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January 23, 2020

Mayor Terry Tornek  
Vice-Mayor Tyron Hampton  
Hon. Council Members Madison, Gordo, McAustin, Kennedy, Masuda, and Wilson  
City Council of the City of Pasadena  
100 North Garfield Avenue, Rm. S249  
Pasadena, California 91109

Re: January 27, 2020 Agenda – Appeal of CUP No. 6759 (908 E. Colorado Blvd.)

Dear Mayor Tornek, Vice-Mayor Hampton, and Honorable Members of the City Council:

This letter is submitted on behalf of the Appellant and Applicant, Integral Dena, LLC (“Integral”), in support of its appeal of the Planning Commission’s October 23, 2019 denial of its application for Conditional Use Permit (“CUP”) No. 6759 (the “Application”). Under the Pasadena Municipal Code (“PMC”), the CUP is required to establish a retail cannabis dispensary at 908 E. Colorado Blvd.

The question presented by this Appeal is whether the Planning Commission erred when it denied Integral’s Application. The substantial evidence presented to the City Council will show that the Planning Commission did err and that Integral meets all of the findings required for the CUP under the PMC. The evidence also will show the positive impacts this new retail business will bring to the community, city, and surrounding commercial areas near it; and, how the will of the voters can be implemented for the economic benefit of the City, the larger community and the underserved population most affected by drug wars.

We, therefore, urge you to find the proposed action exempt from environmental review under CEQA and to reverse the Planning Commission's decision.

**A. BACKGROUND**

On October 23, 2019, the Planning Department recommended the Planning Commission approve CUP No. 6759, subject to proposed conditions of approval. In so doing, Staff set-forth substantial evidence showing Integral complied with Section 17.50.066 of the City's Zoning Code and met all of the six required findings under Section 17.61.050.H for approval of a conditional use permit, i.e., "(1) the proposed use is allowed with a Conditional Use Permit . . . within the applicable zoning district and complies with all applicable provisions of this Zoning Code; (2) the location of the proposed use complies with the special purposes of this Zoning Code and the purposes of the applicable zoning district; (3) the proposed use is in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of any applicable specific plan; (4) the establishment, maintenance, or operation of the use would not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use; (5) the use, as described and conditionally approved, would not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City: and, (6) the design, location, operating characteristics, and size of the proposed use would be compatible with the existing and future land uses in the vicinity in terms of aesthetic values, character, scale, and view protection." After Staff's presentation, the Applicant presented even more evidence of its compliance with the Zoning Code and the six required findings under Section 17.61.050.H.

Despite the substantial evidence presented by Staff and the Applicant, and public support (*See Exhibit A*), the Planning Commission voted 4-3 to deny CUP 6759. Of the four negative votes, one Commissioner said he was voting against it because it is illegal under Federal law. Another Commissioner said she was voting against it because the proposed location is in an alcohol overlay district and she did not think it is fair that a cannabis dispensary could locate there, but not a bar. When Staff explained that alcohol overlay districts were an entirely different process and inapplicable code section, and that a bar might be able to locate there, the Commissioner still refused to change her mind.

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Obviously, the reasoning of these two Planning Commissioners is not based upon the substantial evidence presented to the Planning Commission; and, neither has anything to do with the six required findings under Section 17.61.050.H. In fact, their reasoning completely ignored the substantial evidence presented by Staff and the Applicant, thus abusing their discretion. *Topanga Ass'n for a Scenic Cmty. v. Cnty. of Los Angeles* (1974) 11 Cal. 3d 506, 515 (findings bridge the “analytical gap between the raw evidence and [the] ultimate decision” as required by California law). *See also*, California Code of Civil Procedure (“CCP”) Section 1094.5(b), providing that an abuse of discretion is established if the City has not proceeded in the manner required by law, the order or decision is not supported by the findings, or the findings are not supported by the evidence. *Id.* Where it is claimed that the findings are not supported by the evidence, abuse of discretion is established if the court determines that the findings are not supported by substantial evidence in the light of the whole record. Cal. Civ. Proc. § 1094.5(c). “Argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly inaccurate or erroneous ... is not substantial evidence. Substantial evidence shall include facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts.” *Ukiah Citizens for Safety First v. City of Ukiah* (2016) 248 Cal. App. 4th 256, 261 (citing to *City of Hayward v. Trustees of Cal. State University* (2015) 242 Cal. App. 4th 833, 839-40 (citations omitted)).

Without these two votes, CUP No. 6759 would have passed 3-2, i.e., a majority of the Planning Commissioners thought the evidence presented by Staff and the Applicant showed the findings could be made. As such, the City Council can reverse the Planning Commission’s decision by simply recognizing the error in these two Commissioner’s votes.

The other two Commissioners who voted to deny the CUP said that they were confused by the language in Section 17.50.066.D.5.b (i.e., “No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone”), and how to measure the separation requirements from “residential zones.”

Despite Staff’s explanation, both Commissioners said they were confused about “residential uses” in commercial zones versus “residential zones”, posited several personal beliefs about how the “average Pasadena voter” might view it, and said they preferred to recommend clarifying “amendments” to the City Council before approving the CUP. With such

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clarifying amendments, both thought the evidence presented by Staff and the Applicant showed the findings could be made. Although Integral believed the statements by these two Commissioners were not based upon the plain meaning or legislative history of the Code Section, nor the substantial evidence before them, it had no objection to them proposing the amendments.

Shortly thereafter on November 13, 2019, the Planning Commission recommended the amendments to Section 17.50.066 sought by these two Commissioners. On November 25, 2019, however, the City Council rejected the proposed amendments.

As explained below, the Applicant agrees with Staff that the language in 17.50.066.D.5.b is clear and unambiguous in referring to distance separation requirements from “residential zones”, not residential uses in commercial zones. Were it not, the City Council could not have approved the CUP for Harvest of Pasadena, LLC (i.e., CUP No. 6757), as it did on December 16, 2019, because there are residential uses in commercial zones within 600 feet of its leased location.

As such, the City Council also can reverse the Planning Commission’s decision by simply recognizing the error in these two Commissioner’s votes, which similarly results in a 3-2 majority or a 3-0 majority on the Planning Commission when all four votes are negated for being in err.

The Appellant and Applicant, therefore, support Staff’s recommendation that the City Council reverse the Planning Commission’s decision and approve CUP No. 6759, subject to the proposed conditions of approval set-forth in Exhibit B of your Staff Report.

## **II. REQUEST FOR TWO RECUSALS**

Before explaining why the Applicant agrees with Staff that the language in 17.50.066 is clear and unambiguous in referring to distance separation requirements from “residential zones”, not residential uses in commercial zones, we respectfully ask that Vice-Mayor Hampton and Councilmember Gordo recuse themselves from this quasi-judicial proceeding.

In particular, as the City Attorney briefed you on September 9, 2019, city councils and commissions often act in an adjudicatory capacity in a role similar to judges when deciding applications for land use permits. *Woody’s Group, Inc. v. City of Newport Beach* (2015) 233 Cal. App. 4th 1012, 1021 (holding that the trial court erred in not granting request for writ of mandate restoring the original planning commission’s grant of application). When so doing,

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they are required to be “neutral and unbiased” to ensure that the hearing process is fair. *Id.* Under California law, if a member of a City Council or Planning Commission shows an “unacceptable probability of bias,” he or she violates the applicant’s due process rights. As the Court observed in *Nightlife Partners, Ltd. v. City of Beverly Hills* (2003) 108 Cal. App. 4th 81, “the broad applicability of administrative hearings to the various rights and responsibilities of citizens and businesses, and the undeniable public interest in fair hearings in the administrative adjudication arena, militate in favor of assuring that such hearings are fair.” *Id.* at 90. *See also, Nasha, LLC v City of Los Angeles* (2004) 125 Cal. App. 4th 470 (“Procedural due process in the administrative setting requires that the hearing be conducted ‘before a reasonably impartial, noninvolved reviewer.’ ”); *Gai v. City of Selma* (1998) 68 Cal. App. 4th 13, 219 (concluding that the Planning Commission’s decision was tainted by bias; prehearing bias of one planning commission member was enough to invalidate a planning commission decision that had overruled an approval of a project).

California courts have provided numerous examples of what actions or statements constitute an “unacceptable probability of bias.” For example, in *Woody’s Group, supra*, a councilmember prepared remarks before the city council meeting and gave an “extraordinarily well-organized, thoughtful and well-reserved presentation why the planning commission decision needed to be overturned.” *Id.* at 1019. Because the councilmember “took ‘a position against the project,’” there was an unacceptable probability of bias on part of that councilmember that violated the restaurant owner’s right to a fair hearing. *Id.* at 1022-23. Furthermore, the fact that he had written out his speech to the council demonstrated the falsity of his self-serving comment at the hearing that he had no bias in the matter. *Id.* at 1023.

Similarly, in *Nasha, supra*, prior to the appeal hearing on a proposed development project, one of the planning commissioners authored a published article that attacked the project under consideration, describing it as a “threat” to a wildlife corridor. *Nasha*, 125 Cal. App. 4th at 476, 483. The Court found that the article “clearly advocated a position against the project,” and that the Commissioner’s authorship of it showed an “unacceptable probability of actual bias,” and thus was sufficient to preclude the decision maker from serving as a “reasonably impartial, noninvolved reviewer.” *Id.* at 484 (noting that the commissioner “clearly” should have recused himself from hearing the matter). The Court concluded that the claim of bias was “well

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founded,” and that the developer had established an “unacceptable probability of actual bias.” *Id.* at 473, 481.

Here, there are two reasons why the situation is one in which “experience teaches [us] that the probability of actual bias on the part of the ... decisionmaker is too high to be constitutionally tolerable” (*Morongo*, at p. 737, 88 Cal.Rptr.3d 610), and thus recusal is necessary to protect our due process rights.

**First**, on January 21, 2020, Vice-Mayor Hampton issued a public statement calling for the permitting process for cannabis retailers to be stopped and completely overhauled for reasons that (a) have been disproven by two internal City investigations, and (b) mirror the claims Sweet Flower and Atrium have made against the City as part of their appeals to the City Council and subsequent lawsuits against the City. *See* Exhibits B and C. The Vice-Mayor further stated that the conditional use process has favored certain applicants, despite the lack of any evidence to support his claim. He further stated that “City staff have unfairly and inconsistently applied the rules to the applicants and have ignored the plain meaning of the City’s cannabis ordinance.” He has thus publicly stated that he thinks Integral, like the other CUP applicants, has been favored in an unfair process that he wants stopped; and, that he has made up his mind about the plain meaning of the ordinance and thus how it should be interpreted and applied. In other words, he does not think the hearing should occur, let alone result in an approval of a CUP.

None of this should come as a surprise since Vice-Mayor Hampton’s campaign manager is Martin Truitt, who at varying times has been a lobbyist for Sweet Flower and Atrium who have called for the entire CUP process to start over and who oppose Integral’s Application for their own business reasons. *See* Exhibits D and E; *See also*, November 25, 2019 City Council Hearing comments by Chris Berman, COO of Atrium admitting relationship with Truitt in response to questions by Councilmember Madison. The conflict-of-interest that occurs when a member of a campaign becomes a lobbyist for a project opponent is obvious. To the extent Martin Truitt is working, directly or indirectly, in support of Councilmember Gordo’s campaign for Mayor, the same conflict-of-interest exists.

**Second**, on November 25, 2019, the City Council considered the Planning Commission’s recommendation to amend the language for the distance separation requirements in Section 17.050.066 of the PMC, which are at issue on this appeal. In so doing, Staff clearly explained the language of the code, the issue considered by the Planning Commission, and that the “intent

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of the ordinance was always to protect and make sure that the dispensaries were 600 feet from residential zone, not a residential property. There is a ton of those in the Central District.” *See* Exhibit F, p. 64.

In response to Staff’s presentation, Councilmember Gordo clearly stated his position on the record as follows: “No, see, I don’t see it that way... I recall very clearly, we have done it on every other use. We say – we try and protect individual lots. The impact is to a lot, not to a zone. I mean, we are trying to protect people and their residences and/or not to protect zones.” *See* Exhibit F, p. 64. Before stating his position, Councilmember Gordo specifically focused on whether this issue affected Integral’s Application. *Id.*, pp. 61-63. He then debated Staff at length before stating that he does not agree with Staff’s interpretation. *Id.*, pp. 64-68. “That’s not what I read here” ... “do you understand the issue? I understand. I’m not sure I agree with it.” *Id.*, p. 69. Vice-Mayor Hampton then agreed with Councilmember Gordo, stating, “So 600 feet away from a dispensary for all residents, it doesn’t make a difference in my opinion, I don’t think to any other residents’ opinion.” *Id.*, at p. 84.

Public statements calling for the abolition of the very system in use tonight, undisclosed relationships with opposing lobbyists that result in obvious conflicts of interest, and on the record statements taking a position on the very issue on appeal well before these quasi-judicial proceedings started, show unequivocally an “unacceptable probability of actual bias,” and thus is sufficient to preclude both of them from serving as a “reasonably impartial, noninvolved reviewer.” *Nasha, supra*, at 484 (noting that the commissioner “clearly” should have recused himself from hearing the matter). We respectfully request they recuse themselves accordingly.

### **III. INTEGRAL DENA, LLC**

#### **A. Business Background**

Integral Associates Dena, LLC, doing business as Essence Cannabis Dispensary, ranked as the top scoring applicant during the screening process based upon the depth of its experience, knowledge and commitment to excellence. In our current commercial cannabis dispensary operations, we have created a unique and superior quality product line for medical patients and adult-use consumers - providing exceptional service in a comfortable, secure environment - while fostering meaningful connections with our guests and the community we serve. The foundation of the Essence brand is built on its diverse leadership team’s vast experience in highly regulated industries, its dedication to unmatched customer service, and its unwavering commitment to

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corporate social responsibility as explained in greater detail below.

By way of background, Integral Associates was founded in 2014. In 2016, it began operations for three dispensary storefronts and a cultivation/production facility in Las Vegas. In the years following, Integral applied for and received approval for 24 additional commercial cannabis licenses - 11 of which are retail dispensaries in both Nevada and Southern California and are scheduled to open over the next nine months. These approvals were, like Pasadena, based upon our leadership team's years of executive level experience managing, directing and operating in highly regulated industries, which include gaming, finance, and commercial cannabis. Integral also has developed comprehensive standard operating procedures that focus on the importance of regulatory compliance by detailing best practices for tight inventory controls, compliantly sourced and tested products, safe handling of cannabis items, recognizing the signs of visible intoxication, age verification procedures, strict security and surveillance measures, cash handling, statewide track and trace system guidelines and understanding local and state medicinal and adult-use cannabis laws. All Essence employees go through a rigorous 2- week training program that includes both classroom style learning and peer to peer training.

**B. Store Location**

As for the proposed location, 908 E. Colorado Blvd. was selected as the storefront because of its location on a commercial street that is neither a gateway entrance to the City, nor near any uses frequented by under-age children. To the contrary, the commercial office buildings, Ice House, hotel, and Boston Court are all adult venues. The building also includes large glass windows to allow natural light into the premises, flood and signage lighting on the exterior, as well as ample camera coverage to ensure that all entrances will be access-controlled, secure and closely monitored. Signage will be minimal, but bold, as demonstrated on the proposed exterior view. *See* Exhibit G. To ensure there is no exterior evidence of the cannabis retail activities inside, external signage will not promote the use of cannabis products and will not be appealing to minors.

On-site reserved parking spaces for Essence's Retail Store will be available in the parking structure directly behind the storefront off of S. Mentor Avenue. *Id.* The ample available parking in the four-tiered parking structure will help alleviate street congestion and traffic in Pasadena's busy Colorado Boulevard corridor and exceeds the City's requirement of 3 parking spaces per 1,000 feet of retail sales area by more than double. Essence will also be installing bike racks in front of the Facility. Essence will maintain the area surrounding the premises by ensuring it is free



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of debris and litter. Our team will collect trash and litter periodically throughout the day to keep the area clear. We also intend to offer a small eco-friendly discount program for guests who reuse their exit bag.

**C. Security**

At least one security guard will be stationed outside the entrance to the retail facility in order to prevent vehicles from stopping traffic in order to load or unload customers. Signs also will be posted (if permitted by the City) prohibiting vehicles from stopping and notifying the public that the area is subject to video surveillance. Security guards also will monitor the parking lot and the area outside of the entrance to the facility in order to prevent public consumption. Those areas will be under clear observation of external surveillance cameras and notices will be posted prohibiting consumption and notifying the public that the area is subject to video surveillance.

Since 2017, we have contracted our security services with Phalanx International, which was founded by a team of U.S. Special Ops Force Veterans for our security guard staff and risk management solutions. Our security guards are well trained in soft skills and conflict de-escalation. Integrated, non-descript security features will include domed, state of the art, high-definition surveillance cameras, secured storage of cannabis product and currency, strategically placed panic buttons that are readily accessible and visible only to employees, and sensors at all points of entry and exit. Integral also will work with local law enforcement to develop and maintain a professional working relationship and a coherent contingency plan. Pasadena law enforcement officials will be invited on-site to discuss and evaluate potential security risks, vulnerabilities and keep us updated on any crime trends in the area. The facility will have an onsite security guard presence during all required hours by the City of Pasadena and our surveillance cameras and alarm system are monitored offsite 24 hours a day.

**D. Odor Control**

No consumption of any kind will be permitted on the premises. Further, the store will not produce any detectable odor because it only will sell pre-packaged and tested cannabis goods. Nevertheless, the store will utilize a combination of odor mitigation equipment and will consistently monitor and practice regular maintenance to prevent any potential odor from disturbing surrounding neighbors and businesses. *Id.* The exhaust air will be filtered through activated carbon to neutralize the odor. The HVAC system will create negative air pressure between the interior and exterior of the facility. Once negative air pressure is achieved, air will

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flow into the facility instead of out. This will mitigate the escape of odors through entry and exit ways, vents and windows. These measures will ensure that cannabis odors cannot be detected at the exterior of the facility or on any adjoining property.

**E. Interior Design**

The space is designed to be relaxed, approachable and welcoming to all customers. *See* Exhibit G. The bright and inviting natural light from the main windows complements the high-end retail and natural aesthetics. The modern and contemporary feeling elicited from the sleek wooden paneling is complemented by the earthy and holistic color palette which reflects the progressive, environmentally conscious, and wholesome attitude of Essence's brand.

**F. Operating Procedures**

Our proposed storefront business hours are 7:00 a.m. to 10:00 p.m., 7 days a week. The facility will have the capability to remain secure during a power outage. To limit our on-site cash exposure, we will have an unmarked armored car transport all nightly deposits off property. Our entire facility will be access controlled, limiting mobility into and around the premises. All entry and movement within each area is tightly controlled through locked doors which require individualized electronic key fob access. All cannabis goods will be stored onsite, when not on the retail sales floor, in a secure vault room. All restrooms will remain locked and be under control of Essence management. Customers may only enter the facility through the designated entrance under strict security protocols and only after their government ID is verified through the use of an electronic ID scanner age verification device. As an extra precaution, eligibility to purchase cannabis legally is verified twice, first upon entrance to the Essence storefront and again prior to sale, which requires individuals to provide a valid, non-expired government issued photo ID. Our strict policies and procedures ensure that no individual under the age of 21 will be permitted to enter, unless they are over the age of eighteen and hold a valid physician's recommendation. All products will leave in child-proof opaque exit packaging. Consumption is strictly prohibited on the premises.

**G. Social Responsibility & Community Commitments**

Corporate social responsibility and a commitment to the community are inherent parts of Integral business. Whether as a strong provider and supporter of expungement programs, demanding diversity in its outside law firms, 50% diversity in house promotions and management, or sponsoring job fairs that focus on the challenges faced by job applicants with

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criminal records, Integral has been at the forefront of the broader conversation with the community regarding expungement, with the goals of bringing awareness to those eligible for expungement, providing free services to those with non-violent cannabis crimes, as well as educating residents impacted by the war on drugs about the state's social equity program.

To ensure that we exceed the expectations of the Pasadena community, therefore, we have spent the last 12 months engaging with Pasadena residents and community leaders to gain a better understanding of the people that we plan to serve, as well as understanding the various neighborhood values. As a result, we have formed a local community advisory board comprised of longtime Pasadena residents and business leaders who know the community inside and out. *Id.* Each member of our advisory board holds a unique role serving Pasadena and is committed to providing the Integral team with the guidance necessary to be an upstanding neighbor in the Pasadena community. They are:

- **Paul Little** – President and CEO of the Pasadena Chamber of Commerce since 2007. He also served on Pasadena City Council from 1995-2007.
- **Dr. Ritu Kumar** - An internal medicine specialist in Pasadena.
- **Gail Schaper-Gordon, PH.D.** – Resident of Pasadena, organizational consultant, renowned business psychologist and entrepreneur.
- **Joel Bryant**- Pasadena native. Real estate and construction professional with over 18 years of documented success in completed housing projects in Pasadena. *Id.*

The Essence retail team, led by our Director of Marketing and Community Outreach, also works with local non-profits volunteering time and organizing community events such as local food and school supply drives and in-store fundraising where we donate a percentage of proceeds to local non-profit organizations. We will support the local economy by partnering with existing Pasadena businesses through our membership with the Pasadena Chamber of Commerce, using their directory to contract with local companies to provide services that our retail storefront will utilize in our everyday operations.

In addition to our volunteering efforts, we have pledged one million dollars upon licensure to the betterment of Pasadena, comprised of \$50,000 donations per year, for 4 years, to 5 different local causes:

- An Expungement and Affected Community Non-Profit – TBD.
- **Pasadena Chamber of Commerce Education Foundation**- To support the Pasadena

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Unified School District and Pasadena Community College students

- **Journey House of Pasadena-** To provide assistance to former foster youth in the way of housing, employment and education
- **Homes4Families-** Empowers low income veterans and their families to enter the middle class through affordable home ownership and sustainable housing;
- **Walk for Kids** – A walk event designed to help raise funds for the services and programs provided by the Pasadena Ronald McDonald House. *Id.*

Finally, unlike others, our social equity plans include employment opportunities with a living wage, training for employees to enter the job market, training for an eventual path to ownership by community partners, expungement clinics to get candidates job-ready, and funding non-profits to provide services to the population most affected by the drug wars as outlined in the social equity mandate and stated above.

In sum, the foregoing shows that “(1) the proposed use is allowed with a Conditional Use Permit . . . within the applicable zoning district and complies with all applicable provisions of this Zoning Code; (2) the location of the proposed use complies with the special purposes of this Zoning Code and the purposes of the applicable zoning district; (3) the proposed use is in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of any applicable specific plan; (4) the establishment, maintenance, or operation of the use would not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use; (5) the use, as described and conditionally approved, would not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City: and, (6) the design, location, operating characteristics, and size of the proposed use would be compatible with the existing and future land uses in the vicinity in terms of aesthetic values, character, scale, and view protection.” As such, all six findings for the CUP can and should be made.

#### **IV. ZONING CODE SECTION 17.50.066.D.5.b**

Under California law, the construction of a municipal ordinance is governed by the same rules governing construction of statutes. *Stolman v. City of Los Angeles* (2003) 114 Cal. App. 4th 916. Unless clearly intended otherwise, the words in an ordinance must be given their ordinary meaning and receive a sensible construction in accord with that commonly understood meaning.

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*Cerini v. City of Cloverdale* (1987) 191 Cal. App. 3d 1471. Similarly, the rules of construction seek to avoid a construction that renders a part of the statute or ordinance a surplusage. *Baldwin v. City of Los Angeles* (1999) 70 Cal. App. 4th 819. Narratives of discussions and events leading to the adoption of an ordinance are extrinsic materials that may properly be considered. *Id.* However, a legislator's statement of opinion, understanding, or interpretation of the ordinance at issue, and the testimony or opinions of the individual members of the legislative body are **not** admissible to show what, in fact, was intended or meant. *Aguiar v. Superior Court* (2009) 170 Cal. App. 4th 313, as modified on denial of reh'g. (emphasis added). "The fundamental purpose of statutory construction is to ascertain the intent of the lawmakers so as to effectuate the purpose of the law. [Citation.] 'We begin by examining the statutory language, giving the words their usual and ordinary meaning. [Citation.] If there is no ambiguity, then we presume the lawmakers meant what they said, and the plain meaning of the language governs. [Citation.] If, however, the statutory terms are ambiguous, then we may resort to extrinsic sources, including the ostensible objects to be achieved and the legislative history. [Citation.] In such circumstances, we "select the construction that comports most closely with the apparent intent of the Legislature, with a view to promoting rather than defeating the general purpose of the statute, and avoid an interpretation that would lead to absurd consequences." *City and County of San Francisco v. Jen* (2005) 135 Cal.App.4th 305, 310.

In this case, the code section at issue is PMC Section 17.50.066.D.5.b, which states:

"5. Location Requirements. Cannabis retailers shall be permitted in only the CO, CL, CG, CD, and IG zoning districts and shall be subject to the following requirements:

- a. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer or cultivation site, or within 500 feet of any testing laboratory;
- b. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;
- c. No retailer shall be established or located within a mixed-use development project containing a residential use component;
- d. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, in home (family day

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- care home), youth-oriented facility, church or faith congregation, or substance abuse center;
- e. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any park, library, or K-12 school;
  - f. Retailers shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in the Pasadena Municipal Code.”

The plain meaning of the language of this Section states that the cannabis retail use is permitted in certain designated commercial and industrial “zoning districts”. It then creates different distance separation requirement between certain uses permitted in commercial and industrial zoning districts and the proposed retail location, e.g., churches, youth-oriented facilities, parks, library, K-12 schools, all of which are permitted in commercial and industrial zones under varying conditions. It further eliminates certain permitted uses within those zoning districts as potential retail locations, i.e., any “mixed-use development project containing a residential use component.” . Last, it creates a 600 feet distance separation requirement between the retail premises and “any residential zone”, and requires retailers to comply with “with all zoning, land use, and development regulations applicable to the underlying *zoning district*.” (Emphasis added).

The plain meaning of the words “residential zone” is the same as a residential zoning district, which is set-forth in Section 17.80 of the Zoning Code: “Any of the residential, commercial, public, or overlay districts established by Article 2 of this Zoning Ordinance (Zoning Districts, Allowable Land Uses and Permit Requirements), within which certain land uses are allowed or prohibited, and certain site planning and development standards are established (e.g., setbacks, height limits, site coverage requirements, etc.)” It does not mean “uses”, “lots” or “parcels” as two Planning Commissioners mistakenly believed. In fact, to read it that way requires the word “zone” to be changed to “use”, which would fail to give the words their plain and ordinary meaning as required under California law.

Had the City Council wanted to require a distance separation requirement from a “residential use”, it knew how to do so. For example, Zoning Code Section 17.50.220 governs the location of recycling facilities. See Exhibit H. There, subsection 17.50.220.A.3.b creates a

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distance separation requirement of at least “200 feet from any residential use”, among other listed uses. Similarly, massage establishments and emergency shelters have distance separation requirements from “residential district” while others have them from specific uses. *Id.*

The Agenda and Staff Report for the February 26, 2018 City Council hearing at which the City Council approved the ordinance to be submitted to the voters consistently and only refers to “residential zones.” *See* Exhibit I. The maps presented to the City Council at that hearing also showed only “residential zones.” *See* Exhibit J. The Minutes of that hearing further only refer to “residential neighborhoods”, as does the correspondence received from the public *See* Exhibits K and L. Finally, the transcript from that hearing shows the City Council made a number of amendments to the ordinance before approving it, but did not change the words “residential zones.” *See* Exhibit M, p. 146.

Thereafter, the Ballot Measure and City Council Ballot Statement presented to the voters specifically and only refer to “residential zone” and “neighborhoods”, not “uses”, “lots” or “parcels.” *See* Exhibit N. Similarly, the City Attorney’s impartial ballot analysis specifically and only refers to “zoning districts”. *See* Exhibit O. Finally, the allegations in Paragraph 24 of the City’s recent lawsuit to remove the March ballot initiative refers only to “residential zones” before listing the other uses set-forth in the Ordinance. *See* Exhibit P.

Accordingly, under California law, either the plain meaning shows the measurement is to residential zones and Integral’s location complies; or, alternatively, the section is ambiguous and the legislative history shows it was meant to protect residential neighborhoods, not individual residential uses in commercial zones. Either way, Integral’s location complies and two of the Planning Commissioners were in err to think otherwise.

#### **V. THE FINDINGS**

Under the PMC, a CUP must meet six findings in order to be approved. As Staff has demonstrated at length, and for the reason set-forth below, Integral’s application meets all six findings for approval.

As for Finding No. 1, the proposed use is allowed with a CUP and complies with all applicable provisions of the Zoning Code because the proposed sale of cannabis is considered a "retail" use, which is allowed in CD-5, AD-I with the approval of a CUP, a City Cannabis Permit, and a State license. Integral’s location meets the specified distance requirements, is

Letter to City Council  
January 23, 2020

located in an allowable zone, and complies with all other applicable code provisions, including maximum size, hours of operation, and parking, among others as explained above.

As for Finding No. 2, the location of the proposed use complies with the special purposes of the Zoning Code and the applicable Zoning District because the proposed location in a commercial zone was approved by the voters of Pasadena under Measures CC and DD in 2018. With the passage of Measures CC and DD, the voters of Pasadena approved the retail sale of cannabis in the City and created specific location requirements. Those location requirements limit the number of locations in the City where cannabis dispensaries may locate, and as Staff confirmed at the City Council meeting on November 25, 2019, those requirements allow for a maximum of four cannabis dispensaries in the City. This cannabis dispensary is a retail use being established in a commercial area of the City intended to attract a variety of retail businesses to diversify the mix of land uses. The proposed location is a currently vacant tenant space previously occupied by other types of retail and the continued use of the space for retail is thus consistent with the zoning code.

As for Finding No. 3, the proposed use is in conformance with the goals, policies and objectives of the General Plan, which encourages new and diverse land uses, because the cannabis retailer is a new land use that was approved by the voters of the City of Pasadena and Integral's presence at this location will diversify the land uses in the area and the City as a whole while activating the commercial corridor by occupying a vacant tenant space.

As for Finding Nos. 4 and 5, the establishment of the use will not be detrimental to the health, safety, or general welfare of the neighborhood, and the proposed use will not be detrimental or injurious to property and improvements in the neighborhood, because Integral will be occupying an existing store front without altering its appearance as explained above and external signage will not promote the use of cannabis products and will not be appealing to minors. Further, all of the security measures and operating procedures set-forth above will eliminate any potential detrimental impacts, as will the proposed conditions of approval.

As for Finding No. 6, Integral has provided a copy of its proposed store and will work closely with the Design Commission and community stakeholders to ensure the final dispensary is wholly compatible with existing and future uses in the area. Integral does not propose to alter the height, setbacks, envelope, or existing footprint of the building that currently exists at its



Letter to City Council  
January 23, 2020

proposed location so that it will fit easily into the neighborhood as simply another retail storefront in a commercial district.

As such, all six findings can and should be made to approve CUP No. 6759.

**VI. Environmental Review Under CEQA**

The proposed project is categorically exempt from CEQA in accordance with State CEQA Guidelines § 1530 I, Class I, Existing Facilities, and § 15303, Class 3, New Construction or Conversion of Small Structures. In particular, Section 1530 I of the CEQA Guidelines provides a categorical exemption for the "operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of the existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use." Here, the proposed CUP will allow Integral to operate out of an existing commercial building and to continue to use that building for commercial purposes.

Similarly, Section 15303 of the CEQA Guidelines exempts the "... conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure." Here, Integral's proposed project consists of establishing a retail cannabis dispensary in an existing retail building, with the only physical changes limited to interior tenant improvements. Last, there are no features distinguishing Integral's proposed project from others in the exempt class, and thus no unusual circumstances.

In sum, the project falls within the applicable categorical exemption and all of the findings can be made to approve CUP No. 6759. To the extent the Planning Commission voted otherwise, it did so in error for the reasons set forth above.

We, therefore, respectfully request that the City Council grant this Appeal, reverse the Planning Commission's decision, and approve CUP No. 6759. Thank you.

Sincerely,



Richard A. McDonald, Esq.

CC: City Manager, City Attorney, City Clerk, Director of Planning

**EXHIBIT A**

# TASTY DINING GROUP, LLC

25 E. Foothill Blvd., Arcadia CA 91006  
Tel: (626) 566-1888 | Fax: (626) 566-1887

October 3, 2019

Re: CUP 6759 - Integral Associates Dena, LLC  
Property Address: 908-928 E. Colorado Blvd., Pasadena, California

To whom it may concern:

Tasty Dining Group, LLC is the landlord ("Landlord") at the above-referenced Premises. Prior to signing the Lease with Integral Associates Dena, LLC ("Tenant" or "Integral"), the Landlord did a thorough vetting of the Tenant. We were very impressed with Integral as an organization and with its management team. The inclusion of Integral to the area will boost foot traffic for all businesses in the area. The presence of Integral will be good for the surrounding area and for the City of Pasadena.

We whole heartily support Integral Associates Dena, LLC on this project.

Sincerely,



William Chu



October 3, 2019

Guille Nunez  
Planning & Community Development Department  
175 North Garfield Avenue, 3<sup>rd</sup> Floor  
Pasadena, CA 91109  
VIA EMAIL

Dear Ms. Nunez,

The Pasadena Chamber of Commerce is in full support of the application for Conditional Use Permit # 6759 by our member in good standing Integral Associates Dena, LLC.

We know the business owners and are familiar with their operations in Nevada. This is a very reputable company that has been successful at operating appropriately in Nevada, to the point where they have been awarded additional locations there.

Essence Pasadena will be a first-rate operation. I have reviewed their plans and am very impressed with the proposed interior build. The store will be contemporary, attractive and a very positive addition to the local retail environment. The exterior of the store will be respectful of the historic building it occupies and complement the neighborhood. In addition, their security plans and even odor mitigation are comprehensive and will ensure the business is a positive addition to the area.

I am also familiar with the owners of the property where Essence Pasadena would be located. I can assure you they would not be leasing to Integral Associates Dena, LLC, and Essence Pasadena were they not completely confident the new store will be a positive addition to their property.

At 44 North Mentor Avenue, we are also neighbors of the project. We have no concerns about potential negative impacts from Essence Pasadena. It is quite possible there will be considerable positive impacts for neighboring businesses, especially restaurants, retailers, hair salons and others as customers of Essence Pasadena seek amenities nearby.

The Pasadena Chamber of Commerce is pleased to support Integral Associates Dena, LLC, in their application for CUP #6759.

Thank you for your hard work on these issues. We appreciate your consideration of the position of the Pasadena Chamber of Commerce.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Little". The signature is stylized and somewhat cursive.

Paul Little  
President and Chief Executive Officer

Cc: David Reyes

October 22, 2019

City of Pasadena  
Planning Commission  
City Hall, Council Chambers – Room S249  
100 N. Garfield Avenue  
Pasadena, CA 91101

**LETTER OF SUPPORT for CONDITIONAL USE PERMIT No. 6759 TO ALLOW THE RETAIL SALES OF CANNABIS AT 908 E. COLORADO BLVD. FOR INTEGRAL ASSOCIATES DENA, LLC**

Dear Sir or Madam,

It is with pleasure that I submit this Letter of Support for CUP No. 6759 for retail cannabis sales at 908 E. Colorado Blvd. on behalf of Integral Associates Dena, LLC. By way of background, I am a lifelong resident of Pasadena and I am active in numerous civic affairs in the City. I also conduct business in the City. In early 2019, after careful consideration and thought, I became a Member of the Board of Advisors for Integral Associates Dena, LLC. They have an impressive track record and they are committed to working with the City and several non-profits in the community. Moreover, the location they have chosen is ideal for the establishment and the applicant has followed all rules and codes.

Please feel free to contact me at [joelcharlesbryant@gmail.com](mailto:joelcharlesbryant@gmail.com) should you have any questions or comments regarding this Letter of Support for Integral Associates Dena, LLC.

Kind Regards,



JOEL C. BRYANT



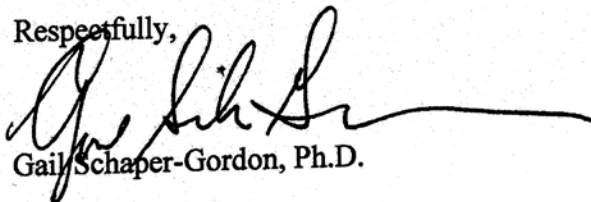
To the Pasadena Planning Commission Re: Hearing for Conditional Use Permit for Integral Associates Dena, LLC, doing business as "Essence"

As an active, long-time member of the Pasadena community, an organizational consultant and on the Board of Advisors for Essence, I am pleased to be working with Essence which as a business committed to the high quality standards of our Pasadena community and will be supporting several non-profits in the area.

I am pleased with the location that they have selected and believe that everything the applicant has done and will be doing complies with the City code, warranting approval of the CUP they are requesting.

Were I in town, I would be making this recommendation in person. Please accept this letter due to my unavailability for the meeting.

Respectfully,



Gail Schaper-Gordon, Ph.D.

---

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**EXHIBIT B**

## Pasadena's Cannabis Permitting Process

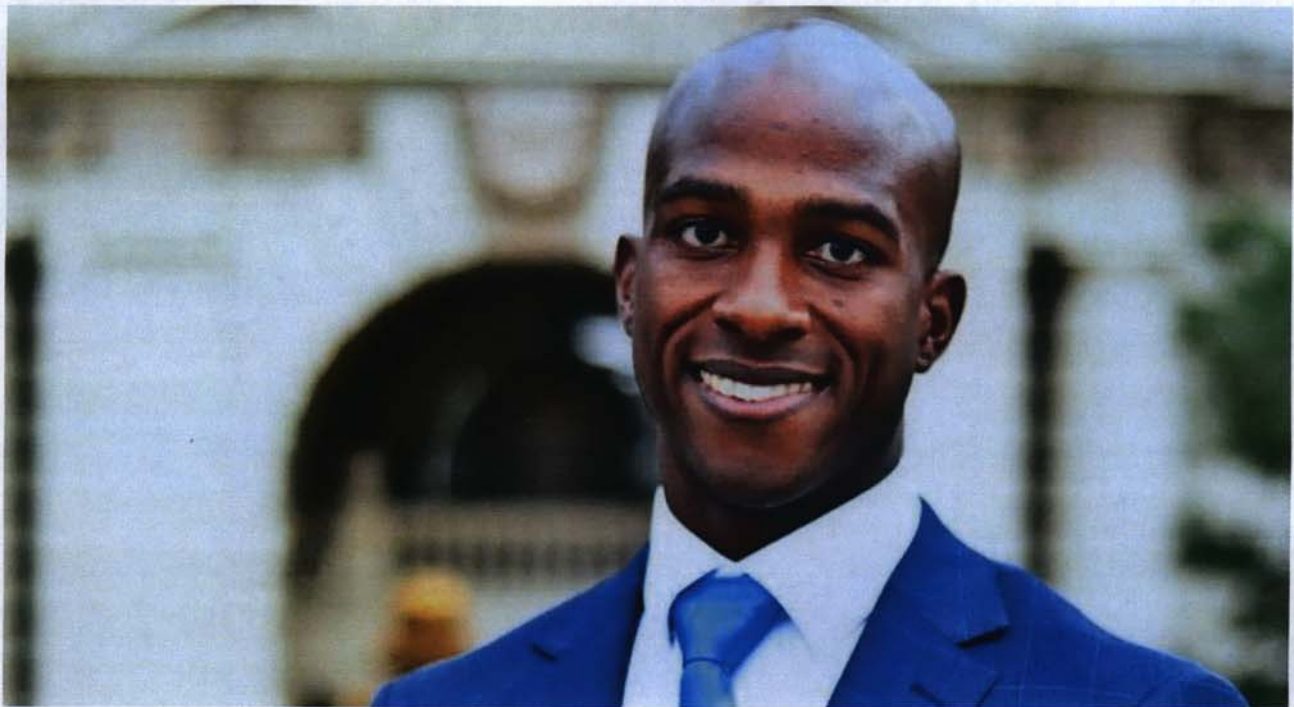
Published : Monday, January 20, 2020 | 4:16 PM

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Pasadena Vice Mayor Tyron Hampton

Pasadena Vice Mayor Tyron Hampton Monday issued a lengthy statement in which he said Pasadena's cannabis permitting process has proven to be a failure and should be stopped and overhauled for three principal reasons.



First, Hampton's statement said, the application process was unfairly designed in a way that favored only the wealthiest



people and companies

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Second, the screening process to determine the final six applicants

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procedure adopted by the people of Pasadena, bars, ALERTS & NEWSLETTERS SOCIAL MEDIA CENTRAL

Finally, Hampton said the conditional use process has been **LEADING LAWYERS EXTRAS REPORT BREAKING NEWS**

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According to standard industry projections, the Pasadena retail cannabis market will generate more than \$34 million a year in sales from Pasadena residents alone (and as much as \$82 million a year if the population of adjacent communities are included in the calculations), according to Hampton.

Expanding on that projection, Hampton went on to say that based on current stock market valuations, a cannabis business with \$34 million in sales has a stock market value of at least \$136 million and perhaps as much as \$300 million.

“This incredible wealth opportunity should have been preserved for Pasadena residents and people whose lives were ruined because of very harsh and restrictive marijuana laws,” Hampton’s statement said.

“Instead, the application process awarded points based on size and experience in a way that favored only the richest, most elite operators who otherwise have no connection to or interest in Pasadena. It now appears that the Pasadena cannabis market is set to be largely dominated by only three operators, two of which are multi-billion-dollar corporations. This monopoly will lead to black-market sales and the drug turf wars engaged in by street gangs. The City’s application process placed its thumb on the scale of fair dealing and pressed heavily against Pasadena resident businesses, which I find disturbing.”

Hampton also said he believes the screening process to determine the six applicants who would be allowed to seek a license was flawed, “if not designed to favor Big Cannabis.”

Pasadena’s cannabis ordinance required each application to be separately scored by three different individuals and then their scores

would be totaled and averaged. Instead, according to Hampton, three of the top six applicants applied. Hampton said he was scored by just one

person, a former Supervisor of Humboldt County, a place known for illegal marijuana production and distribution before California legalized cannabis.



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**LEADING LAWYERS EXTRAS REPORT BREAKING NEWS**

The remaining three applicants also appear to have been scored by just one person, a former State of Colorado marijuana investigator, Hampton said.

“Thus, this incredible wealth opportunity was not determined by a team of three people whose scores were totaled and averaged, as the law requires, but instead were awarded to each of the finalists by just one person, with interests beyond Pasadena,” Hampton said.

“The City Charter authorizes any Councilmember to make inquires of City staff. On October 10, 2019, I asked the Planning Department to tell me in writing if three separate people scored each screening application and if those scores totaled and averaged to derive the final score, as the law requires. To date, I have yet to receive a response to my question.”

“Further, I pointed out to the Planning Department and the City Manager that the contract with HdL (the firm hired to score applications) did not comply with Pasadena’s scoring requirements as outlined in the municipal code.”

Hampton also said that he believes City staff have badly mishandled the conditional use process.

“City staff have unfairly and inconsistently applied the rules to the applicants and have ignored the plain meaning of the City’s cannabis ordinance,” he said.

“In summary, Pasadena’s cannabis process should be stopped and restarted in a way that restores fairness and favors local ownership over mega-business corporations with no connection to Pasadena.”

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**EXHIBIT C**

PASADENA

# NEWS NOW

DAILY & BREAKING NEWS COVERAGE, 7 DAYS A WEEK

Health Physicians



## Annual Enrollment Period (AEP)

for Medicare coverage from October 15 through December 7. During this period, you will be able to choose or make changes to your Medicare.



To help you better understand your Medicare options



Weather: Pasadena | Now: 52°F | High: 61°F | Low: 48°F | 5-Day Forecast

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Pasadena Living | HOUSE & GARDEN | TECH & INNOVATION

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LEADING LAWYERS | EXTRAS | REPORT BREAKING NEWS

### Investigation, review cleared city staff of wrongdoing

By ANDRÉ COLEMAN

Published : Tuesday, January 21, 2020 | 5:39 AM

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The City conducted two probes into allegations of bias in the cannabis selection process, according to an email sent

to Pasadena News hours after Vice Mayor Tyron Hampton

PASADENA

# NEWS NOW

DAILY & BREAKING NEWS COVERAGE, 7 DAYS A WEEK

and restart the process.

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No project is too big or too small. Whether  
it's your desk, your closet, or every room in  
your house, I can help you take control of  
your space, and ultimately free your mind.

According to a statement



recently issued: 9:52 PM High: 61°F | Low: 48°F | 5-Day Forecast

by the City  
COMMUNITY | SCHOOLS | ARTS & CULTURE  
Council drafted

in a response to  
BARS ALERTS & NEWSLETTERS SOCIAL MEDIA CENTRAL  
the  
RAS REPORT BREAKING NEWS  
investigations,

the City spent  
more than

\$100,000 on the probes.

City officials initiated the first investigation in September in response to complaints made by a member of the public regarding City staff's role in the commercial cannabis permit application process.

More than 100 applicants each spent \$14,000 to apply for the chance to enter the city's conditional use permit application process.

Harvest of Pasadena, Integral, Atrium, Sweetflower, Tony Fong and MME Pasadena Retail won the highly sought after opportunity to open in Pasadena.

According to the statement while City staff was not involved in ranking or evaluating applicants, the complainant alleged that "staff favored one or more of the six successful applicants after the completion of the ranking process."

The complaints were investigated by an outside law firm retained by the City Attorney's office to independently

investigate the allegations. The law firm interviewed the  
**PASADENA NEWS NOW** of City staff and reviewed  
thousands of documents. The law firm found no evidence

to support any of the allegations. [SEARCH THE SITE](#) | [CONTACT US](#)



According to the statement, the investigation will not be  
released to the public because it is a personnel matter.

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[Pasadena Living](#) | [HOUSE & GARDENS](#) | [TECH & INNOVATION](#) | another

[SOCIAL SCENE](#) | [REAL ESTATE](#) | [RESTAURANTS & BARS](#) | [ALERTS & NEWSLETTERS](#) | [SOCIAL MEDIA CENTRAL](#)

continued to make allegations. [LEADING LAWYERS](#) | [EXTRAS](#) | [REPORT](#) | [BREAKING NEWS](#)

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there was no evidence of improper influence or evidence of malfeasance.”

Owners of Atrium and Sweetflower have filed separate lawsuits against the City after they were denied CUPs in their desired locations near Old Pasadena. The City ordinance only allows one dispensary per council district. Harvest was awarded the right to apply for a CUP in that area, District 3.

On Monday, *Pasadena Now* first reported that Vice Mayor Hampton was calling for a reboot in the process. Hampton claimed the process favored the wealthiest people and companies, the screening process was not conducted properly, and that the CUP process has favored certain applicants.

“The City takes all complaints very seriously and, where appropriate, reviews them with multiple layers of oversight, as was the case here, the email reads. “The City has spent in excess of \$100,000 investigating and reviewing these complaints, made by one individual who has indicated that he was engaged as a consultant for one of the cannabis retailers. Additionally, the City has incurred hundreds of

thousands in responding to requests by this consultant

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DAILY & BREAKING NEWS COVERAGE, 7 DAYS A WEEK

the Public Records Ave.

“We will continue to move forward with our cannabis

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process as directed by the Voters.

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## Read Previous Post



Vice Mayor Hampton Calls for Halt and Overhaul of Pasadena’s Cannabis Permitting Process



The Week Ahead for City Government



Council to Meet in Closed Session on YWCA

**EXHIBIT D**



**Richard McDonald**

---

**From:** Tyrone Hampton <tyrone.pci@gmail.com>  
**Sent:** Wednesday, April 24, 2019 5:43 PM  
**To:** Jomsky, Mark  
**Subject:** Fwd: 410 FOR 2020 COMMITTEE  
**Attachments:** 410 FOR 2020 COMMITTEE.pdf

CAUTION: This email was delivered from the Internet. Do not click links or open attachments unless you know the content is safe.

Sent from my iPhone

Begin forwarded message:

**From:** <martin117a@gmail.com>  
**Date:** April 24, 2019 at 12:31:32 PM PDT  
**To:** "Tyrone Hampton" <tyrone.pci@gmail.com>  
**Subject:** 410 FOR 2020 COMMITTEE

Sign and date as both treasurer and controlling officeholder and mail this Form with original ink signatures and a check for \$50 to:

Secretary of State  
Political Reform Division  
1500 11th Street, Rm 495  
Sacramento, CA 95814

also file a copy with Jomsky

we will have to file this form again when you have raised \$2,000

**EXHIBIT E**

## Richard McDonald

---

**From:** Richard McDonald <rmcdonald@carlsonnicholas.com> on behalf of Richard McDonald  
**Sent:** Thursday, December 5, 2019 4:17 PM  
**To:** carlsonnicholas.com  
**Subject:** Sweet Flower



Richard A. McDonald, Esq.  
Of Counsel, Carlson & Nicholas, LLP  
301 E. Colorado Blvd., Suite 320  
Pasadena, CA 91101

Telephone: (626) 356-4801  
Cell: (626) 487-6713  
E-mail: [RMcDonald@carlsonnicholas.com](mailto:RMcDonald@carlsonnicholas.com)

Website: [www.carlsonnicholas.com](http://www.carlsonnicholas.com)

**EXHIBIT F**

---

**TRANSCRIPTION OF PROCEEDINGS  
PASADENA CITY COUNCIL MEETING**

**PASADENA, CALIFORNIA**

**NOVEMBER 25, 2019**

**REPORTER:** Martha Ventimiglia



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1 like liquor stores.

2 And I think we just need to be very careful in  
3 whatever we do because these decisions, the City is  
4 going to have to live with for a long time.

5 These are very valuable licenses, and they are  
6 unlikely to go away at least in our lifetime once they  
7 are in place. And, you know, a block away without more  
8 information makes it a difficult lift for us, for me, I  
9 should say.

10 The -- now it's -- just clarifying the  
11 language that we have, the cleanup. We call it cleanup  
12 but -- and how many -- how many applicants will this  
13 cleanup affect?

14 MR. REYES: So it's not about an applicant,  
15 although one --

16 MR. GORDO: But how many applicants would --

17 MR. REYES: Would this apply to? Put one  
18 right now. Potentially others. Yeah, so we said clean  
19 up --

20 MR. GORDO: And who is that applicant?

21 MR. REYES: The applicant is Integral. So we  
22 believe that they are code compliant based on the will  
23 of the voters.

24 MR. GORDO: So --

25 MR. MERMELL: It may be helpful,

1 councilmember, if David stepped back and explained that  
2 issue about that language.

3 MR. GORDO: Please.

4 MR. REYES: Yup. So the actual language --  
5 I'm going to ask -- Jennifer Paige is going to read the  
6 city attorney's unbiased opinion on that actual  
7 language.

8 But the language that we talked about in city  
9 council chambers before putting on the ballot, the  
10 language that we put in terms of what the distance  
11 separation requirements were, it was from residential  
12 zones. And so that was very clear in all of the  
13 language except for when we wrote the ordinance. And  
14 we still said residential zones, councilmember. We  
15 still said council -- we still said residential zones.  
16 But there was an extra two words, affected parcels.

17 And so the language that exists today is that  
18 it needs to be 600 feet from the affected parcel of  
19 residential zones. And so the way that we measure that  
20 is residential zones are those properties that are  
21 zoned residentially.

22 The property in question has mixed zoning.  
23 It's neither residential nor commercial. It's both.  
24 It -- actually mixed zoning is a thing in the city.  
25 There are many parcels, the code contemplates it, and

1 in those instances, projects must comply with both  
2 requirements of the different zones that they are in.

3 So when we applied the language, we measured  
4 to -- when you measure to the residential portion of  
5 this mixed zoning property, it met code. It was fine.  
6 And that's the more conservative approach.

7 When you actually measure to the residential  
8 zone, it's even further away. But I think that -- do  
9 we have the language up, Miss Paige, that you can read,  
10 the actual --

11 MS. PAIGE: It's actually on page 6 of the  
12 staff report, if the council would like to reference  
13 their staff report. We have the language with the  
14 strikethrough.

15 And the language reads: "No retailer  
16 shall be established or located within  
17 600 feet measured from the nearest  
18 property lines of each of the affected  
19 parcels to any existing residential zone."  
20 That's current language.

21 You can see our strikeout which would read:

22 "No retailer shall be established  
23 or located within 600 feet measured from  
24 the nearest property lines of the cannabis  
25 retail parcel to any existing residential



1 zone."

2 MR. REYES: And where I was going is I think  
3 that the -- when we put this language before the  
4 voters, I think that the city attorney's independent  
5 analysis said residential zones. And I was looking for  
6 that language which we have that but -- so it was clear  
7 that -- what the voters were looking at was residential  
8 zones. And so we wanted to make sure that it was clear  
9 in the actual --

10 MR. GORDO: We don't have that in front -- I  
11 mean, I -- I see very --

12 MR. REYES: We can provide that.

13 MR. GORDO: I see very clear language here:

14 "No retailer shall be established or  
15 located within 600 feet measured from the  
16 nearest property lines of each of the  
17 affected parcels."

18 MR. REYES: Of residential zones.

19 MR. GORDO: Well, of any existing res- --  
20 parcels in a residential zone.

21 MR. REYES: That's right. That's correct.

22 MR. GORDO: So what I'm suggesting to you is I  
23 don't see -- so if we -- if we change it and it would  
24 affect one applicant?

25 MR. REYES: I don't think it would affect one.

1 So that would be up to the city council to decide. We  
2 think that the project as proposed meets the code  
3 language.

4 MR. GORDO: Does it affect one applicant?

5 MR. REYES: We don't think that it does.

6 MR. GORDO: Well, of the six.

7 MR. REYES: No. No. What I'm --

8 MR. GORDO: Hold on. Of the six that are  
9 currently in play, how many of them would be affected  
10 by this change?

11 MR. REYES: So one applicant.

12 MR. GORDO: One.

13 MR. REYES: But to be clear, councilmember, we  
14 don't think that a change is even required.

15 MR. GORDO: Okay. So -- so --

16 MR. MERMELL: The planning commission --

17 MR. GORDO: That actually concerns me more  
18 because if we change it, if we change it, if you don't  
19 think it's needed, then why change it?

20 MR. REYES: Recommendation of the planning  
21 commission.

22 MR. MERMELL: So we --

23 (Speaking simultaneously.)

24 MR. GORDO: No. No. No. Hold on. So the  
25 recommendation of the planning commission suggested by

1 staff; correct?

2 MR. REYES: No. The project was denied, and  
3 it was -- I forgot the vote. It was very close. The  
4 commission said in their denial, we need to clean this  
5 up. We are comfortable once you clean it up, and we  
6 can get there is what one commissioner said.

7 MR. GORDO: Okay. And so then we went back,  
8 staff went back and said this is how you clean -- this  
9 is how you clean it up.

10 MR. REYES: Yes.

11 MR. MERMELL: We think it's right but based on  
12 the conversation with the planning commission, based on  
13 that input, we thought, okay, it makes sense to make  
14 that change, to make it crystal clear to everybody.

15 MR. GORDO: Well, so the -- so the -- so  
16 what's the impact of that change to future -- to -- I  
17 mean, you said it doesn't affect one. It could affect  
18 others in the future. What's the impact?

19 MR. REYES: It makes it very clear that you  
20 have to be at least 600 feet from any residentially  
21 zoned property.

22 MR. GORDO: But not a lot, not a residential  
23 lot?

24 MR. REYES: Yes, a residential lot, if it's  
25 residentially zoned. So we have -- councilmember, the

1 intent of the ordinance -- in the Central District, we  
2 have commercial properties that are commercially zoned  
3 that have residential uses on them.

4 The intent of the ordinance was always to  
5 protect and make sure that the dispensaries were 600  
6 feet from residential zone, not a residential property.  
7 There is a ton of those in the Central District.

8 MR. GORDO: No, see, I don't see it that way.  
9 I mean, I recall --

10 MR. REYES: It's residential zoned.

11 MR. GORDO: I recall very clearly, we have  
12 done it on every other use. We say -- we try and  
13 protect individual lots. The impact is to a lot, not  
14 to a zone. I mean, we are trying to protect people and  
15 their residences and/or not -- not protect zones.

16 MR. REYES: So every --

17 MR. GORDO: So I recall clearly. I mean, this  
18 went through EdTech, and I recall clearly that we were  
19 concerned about residential -- I'm sorry -- individual  
20 lots that might be impacted, whether it's one or  
21 multiple. And so to change it from a lot line to, you  
22 know, a zone, in my view, I'm just not seeing the  
23 argument when it only affects one and potentially as  
24 you admit it could have, you know, unforeseen  
25 circumstances going forward to other --

1 MR. REYES: Every staff report, every staff  
2 report --

3 (Speaking simultaneously.)

4 MR. GORDO: Hold on. Let me finish. That it  
5 could have potential impacts to other residential lots  
6 throughout the city. I don't see the analysis there to  
7 address that issue.

8 MR. MERMELL: So, councilmember, they are  
9 currently allowed in mixed-use zones. So being in a  
10 mixed-use zone, it may be near someone's residence.

11 MR. REYES: So the analysis is here,  
12 councilmember, and I'll go through it very quickly  
13 because I think it's an important -- I think it's a  
14 very important issue. I don't want to give the council  
15 or the public the idea that staff is recommending that  
16 these things be put next to residences.

17 This map as proposed and approved by the  
18 voters identifies the distance separations that we have  
19 talked about. And this includes 600 feet from  
20 residential zones.

21 Every staff report that the City -- that the  
22 planning department has brought to, whether it was  
23 EdTech or the city council, identified a 600-foot  
24 separation from residential zones. That is what we  
25 brought forward. That is what we stated. That was the

1 intent of it. And even if --

2 MR. GORDO: Is that what the voters approved  
3 or did they approve --

4 MR. REYES: Absolutely. It says residential  
5 zones, affected parcels of residential zones.

6 MR. GORDO: Do we have that language?

7 MR. REYES: Absolutely. It's what the code  
8 is. We can --

9 (Speaking simultaneously.)

10 MR. GORDO: -- parcels.

11 MR. REYES: Yes, sir. No, this is the actual  
12 language. If you can just read that, Miss Paige.

13 MR. GORDO: Well, we don't have it in front of  
14 us.

15 MS. PAIGE: It's attachment B to your staff  
16 report is the code language and it's 5(b).

17 MR. GORDO: B, page -- page B as in boy, the  
18 current language. I can read it, if you'd like. Would  
19 you like me to read it again.

20 MALE SPEAKER: Attachment B.

21 MR. GORDO: Oh, I thought you said D.

22 MS. PAIGE: Attachment B to the staff report.

23 MR. GORDO: Yeah. Yeah. Thank you.

24 MS. PAIGE: And then within that, it's 5(b)  
25 under location requirements.

1 MR. REYES: To give effect to the entirety of  
2 the language, we can't ignore the last portion --

3 (Speaking simultaneously.)

4 MR. REYES: -- of any existing residential  
5 zone.

6 MR. GORDO: This language, 5(b), says no  
7 retail -- no retailer shall be established or located  
8 within 600 feet measured from the nearest property  
9 lines of each of the affected parcels.

10 MR. REYES: Of any existing residential zone.  
11 You are leaving that last part out, councilmember.

12 MR. GORDO: No. No. No, I'm not leaving it  
13 out. I'm suggesting to you that we are protecting  
14 properties, individual properties, by measuring from  
15 the property lines. So the property line of one to the  
16 property line of the other affected parcels, yes. I  
17 mean, of property lines in residential zones.

18 I don't disagree with that. But you are  
19 wanting to take out the measure of -- the measurement,  
20 I mean, between property lines, that's what you are --

21 MALE SPEAKER: Parcel.

22 MR. GORDO: Parcel. Thank you. Parcel to  
23 parcel. And -- isn't that correct?

24 MR. REYES: That's what was proposed by the  
25 planning commission to clean up. But if you were to

1 leave that, we are fine with that, too, as long as we  
2 are measuring to residential zones, the property lines  
3 of residential zones but we -- but the parcel lines of  
4 the parcels.

5 MR. GORDO: That's not what I read here.

6 MR. REYES: No. No. I think we are saying  
7 the same thing. It's affected parcels from one parcel  
8 to another, not a residential zone but the parcels need  
9 to be the parcel of the dispensary to the parcel of the  
10 residentially zoned parcel, the closest residentially  
11 zoned parcel. We are happy to implement that language.

12 MR. GORDO: Property line.

13 MR. REYES: Yeah, absolutely. So the issue at  
14 hand was the subject application, the parcel zoning,  
15 the parcel itself. When you measure the parcel, it  
16 wasn't residential and it wasn't commercial. So when  
17 you measure to the nearest residential zone, it was  
18 even further away.

19 What the planning commission was having  
20 trouble with was they wanted to measure to a parcel  
21 that was half residential and half commercial. We  
22 don't think that's this language. This language says  
23 to the nearest residentially zoned parcel.

24 When you do that, the project is compliant.  
25 So it's not --



1 MALE SPEAKER: (Inaudible) do you understand  
2 the issue?

3 MR. GORDO: I understand. I'm not sure I  
4 agree with it.

5 MALE SPEAKER: No, not asking you to agree.

6 MR. GORDO: And then in terms -- in terms of  
7 the interplay between our specific plans and  
8 consistency of with the specific plans and some of our  
9 other planning documents, Gateway, issues of Gateway,  
10 that's not before us at the moment.

11 MR. MERMELL: No, not at all. This is not  
12 inconsistent.

13 MR. GORDO: And -- well, I think -- that's a  
14 question that's going to be raised when these issues  
15 come forward.

16 But that issue is not before us at the moment  
17 and will come to us when, Steve, the issue of the  
18 Gateway --

19 MR. MERMELL: Well, you'll be considering the  
20 two appeals on the 16th, December.

21 MR. GORDO: Both of them.

22 MR. MERMELL: Two of them.

23 MR. GORDO: Two of them.

24 MR. MERMELL: When you say both --

25 MS. BEAL BAGNERIS: Two different --

1 residential, I think of residential in general.

2 MR. REYES: We are not looking to change that  
3 requirement that exists.

4 MR. HAMPTON: No, but you say some of them are  
5 mixed uses and you wanted to open it so that it's a  
6 zone.

7 MR. REYES: So, no. So I want to be really  
8 clear about that. Existing regulations allow you to be  
9 within 600 feet of a mixed-use building. Existing  
10 regulations do not allow a dispensary at the ground  
11 floor of a mixed-use building.

12 MR. HAMPTON: No. No. I understand that.

13 MR. REYES: Yeah.

14 MR. HAMPTON: So 600 feet away from a  
15 dispensary for all residents, it doesn't make a  
16 difference in my opinion, I don't think to any other  
17 residents opinion.

18 MR. REYES: What the zoning is?

19 MR. HAMPTON: What the --

20 MR. REYES: That's not what the rules are. So  
21 we don't want to change that. The existing rules allow  
22 that, councilmember, vice mayor, excuse me. Existing  
23 rules allow 600 feet to a mixed-use building that has  
24 residential.

25 MR. HAMPTON: So what's the purpose of the

**EXHIBIT G**



INTEGRAL ASSOCIATES DENA, LLC



# TIME OF CANNABIS INDUSTRY INVOLVEMENT

## 2014

AWARDED FIVE  
MEDICAL MARIJUANA  
LICENSES IN THE LAS  
VEGAS MARKET

## 2016

BEGAN  
MEDICAL MARIJUANA  
OPERATIONS IN LAS  
VEGAS MARKET

## 2017

AWARDED  
RECREATIONAL  
LICENSES IN LAS  
VEGAS MARKET

## 2018/2019

~~AWARDED AS TOP APPLICANT TO ESTABLISH EIGHT  
ADDITIONAL RETAIL STORE FRONTS IN NEVADA~~  
AWARDED AS TOP APPLICANT TO ESTABLISH **RETAIL**,  
DISTRIBUTION AND DELIVERY IN CULVER CITY

AWARDED AS TOP APPLICANT  
TO ESTABLISH RETAIL STOREFRONT IN PASADENA

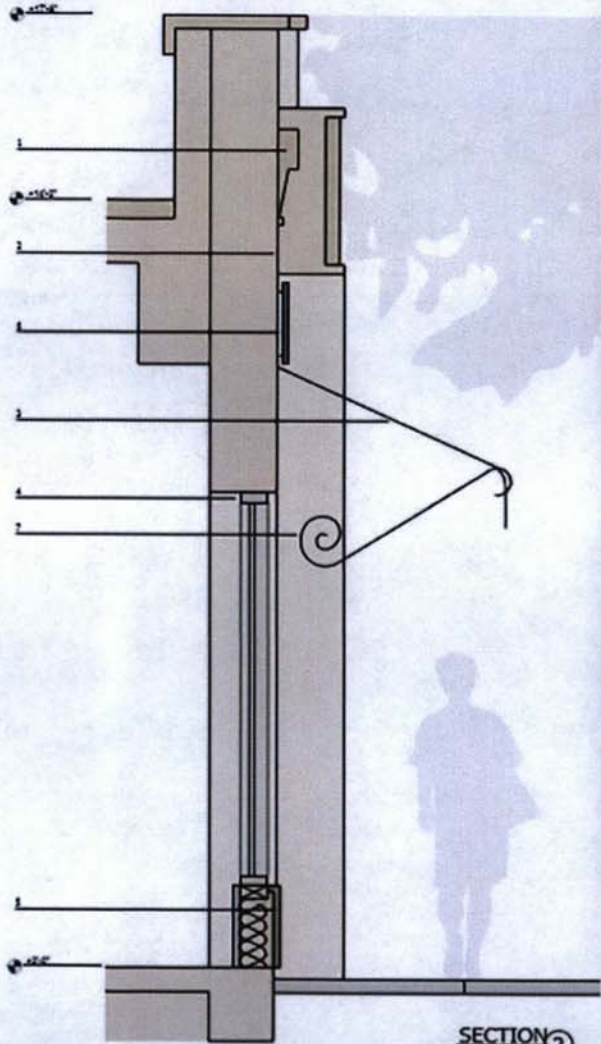


# EXISTING EXTERIOR FACADE

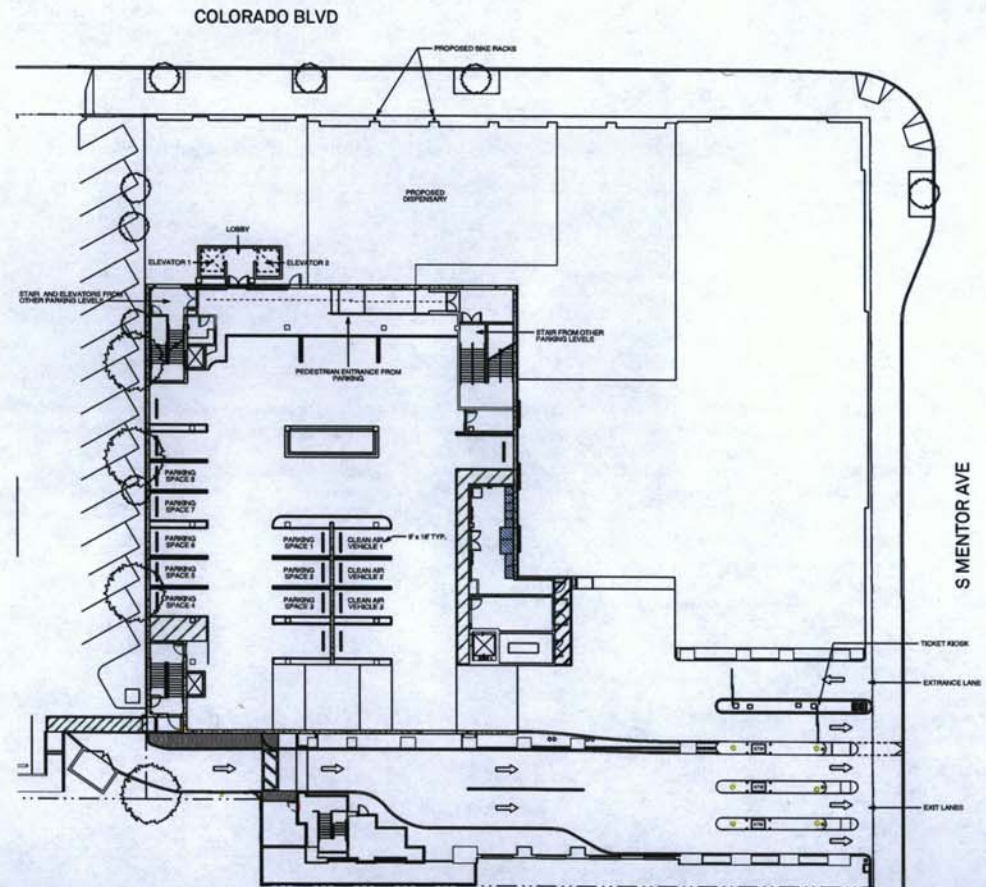
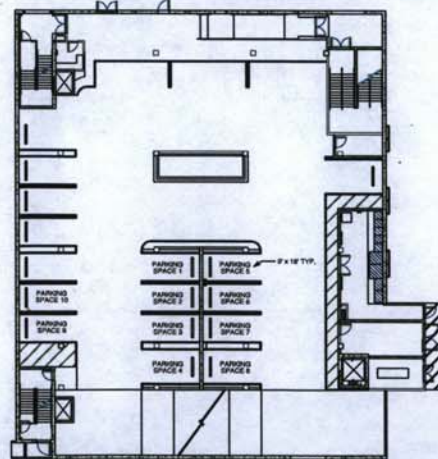
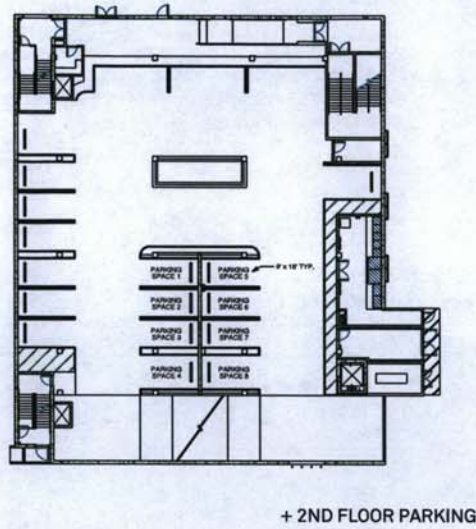


# PROPOSED EXTERIOR VIEW

- 1. EXISTING NATURAL CONCRETE ORNAMENTATION
- 2. EXISTING TRIM FINISHED STUCCO
- 3. EXISTING BLACK CHROME HANDING WITH 90° WHITE BULK AROUND STORAGE
- 4. EXISTING DARK ANODIZED ALUMINUM STOREFRONT
- 5. EXISTING BLACK CERAMIC TILES
- 6. 1/2" X 1/2" COATED ALUMINUM SHADOW CHANNEL LETTERS
- 7. EXISTING SUPPORT FOR HANDING

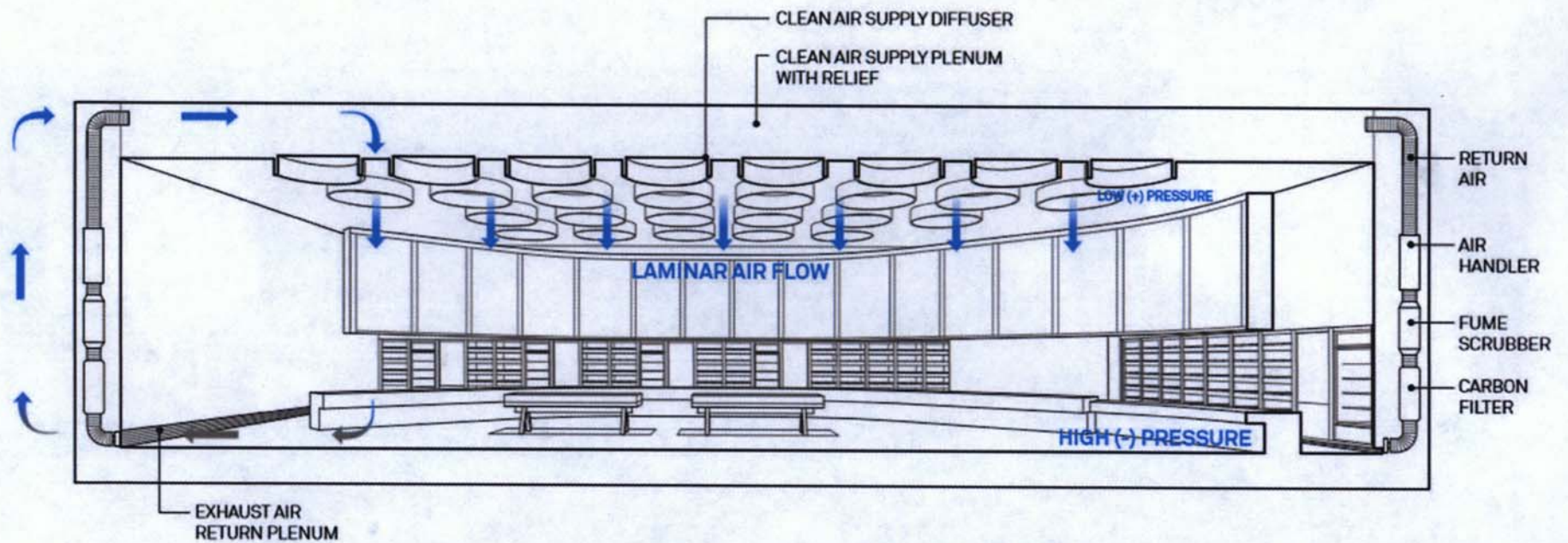


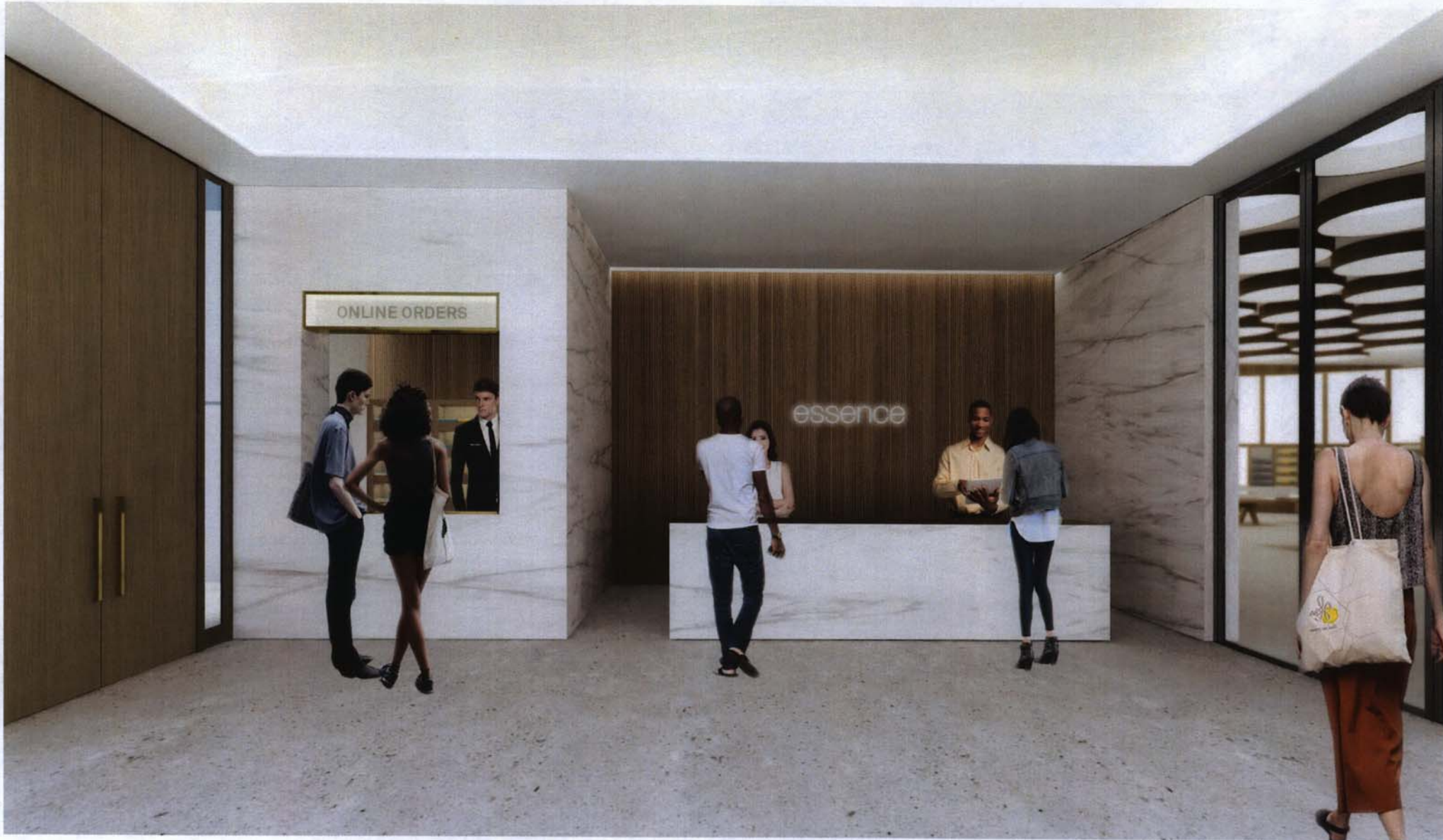
# PARKING AND CIRCULATION PLAN





# ODOR CONTROL AND AIRFLOW





# PROPOSED INTERIOR



THE SPACES ARE DESIGNED TO BE  
RELAXED, APPROACHABLE, AND  
WELCOMING TO ALL CUSTOMERS.

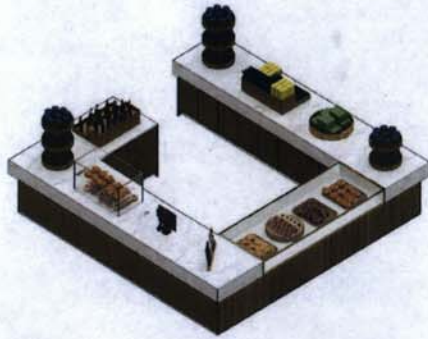


# PROPOSED INTERIOR



# INTERIOR FIXTURES AND COLOR MATERIALS

EDIBLE DISPLAY



VERTICAL QUEING DISPLAY



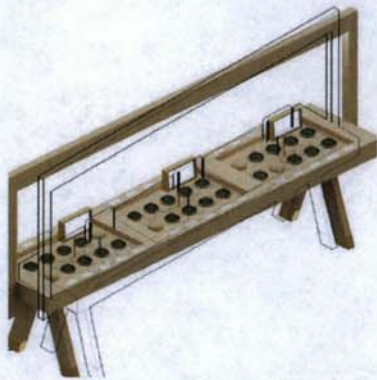
POINT OF SALE



WALL PANELING



FLOOR TABLE



VAPES/CONCENTRATES TABLE



COLOR MATERIALS



# SECURITY FEATURES

**VAULT DOOR**



**INTERIOR VAULT**



**SURVEILLANCE CAMERA**



**ELECTRONIC KEY FOB ACCESS  
CONTROL PANEL**



**PANIC BUTTON**



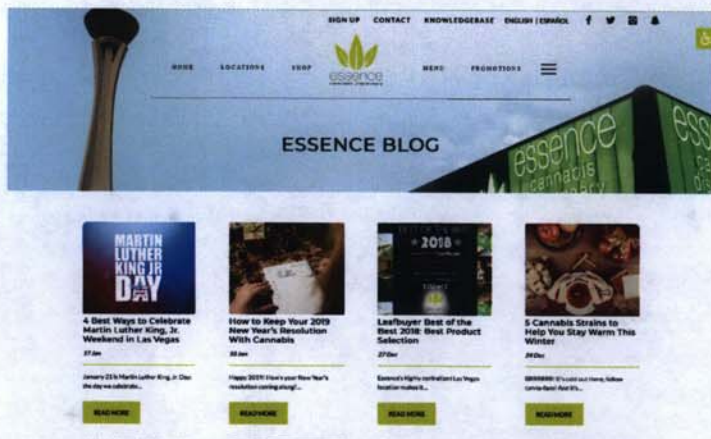
**AGE VERIFICATION ID  
SCANNER**



# CONSUMER EDUCATION

## CUSTOMER EDUCATION AND ONLINE PRODUCT INFO.

CUSTOMERS ARE ABLE TO VISIT OUR WEBSITE TO READ EDUCATIONAL BLOG POSTS OR PRODUCT DESCRIPTIONS.



## VENDOR POP-UPS

VENDORS ARE ENCOURAGED TO VISIT THE DISPENSARY AND SPEAK DIRECTLY WITH CUSTOMERS SO THEY CAN ANSWER ANY QUESTIONS THE CUSTOMER MAY HAVE ABOUT SPECIFIC PRODUCTS.



## PATIENT PACKET & EDUCATIONAL RACK CARDS

INFORMATIONAL BOOKS AND RACK CARDS ARE AVAILABLE FOR CUSTOMERS AND PATIENTS TO TAKE WITH THEM.



## WELLNESS WEDNESDAY

MONTHLY EVENTS HOSTED BY ESSENCE, WHERE HEALTHCARE PROFESSIONALS, PATIENTS, LEGAL EXPERTS, POLITICIANS AND CULTIVATORS MEET TO DISCUSS CANNABIS TOPICS.



# ESSENCE PASADENA COMMUNITY ADVISORY BOARD

**RICHARD MCDONALD** - 39 YEAR PASADENA RESIDENT AND LONGTIME ATTORNEY PRATICING LAND-USE, REAL ESTATE, ENVIRONMENTAL & ADMINISTRATIVE LAW IN SOUTHERN CALIFORNIA & THE SAN GABRIEL VALLEY.

**PAUL LITTLE** - PRESIDENT AND CEO OF THE PASADENA CHAMBER OF COMMERCE SINCE DECEMBER 2007. ALSO SERVED ON THE PASADENA CITY COUNCIL FROM 1995 TO 2007.

**DR. RITU KUMAR** - INTERNAL MEDICINE SPECIALIST IN PASADENA.

**GAIL SCHAPER-GORDON, PH.D.** - RESIDENT OF PASADENA, ORGANIZATIONAL CONSULTANT, RENOWNED BUSINESS PSYCHOLOGIST & ENTREPRENEUR.

**JOEL BRYANT** - PASADENA NATIVE AND REAL ESTATE & CONSTRUCTION PROFESSIONAL.





# COMMUNITY OUTREACH

## HOLIDAY FOOD DRIVE

**October 29th - November 16th**  
 Drop off 3 food items & receive a Penny Pre-Roll from GLP!  
(Valid on purchases over \$100)

Stop by Digipath Labs, or any Essence Cannabis Dispensary locations

Digipath Labs 6450 Cameron St. #113 Las Vegas, NV 89118	Essence Las Vegas Strip 2307 S Las Vegas Blvd Las Vegas, NV 89104
Essence West Tropicana 5765 W Tropicana Ave Las Vegas, NV 89103	Essence Henderson 4300 E Sunset rd. #A3 Henderson, NV 89014

GP GREENLIFE digipathLabs ESSENCE



#VEGASSTRONG

# Thank you!

TO OUR VENDORS, CUSTOMERS AND PATIENTS FOR HELPING US RAISE

## \$20,000

TO BENEFIT THE LAS VEGAS VICTIMS FUND

essence SHADE & TREE



## HOLIDAY Gift Drive

**December 14th - December 21st**

Get a select GLP Pre-Roll for \$5 with any cannabis purchase!  
 100% of the proceeds from the sale of pre-rolls will be used to purchase gift cards for gifts for Shade Tree & local shelters.  
 Limit of one \$5 pre-roll per purchase.

Stop by any Essence Las Vegas Location to participate:

Essence Las Vegas Strip 2307 S Las Vegas Blvd Las Vegas, NV 89104	Essence West Tropicana 5765 W Tropicana Ave Las Vegas, NV 89103	Essence Henderson 4300 E Sunset rd. #A3 Henderson, NV 89014
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To donate gift cards only, please visit:  
 Digipath Labs  
 6450 Cameron St. #113  
 Las Vegas, NV 89118

GP GREENLIFE digipathLabs ESSENCE

Keep out of reach of children. For use only by adults 21 years of age or older. Select products and cultivators apply. Limit of one \$5 pre-roll per purchase. Must make a cannabis purchase for \$5 per roll. Management Reserves all rights.

Starting July 23

GP GREENLIFE essence SHADE & TREE

## Baby J's SCHOOL SUPPLY DRIVE

SELECT Baby J's JUST \$15 +TAX  
 Proceeds used to purchase back-school supplies  
 while supplies last.

essencevegas.com | 702.378.7758

Keep out of reach of children. For use only by adults 21 years of age or older.



# LOCAL ONE-MILLION DOLLAR PLEDGE

**ESSENCE HAS PLEDGED ONE MILLION DOLLARS (\$1,000,000.00) TO THE BETTERMENT OF PASADENA, COMPRISED OF \$50K DONATIONS TO 5 DIFFERENT CAUSES PER YEAR, FOR FOUR (4) YEARS AFTER LICENSURE.**

**PASADENA CHAMBER OF COMMERCE EDUCATION FOUNDATION** - \$200K OVER FOUR (4) YEARS; WHICH SUPPORTS PASADENA UNIFIED SCHOOL DISTRICT AND PASADENA COMMUNITY COLLEGE STUDENTS.

**JOURNEY HOUSE OF PASADENA** - \$200K OVER FOUR (4) YEARS; TO PROVIDE ASSISTANCE TO FORMER FOSTER YOUTH IN THE WAY OF HOUSING, EMPLOYMENT, & EDUCATION.

**HOMES4FAMILIES** - \$200K OVER FOUR (4) YEARS; TO EMPOWER LOW-INCOME VETERANS & THEIR FAMILIES TO ENTER THE MIDDLE CLASS THROUGH AFFORDABLE, FULL-EQUITY HOMEOWNERSHIP & SUSTAINABLE HOUSING.

**WALK FOR KIDS** - \$200K OVER (4) FOUR YEARS; A WALK EVENT DESIGNED TO HELP RAISE FUNDS FOR THE SERVICES AND PROGRAMS PROVIDED BY THE PASADENA RONALD MCDONALD HOUSE, WHO PROVIDE COMFORT, CARE AND SUPPORT TO CHILDREN AND FAMILIES IN SOUTHERN CALIFORNIA.





THANK YOU

**EXHIBIT H**

Land Use Category	Zoning Code Section	Separation Requirement	Specific Land Uses Requiring Separation
Drive Through Businesses	17.50.090	500 feet	<ol style="list-style-type: none"> <li>1. Park and recreation facilities</li> <li>2. Public or private schools</li> <li>3. Fast food or formula fast food restaurant with drive throughs</li> </ol>
The Following Alcohol Land Uses within the Alcohol Density Overlay District (AD-1 & AD-2): <ol style="list-style-type: none"> <li>1. Bars or taverns</li> <li>2. Billiard parlors with alcohol service</li> <li>3. Nightclubs with alcohol service</li> <li>4. Uses which provide for the sale of alcohol for off-site consumption</li> </ol>	17.28.030	AD-1 Overlay District: 250 feet	<ol style="list-style-type: none"> <li>1. Bars or taverns</li> <li>2. Billiard parlors with alcohol service</li> <li>3. Nightclubs with alcohol service</li> <li>4. Uses which provide for the sale of alcohol for off-site consumption</li> </ol>
		AD-2 Overlay District: 1,000 feet	
Massage Establishments	17.50.155	250 feet	Residential district
		500 feet	<ol style="list-style-type: none"> <li>1. Massage establishment</li> <li>2. Personal services restricted use</li> <li>3. Pawnshop</li> <li>4. Sexually oriented business</li> </ol>
Boarding Houses	17.50.065	500 feet	Boarding houses
Personal Services Restricted & Pawnshops	17.50.200	500 feet	<ol style="list-style-type: none"> <li>1. Personal services restricted use</li> <li>2. Pawnshop</li> <li>3. Massage establishment</li> </ol>
Tobacco Retail Sales	17.50.330	1,000 feet	Sensitive land uses (e.g., game arcade, internet access studio, library, licensed child day-care facility [excluding a small or large family day-care use], park and recreation facility, public or private school, or theater, as any of those land use types may be defined in Article 8 (glossary))
Electronic Game Arcades & Internet Access Studios	17.50.100	500 feet	<ol style="list-style-type: none"> <li>1. Day-care facility</li> <li>2. Park</li> <li>3. Public or private school</li> <li>4. Religious facility</li> </ol>
		1,000 feet	Electronic game arcade and/or internet access studio
Donation Collection Facilities	17.50.085	500 feet	Recycling facility or another donation collection facility
Emergency Shelters, Limited Limited:	17.50.105	150 feet	Residential district
		300 feet	<ol style="list-style-type: none"> <li>1. Emergency shelter, limited</li> <li>2. Emergency shelter</li> </ol>
Large Family Day-Care Homes	17.50.080	300 feet	Within a residential district, from another large family day-care home or child day-care center
Recycling Facilities	17.50.220	100 feet	Public right of way
		200 feet	<ol style="list-style-type: none"> <li>1. Residential use</li> <li>2. Child day-care center</li> <li>3. Large &amp; small family day-care homes</li> <li>4. Park and recreation facility</li> <li>5. Public or private school</li> <li>6. Religious facility (excluding temporary uses)</li> </ol>
Sexually Oriented Businesses	17.50.295	250 feet	<ol style="list-style-type: none"> <li>1. RS or RM district</li> <li>2. Sexually oriented business</li> </ol>
		500 feet	<ol style="list-style-type: none"> <li>1. Child day-care center</li> <li>2. Park and recreation facility</li> <li>3. Public or Private School</li> <li>4. Religious facility (excluding temporary uses)</li> </ol>

17.50.220 - Recycling Facilities

A. **Small collection facilities.**

1. **Applicable facilities.** The facility shall only be established in conjunction with a commercial, community, or publicly owned facility.
2. **Permit requirements.** The location and type of the facility on the site shall be subject to the approval of a Conditional Use Permit issued in compliance with Section 17.61.050.
3. **Location.** The facility shall be located on a site that is a minimum of two acres and shall be:
  - a. Within an enclosed structure;
  - b. At least 200 feet from any residential use, child day-care centers, large and small family day-care homes, park and recreation facility, public or private school, or religious facility (excluding temporary uses), that existed before the establishment of the recycling facility; and
  - c. At least 100 feet from any public right-of-way.
4. **Limitation on number.** There shall be no more than one facility for each site.
5. **Size of facility.** The maximum height of the bins, boxes, and/or containers shall be reviewed through the Conditional Use Permit process.
6. **Materials of construction.** The facility shall be constructed and maintained with durable waterproof and rustproof material, and the bins, boxes, or containers shall be covered and contained in such a manner that they do not present a danger to the public health, safety or welfare.
7. **Site maintenance.** The site shall be kept clean and maintained in a litter-free condition at all times.
8. **Identification of allowed materials.** The facility shall be clearly marked to identify the type of materials to be deposited.
9. **Signs.** Signs shall be reviewed during the Conditional Use Permit process and shall comply with Chapter 17.48 (Signs).
10. **Hours of operation.** The hours of operation shall be limited to 9:00 a.m. to 4:00 p.m., Monday through Saturday. The hours may be extended to 7:00 p.m. during Daylights Saving Time through the Conditional Use Permit approval process.

**B. Large collection facilities.**

1. **Permit requirements.** The location and type of the facility on the site shall be subject to the approval of a Conditional Use Permit issued in compliance with Section 17.61.050.
2. **Location.** The facility shall be located:
  - a. Within an enclosed structure;
  - b. At least 200 feet from any, residential use, child day-care centers, large and small family day-care homes, park and recreation facility, public or private school, or religious facility (excluding temporary uses), that existed before the establishment of the recycling facility; and
  - b. At least 100 feet from the nearest residential use.
3. **Storage requirements.**
  - a. All storage of material shall be in sturdy containers or enclosures with tightfitting covers, which are secured and maintained in good condition, or shall be baled or pelletized.
  - b. The depositing of materials on the ground is prohibited.
  - c. Storage containers for flammable material shall be constructed of nonflammable material.
  - d. Oil storage shall be in containers approved by the Fire and Health Departments.
4. **Performance standards.** The facility shall comply with the environmental performance standards of Section 17.40.090.
5. **Identification and signs.** The facility shall be clearly marked with the name and phone number of the facility operator and the hours of operation. Identification and information signs shall meet the sign standards for the zoning district in which the facility is located.
6. **Allowable materials.** Recyclable materials shall be presorted and shall include no hazardous materials.
7. **Hours of operation.** The hours of operation shall be limited to 9:00 a.m. to 4:00 p.m., Monday through Saturday. The hours may be extended to 7:00 p.m. during Daylights Saving Time through the Conditional Use Permit approval process.

8. **Maintenance.** The site shall be maintained free of litter and any other unsanitary materials and shall be cleaned of debris on a daily basis. The facility shall be maintained free from rodents at all times.

C. **Standards for all recycling facilities.**

1. **Sorting areas enclosed.** Recycling facilities shall be located within the footprint of the host retailer or within an attached or freestanding enclosure to contain the sorting and weighing areas.
2. **Public Right-of-Way.** Recycling facilities shall be no closer than 100 feet from the public right-of-way.
3. **Separation from sensitive uses.** Each facility shall be a minimum of 200 feet from any residential use, child day-care centers, large and small family day-care homes, park and recreation facility, public or private school, or religious facility (excluding temporary uses), that existed before the establishment of the recycling facility.
4. **Obstructions to Vehicular or Pedestrian Circulation.** Recycling facilities shall not obstruct pedestrian or vehicular circulation.
5. **Owner/Operator Identification.** The recycling facility shall be clearly marked with the name and telephone number of the operator during business hours and when closed. No person shall install or maintain a recycling facility without first registering the facility with the City. Such registration shall be in writing by the owner of the recycling facility or his/her authorized agent, shall be filed with the Director of Planning & Community Development, and shall contain the name, address and telephone number to whom any notice should be given pursuant to this chapter.
6. **Materials of Collection Bins.** The recycling facility shall use receptacles that are constructed and maintained with durable waterproof and rust proof material, covered when not attended, and secure from unauthorized entry.
7. **No Outside Storage.** No materials shall be stored or placed in a manner so as to cause a public nuisance. All recyclable materials shall be stored in receptacles or in the mobile recycling unit vehicles, and shall not be left outside of receptacles when the attendant is not present.
- 8.



**Refuse Bins Available.** There shall be a minimum of one trash container (separate from the trash container required for the principal use) located within 10 feet of the facility.

9. **Identification of Allowed Materials.** Small-collection facilities shall accept only CRV materials including glass, metals, plastic containers. Items shall be presorted and shall include non-hazardous materials. The operator shall post a notice to alert patrons of accepted materials and the presorting requirement.
10. **Water Quality.** Recycling facilities shall provide containers without perforations, mesh, or holes for liquid disposal, and shall require customers to dispose of any residual liquids from CRV containers prior to placing in transferring and weighing area.
11. **Waste Management Plan.** All applications to establish a Recycling Facility will require a Waste Management Plan describing how the facilities will reduce, collect and dispose of all liquid waste generated from the use. The plan must be reviewed and approved by the Director of the Department of Public Works. The Waste Management Plan shall include, but not limited to, the following: 1) storage and disposal methods for solid and liquid waste materials; 2) liquid waste spill response control measures, and 3) placement of solid and liquid waste receptacles. At all times while the facility is in existence, the applicant shall comply with the approved Waste Management Plan.
12. **Litter/Debris Removal Plan.** A litter/debris removal plan is required to be submitted in conjunction with the CUP application and shall be incorporated into the conditions of approval. Applicants shall maintain the area within a 200 ft. radius of the recycling facility free of litter and debris. At all times while the facility is in existence, the applicant shall comply with the approved Litter/Debris Removal Plan. The Litter/Debris Removal Plan shall include, but not be limited to, the following: 1) litter/debris monitoring schedule; 2) storage and disposal methods for litter/debris; and 3) cleaning procedure (i.e. sweeping, pressure wash) and schedule. The plan must include the area within a 200 ft. radius of the recycling facility and be reviewed and approved by the Director of the Department of Public Works in order for the application to be considered complete.

13. **Screening/Landscaping.** All operational aspects of Recycling Facilities shall be screened to the maximum extent feasible. A Screening Plan shall be submitted in conjunction with all applications for Recycling Facility Conditional Use Permits.
14. **Nonconforming Facilities.** Small and large collection recycling facilities which are lawfully in existence as of March 1, 2015, and which are not in compliance with this chapter are considered non-conforming and shall be removed or brought into compliance with said regulations by receiving entitlements on or before September 1, 2015, and by implementing site plan modifications on or before November 1, 2015.

(Ord. 7255 § 12, 2015; Ord. 7099, § 33, 2007)

17.50.105 - Emergency Shelters, Limited

A. **Applicability.** The following standards apply to emergency shelters, limited.

B. **Separation requirements.**

1. There shall be no more than one emergency shelter, limited within 300 feet of another emergency shelter, limited or emergency shelter.
2. Emergency shelters, limited shall be a minimum of 150 feet from a residential zoning district.
3. The distance separations shall be measured in a straight line in all directions, without regard to intervening structures, from the closest point on a property line of the proposed emergency shelter, limited to the closest point on a property line of an existing emergency shelter, emergency shelter, limited, or residential zoning district boundary.

C. **Operational requirements.**

1. Lodging and meals shall be provided only for guests, paid staff and volunteers.
2. A minimum of one paid staff shall be present whenever guests are present.
3. Storage area or locker of a minimum of eight square feet shall be provided for each bed.
4. Admission to the facility shall be limited to the hours between 7:00 a.m. and 10:00 p.m.
5. No outdoor waiting areas shall be allowed.
6. Parking areas shall have lighting to provide security for clients, visitors and employees.
7. Temporary shelters shall be available to clients for no more than six continuous months.
8. The provider shall have a written management plan subject to the review and approval of the Zoning Administrator. It shall include provisions for staff training, neighborhood outreach, security, screening of clients to ensure compatibility with proposed services provided, counseling, particularly for assisting in finding permanent housing and a source of income, training and treatment programs for clients, drug and alcohol dependency referrals and an exit strategy.

9. A refuse storage area shall be provided in accordance with Section 17.40.120 (Refuse Storage Facilities).
10. The provider shall pick up and remove litter daily along any street or alley abutting the site for a 300-foot distance.

(Ord. 7235 § 6, 2013)

17.50.155 - Massage Establishments

- A. **500-foot separation required.** A massage establishment shall be a minimum of 500 feet from another massage establishment, personal services restricted use, pawnshop or sexually oriented business.
- B. **250-foot separation required.** A massage establishment shall be a minimum of 250 feet from a residential district. This requirement shall not apply to Planned Development zoning districts.
- C. **How to measure separation.** The distance separation between the above identified uses shall be measured in a straight line, without regard to intervening structures, from the closest property line of the structure used as a massage establishments to the closest property line of another structure used as another massage establishments, personal services restricted use, pawnshop, sexually oriented business or residential district.
- D. **Other permit requirements.** A massage establishment shall comply with the permit requirements of Chapter 5.48 (Massage Establishments).

(Ord. 7135, § 8, 2008)

**EXHIBIT I**

To access staff reports, please click on the link below to download  
Adobe Reader Version 6.0.



<http://www.adobe.com/products/acrobat/readstep2.html>

TO COMPLY WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, ASSISTIVE LISTENING DEVICES ARE AVAILABLE AT ALL PASADENA CITY COUNCIL MEETINGS.  
ASSISTIVE LISTENING HEADPHONES AND NECK LOOPS CAN BE CHECKED OUT AT THE DESK OF THE SERGEANT-AT-ARMS, LOCATED INSIDE THE CITY COUNCIL CHAMBERS.



LANGUAGE TRANSLATION SERVICES ARE AVAILABLE FOR THIS MEETING BY CALLING  
(626) 744-4124 AT LEAST 24 HOURS IN ADVANCE.

HABRÁ SERVICIO DE INTERPRETACIÓN DISPONIBLE PARA ÉSTAS JUNTAS LLAMANDO AL  
(626) 744-4124 POR LO MENOS CON 24 HORAS DE ANTICIPACIÓN.

MEETINGS ARE BROADCAST LIVE ON CHARTER CABLE CHANNEL 3 AND REBROADCAST DAILY;  
CALL (626)794-8585 FOR SCHEDULE.

**AGENDA  
CITY COUNCIL, THE SUCCESSOR AGENCY TO THE  
PASADENA COMMUNITY DEVELOPMENT COMMISSION, AND THE PASADENA PUBLIC FINANCING  
AUTHORITY  
FEBRUARY 26, 2018**

Closed Session 5:30 P.M.  
Public Meeting 6:30 P.M.  
Public Hearing 7:00 P.M.  
Council Chamber, Pasadena City Hall  
100 North Garfield Avenue, Room S249

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**CLOSED SESSION - 5:30 P.M.**

*(To be heard at 5:30 p.m., and/or at the conclusion of the meeting)*

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- A. **CITY COUNCIL CONFERENCE WITH LEGAL COUNSEL REGARDING POTENTIAL LITIGATION -**  
Consideration of initiation of litigation pursuant to Government Code Section 54956.9(d)(4)(one potential case)  
  
**ACTION: DISCUSSED; NO REPORTABLE ACTION AT THIS TIME**
- B. **CITY COUNCIL CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8  
Property Location: 1015 North Lake Avenue, Pasadena, California  
Agency Negotiator: Steve Mermell  
Negotiating Parties: Jacquelynne Jones-Corby and Iris Alvarado  
Under Negotiation: Price and terms of payment  
  
**ACTION: DISCUSSED; NO REPORTABLE ACTION AT THIS TIME**
- C. **CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8  
Property Location: 1001 Rose Bowl Drive, Pasadena, California  
Agency Negotiator: Darryl Dunn  
Negotiating Party: United Bid Committee, John Kristick (Executive Director)  
Under Negotiations: Price and terms of payment  
  
**ACTION: DISCUSSED; NO REPORTABLE ACTION AT THIS TIME**

Legislative Policy Committee

Municipal Services Committee

Public Safety Committee

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**PUBLIC HEARING:**

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**23. CONTINUED PUBLIC HEARING: SUBSTANTIAL AMENDMENT TO THE ANNUAL ACTION PLAN (2017-2018) FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**Recommendation:** It is recommended that upon close of the public hearing the City Council take the following actions:

- (1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
- (2) Approve the submission to the U.S. Department of Housing and Urban Development of a Substantial Amendment to the Annual Action Plan (2017-2018) as described in the agenda report to: a) reduce funding by \$100,000 in Community Development Block Grant (CDBG) funds for the Pasadena Single Family Residential Rehabilitation project; and b) allocate \$300,000 in CDBG funds for Pasadena Enterprise Center building improvements.

 *staff report*  
640k

POWERPOINT PRESENTATION - PRESENTED AT MEETING

**ACTION: APPROVED STAFF RECOMMENDATION**

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**RECOMMENDATIONS FROM OFFICERS AND DEPARTMENTS**

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City Manager

**24. CONSIDERATION OF AN ORDINANCE TO ALLOW A LIMITED NUMBER OF COMMERCIAL CANNABIS BUSINESSES TO OPERATE IN THE CITY SUBJECT TO BUSINESS, HEALTH AND LAND USE REGULATIONS TO PROTECT PUBLIC HEALTH, SAFETY, RESIDENTIAL NEIGHBORHOODS, AND SENSITIVE LAND USES**

**Recommendation:**

- (1) Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the action; and
- (2) Approve submittal of the ordinance to the voters of the City of Pasadena.

 *staff report*  
1599k

ORDINANCE 12839k

CORRESPONDENCE 76496

SUPPLEMENTAL MATERIAL RECEIVED AFTER POSTING OF AGENDA

CORRESPONDENCE 8674k

POWERPOINT PRESENTATION - PRESENTED AT MEETING

**ACTION: APPROVED STAFF RECOMMENDATION AS AMENDED**

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**25. CONSIDERATION OF AN ORDINANCE AMENDING TITLE 5 OF THE PASADENA MUNICIPAL CODE TO ADD A NEW CHAPTER 5.28 ENTITLED "CANNABIS BUSINESS TAX"**



**Recommendation:**

- (1) Find that the proposed action is not a project subject to California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
- (2) Approve the submission of the Ordinance imposing a cannabis business tax to the qualified voters of the City of Pasadena; and
- (3) Adopt a resolution declaring a fiscal emergency for purposes of placing the proposed ordinance on the ballot of the June 5, 2018 election.



*staff report*

1359k

ATTACHMENT A 392k

ORDINANCE 3770k

RESOLUTION 555k

POWERPOINT PRESENTATION - PRESENTED AT MEETING

***ACTION: APPROVED STAFF RECOMMENDATION AS AMENDED***

26. **ADOPTION OF RESOLUTIONS RELATED TO THE CALLING OF A SPECIAL MUNICIPAL ELECTION OF THE CITY OF PASADENA CONSOLIDATED WITH THE STATEWIDE PRIMARY ELECTION HELD ON TUESDAY, JUNE 5, 2018, FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF PASADENA AN ORDINANCE TO ALLOW A LIMITED NUMBER OF COMMERCIAL CANNABIS BUSINESSES TO OPERATE IN THE CITY, SUBJECT TO BUSINESS, HEALTH, AND LAND USE REGULATIONS, TO PROTECT PUBLIC HEALTH, SAFETY, RESIDENTIAL NEIGHBORHOODS, AND SENSITIVE LAND-USES; AND FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF PASADENA AN ORDINANCE TO IMPOSE A CANNABIS BUSINESS TAX; AND TO AMEND THE FISCAL YEAR (FY) 2018 ADOPTED OPERATING BUDGET TO COVER ELECTION RELATED EXPENSES**

**Recommendation:**

- (1) Find that the proposed action is not a project subject to California Environmental Quality Act (CEQA) as defined in Section 21065 and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
- (2) Adopt a resolution of the City Council of the City of Pasadena calling and giving notice of a Special Municipal Election of the City of Pasadena on Tuesday, June 5, 2018, for the submission of an ordinance for voter approval to allow a limited number of commercial cannabis businesses to operate in the City subject to business, health and land use regulations, and for the submission of a second ordinance for voter approval to impose a cannabis business tax;
- (3) Adopt a resolution of the City Council of the City of Pasadena requesting the Board of Supervisors of the County of Los Angeles to authorize and order the consolidation of a Special Municipal Election of the City of Pasadena with the Statewide Primary Election to be held on Tuesday, June 5, 2018, and requesting the Los Angeles County Clerk/Registrar of Voters to administer said election on behalf of the City;
- (4) Adopt a resolution of the City Council of the City of Pasadena setting priorities for filing written arguments pertaining to an ordinance to allow a limited number of commercial cannabis businesses to operate in the City, subject to business, health and land use regulations, and to an ordinance to impose a cannabis business tax; and directing the City Attorney to prepare an impartial analysis for each ordinance;
- (5) Adopt a resolution of the City Council of the City of Pasadena providing for the filing of rebuttal arguments with respect to primary arguments pertaining to an ordinance to allow a limited number of commercial cannabis businesses to operate in the City, and to an ordinance to impose a cannabis business tax; and
- (6) Amend the Fiscal Year (FY) 2018 Adopted Operating Budget by appropriating \$25,200 from the City's General Fund balance to Account No. 10113002-811400 to cover election related expenses for the June 5, 2018 Special Municipal Election.



*staff report*

868k

RESOLUTION CALLING AND CONSOLIDATING ELECTION 707k

RESOLUTION REQUESTING ELECTION SERVICES FROM COUNTY OF LOS ANGELES 445k



# Agenda Report

February 26, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Planning & Community Development Department

**SUBJECT: CONSIDERATION OF AN ORDINANCE TO ALLOW A LIMITED NUMBER OF COMMERCIAL CANNABIS BUSINESSES TO OPERATE IN THE CITY SUBJECT TO BUSINESS, HEALTH AND LAND USE REGULATIONS TO PROTECT PUBLIC HEALTH, SAFETY, RESIDENTIAL NEIGHBORHOODS, AND SENSITIVE LAND USES**

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the action; and
- 2) Approve submittal of the ordinance to the voters of the City of Pasadena.

## **EXECUTIVE SUMMARY:**

At its meeting of January 22, 2018 the City Council directed staff to prepare an ordinance establishing a regulatory framework for commercial cannabis activities that could be considered for placement on the ballot of the June 5, 2018 special election. To that end, the proposed ordinance addresses the major themes and issues raised by the public, Commissioners and Councilmembers over the course of a dozen public meetings. It exhibits best practices and emerging approaches to the permitting and implementation of cannabis regulations and has benefitted from leading industry consultants and outside legal counsel. The proposed ordinance seeks to address a variety of potential community impacts through the collaboration of an interdepartmental working group composed of staff from the City Manager's Office, the City Attorney's Office, the Police Department, the Health Department, the Fire Department, the City Clerk's Office, the Finance Department and the Planning and Community Development Department. Moreover, the ordinance maintains Council's recommended approach to cannabis regulations by taking a cautious and slow approach through limited license types and a limited number of overall permits.

## **BACKGROUND**

At its regular meeting of January 22, 2018, the City Council received a report regarding a recent cannabis operator/proponent sponsored referendum and proposed ballot initiative. The initiative, if passed, would repeal the City's existing ban on cannabis activities and establish new regulations that, among other things, would restrict the City's ability to regulate such uses and allow certain existing unpermitted and illegal cannabis dispensaries to continue operating while eliminating the City's ability to deny these uses or impose any operational conditions. Although the proposed referendum did not attain enough signatures to overturn the City's ban and has failed, the fate of the proposed initiative is uncertain at this point. Given the potential of lucrative profits for the yet to be established cannabis retail outlets combined with the existing, illegal operators' desires to continue operating, it seems likely that as long as the City maintains its ban on these activities, cannabis operator/proponent sponsored initiatives will seek to bypass established processes for policy making and propose their own rules. Placing a City Council approved ordinance on the ballot of the June 5, 2018 special election would maintain the Council's ability to develop important policy, land use regulations and fiscally responsible tax measures to preserve the quality of life that Pasadena's residents, visitors and business community desire and expect.

### **Outreach and Analysis Conducted**

Prior to adoption of the ordinances banning commercial cannabis businesses at the November 6, 2017 Council meeting, extensive public outreach efforts, analysis, and deliberation had taken place at a number of venues. The City conducted three community outreach events in April 2017 to get input from residents and businesses on the prospect of allowing commercial cannabis businesses and how they should be regulated. The Economic Development and Technology Committee ("Ed-Tech") first discussed recreational cannabis at its meeting on October 19, 2016, and again at its August 23, 2017 meeting, when Ed-Tech directed Staff to present the matter to the Planning Commission. The Planning Commission held a study session on the issue on May 24, 2017, and the matter was again presented to the Planning Commission at its September 27, 2017 hearing, which included public comment and resulted in a recommendation that the City Council adopt amendments to the Pasadena Municipal Code prohibiting personal outdoor cultivation of cannabis and commercial cannabis activities, and allowing delivery of cannabis into the City from businesses in other jurisdictions.

### **Ballot Initiatives and Legislative Options**

At the January 22, 2018 Council meeting, Staff notified the Council of efforts from cannabis proponents toward a referendum on the recently adopted prohibitions on commercial cannabis uses, and placing an initiative on the November 2018 ballot which, if passed, would legalize such uses in Pasadena. Such a ballot initiative would include language establishing some form of regulatory framework that would be developed outside the purview of the City's normal legislative process. Therefore, rather than allow the regulations to be determined by a specific set of interests, Staff provided various options to the Council to consider, including placing a competing measure on the November 2018 ballot; placing an earlier measure on the June 5, 2018 ballot; or

continuing to wait and see what the outcome of the referendum or cannabis operator/proponent ballot initiatives might be. An alternative path was also discussed wherein the City Council could pursue its normal legislative course, and adopt ordinances to allow for the establishment of cannabis businesses. At the conclusion of the January 22, 2018 Council meeting, the Council directed Staff to return with proposed language for a city-sponsored ballot measure that would create a regulatory framework to allow some form of commercial cannabis activity for the Council's consideration.

## **DISCUSSION:**

### **Overview of Regulations**

The new state regulations provide for 23 distinct cannabis license types categorized under medical or adult uses, including retail, distribution, transport-only, and laboratory testing. Licenses are either valid under temporary status (120 days) or on an annual basis. The proposed ordinance for Pasadena allows three types of licenses: retail, cultivation, and lab testing. A brief description of these license types, along with key location restrictions and operational requirements for each, is provided below:

- A. Retailer License – Allows a commercial cannabis business to operate where cannabis and/or cannabis products are offered for retail sale, including deliveries as part of retail sale.
  - 1. Maximum of 6 retailers may operate within the City at any one time, and no more than one retailer within any Council District.
  - 2. Limited to only CO, CL, CG, and IG (commercial and industrial) zoning districts and can't be located within 1,000 feet of any other cannabis retailer.
  - 3. Can't be located within 300 feet of any residential zone, or within 600 feet of any park, K-12 school, church, childcare center, substance abuse center, or library.
  - 4. Retailer required to verify the age and all necessary documentation to ensure customers are of legal age for both medical and adult recreational use.
  - 5. Entrances shall be locked at all times and entry strictly controlled with a "buzz-in" system to limit access/entry.
  - 6. Uniformed licensed security personnel required to monitor the site activity, control loitering and access, and serve as visual deterrent to unlawful activities.
  
- B. Cultivation License – Allows a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or any combination of those activities is conducted.
  - 1. Maximum of 4 cannabis cultivation facilities may operate within the City at any one time.
  - 2. Limited to only the CG and IG zoning districts and can't be located within 300 feet of any residential zone, or within 600 feet of any park, K-12 school, church, childcare center, substance abuse center, or library.

3. All outdoor commercial cannabis cultivation is prohibited, and all commercial cultivation must occur indoors only with no plants visible to the public.
  4. Operational requirements relating to pesticides, water use and conservation, and odor control, among others.
- C: Testing Laboratory License – Allows a laboratory, facility, or entity that offers or performs tests of cannabis or cannabis products that is both accredited by an independent accrediting body and licensed by the California Bureau of Cannabis Control.
1. Maximum of 4 cannabis testing laboratories may operate within the City at any one time.
  2. Limited to only those zoning districts where laboratories, medical or otherwise, are permitted.
  3. Operational requirements pertaining to compliance with state-mandated laboratory testing procedures, chain of custody protocols, and acquisition of cannabis or cannabis products for testing.

The administrative process for granting approval of any commercial cannabis business was designed specifically to address the concerns of Pasadena residents and businesses, as expressed over the course of numerous public hearings and outreach efforts. As a result, the process for obtaining a commercial cannabis permit would require rigorous evaluation and scoring by an independent panel, and a discretionary public hearing by the Planning Commission. Permits that are issued would be non-transferrable and would not run with the land. All permitted businesses would be subject to a mandatory review after nine months of operation, and all permits would require renewal on an annual basis to ensure operations are compliant with all requirements.

As discussed in this report, the regulatory framework was developed with a high level of collaboration amongst various Departments throughout the City. In particular, the Health Department's guidance on developing regulations to minimize public health concerns were invaluable and led to inclusion of regulations such as a prohibition on liquid drinks, packaging requirements, and limiting signage to ensure youth are not targeted.

#### Proposed Regulatory Process

The proposed framework begins with the opening of an application window, during which time interested operators would be required to file a complete application and pay necessary fees for processing of such applications. The application would gather necessary information to aid in evaluating the potential business against established selection criteria.

The next step would be selection of high-quality operators and ranking these in order of compliance with the selection criteria. The top ranked operators would then be eligible to identify business locations and seek land use entitlements to establish a business in a particular location. The land use entitlement would be discretionary and reviewed by the Planning Commission, and if approval were granted, it would not be transferrable to any other operator.

Following land use approvals, the operator would be required to obtain any other relevant approvals, including those required by the Public Health Department. Once those approvals are granted, and the operator obtains a business license from the City for tax revenue collection purposes, the operator would then be eligible to complete the State's commercial cannabis license process and begin operation. A flow chart summarizing this process is provided below.



### **Cannabis Deliveries**

With respect to delivery of cannabis and related products, under the proposed ordinance, the limited number of approved retail operators located in the City would be allowed to make deliveries regardless of whether they are for recreational or medical uses.

### **Current Illegal Cannabis Operators and Enforcement**

A recurring issue within the City has been the enforcement of existing prohibitions on cannabis related businesses. Now that the State has established the Bureau of Cannabis Control and has begun issuing licenses to allow various kinds of commercial cannabis businesses, the City has more tools at its disposal to enforce prohibitions within its boundaries. Lending further support to enforcement efforts is the Council's recent adoption of a resolution of legislative intent to prohibit currently illegal cannabis

operators from participating in any future commercial cannabis use permitting processes, including those outlined in this report. Finally, should a permitting process be established, the proposed land use entitlement review component would provide opportunities for the City to impose conditions on approved operators, such as requiring display of permits that would make it easier for Code Enforcement and other law enforcement to distinguish between legal and illegal operators.

**ENVIRONMENTAL REVIEW:**

The action proposed herein is the consideration of the submittal of a regulatory and permitting scheme to the voters of the City of Pasadena to allow a limited number of new commercial use, cannabis businesses. This action does not actually approve any such business, and therefore is not a "project" subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. Furthermore, the proposed action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. As each such business might move through the land use permitting process discussed above, its potential environmental effects will be analyzed under CEQA.

**CONCLUSION:**

While Staff recognizes that it would be preferable to take more time and observe conditions in other cities to better inform potential regulations in Pasadena, the prospect of an independently driven ballot initiative to legalize commercial cannabis uses in the City increases the urgency of developing a regulatory framework that is based on the extensive public outreach, and Commission and Council review that has already taken place on these issues. Staff believes that sufficient analysis and participation has occurred to inform the proposed process for establishing a limited number of commercial cannabis businesses in the City. The limitation on the number and location of these uses, as well as the rigorous review process recommended herein, is anticipated to result in an appropriate balance of local control and compliance with State law.

**FISCAL IMPACT:**

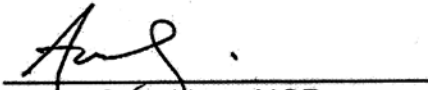
There is not a direct fiscal impact associated with the consideration of the proposed Municipal Code Amendments. Significant City resources have been devoted to addressing issues associated with illegal dispensaries. Establishing the proposed regulations is expected to reduce the number of illegal dispensaries thus reducing the costs for the City.

Respectfully submitted,



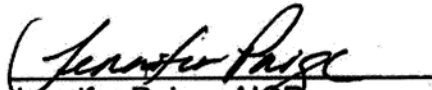
DAVID M. REYES  
Director of Planning & Community  
Development Department

Prepared by:



Andre Sahakian, AICP  
Associate Planner

Concurred by:



Jennifer Paige, AICP  
Deputy Director of Planning &  
Community Development Department



Perry Banner  
Contract Planner

Approved by:



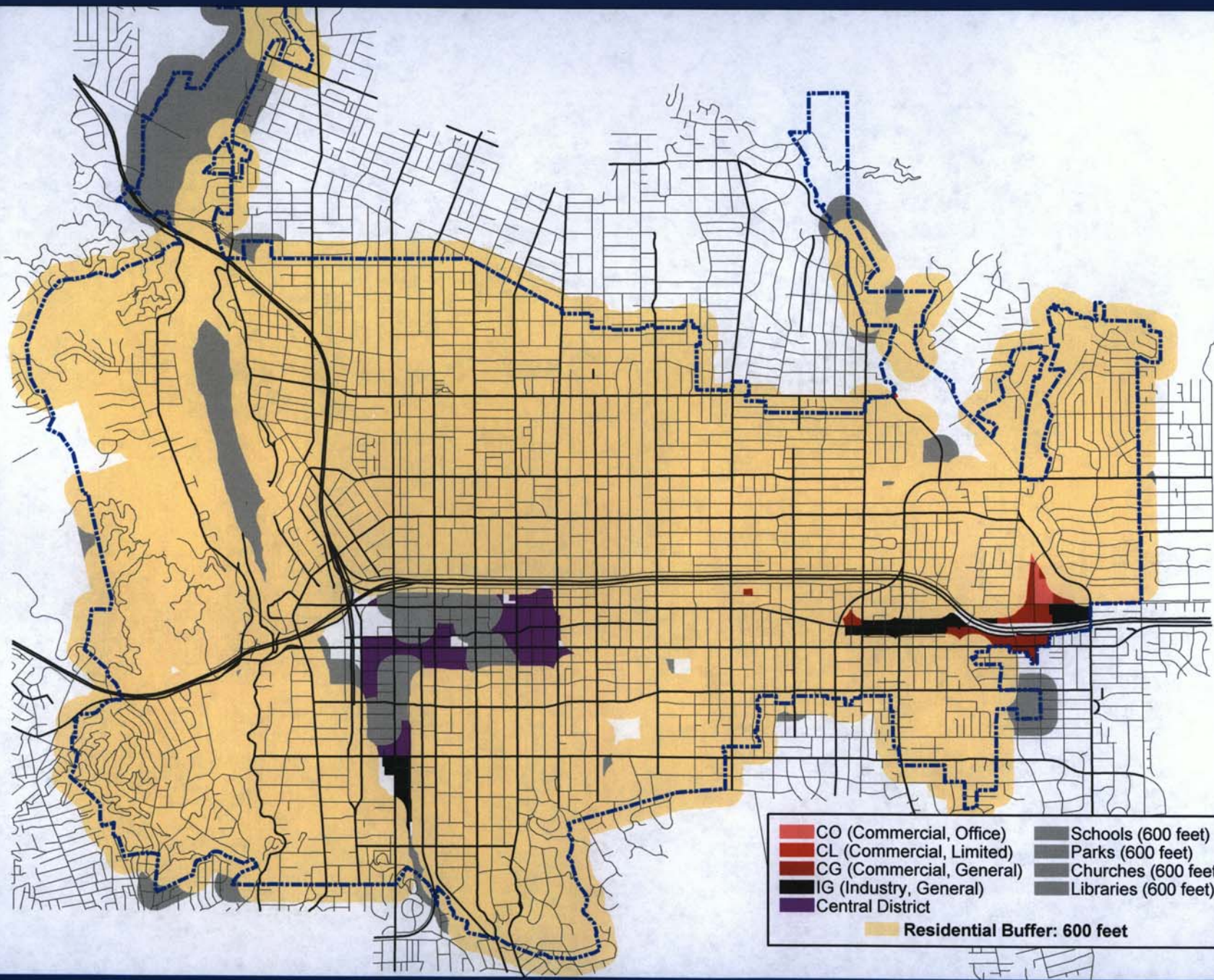
STEVE MERMELL  
City Manager

Attachment: (1)

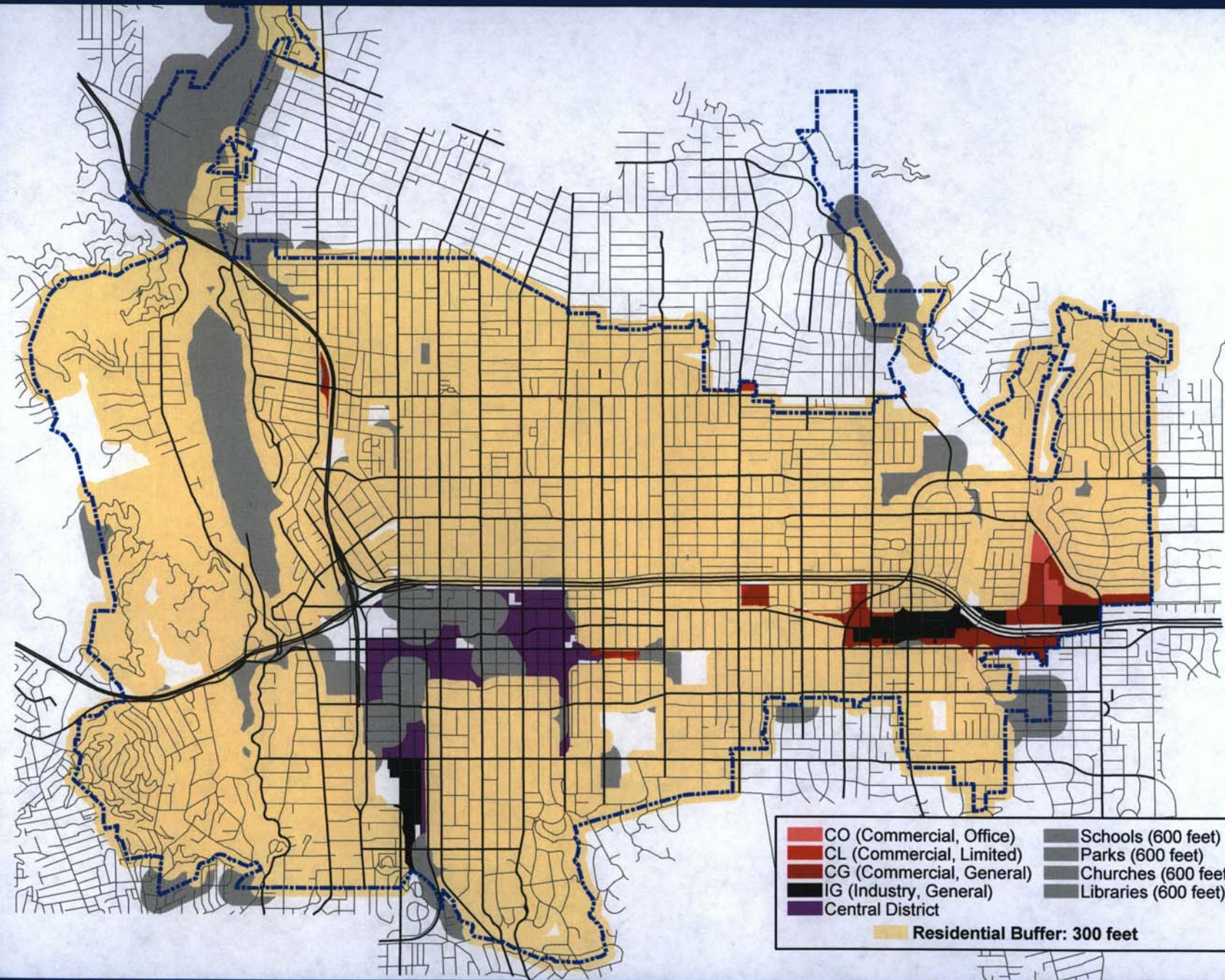
Attachment A – Draft Ordinance



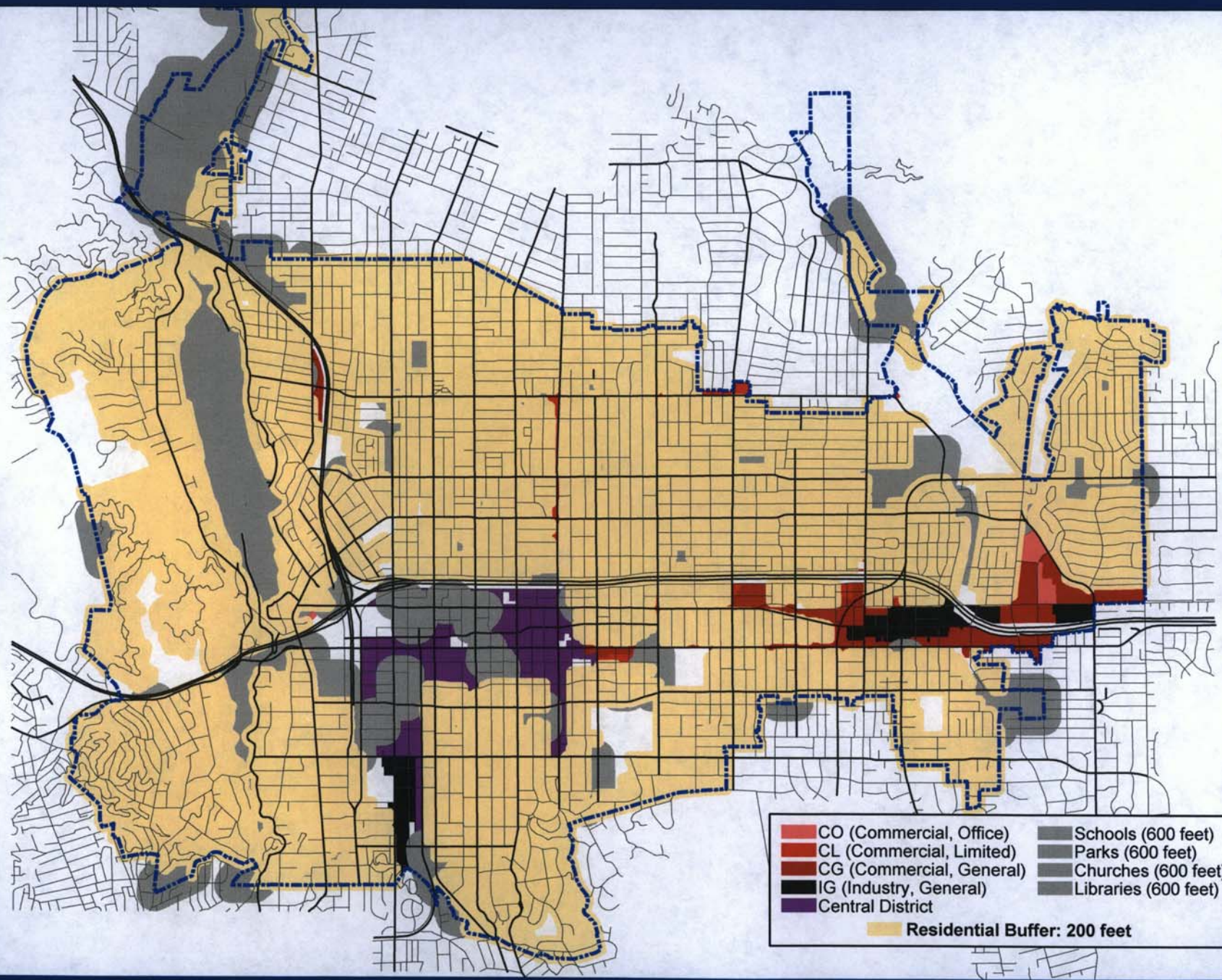
**EXHIBIT J**



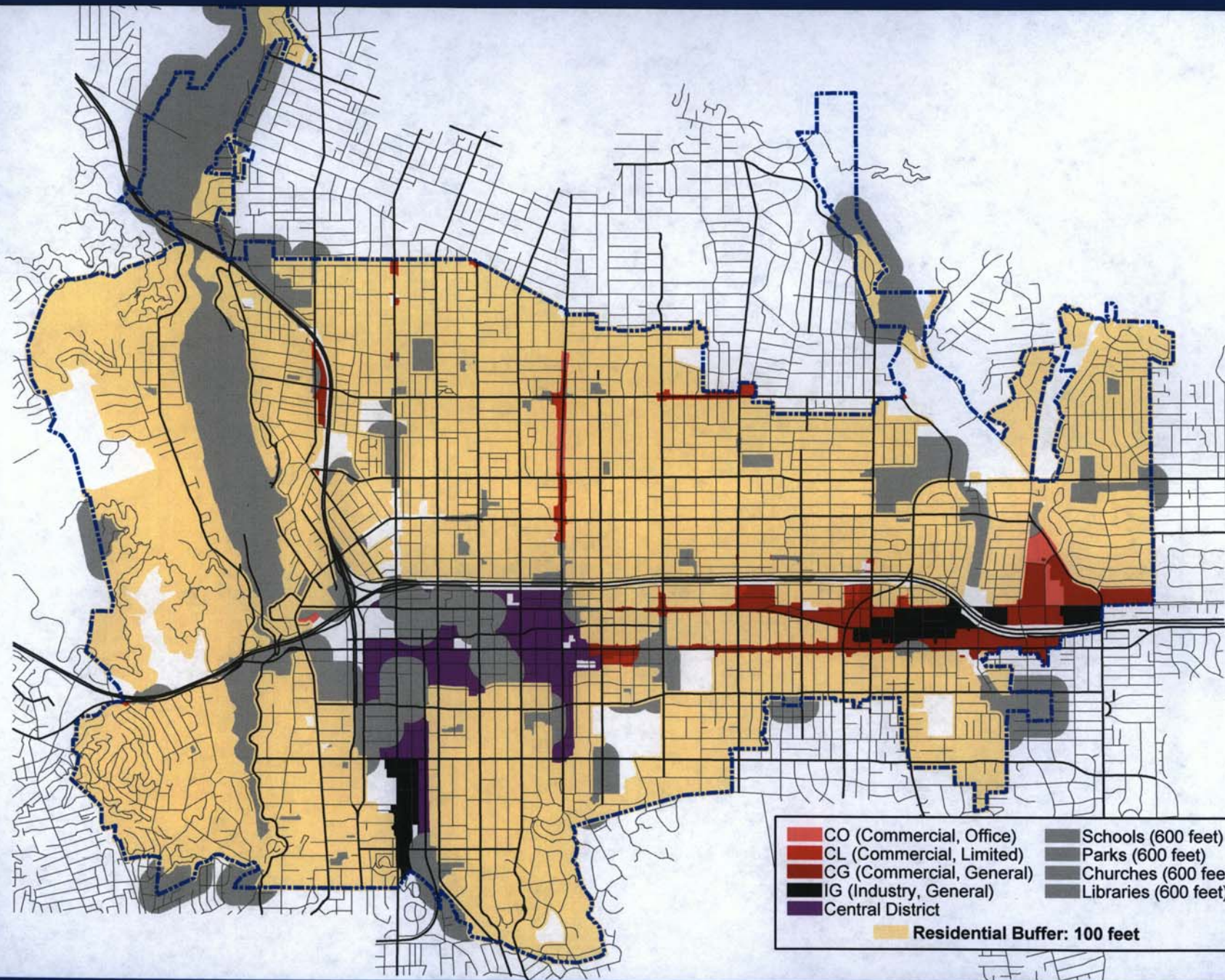
- |                              |                      |
|------------------------------|----------------------|
| CO (Commercial, Office)      | Schools (600 feet)   |
| CL (Commercial, Limited)     | Parks (600 feet)     |
| CG (Commercial, General)     | Churches (600 feet)  |
| IG (Industry, General)       | Libraries (600 feet) |
| Central District             |                      |
| Residential Buffer: 600 feet |                      |



- |                              |                      |
|------------------------------|----------------------|
| CO (Commercial, Office)      | Schools (600 feet)   |
| CL (Commercial, Limited)     | Parks (600 feet)     |
| CG (Commercial, General)     | Churches (600 feet)  |
| IG (Industry, General)       | Libraries (600 feet) |
| Central District             |                      |
| Residential Buffer: 300 feet |                      |



- |                              |                      |
|------------------------------|----------------------|
| CO (Commercial, Office)      | Schools (600 feet)   |
| CL (Commercial, Limited)     | Parks (600 feet)     |
| CG (Commercial, General)     | Churches (600 feet)  |
| IG (Industry, General)       | Libraries (600 feet) |
| Central District             |                      |
| Residential Buffer: 200 feet |                      |



- |                              |                      |
|------------------------------|----------------------|
| CO (Commercial, Office)      | Schools (600 feet)   |
| CL (Commercial, Limited)     | Parks (600 feet)     |
| CG (Commercial, General)     | Churches (600 feet)  |
| IG (Industry, General)       | Libraries (600 feet) |
| Central District             |                      |
| Residential Buffer: 100 feet |                      |

**EXHIBIT K**

Residential Rehabilitation project; and b) allocate \$300,000 in CDBG funds for Pasadena Enterprise Center building improvements.

The City Clerk opened the public hearing; reported that the public hearing notice was published in the Pasadena Journal and Pasadena Weekly on January 11, 2018 and January 25, 2018, and a revised public hearing notice was published on February 1, 2018, February 8, 2018 and February 15, 2018 in the Pasadena Journal and Pasadena Weekly; and that no correspondence was received by the City Clerk's office regarding this item.

William Huang, Director of Housing and Career Services, provided introductory comments, and Randy Mabson, Program Coordinator II, presented a PowerPoint presentation on the agenda item, and responded to questions.

Vice Mayor Kennedy stated his belief that the City should make every effort in reallocating CDBG funds to the City's Sidewalk Repair program, as well as adding more positions to the Maintenance Assistance and Services to Homeowners (MASH) program, or non-profits that qualify for the funds; and expressed concerns with staff allocating funds to the Pasadena Enterprise Center building for improvements.

Following discussion, it was moved by Councilmember Madison, seconded by Councilmember Gordo, to close the public hearing. (Motion unanimously carried) (Absent: Councilmember Hampton)

It was moved by Councilmember Madison, seconded by Councilmember Gordo, to approve the staff recommendations:

AYES: Councilmembers Gordo, Madison, Masuda, Wilson, Mayor Tornek  
NOES: Councilmember McAustin, Vice Mayor Kennedy  
ABSENT: Councilmember Hampton  
ABSTAIN: None

**RECOMMENDATIONS FROM OFFICERS AND DEPARTMENTS**

**CONSIDERATION OF AN ORDINANCE TO ALLOW A LIMITED NUMBER OF COMMERCIAL CANNABIS BUSINESSES TO OPERATE IN THE CITY SUBJECT TO BUSINESS, HEALTH AND LAND USE REGULATIONS TO PROTECT PUBLIC HEALTH, SAFETY, RESIDENTIAL NEIGHBORHOODS, AND SENSITIVE LAND USES**

**Recommendation:**

(1) Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the action; and

(2) Approve submittal of the ordinance to the voters of the City of Pasadena.

Steve Mermell, City Manager, David Reyes, Director of Planning and Community Development, and Perry Banner, Contract Planner, jointly provided a PowerPoint presentation on the item; and responded to questions.

Councilmember Madison expressed concerns with staff's proposed buffer distance of 100 feet from residential neighborhoods, and stated his preference that buffer distances be increased to 600 feet.

Michael Johnson, Director of Public Health, provided information on the State Measure's limitations on cannabis use in public and edible cannabis products package prohibitions; and the proposed ordinance, which provides a higher level of protection for marketing to children.

Councilmember Masuda asked staff to consider amending the proposed ordinance to determine a maximum square footage on cannabis retailers, cultivation sites, and testing facilities.

Councilmember Gordo stated that the proposed ordinance, Attachment 1, Title 5 – BUSINESS LICENSES AND REGULATIONS, Chapter 5.78 – COMMERCIAL CANNABIS ACTIVITY, 5.78.100 – Persons prohibited as permittees and business managers, Subsection b, staff should make sure that the language is clear that at any time prior, or subsequent to, the formal approval of regulations, non-compliant commercial cannabis businesses would be disqualified from competing for legal operating licenses. He also asked staff to clarify Subsection E, that sham lease options would be prohibited. Mr. Gordo suggested that staff review Section 5.78.120 – Suspension, revocation or modification of permits, Subsection c, which he believes is too vague, and would like to avoid having to make nuisance analysis as a method to determine the nexus between the alleged nuisance activity and the operator of the establishment, and instead suggested that language be included that makes violations against the City Manager's determinations a nuisance. In addition, Mr. Gordo expressed concerns with the lack of distance requirements between the three types of commercial cannabis activities, (cannabis retailers, cultivation sites, and testing facilities), citing the need to avoid one area with all three in close proximity; and stated his support for Councilmember Madison's 600 feet buffer distance from residential neighborhoods.

Mr. Reyes, stated that at the approval of the City Council he will include a 1000 feet separation between any commercial cannabis business (be it retail, cultivation, or testing).



Councilmember McAustin asked staff to ensure that Section, 5.78.100 – Persons prohibited as permittees and business managers, include current property owners who lease their property to illegal tenants/operators.

Matt Hawkesworth, Director of Finance, responded to questions regarding federal and state tax payments for illegal cannabis businesses.

Vice Mayor Kennedy acknowledged the benefits of concentrating cannabis retailers in one area, particularly in light industrial areas, the possibility that the cannabis retailer customers may drive down the price of cannabis by having the retailers in one location. Mr. Kennedy expressed his agreement with penalizing property owners who leased their property to illegal tenants, however he believes a permanent ban seems excessive.

Following discussion, the following individuals spoke on various aspects of the proposed recommendation, and provided comments and/or suggestions:

Harvey Cordner, Pasadena resident  
Nina Chomsky, Linda Vista-Annandale Association  
Alan Jay, Pasadena resident  
Cathy Morfopoulos, Glendale resident  
Lisa Labrador, Pasadena resident  
Shaun Szameit, Pasadena Patients for Safe Neighborhoods  
Erika Foy, Protect Pasadena Kids  
Megan Foker, Pasadena resident  
James Maloney, Pasadena resident  
Lanny Swerdlow, Brownie Mary Democrats  
Nalleli Santiago, Golden State Collective  
Bill Gould, First 5 LA  
Catalina Gonzalez, Day One  
Mary Michelene Monroe, Madison Heights Association  
Joyce, Brigden Ranch Neighborhood Association  
Greg Sira Kovich, Altadena resident  
Michael Touhey, Covina resident  
Donald Larson, Pasadena resident  
Johnny Sayegh, Pasadena resident  
Emanuel Najera, Pasadena resident

The Mayor expressed concerns with prescribing regulations that are so restrictive that it may cause an increase in the number of illegal operators and/or underground activity; and stated that if the City Council decides that a 600 foot buffer distance from residential neighborhoods is ideal, then the number of allowed retailers should be restricted to lower than six.

Councilmember Wilson stated his preference to amend the ordinance to remove the requirement of allowing only one cannabis retailer per district, providing a larger buffer from cannabis retailers and residential areas, allowing a focus in commercial areas.

Councilmember Gordo stated that he supported limiting the number (3 to 5) of allowed cannabis retailers and authorizing the City Manager to allow up to six cannabis retailers if certain criteria are met.

Councilmember McAustin spoke in support and on the importance of a 600 feet buffer distance from residential areas, and a 1000 feet distance requirement from each type of allowed commercial cannabis business (retailer, cultivation site, or testing facility).

Councilmember Masuda spoke in favor of only allowing one cannabis retailer, cultivation site, or testing facility per City district.

Vice Mayor Kennedy requested information on the number of pain, methadone, opiate, and heroine medical substances clinics within the City; and expressed concerns with including regulations in the ordinance that may be too restrictive and could lead to illegal or underground cannabis activities.

Councilmember Madison stated his preference for a ban on edible cannabis products due to packaging and marketing tactics that could result in consumption of these products by minors.

The City Clerk responded to questions, stating that the proposed ordinance and regulations will be posted on line, available at the public libraries, and distributed in hard copy at City locations.

Theresa Fuentes, Assistant City Attorney, responded to questions regarding the City's ability to prohibit edible cannabis products.

Following discussion, the City Council requested the following:

- Amend the proposed ordinance to include a 600 feet buffer between residential neighborhoods and cannabis retailers, cultivation sites, or testing facilities;
- Keep the maximum allowed cannabis retailers at six;
- Apply a 1,000 feet limitation between each cannabis retailer, 1,000 feet between cannabis retailers and cultivation sites, and 500 feet limitation between testing facilities and any other use;
- Amend the proposed ordinance to allow a maximum of one of each type of cannabis business (cannabis retailer, cultivation site, or testing facility), per City Council District;

- Include in the proposed ordinance the premises are maximum of 25,000 square feet for cultivation sites and a maximum of 15,000 square feet on the cannabis retailers; and no maximum on testing facilities; and
- Persons prohibited as permittees and business managers, include current property owners who lease property to illegal tenants.

Staff was directed to incorporate the changes above as part of the proposed ordinance, with action on the item deferred to later in the meeting following incorporation of these changes (discussion on this item is continued on page 19).

**CONSIDERATION OF AN ORDINANCE AMENDING TITLE 5 OF THE PASADENA MUNICIPAL CODE TO ADD A NEW CHAPTER 5.28 ENTITLED "CANNABIS BUSINESS TAX"**

**Recommendation:**

- (1) Find that the proposed action is not a project subject to California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
- (2) Approve the submission of the Ordinance imposing a cannabis business tax to the qualified voters of the City of Pasadena; and
- (3) Adopt a resolution declaring a fiscal emergency for purposes of placing the proposed ordinance on the ballot of the June 5, 2018 election. (Resolution No. 9634)

Matt Hawkesworth, Director of Finance, provided a PowerPoint presentation on the item; and responded to questions.

The Mayor, Chair of the Finance Committee, reported that the Committee recommended that the proposed ordinance, page 19, Section 5.28.160 Appeal Procedure, be amended to strike out "City Council" and insert "City Manager" as the appeal review body, and the collection intervals should be shortened due to the amount of dollars involved.

Javan Rad, Chief Assistant City Attorney, responded to questions regarding the City's thresholds to declare a fiscal emergency.

Following discussion, it was moved by Councilmember Wilson, seconded by Councilmember Gordo, to approve the staff recommendation, amended to modify the proposed ordinance, Section 5.28.160 Appeal Procedure, by striking out "City Council" and replace with "City Manager" as the appeal review body. (Motion unanimously carried) (Absent: Councilmember Hampton)

**EXHIBIT L**

# **CORRESPONDENCE**

**2/26/2018**  
**Item No. 24**

**Jomsky, Mark**

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**From:** Nina Chomsky <nrchomsky@aol.com>  
**Sent:** Monday, February 26, 2018 12:20 PM  
**To:** Jomsky, Mark  
**Subject:** City Council Meeting 2/26/2018; Agenda Item 24 - Commercial Marijuana Regulation

**Please Deliver to the Council for Tonight's Meeting -- Thank you.**

**Linda Vista-Annandale Association**

Mayor Tornek and Council Members  
c/o Mark Jomsky, City Clerk

Re: City Council Meeting 2/26/2018; Agenda Item 24 - Commercial Marijuana Regulation

Mayor Tornek and Council Members,

The Linda Vista-Annandale Association (LVAA) has reviewed this Agenda item and has the following comments.

LVAA has continuously participated in the public process concerning Marijuana regulation, and we remain very concerned about the possibility of commercial activities and sales in Pasadena.

**LVAA continues to support the ban on commercial Marijuana activities in the City**, particularly since it appears that the challenge of an industry-backed Ordinance has failed, and another effort is not imminent. However, we would appreciate clarification if the Industry is attempting again to place its own Ordinance on the ballot.

If in fact there is no imminent Industry ballot measure, LVAA urges the Council not to make the decision to allow commercial Marijuana activities based on an imagined windfall from taxation of such commercial Marijuana activities. This is the time for a "public balance sheet" approach: i.e., will the costs and expenses of administration and enforcement exceed projected taxation revenues? Has this been analyzed?

LVAA opposes the suggested requirement that Retail and Cultivation businesses cannot be located within 300 feet of any residential zone. This is simply too small a distance. What City analysis supports the 300 feet proposal? We understand that Commercial and other zones in Pasadena often exist adjacent to residential zones, and issues of feasibility may arise, but in the absence of any analysis to review, **LVAA suggests that a Retail and Cultivation businesses be limited to not being located within 1,000 feet of any residential zone.**

Further, what is the basis for 6 retailers within the City at any one time with no more than one within any Council District? Why not 3 or 4? Why does only 1 council district get to "escape" the burden?

Finally, the Staff Report indicates that the process of obtaining a commercial cannabis permit would require evaluation by an "independent panel" (see Page 4), yet the draft Ordinance does not require that the Selection committee appointed by the City Manager be "independent". What scope of independence is intended? Will the selection committee be composed of staff or others who might be subject to lobbying by the industry? Should the panel include one or more members of the Pasadena public, including persons qualified to evaluate and judge negative impacts of drug sales and use on communities?

Thank you for considering our comments.

Nina Chomsky, LVAA President



M A D I S O N H E I G H T S

CITY CLERK

18 FEB 20 04:24PM

February 15th, 2018

**Mayor Tornek, City Council, and Planning Department**

Pasadena City Hall  
100 N. Garfield Ave  
Pasadena, CA 91101

Dear Mayor, City Council, and Planning Department,

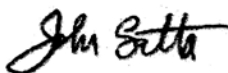
While the board of Madison Heights Neighborhood Association (MHNA) appreciates the city councils previous "wait and see" approach before creating a marijuana ordinance to allow sales within our city, we understand there is now an approved motion from city council to prepare an initiative for the June 5th ballot. We recognize that any new ordinance proposed through this process would essentially rewrite land use ordinances passed last year that outlaw the sale or distribution of recreational and medicinal marijuana in the city.

The people living within MHNA are in a difficult position because our neighborhood is surrounded by commercial districts on Arroyo Parkway, California Blvd., and Lake Ave. It has come to our attention that the sale of marijuana at the most recently proposed distance of 600 ft from sensitive-use areas such as schools, libraries, parks, and other marijuana dispensaries, would potentially place a store at the corner of Lake and California and another along Arroyo Parkway should each district be allowed a retail shop. As our bylaws state, it is our duty as a board to oversee city government when Madison Heights and adjacent neighborhoods are threatened by civic planning decisions including zoning. We are concerned about the exposure of marijuana on our family-friendly neighborhood. Multiple studies in California and Colorado have shown that property crimes increase in neighborhoods adjacent to marijuana dispensaries. We ask you to mitigate this risk by keeping them at a distance. See Bridget Freisthler et al., *From Medical to Recreational Marijuana Sales: Marijuana Outlets and Crime in an Era of Changing Marijuana Legislation*, *The Journal of Primary Prevention* (2017)."

As an overview, MHNA asks the staff and council to consider maintaining a 1000 ft buffer between dispensaries and sensitive-use areas. We also would like to see the suggested 1000 ft buffer rule extended to bars and nightclubs. It is important to note that our board encourages you to block commercial marijuana activity where high-density housing is permitted, including the new residential zones within our General Plan that have yet to be developed. Further, MHNA asks your council and staff to use the recommendations created on 10/19/16 as prepared by the Planning Department in response to the passing of Proposition 64.

As MHNA begins to create a more engaged community through social media and town hall meetings, it is our goal to work together with the city council and staff to create communities that fit all of our needs.

Thank you for your consideration,



John Latta  
President, MHNA

**EXHIBIT M**



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**TRANSCRIPTION OF PROCEEDINGS**  
**PASADENA CITY COUNCIL MEETING**

**PASADENA, CALIFORNIA**

**FEBRUARY 26, 2018**

**REPORTER:** Martha Ventimiglia



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1 opens but it's still fairly restrictive and it's fairly  
2 concentrated in certain parts of the city.

3 MR. REYES: And just to go back to -- stay at  
4 300, please.

5 MR. BANNER: Great.

6 MR. REYES: So at 300 feet, this is what the  
7 ordinance that was released says would be the distance  
8 separation requirements for residential zoned  
9 properties. As you can see, nothing would be allowed  
10 pretty much north of the freeway.

11 MR. BANNER: Lowering that to 200 feet, a few  
12 more options start to rise. And finally with a 100  
13 feet, you have most of the commercial corridors and  
14 just the most amounts of land that you could --  
15 commercial land that would be available to applicants  
16 without lowering it to at close to zero.

17 MR. REYES: And it looks like on North Lake  
18 that you could do it -- all along North Lake, you  
19 can't. When you zoom in to that, what you see is there  
20 is the parcels are just barely covered so there is very  
21 few parcels in there that actually would still meet the  
22 hundred-foot separation requirement.

23 But our -- again, our limited ability to map  
24 these based on just the strictest separation  
25 requirement, this shows as a -- as if it's the entire

1           Getting to the substance of the matter. The  
2 rest of the changes occur in exhibit -- Attachment 3  
3 which is the zoning section.

4           On page 2, at the top, we are in Section D  
5 which is talking about retailers. We are going to add  
6 a new No. 4 which will say:

7           "The maximum square footage of a retail  
8 use shall be 15,000 square feet."

9           The former No. 4 becomes No. 5, location  
10 requirements. And that -- the first line there is  
11 edited to say:

12           "Cannabis retailers shall be permitted  
13 in only the CO, CL, CG, CD."

14           MALE SPEAKER: Are you on Attachment 3?

15           MS. FUENTES: Attachment 3.

16           MALE SPEAKER: Yeah, I'm not --

17           MS. FUENTES: Page 2.

18           MR. KENNEDY: Page 2. Okay.

19           MALE SPEAKER: Location requirements.

20           MS. FUENTES: Location requirements. We  
21 forgot one district so I'm adding it.

22           "Cannabis retailers shall be permitted  
23 in only the CO, CL, CG" adding "CD, and IG  
24 zoning districts."

25           MALE SPEAKER: Oh, that's a big omission.

1 MS. FUENTES: And then we are going to amend  
2 "A" to address -- yes, amending "A" to address the  
3 separation requirements you all talked about.

4 MAYOR TORNEK: Right.

5 MS. FUENTES: So that will now read:

6 "No retailer shall be established or  
7 located within 1,000 feet measured from  
8 the nearest property lines of each of the  
9 affected parcels of any other cannabis  
10 retailer or cultivation site or within 500  
11 feet of any testing laboratory."

12 And then B, you all talked about the 600-foot  
13 separation so now it will read:

14 "No retailer shall be established or  
15 located within" --

16 MALE SPEAKER: Change 300 to 600?

17 MS. FUENTES: "Within 600 feet  
18 measured from the nearest property lines  
19 of each of the affected parcels of any  
20 existing residential zones."

21 MALE SPEAKER: Theresa, do you need to cover  
22 the distance between a cultivator and a lab?

23 MS. FUENTES: We did.

24 MALE SPEAKER: Oh, okay.

25 MS. FUENTES: We will as we go through each

1 one because we are going to do retailers, then we are  
2 going to do cultivation sites, then we are going to do  
3 testing labs.

4 It's going to get a little monotonous or  
5 repetitive, I should say.

6 So then moving on to addressing cultivation  
7 sites. On page 4, in E, the first change will take  
8 place in Section 3, limitation on the number of  
9 cultivation sites. This change will be to address the  
10 one per district that you discussed. So it will read:

11 "Limitation on the number of  
12 cultivation sites, (a), no more than  
13 four cultivation sites may operate within  
14 the City of Pasadena at any one time and no  
15 more than four permits shall be issued by  
16 the City of Pasadena for cultivation sites  
17 to operate within the City of Pasadena."

18 We're adding a new B: "No more than  
19 one cultivation site may operate within a  
20 city council district at any time."

21 MR. KENNEDY: Before you get there, Theresa,  
22 do you have to make any additions to four at location  
23 requirements?

24 MS. FUENTES: We are getting there.

25 MR. KENNEDY: Oh, I'm sorry.

1 MS. FUENTES: So first we took No. 3 and we  
2 split it into an A and a B. We are adding a new No. 4  
3 which will say:

4 "The maximum square footage of a  
5 cultivation site shall be 30,000 square  
6 feet."

7 The No. 4 becomes No. 5. So No. 5, location  
8 requirements, we are going to amend:

9 "(a), no cultivation site shall be  
10 established or located within 600 feet  
11 measured from the nearest property lines  
12 of each of the affected parcels of any  
13 existing residential zone."

14 MR. KENNEDY: Okay. Again, for -- it does not  
15 (inaudible) of four location requirements, the  
16 modifications that you did there?

17 MS. FUENTES: Not to the district part,  
18 correct.

19 MR. KENNEDY: Okay.

20 MS. FUENTES: The way this is written on  
21 page 4 is correct.

22 MR. KENNEDY: Okay. Thank you.

23 MS. FUENTES: So then in order to address the  
24 separation between the uses, we are going to add a new  
25 E at the bottom of page 4 and that's going to read:

1 "No cultivation site shall be  
2 established or located within 1,000 feet  
3 measured from the nearest property line  
4 of any other cultivation site or cannabis  
5 retailer or within 500 feet of any testing  
6 laboratory."

7 And then we are going to make similar changes  
8 to the testing laboratory section on page 6, F at the  
9 bottom there. We are going to change No. 3. So 3 is  
10 going to have an "A" which is going to be the language  
11 that already exists:

12 "No more than four testing  
13 laboratories may operate within the  
14 City of Pasadena at any one time and  
15 no more than four permits shall be  
16 issued by the City of Pasadena for  
17 testing laboratories to operate within  
18 the City of Pasadena."

19 Then we are going to add a B which will say:

20 "No more than one testing laboratory  
21 may operate within a city council district  
22 at any time."

23 Again, adding a one per district limit.

24 And then to address the separation  
25 requirements you all talked about, No. 4 is going to

1 have an "A" which is the language that already exists:

2 "Cannabis testing laboratory shall  
3 be permitted in any zoning district  
4 where laboratories, medical or  
5 otherwise, are permitted and shall be  
6 required to comply with all zoning, land  
7 use, and development regulations  
8 applicable to the underlying zoning  
9 district in which they are permitted to  
10 establish and operate as set forth in the  
11 Pasadena Municipal Code."

12 And there will be a new B which will read:

13 "No testing laboratory site shall  
14 be established or located within 500  
15 feet measured from the nearest property  
16 line of any other testing laboratory or a  
17 thousand feet from any cultivation site  
18 or cannabis retailer."

19 And those are the only changes.

20 MAYOR TORNEK: Okay. Thank you for the quick  
21 work, quick and thorough.

22 Are there any other questions?

23 Is there a motion?

24 MS. MCAUSTIN: Mayor -- oh, I will. I just  
25 want to say a couple of things.



**EXHIBIT N**

# Ballot Measure CC – Commercial Cannabis Regulations

🏠 · [Elections 2018](#) · **Ballot Measure CC – Commercial Cannabis Regulations**

Shall an ordinance be adopted to allow a limited number of commercial cannabis businesses to operate in Pasadena, subject to business, health and land use regulations, and to repeal the City of Pasadena's current ban on commercial cannabis businesses, provided that: (1) the ordinance shall not take effect unless voters approve a Cannabis Business Tax, and (2) the City Council retains authority to amend existing ordinances and adopt future ordinances regarding commercial cannabis business activities?

## [ YES / NO ]

- This measure would allow a limited number of commercial cannabis businesses to operate within the City of Pasadena. A maximum of 6 retailers, 4 cultivators, and 4 testing laboratories would be allowed to operate in the City at one time. All three types would only be allowed to operate within specific zoning districts. In addition to the respective zoning regulations, retailers could not be located within 1000 feet of any other cannabis retailer or cultivation site, within 500 feet of any testing laboratory, or within 600 feet of any residential zone, or within 600 feet of any park, K-12 school, church, childcare center, substance abuse center, or library.

No arguments were submitted in opposition to any of the four measures.

[MEASURE CC - Argument in Favor](#)

[MEASURE CC - City Attorney's Impartial Analysis](#)

## Documents

[PROPOSED ORDINANCE of The City of Pasadena to Allow a Limited Number of Commercial Cannabis Businesses to Operate in The City Subject to Business, Health , and Land Use Regulations to Protect Public Health, Safety, Residential Neighborhoods, and Sensitive Land-Uses](#)

[PROPOSED ORDINANCE - Cannabis Business Tax](#)

[ATTACHMENT 1 – Commercial Cannabis Activity](#)

[ATTACHMENT 2 – Commercial Cannabis Public Health Permit](#)

[ATTACHMENT 3 – Standards for Specific Land Uses](#)

[ATTACHMENT 4 - Municipal Code Amendments](#)

[RESOLUTION 9635 – Calling for And Giving Notice of The Holding of A Special Municipal Election to Be Held in The City of Pasadena, on Tuesday, June 5, 2018, for The Submission to The Qualified Voters a Proposed Ordinance to Allow a Limited Number of Commercial Cannabis Businesses to Operate in The City Subject to Business, Health, and Land Use Regulations, and For the Submission to The Qualified Voters a Proposed Ordinance to Impose a Cannabis Business Tax](#)

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100 North  
Garfield Ave.  
Pasadena, CA  
91101



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### **ARGUMENT IN FAVOR OF MEASURE CC**

During the past several years, the California legislature and voters have enacted various laws which decriminalize or legalize commercial cannabis activity. In 2016, 63% of the total votes cast for Prop. 64 by Pasadena voters were in favor of the measure to legalize cannabis sales. Therefore, a new regulatory and enforcement framework addressing commercial cannabis businesses in the City is needed. Previous City Council action to regulate cannabis has been blocked by the cannabis industry. Therefore a vote of the people is necessary.

In order to preserve the quality of life for Pasadena's residents, it is the City's intent to allow a very limited number of highly qualified screened operators to do business in the City, using a tightly regulated process and regulatory ordinance. The proposed regulations reflect a cautious approach designed to protect our neighborhoods and businesses from negative impacts of cannabis businesses: the number of licenses is strictly limited. There are adequate separations from sensitive uses like schools and parks, and the concentration of uses in any single area is prohibited. By these means we hope to achieve a reduction in the number of illegal dispensaries in our City, and the ability to maintain an appropriate balance of local control and compliance with state law.

Please support our effort to impose reasonable controls rather than abdicating this responsibility to those motivated by profit and personal gain rather than the public interest.

TERRY TORNEK  
Mayor

ANDY WILSON  
City Councilmember

TYRON HAMPTON  
City Councilmember

MARGARET MCAUSTIN  
City Councilmember

**NO ARGUMENT AGAINST THIS MEASURE WAS SUBMITTED**

**EXHIBIT O**

## **CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE CC**

Measure CC is submitted to the voters by the Pasadena City Council and would amend various provisions of the Pasadena Municipal Code to allow a limited number and types of commercial cannabis businesses to operate in Pasadena, subject to business, health and land use regulations.

### Background

On February 26, 2018, the City Council of the City of Pasadena ("Council") approved submission of an ordinance for voter approval to amend the Pasadena Municipal Code ("PMC") to allow a limited number and types of commercial cannabis businesses to operate in Pasadena, subject to business, health and land use regulations.

### The Measure

If passed, Measure CC would amend the PMC to allow three types of cannabis permits and a limited number of commercial cannabis businesses citywide as follows: six retailers, four cultivation sites, and four testing laboratories. The Measure includes distance separation requirements consistent with state law, as well as distance separation requirements from each of the businesses and residential districts, and between each of the businesses. The Measure establishes a process for a potential operator to apply for such cannabis permits, as well as to apply for the necessary land use permit. The Measure also establishes health and safety permitting and operating requirements for such businesses. No currently illegally operating cannabis businesses would be grandfathered in; one legal nonconforming testing lab would be allowed to remain. The Measure would repeal the current ban on commercial cannabis businesses.

Measure CC will not take effect unless a companion tax measure (Measure DD) is adopted by the voters. No applications for commercial cannabis businesses will be accepted until the City Manager approves and promulgates administrative regulations. No further voter approval would be required for future amendments by the City Council, which may amend the ordinance that is the subject of this Measure in its usual manner, without further voter approval.

If Measure CC does not pass, the current ban on all commercial cannabis businesses would remain in place.

**(Continued on next page)**

**CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE CC (Continued)**

Measure CC requires approval of a majority of voters. A "yes" vote for Measure CC will establish the ability of a limited number and types of commercial cannabis businesses to apply for necessary permits and land use approvals. A "no" vote against Measure CC will maintain the existing ban on such businesses.

**The above statement is an impartial analysis. Copies of the text of the proposed ordinance is available at City Libraries and on the City's webpage at [www.cityofpasadena.net/cityclerk/elections](http://www.cityofpasadena.net/cityclerk/elections). If you have any questions, please contact the City Clerk's Office at (626) 744-4124.**

**EXHIBIT P**

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16 tfuentes@cityofpasadena.net

12 *Attorneys for Petitioners and Plaintiffs City of Pasadena;*  
13 *City Council of the City of Pasadena; Mayor Terry Tornek;*  
14 *and City Council Members Victor Gordo, John Kennedy,*  
15 *Steve Madison, Gene Masuda, Margaret McAustin,*  
16 *and Andy Wilson*

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
16 IN AND FOR THE COUNTY OF LOS ANGELES

17 CITY OF PASADENA; CITY COUNCIL OF THE )  
18 CITY OF PASADENA; TERRY TORNEK, in his )  
19 official capacity as Mayor of the City of Pasadena; )  
20 VICTOR GORDO, JOHN KENNEDY, STEVE )  
21 MADISON, GENE MASUDA, MARGARET )  
22 McAUSTIN, and ANDY WILSON, in their official )  
23 capacities as Members of the City Council of The City )  
24 of Pasadena, )

21 Petitioners and Plaintiffs, )

22 v. )

23 MARK JOMSKY, City Clerk of the City of Pasadena; )  
24 DEAN C. LOGAN, Los Angeles County Registrar- )  
25 Recorder/County Clerk; and DOES 1 through 100, )  
26 inclusive, )

25 Respondents and Defendants. )

26 GEORGE BERNALES, an individual; SUSAN )  
27 GOMEZ, an individual; ALAN JAY, an individual; )  
28 and ROES 1 through 100, inclusive, )

Real Parties in Interest. )

Case No.: 19STCP04690

**PETITION FOR WRIT OF MANDATE  
AND COMPLAINT FOR INJUNCTIVE  
AND DECLARATORY RELIEF**

**Calendar Preference Required By Statute  
(Elec. Code, § 13314, subd. (a)(3))**



1 Municipal Code's limit on the number of cannabis retailers that may operate within the City (six in  
2 total) and within each City Council district (no more than one per district). The Initiative maintains  
3 these limits, however, for all other cannabis retailers. Likewise, the Initiative exempts the "non-  
4 offending commercial cannabis businesses" from all location requirements contained in the Municipal  
5 Code, while once again maintaining those restrictions for all other commercial cannabis retailers.  
6 These restrictions include minimum distance separation requirements between cannabis businesses  
7 and minimum separations for cannabis businesses from residential zones, childcare centers, family  
8 day care homes, youth-oriented facilities, churches or other faith congregations, substance abuse  
9 centers, parks, libraries, and K-12 schools. The Initiative flatly exempts the "non-offending  
10 commercial cannabis businesses" from compliance with "all zoning, land use, and development  
11 regulations applicable to the underlying zoning district in which they are permitted to establish and  
12 operate as set forth in the Pasadena Municipal Code."

13 25. The city staff report on the Initiative notes that there are exactly eighteen (18)  
14 businesses that meet the definition of "non-offending commercial cannabis businesses," which are  
15 readily identifiable through the City's records. All 18 of these businesses had been cited by the City  
16 for operating illegal cannabis dispensaries; fourteen had been shut down, while four continued to  
17 operate illegally, three of which have been charged criminally (but not yet convicted). The staff report  
18 identified the 18 businesses that would benefit from passage of the Initiative as:

- |    |                   |                          |
|----|-------------------|--------------------------|
| 19 | a. Rose Buds      | j. Benjamin's 30         |
| 20 | b. 419 Collective | k. Pasadena Medical      |
| 21 | c. Nu Remedy      | l. Church of Walnut      |
| 22 | d. Good Life      | m. M.V. Health Solutions |
| 23 | e. Golden State   | n. Flavortown            |
| 24 | f. Green Love     | o. Bloom Pasadena        |
| 25 | g. Revo           | p. Green Star Dispensary |
| 26 | h. Urban Farms    | q. Pasadena Cannabis     |
| 27 | i. Undefeated 25  | r. House of CBD          |

28 26. One or more of these businesses are registered in California as private corporations.