EXHIBIT B



MINUTES PLANNING COMMISSION Wednesday November 13, 2019 Regular Meeting at 6:30 p.m. City Hall, Council Chambers - Room S249 100 N. Garfield Avenue, Pasadena 91101

 ROLL CALL – Chair Coher called the meeting to order at 6:30 p.m. PRESENT – Commissioners Williams, Nanney, Barar, Coppess, Olivas, Lyon, Miller and Chair Coher

Excused Absent: Commissioner Wendler

Staff: Jennifer Paige, Theresa Fuentes, David Sanchez, Andre Sahakian and Patrisia De La Torre

2. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA - NONE

3. DIRECTORS REPORT

Jennifer Paige welcomed Boy Scout Troop 355, who attended tonight's meeting for their Citizenship in the Community Badge.

4. APPROVAL OF MINUTES

October 9, 2019 – Commissioner Barar moved approval of the October 9, 2019 minutes.
 Commissioner Coppess seconded. Minutes approved 7-0. Commissioner Miller abstained.

*Chair Coher informed the Commission and the public that item 5A would be continued to a future date and that a new public notice will be issued.

5. PUBLIC HEARINGS

A. Zoning Code Amendment – Playhouse District Parking Requirements Staff will present analysis and recommendations for an ordinance to reduce parking requirements for restaurant and entertainment uses in the CD-4 (Pasadena Playhouse) Zoning district.

It is recommended that the Planning Commission:

- Find that the Zoning Code Amendments are exempt from the California Environmental Quality Act because they qualify for Categorical Exemption pursuant to Section 15305 (Class 5 – Minor Alterations in Land Use Limitations), and there are no features that distinguish this project from others in the exempt class; therefore there are no unusual circumstances:
- 2) Adopt the required findings for the Zoning Code Amendments (Attachment A); and
- Recommend that the City Council approve the Zoning Code Amendments as presented to the Planning Commission.

Case Manager: Andre Sahakian

(CONTINUE TO A FUTURE DATE- ITEM WILL BE RE-NOTICED)

B. Zoning Code Amendments: Updating Regulations for Single-Room Occupancy Uses
Staff presented analysis and recommendations for an ordinance to increase the maximum unit
size for Single-Room Occupancy uses, and to allow the use in the CD-1 through CD-6 Zoning
Districts without a conditional use permit.

It was recommended that the Planning Commission:

 Find that the Zoning Code Amendments are exempt from the California Environmental Quality Act because they qualify for Categorical Exemption pursuant to Section 15305 (Class 5 – Minor Alterations in Land Use Limitations), and there are no features that distinguish this project from others in the exempt class; therefore there are no unusual circumstances:

2) Adopt the required findings for the Zoning Code Amendments (Attachment A); and

3) Recommend that the City Council approve the Zoning Code Amendments as presented to the Planning Commission.

Case Manager: Andre Sahakian

Public Comment:

There were no public comments received.

Motion:

Commissioner Miller moved approval of staff's recommendations and additionally to eliminate the minimum parking requirement. Commissioner Williams seconded. Motion approved 6-2.

C. Zoning Code Amendments: Cannabis Regulations

Staff presented analysis and recommendations for an ordinance to reduce the distance required between cannabis retailers from 1,000 feet to 450 feet, to increase the maximum permitted cannabis retailers per council district from one to three and clarify the language on distance requirements as measured to a residential zone.

It was recommended that the Planning Commission:

- Find that the Zoning Code Amendments are exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15061(b)(3), the common sense exemption and 15301 "Existing Facilities" (Class 1); therefore there are no unusual circumstances;
- 2) Adopt the required findings for the Zoning Code Amendments (Attachment A); and
- Recommend that the City Council approve the Zoning Code Amendments as presented to the Planning Commission.

Case Manager: Jennifer Paige, AICP

Public Comment:

Lisa Freer
Richard McDonald
Erika Foy (Protect Pasadena Kids)
Sushma Adarkar
Megan Foker (Livable Pasadena)
Steve Mulheim (Old Pasadena Management)
Jordan Ferguson (Harvest of Pasadena)
Gregoria Cardenas

Motion:

Commissioner Lyon moved that the Commission recommend that the City Council adopt staff's recommended changes to paragraph 5B. Commissioner Olivas seconded. Motion approved 5-3.

Motion:

Commissioner Coppess moved that the Commission recommend that there be no change to the existing language relating to cannabis retailers per council district and that there be no change to the existing language regarding distance between cannabis retailers. Commissioner Miller seconded. Motion approved 6-1. Commissioner Nanney abstained.

6. COMMENTS AND REPORTS FROM STAFF

Jennifer Paige informed the Commission about an upcoming training that will be presented to City Council at the December 9, 2019 meeting and will then be brought to the Planning Commission.

7. COMMENTS AND REPORTS FROM COMMITTEES

- Design Commission Commissioner Coppess informed the Commission on two items heard at the November 12, 2019 meeting.
- Board of Zoning Appeals Commissioner Williams informed the Commission on four items heard at the October 30, 2019 and November 6, 2019 meetings.
- CIP None

- 8. COMMENTS AND REPORTS FROM COMMISSIONERS
 Chair Coher and Jennifer Paige asked the Commission to provide feedback to staff on how correspondence from the public is relayed to the Commission.
- 9. ADJOURNMENT Chair Coher adjourned the meeting at approximately 9:14 p.m.

David Sanchez, Principal Planner

Patrisfa De La Torre, Recording Secretary



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 D

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. If you have any questions, please contact the City Clerk's Office at (626) 744-4124.

EXHIBIT E

Union of Medical Marijuana Patients v. City of San Diego (Aug. 19, 2019) __ Cal.5th

In 2014, the City amended its zoning ordinance to regulate medical marijuana dispensaries' location and operation. It added dispensaries to the list of permitted uses in two of the six commercial zones and two of the four industrial zones while excluding dispensaries from open space, agricultural, and residential zones. No CEQA document was prepared for this change to the City zoning ordinance because the City found that adoption of the ordinance did not constitute a project for CEQA purposes

UMMP brought suit, alleging that amendment of a zoning ordinance is conclusively considered a project because it is specifically listed as such in Public Resources Code (PRC) Section 21080 and meets the definition of a project under PRC Section 21065 (a discretionary activity with the potential for direct or a reasonably foreseeable indirect effect). The Court of Appeal opined that a zoning ordinance amendment was subject to the same statutory test for project-ness as activities not listed in Section 21080. As a result, the Court of Appeal held in favor of the City, finding that the ordinance was not a project because it lacked the potential to result in a physical change in the environment.

The California Supreme Court concluded that: "the various activities listed in section 21080 must satisfy the requirements of section 21065 before they are found to be a project for purposes of CEQA. ... we conclude that the Court of Appeal misapplied the test for determining whether a proposed activity has the potential to cause environmental change under section 21065, which was established in *Muzzy Ranch Co. v. Solano County Airport Land Use Commission* (2007) 41 Cal.4th 372 (*Muzzy Ranch*), and erred in affirming the City's finding that adoption of the ordinance did not constitute a project. For that reason, we reverse [the court's decision] and remand for further proceedings."

The Supreme Court clarified that Section 21080 does not, as a matter of law, mandate that a zoning ordinance amendment will always be a CEQA project. Sections 15080 and 15065 work in harmony: 15080 offers that, by way of example, an ordinance amendment could be a project, and 15065 applies to determine whether it is.

The Supreme Court reasoned:

Applying the foregoing test, we conclude the City erred in determining that the adoption of the Ordinance was not a project. Prior to the Ordinance, no medical marijuana dispensaries were legally permitted to operate in the City. The Ordinance therefore amended the City's zoning regulations to permit the establishment of a sizable number of retail businesses of an entirely new type. Although inconsistency with prior permissible land uses is not necessary for an activity to constitute a project (see *Muzzy Ranch*, *supra*, 41 Cal.4th at p. 388), establishment of these new businesses is capable of causing indirect physical changes in the environment. At a minimum, such a policy change could foreseeably result in new retail construction to accommodate the businesses. In addition, as UMMP suggests, the establishment of

new stores could cause a citywide change in patterns of vehicle traffic from the businesses' customers, employees, and suppliers. The necessary causal connection between the Ordinance and these effects is present because adoption of the Ordinance was "an essential step culminating in action [the establishment of new businesses] which may affect the environment." (Fullerton Joint Union High School Dist. v. State Board of Education (1982) 32 Cal.3d 779, 797 (Fullerton).) The theoretical effects mentioned above are sufficiently plausible to raise the possibility that the Ordinance "may cause . . . a reasonably foreseeable indirect physical change in the environment" (§ 21065), warranting its consideration as a project.

The City had rejected UMMP's claims that the new ordinance would result in indirect effects due to changes in traffic, horticulture, and concentration of dispensaries because UMMP failed to provide supporting evidence. The Supreme Court reasoned that at this early point in the CEQA process — determining whether the action is even a project - this "put the cart before the horse:"

The likely actual impact of an activity is not at issue in determining its status as a project. [footnote omitted] Further, at this stage of the CEQA process virtually any postulated indirect environmental effect will be "speculative" in a legal sense — that is, unsupported by evidence in the record (e.g., People v. Murtishaw (2011) 51 Cal.4th 574, 591 ["defendant's claim . . . is entirely speculative, for he points to nothing in the record that supports his claim"]) — because little or no factual record will have been developed. A lack of support in the record, however, does not prevent an agency from considering a possible environmental effect at this initial stage of CEQA analysis. Instead, such an effect may be rejected as speculative only if, as noted above, the postulated causal mechanism underlying its occurrence is tenuous.

The City argued that there was not was too little known about the potential impacts of the ordinance amendment to permit environmental review. The Court rejected that argument. The determination of whether an activity is a project under CEQA is separate (and preliminary to) an agency's determination of whether that project may have significant physical impacts. The Court concluded its decision as follows:

It ultimately might prove true that, in the context of the City, the actual environmental effects of the Ordinance will be minimal. It is possible, as the Court of Appeal assumed, that the City's commercial vacancy rate is sufficient to provide retail space for the new businesses without the need for expansion. (Marijuana Patients, supra, 4 Cal.App.5th at p. 123 [dispensaries "could simply cho[o]se to locate in available commercial space in an existing building"].) It is also possible, as UMMP suggests, that a significant number of unlicensed businesses selling medical marijuana already exist in the City and that the newly licensed businesses will simply displace them. Rather than causing increased traffic and other activity, the net effect of this substitution might be little or no additional environmental burden on the City. All of these factors can be explored in the second and, if warranted, third tiers of the CEQA

opinion on the applica	iers, we are in no position to offer, and do not expreability of the various exemptions or, alternatively, the	ess, an he
appropriate level of e	nvironmental review.	

Martinez, Ruben

From: Tim Dodd >

Sent: Friday, August 06, 2021 11:59 AM

To: Mermell, Steve; cityclerk; Flores, Valerie; Reyes, David; Jomsky, Mark; PublicComment-

AutoResponse

Subject: City of Pasadena - Correspondence for August 9, 2021 - agenda item 12

Attachments: Octavius launches in SoCal - Sweet Flower 08921.pdf

CAUTION: This email was delivered from the Internet. Do not click links or open attachments unless you know the content is safe. Report phish using the Phish Alert Button. Learn more...https://mydoit.cityofpasadena.net/sp?id=kb_article_view&sysparm_article=KB0010263.

Good morning Ms Flores, Mr Jomsky, Mr Mermell and Mr Reyes -

Please see attached a press release (to be released on Monday August 9th) from Octavius - Master of Buds, the Pasadena Community Coalition and Sweet Flower regarding the launch of Octavius - Master of Buds - a Pasadena-based, African American-owned cannabis brand at all Sweet Flower stores.

This launch is in furtherance of Sweet Flower's commitment to the Pasadena African American and LatinX community, formalized in the MOU between the Pasadena Community Coalition and Sweet Flower dated March 31, 2021.

Could I ask you to please add this to the current correspondence on Agenda Item 12 for the August 9th City Council Meeting and distribute to the Mayor, Vice Mayor and City Council members?

Thank you and have a good weekend,

Tim

Tim Dodd CEO/Co-Founder Sweet Flower

> 08/09/2021 Item 12



August, 9 2021 FOR IMMEDIATE RELEASE

Octavius - Masters of Buds Enters Southern California Retail Market with exclusive launch at Sweet Flower

Pasadena Based African-American owned Cannabis Brand 'Octavius - Masters of Buds' Launches in all Sweet Flower Southern California Locations

PASADENA, Calif.—Octavius - Masters of Buds an African American majority-owned lifestyle-improving cannabis brand based in Pasadena, CA, announces a major retail milestone with its expansion into Southern California with an exclusive launch at Sweet Flower's Los Angeles stores.

"The partnership with Sweet Flower grew out of our aligned passion for local community inclusion and a commitment to economic participation and success of BIPOC companies", says CL Washington, Octavius MOB Brand Manager.

Octavius is committed to breaking through cannabis cliques and welcoming members of all walks of life to the global community of cannabis users and enthusiasts.

"We're steadfastly committed to the fact that everyone deserves to experience the benefits of high-quality cannabis, which is why we are committed to diversity of thought and look." - CL Washington, Octavius MOB Brand Manager

The launch of Octavius - MOB is among one of many examples demonstrating Sweet Flower's commitment towards inclusivity. Sweet Flower locations currently feature BIPOC-owned brands at ten times the national average.

Sweet Flower is committed to hiring locally and inclusively. A job fair, hosted last month, led to the hiring of several Pasadena locals for their existing stores. Sweet Flower has also partnered with the Pasadena Community Coalition to sponsor local Expungement Clinics, and is committed to facilitate social equity licenses for African American and Latinx applicants in Pasadena and the greater Los Angeles area.

"Sweet Flower continues to put their time, effort and money where their mouth is, and we are happy to have written an MOU solidifying our partnership to include those most affected by the war on drugs" - Martin A. Gordon, Chair/CEO Pasadena Community Coalition.

"Sweet Flower is proud to have an 80% diverse workforce at all levels of the company. Our outreach to and support of local social equity license applicants and our partnership with communities of color to enhance the quality of life in the neighborhoods is well documented. Partnering with the Pasadena Community Coalition has been a catalyst to connecting with the community in furtherance of our mutual cannabis social & economic equity priorities." - Timothy Dodd, CEO Sweet Flower.

Sweet Flower is an organization committed and dedicated to setting a new standard for modern cannabis retail that is inclusive, diverse, and approachable by all.

About Sweet Flower

Sweet Flower is Southern California's leading cannabis retailer, with multiple locations throughout Los Angeles, including West Hollywood, the Downtown Los Angeles Arts District, Studio City and Westwood, with additional new stores slated to open in 2021. Sweet Flower has more premium locations and premium license wins than any other retailer in California. Sweet Flower provides delivery across all of Los Angeles through its proprietary branded delivery service.

Sweet Flower is committed to giving back to the communities it serves, to operating openly and transparently, and to hiring inclusively and diversely. www.sweetflower.com

About Octavius

Octavius Cannabis - Masters of Buds, is a leading African American majority owned lifestyle-improving cannabis retail brand conscious of the importance and impact of true social equity. Founded in Pasadena, MOB is an organization dedicated to setting a new standard for modern cannabis retail that is inclusive, diverse, and approachable by all. Octavius Cannabis - Masters of Buds, has made its mission to provide a thought-leading movement that unites, inspires and informs people to leverage the legal marijuana industry towards creating new minority-owned businesses, employment opportunities, and substantial tax revenues to strengthen our communities. www.octaviuscannabis.com



Agenda Correspondence PM 2: 04

CITY CLERK
CITY OF PASADENA

June 10, 2021

TO: Honorable Mayor and City Council

FROM: Pasadena Equity

SUBJECT: JUNE 14, 2021 - PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA -

MEASURE CC (PASADENA'S CANNABIS MEASURE) AND "VOTER INTENT"

Pasadena's current cannabis ordinance represents one of the worst (and most easily avoided) public policy failures in Pasadena history.

This now three-year-old poorly crafted and implemented law has exposed the City to multiple lawsuits (in the latest fiscal year the City Attorney's office was \$2 million or 25% over its approved budget), tens of millions of dollars in potential legal liability and has achieved none of its stated public policy goals.

With the expensive failure of Pasadena's commercial cannabis ordinance now self-evident, opponents who resist any efforts to resolve the problems in the ordinance claim they can use mind-reading skills to determine "voter intent". As we shall see, much of the information they claim inspired "voter intent" was either never or haphazardly disclosed to voters in election materials.

Pasadena's current cannabis ordinance (Measure CC) wasn't authored by residents and it wasn't placed on the ballot by voter initiative. The then Pasadena City Council drafted Measure CC and placed it on the ballot. It was crafted as a response to a voter initiative that would have overturned the City's decades long hostility to legalized cannabis, even though a landslide majority of Pasadena voters had voted to legalize cannabis in 1996 and again in 2016.

In his ballot argument for Measure CC, the former Mayor claimed Measure CC was a "cautious approach". In fact, Pasadena's current cannabis law was crafted by the then City Council (led by defeated Mayor Terry Tornek) as a deceptive bait and switch political tactic to continue to resist cannabis legalization as much as possible. The bait was the claim that its primary purpose was to repeal Pasadena's cannabis sales prohibition. As usual, the switch was in the fine print.

Here is the exact language that appeared on the June 5, 2018 Ballot regarding Pasadena's Measure CC (visit https://www.pasadenaequity.com/docs to see for yourself):

"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?"

As you can see, there is no mention of the actual number of businesses allowed, no mention of any specific distance or separation requirements, no mention of a cap of one per Council District and no mention of permanently banning formerly unpermitted operators rather than grandfathering them as many major California cities did when legalizing cannabis.

A close examination and comparison of the ballot materials supplied to voters for Measure CC (the Ballot Language, the Ballot Argument in Favor of Measure CC authorized by the City Council and the City Attorney's Impartial Analysis of Measure CC) reveals the following:

What did Pasadena voters REALLY vote on?	Measure CC Ballot City Language Disclosure	Attorney's Impartial Analysis of Measure CC Disclosure	City Council Argument in Favor of Measure CC Disclosure
MEASURE CC DISCLOSURE COMPARISON			
Undefined limit on number of commercial cannabis businesses (Note 1)	YES	YES	YES
Requires City Council to retain shillty to amend Ordinance without further voter approval	YES	YES	NO
Undefined Separation from Residential Zones	NO	YES	YES
Undefined Separation from another cannable business	NO	YES	YES
Specific amount ("six") of retail businesses allowed	NO	YES	NO
Undefined Separation from Parks	NO	NO 1	YES
Undefined Separation from Churches	NO	NO	NO
Undefined Separation from Libraries	NO	NO	NO
Undefined Separation from Substance Abuse Centers	NO	NO	NO
Not allowed within mixed use projects	NO	NO	NO
Cap of one per Council District	NO	NO	NO
Permanent ban on formerly unpermitted operators	NO	NO	NO
Note 1 – There are 445 active on and off-site liquor licenses in Pasadena	,	. f	r

CANNABIS ZONING CODE AMENDMENTS AND ADOPTION OF SOCIAL EQUITY PERMIT PROGRAM May 24, 2021
Page 3 of 3

The Ballot Language itself states only that it repeals Pasadena's cannabis ban, allows an undefined "limited number" of commercial cannabis businesses, and requires the City Council to retain authority to amend the commercial cannabis ordinance without further voter approval. Given that there are 445 active on and off-site liquor licenses in Pasadena (a single block in Old Pasadena has twelve on-site consumption liquor permits) it could reasonably be concluded that a "limited number" could be a dozen or more locations. City staff have claimed the city can support as many as 14 locations.

As the chart above shows, the actual Ballot Language, City Attorney's Impartial Analysis of Measure CC and the City Council approved Argument in Favor of Measure CC fail to disclose Measure CC's separation requirement from churches, libraries, or substance abuse centers, a cap of one per Council District or a permanent ban on formerly unpermitted operators.

The voters could not have specifically intended to enshrine these items into law because they were not disclosed to the voters anywhere in the election materials.

Several other items in Measure CC were disclosed to the voters haphazardly.

The Impartial Analysis and Ballot Argument (but not the ballot language) discuss undefined separation distances from residential zones and between cannabis businesses.

The one mention of a specific limit of six retail businesses is buried in the City Attorney's Impartial Analysis of Measure CC. This specific limit is not in the ballot language, or the Argument in Favor of Measure CC authored by former Mayor Terry Tornek.

In conclusion, the one provision clearly disclosed in both the Ballot Language and the City Attorney's Impartial Analysis is the requirement that the City Council retain the power to amend the commercial cannabis ordinance without future voter approval.

Amending the cannabis ordinance could produce more than 1,000 additional jobs and more than \$4 million in additional tax revenue for the City.

The City Council should act without further delay.

Shaun Szameit Pasadena Equity

Glaser Weil

RECEIVED

2021 AUG -6 PM 2: 28

CITY CLERK CITY OF PASADENA 10250 Constellation Blvd. 19th Floor Los Angeles, CA 90067 310.553.3000 TEL 310.556.2920 FAX

Aaron P. Allan

Direct Dial 310.282.6279 Direct Fax 310.785.3579 Email aallan@qlaserweil.com

August 6, 2021

VIA E-MAIL

Mayor Victor M. Gordo and City Councilmembers Pasadena City Council 100 North Garfield Ave., Room S228 Pasadena CA 91109

Email:

correspondence@cityofpasadena.net

Re: Proposed Amendments to Pasadena Municipal Code regarding Cannabis Retail Locations: Public Hearing, August 9, 2021; Item #12

Honorable Mayor and Councilmembers:

This law firm represents MME Pasadena Retail, Inc. ("MedMen") in connection with the pending retail cannabis license and associated litigation. We write in opposition to the proposal before you to change the existing City of Pasadena ordinance regarding the location restrictions for licensed cannabis retailers.

In our view, this proposal is inequitable to the people of Pasadena and to all licensed and pending cannabis retailers in the City—and contrary to the express wishes of the electorate who voted for cannabis sales. Moreover, adoption of the proposal would be especially prejudicial to MedMen and would upend the status quo in MedMen's pending licensing litigation against the City.

The proposal to amend the existing cannabis ordinance to allow up to three retail locations in each Council District and reduce the separation between retailers from 1,000 feet to 450 feet is clearly contrary to the intent of Measure CC which promised to avoid any concentration of retailers in one area. It is also prejudicial to the investment backed expectations of the licensed cannabis retailers who participated in the City's selection process. In fact, when this proposal was considered by the Planning Commission in 2019 it was rejected. When this proposal was considered by the City Council in 2019, it was tabled and faced vocal opposition from many groups.

The current recommendation is vocally supported by one retailer, SweetFlower Pasadena, LLC ("SweetFlower"), who has not been able to a secure lease or CUP for a

Pasadena City Council August 6, 2021 Page 2

compliant location under the existing ordinance. As you know, MedMen was selected as one of the six top scoring applicants in the City selection process, secured a compliant location in Council District 6, and completed all application requirements for the CUP land use approval. On the eve of MedMen's CUP hearing, the City started a process to revoke MedMen's selection based on the false allegations of this retailer and competitor, SweetFlower. That competitor still has no compliant and approved location and appears to continue to try to bend the rules, including supporting an amendment to allow it to move forward in districts already secured by other retailers.

MedMen is also concerned that adoption of this proposal would allow a competitor to secure a location and a CUP in Council District 6, while MedMen's litigation against the City remains pending. This would be highly prejudicial to MedMen, upsetting the status quo, and contrary to the rules in place at the time of selection, possibly requiring injunctive relief against the City or further litigation against the amendment itself.

Each of the selected licensees has expended time and considerable resources based on the rules in effect at the time of selection, and it is unfair and unlawful to change those rules at this time, especially while some licenses are still in dispute in the judicial process.

We urge you to vote down this proposal and continue with the process as originally approved by the voters and relied upon by the retail applicants.

Sincerely,

AARON P. ALLAN

of Glaser weil fink howard avchen & Shapiro LLP

APA:cb