identification, including IDNYC, stating the individual's age and a photograph of the individual's face; (iii) a valid passport issued by the United States government or any other country; (iv) a consular identification card; or (v) an identification card issued by the armed forces of the United States."

And as to requiring proof of age upon delivery, if the individual placing the order is not the same person accepting the order, the person initiating the order will "attest that the individual accepting the order is over twenty-one (21) years of age and that individual shall provide verification of identity and age at the time of accepting the delivery or dispensing." Applicant will ensure that both individuals identities "are recorded in the licensees' point-of-sale system."

Does the applicant intend to operate a delivery service? *

As of 5/28/2023, the revised Adult-Use Regulations do now allow a business licensed to sell adult-use cannabis to simultaneously hold a delivery license/make deliveries. (See § 123.20 (c)(1))



V



No

If this dispensary includes or plans to include on-site consumption at any point, please describe * how it will be managed. What is the capacity? What environmental monitoring and ventilation measures will be taken to protect shoppers and staff from second hand smoke and other potential hazards? If not, please write n/a. N/A
Do you use/plan to use any outdoor space? If so, please explain how you intend to use the space.
There is a "Garden" currently earmarked as an employee break area, TBD.
Is the entrance of the store ADA compliant?
Yes
No

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