

July 14, 2021

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Economic Development and Technology  
Committee  
Pasadena City Council  
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Re: Proposed Zoning Code Amendments to City Cannabis Regulations Regarding  
Retail Locations  
SPECIAL MEETING: JULY 15, 2021

Honorable Chair Hampton and Councilmembers Madison, Wilson and Rivas:

This law firm represents MME Pasadena Retail, Inc. (“MedMen”) in connection with its pending retail cannabis license and associated litigation. We write in opposition to the staff recommendation before you to amend the existing City of Pasadena ordinance which currently places location restrictions for licensed cannabis retailers and to allow the seventh-place applicant, The Brick & Rose, to proceed to obtain the necessary retail cannabis permits.

This proposed amendment is inequitable to the people of Pasadena and to all licensed and pending cannabis retailers in the City. The proposed amendment would be especially prejudicial to MedMen and to other similarly situated cannabis license applicants because it would change the rules which supplied the basis upon which applications were submitted, real estate was obtained, and conditional use permits were pursued, to now allow direct competition against approved licensees within their respective Council Districts. Most importantly, the elevation of The Brick & Rose would severely prejudice the position of MedMen in its pending litigation against the City of Pasadena and would force MedMen to seek immediate judicial relief by way of restraining order and injunction against the City in order to preserve the status quo.

The proposal to amend the existing cannabis ordinance to allow up to three retail locations in each Council District and to reduce the separation between retailers is 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 for cannabis licenses.

Your staff recommendation fails to discuss MedMen's pending litigation against the City to reverse the City Manager's decision to disqualify MedMen from its sixth place applicant position. Instead, staff merely states that MedMen has been disqualified, which staff presumes would allow the City to elevate the seventh place applicant. This is not the case; MedMen's position remains subject to review by the courts, and the City would be unfairly and prejudicially changing the status quo by allowing another applicant to take the sixth applicant position in place of MedMen before these claims have been fully adjudicated.

Among the few voices in favor of this proposal is the very same retailer, SweetFlower Pasadena, LLC, that has not been able to secure a lease or CUP for a compliant location under the existing ordinance, and upon whose misleading allegations the City disqualified MedMen. In fact, MedMen's pending litigation against the City will resolve whether that revocation of MedMen's selection was permissible, or whether MedMen's license and CUP should instead move forward.

Any effort to change the rules at this time, including elevating the seventh-place applicant will be vigorously challenged by MedMen. The current recommendation is highly prejudicial to MedMen, and against the express representations made to us by your City Attorney that there was no intent to elevate any applicant into MedMen's position while our litigation is pending.

Each of the selected licensees, including MedMen, 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 and being resolved by the judicial process.

We urge you to reject the current staff recommendation and continue with the process as originally approved by the voters and relied upon by the retail applicants.

Sincerely yours,



AARON P. ALLAN  
of GLASER WEIL FINK HOWARD AVCHEN & SHAPIRO LLP

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Economic Development  
and Technology Committee  
July 14, 2021  
Page 3

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