

## Davoodian, Anashe

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**To:** Flores, Valerie  
**Subject:** RE: EdTech Public Correspondence- July 15

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**From:** Pattyl A. Aposhian  
**Sent:** Thursday, July 15, 2021 2:35 PM  
**To:** Flores, Valerie <[vflores@cityofpasadena.net](mailto:vflores@cityofpasadena.net)>  
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PASADENA STAR NEWS  
By Ryan Carter  
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### **Pasadena poised to tweak cannabis dispensary rules 3 years into process**

With a key city meeting on Thursday, Pasadena's legalized commercial cannabis rollout remains unsettled. And Tim Dodd's Sweet Flower has been right in the thick of it.

Tim Dodd just wouldn't go away.

Since being denied a permit by the city to open his cannabis store, Dodd, co-founder and CEO of Sweet Flower, a chain of boutique L.A.-area pot dispensaries, has poked and prodded Pasadena City Hall.

He's used the courts, bluntly written official letters, complaints, the city's public comment platforms, and forged ties with local residents to hang onto a vision: opening a dispensary in one of the more tightly regulated cities in the nation. At stake? Tens of millions of dollars.

### **PHOTO**

**Martin Gordon, chair of Pasadena Community Coalition, visits with Tim Dodd, CEO and co-founder of Sweet Flower, as he works to get locals hired during the cannabis retailer's job fair in Pasadena on Friday, July 9, 2021. (Photo by Sarah Reingewirtz, Los Angeles Daily News/SCNG)**

On Thursday, July 15, Dodd — a 6-foot-2 New Zealander schooled as a lawyer with an understated demeanor and a penchant for 500-mile-plus bicycle rides — will once again find himself in front of elected leaders. They'll have the power to decide his business's future in a city that has not yet settled key questions over its nascent retail cannabis rollout, approved by voters in 2018.

18-year-old wins space ride with Bezos on Blue Origins after \$28 million bidder reschedules  
Dodd has fought at every turn to ensure he is still in the mix when the dust settles. That time could be drawing nearer.

Thursday will be critical for the city and for Dodd as the city's Economic Development and Technology Committee — composed of City Council members — considers, among other things, whether to loosen its stringent cannabis rules to allow Dodd's Sweet Flower, and another retailer, The Atrium Group, to obtain a cannabis permit to open their doors.

Asked why the city is considering tweaking the process, Assistant City Manager Nicholas Rodriguez said this is a completely new area of the law and governmental regulation.

“The city always has to be prepared for new things as they develop and for fine-tuning where the unexpected arises and to ensure consistency with the state,” he said in a statement.

Dodd is cautiously optimistic — staff is recommending he and another applicant obtain a cannabis permit — but his angst is palpable.

“We really have invested a lot of money and created a lot of relationships in Pasadena, and I would be disappointed to not see those to fruition,” Dodd said. His deep, serious voice, tinged with his New Zealander accent, echoed inside his empty leased retail space on Colorado Boulevard, former Japanese restaurant and before that a dry cleaner, couched between a Subway and a FedExOffice.

He’s banking on the city amending its rules on distance requirements between cannabis retailers and “sensitive uses,” such as churches, schools and rehab centers. Pasadena requires at least a 600-foot separation, a rule that goes above and beyond what state laws require.

Additionally, the city demands at least a 1,000-foot separation from other cannabis businesses, also not required by the state. That’s big for Sweet Flower, which wants to open its doors at 827 E. Colorado Blvd. but under the current rules is too close to Essence, a dispensary already up and running at 908 E. Colorado Blvd.

Among the issues to be discussed Thursday afternoon will be whether to align Pasadena’s rules with those of a less-stringent California. Staff is recommending the city make the change.

The year 2018 was a breakthrough moment. Voters in Pasadena approved Measure CC, a city-designed ballot measure that preempted another, much less restrictive measure sought by marijuana advocates. Since getting the voters’ nod, the rollout has been tattered with charges of unfairness and lack of transparency.

For their part, city leaders challenge that characterization. “Despite unrelenting attack, the process has survived legal attack through a number of court challenges, and third-party investigation and review has affirmed that the process was free of undue influences,” City Manager Steve Mermell said in a statement on Wednesday, July 14.

At its core, the process was a furious “race to the window” as retailers flocked to become the first company to submit complete applications for one of six precious conditional-use permits — with no more than one per council district — to open a coveted Pasadena storefront to the pot-shopping public.

The top six retailers — including Dodd’s Sweet Flower — were picked through a city scoring process that narrowed the flood of 128 applicants during a six-month process that ended in June 2019.

Sweet Flower was first in the highly coveted City Council District 3 to apply, beating its next competitor, Harvest. But there was one big glitch. The city announced on the same day the application window opened that it additionally was requiring an applicants’ location map be prepared by a licensed surveyor.

Dodd, who had submitted early but without the surveyor requirement, would find his company kicked to the back of the line while Harvest of Pasadena LLC got the permit to open.

Two years later, Harvest has yet to open its still vacant, high profile-spot on the west end of Colorado Boulevard. Meanwhile, other applicants in the top six — Varda and Essence — opened legally in the 4th and 7th districts.

All the while, Dodd watched companies change ownership. He’s seen a cluster of delays on whether to change the zoning. He’s seen — and been a part of — allegations hurled over the fairness of the scoring process, and he’s watched

as community advocates slam the process for not ensuring social equity in hiring and management of retail dispensaries in the city.

In his statement, Mermell said the process has been fair. “The city’s cannabis process insulated evaluation of applicants from all economic and political influence. Neither staff nor any public official had the ability to affect or to influence the scores or ranking,” he said.

“The applicants were judged equally and consistently on the merits of their applications and nothing more or less.”

As the controversy has unfolded, Dodd has forced questions at every turn.

It was his letter last year to the city that prompted an official investigation into whether cannabis giant MedMen had changed its ownership, leading the city to disqualify MedMen from receiving a conditional-use permit to operate in Pasadena. MedMen since has sued over the disqualification.

He took aim at competitors Harvest and Integral — both which had procured permits — questioning whether they too had changed ownership. Both have retained their permits.

Dodd’s assertions about ownership changes followed Sweet Flower’s initial lawsuit against the city, alleging its permitting process for recreational marijuana use was unfair and illegal and that the surveyor requirement was not legally “promulgated.”

The city vigorously denied those allegations and prevailed in the courts. Still, Dodd’s prodding has led to broader questions.

Councilman Tyron Hampton, who chairs the EdTech Committee, has long questioned how the city scored the top applicants, seeking a new and more transparent process.

Not all agree with Dodd, of course. Even if the committee loosens the rules, Sweet Flower and another retailer, Atrium, will have to contend with the full City Council for a final blessing.

And there are already rumblings among elected leaders against changes they believe would alter “the will of the voters.” Measure CC included the specific distance requirements as well as the limit of six dispensaries, one for each council district, in its language.

Dodd’s efforts have been a kind of cover for varying interests in the city, Richard McDonald, attorney for Integral, said. McDonald questioned whether it’s been worth all the “noise he’s created,” he said.

“Sweet Flower has gone after all of its competitors for a lot of different reasons. So far, it lost in court, and until it wins, I’m not sure it’s worth the time or money to pay attention to it,” McDonald said, noting that ultimately courts will decide.

‘Broken bones’

But Dodd, who still has litigation pending against the city and two of his competitors, said he sees a bigger picture when it comes to the cannabis business. It’s a vision he said is fueled by social equity and being on the ground floor of a new industry.

“There’s not a lot of times in your life when you can do that,” he said.

It was just 2018 when Dodd wiped out on a downhill slope during a solo charity bicycle ride in the Santa Monica Mountains. In his recovery and to reduce his pain, Dodd discovered Southern California’s fledgling cannabis market and

came to an epiphany: “The retail experience was broken,” he said. The multibillion-dollar potential of California’s pot business was “never going to materialize, because it’s too hard to acquire cannabis.”

It was the catalyst needed for a venture capitalist with significant executive experience in business operations at places like Warner Bros. and a talent for rebranding and obtaining municipal franchise licenses.

By May 2018, his company, Sweet Flower, co-founded with Mike Thomson, the company’s chief strategy officer, was up and running. And nearly four years later it has opened four shops throughout the L.A. area, from Studio City to Downtown L.A to West Hollywood and West L.A., with Culver City in the pipeline.

On Friday, Dodd’s company teamed with the Pasadena Community Coalition for a job fair at the potential Sweet Flower location on Colorado Boulevard. By late morning, the turnout was robust as Coalition Chair Martin Gordon surveyed the lines of applicants, aiming for a job in one of Dodd’s other L.A. locations.

Gordon touted the diversity of the applicants, but he also saw it as a rare promise fulfilled of cannabis applicants in the city.

Dodd, who said his company adheres to an 80% diversity threshold in hiring, signed a memorandum of understanding with Gordon to hire San Gabriel Valley applicants from historically marginalized communities. The company also aims to create training programs and partnership with local African American and Latinx manufacturers and distributors.

It was timely. Social equity is being considered by council members and city staffers as they look to make potential changes.

“Don’t get me wrong, I know this is in his best interest to do this kind of stuff, but it was for the other retailers, too,” Gordon said.

Dodd doesn’t deny the monetary motivations of an equity component: “It is a business, and that is part of what we do. But I believe good business is about being a good community member,” he said.

Gordon aims to keep Dodd accountable to that promise. “I want to make sure he’s accountable to Pasadena no matter what,” Gordon said. “If you think I won’t call him out, I guarantee you I will.”

For now, Dodd and his employees continue to wait. “Yeah, it’s taken some time,” Dodd said. “But we’re also very patient. We’re not going away.”