



OFFICE OF THE CITY MANAGER

July 1, 2020

Harvest of Pasadena, LLC  
Ben Kimbro, Director of Public Affairs  
1155 W. Rio Salado Parkway Suite 201  
Tempe, AZ 85281

Dear Mr. Kimbro:

As you are aware on April 28, 2020, Timothy Dodd of Sweet Flower Pasadena, LLC submitted a letter alleging that changes at MME Pasadena Retail, Inc. ("MedMen") have occurred that should result in their disqualification from the City's top-six applicant list for a Cannabis Retailer Permit. A copy of that letter is attached hereto as Exhibit "A".

While specific claims were not made against Harvest of Pasadena, LLC, the City asked that all applicants currently processing a Cannabis Retailer Permit provide updated information for review. The City requested an independent review of those allegations, the results of which are attached hereto as Exhibit "B".

The purpose of this letter is to advise you that the City of Pasadena has completed its review and the City Manager finds that there has not been a change of control at Harvest of Pasadena, LLC. You are welcome to continue with the process towards obtaining a Cannabis Retailer Permit. We appreciate your patience during this time.

Thank you,

A handwritten signature in blue ink, appearing to read "Nicholas Rodriguez".

Nicholas Rodriguez  
Assistant City Manager  
City of Pasadena

Attachments: Sweet Flower Letter  
HDL Review Letter



Dear Members of the City of Pasadena Planning Commission:

This letter sets forth Sweet Flower Pasadena, LLC's ("Sweet Flower") objections to the Planning Commission's consideration for approval of MME Pasadena Retail, Inc.'s ("MedMen") Conditional Use Permit No. 6788. Sweet Flower requests that the Planning Commission incorporate this letter, as part of the record of the proceedings.

**(1) The location is non-compliant with the distance separation requirements to sensitive receptors as defined in the Pasadena Municipal Code and is not permitted.**

Pasadena Municipal Code Section 17.50.066.D.5(d) states

"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 care home), youth-oriented facility, church or faith congregation, **or substance abuse center;**" (emphasis added)

The Arroyos Treatment Centers is a mental health clinic located virtually across the street, 120' from MedMen's proposed location, at 1 W California Blvd. in Pasadena. It describes its mission as:

"Our mission is to bring hope and empowerment to patients and their families as they overcome primary psychological disorders, **with** or without **co-occurring substance abuse problems**. We offer outpatient psychological and psychiatric services and a Primary Mental Health Intensive Outpatient Program (IOP). We specialize in treating bipolar disorder, depression, anxiety disorders, obsessive-compulsive disorder, psychotic disorders, ADHD, **secondary substance abuse disorders, and more**. Please visit our website to learn more about us." (emphasis added).

The language of the ordinance is unambiguous. The Arroyos Treatment Center list of services includes among other sensitive services, treatment of "**substance abuse disorders**". This is exactly the type of sensitive receptor the ordinance and the voters wanted to avoid. Nevertheless, the staff report is completely devoid of any mention of the Arroyo Treatment Center.

MedMen's proposed location is non-compliant. The Planning Commission should deny the CUP on this basis alone.

**(2) The CUP application made by Medmen in September 2019 is materially inaccurate.**

MedMen first identified its ownership and management in its January 2019 screening application. Then, in MedMen's September 2019 CUP application, MedMen's then-CEO, Adam Bierman, explicitly acknowledged to City staff that all of the following individuals, each previously listed as an "owner" in MedMen's original application had since resigned from or been severed by MedMen:

- former Senior Vice President of Human Resources, Clarence E. Foster



- former General Counsel, Lisa D. Sergi
- former Chief Operating Officer, Benjamin E. Cook
- former Chief Marketing Officer, David Dancer
- former Senior Vice President of Supply Chain, Ruchi Birdi

Since September 2019, the following individuals named in either MedMen’s original application or purportedly later added by MedMen to its September CUP application have also resigned from or been severed by MedMen:

- former Vice President of Compliance, Eduard Linetskiy
- former Chief Financial Officer, Michael Kramer

A third named individual, then-President, Andrew Modlin, **no longer serves as President**, and has surrendered his voting shares<sup>1</sup>. And most notably, **their Chief Executive Officer**, Adam Bierman, **has since resigned**<sup>2</sup>.

Of the *five* individuals who attended the initial Selection Committee interview for MedMen, we understand only *one* now remains at MedMen. And of the *ten* individuals noted in MedMen’s initial January 2019 application as “Owners” or “Key Staff”, only *one* now remains.

And as to the CUP application itself, of the individuals named in MedMen’s CUP application, only *one* now remains as a responsible party in the role stated in their CUP application.

Under the City’s rules, MedMen was ostensibly selected as a “top six” applicant on the basis of the qualifications of these original “owners.” (See Pasadena Municipal Code, § 5.78.080 C (1), (2).) Since then, almost all of these “owners” have been severed by MedMen or have resigned.

MedMen’s CUP application should be denied in light of these circumstances and material changes.

**(3) MedMen’s CUP Application is Incomplete as neither the Map Radii nor the Radius Map was prepared by a Licensed Surveyor.**

The Radius Map, which the Planning Department staff advised must be prepared by a licensed surveyor, and is the critical map that illustrates the 600 and 1,000 foot radius boundaries around the proposed cannabis retailer location, was not prepared by a licensed surveyor. MedMen’s map was prepared by a mapping company. The certification attesting to the surveyor having prepared the map is noticeably absent. The map includes no attestation at all. In fact, the map appears to be nothing more than a map prepared by others. There is no certification or evidence that the Radius Map was prepared by a licensed surveyor.

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<sup>1</sup> <https://www.bizjournals.com/losangeles/news/2020/01/31/medmen-co-founder-and-ceo-adam-bierman-to-step.html>

<sup>2</sup> <https://mjbizdaily.com/multistate-cannabis-operator-medmens-bierman-steps-down-as-ceo-gives-up-voting-control/>



For the reasons set forth herein, the Planning Commission must deny MedMen's CUP application for the proposed location at 536 South Fair Oaks Avenue.

Respectfully,

A handwritten signature in black ink, appearing to read "T. J. Dodd", with a long horizontal flourish extending to the right.

Timothy Dodd  
Sweet Flower Pasadena, LLC  
CEO/Co-Founder

# HdL Companies

June 24, 2020

David Reyes  
Director, Planning & Community Development Department, City of Pasadena  
175 N. Garfield Ave.  
Pasadena, CA 91101-1704

## Re: Corporate Structure and Management of Harvest of Pasadena, LLC

Dear Mr. Reyes,

The City of Pasadena (City) requested HdL Companies (HdL) review Sweet Flower Pasadena's complaint to the City and determine whether the ownership structure and management team have changed for any of the applicants since submission of the original applications. HdL reviewed Harvest of Pasadena, LLC's (Harvest) corporate ownership structure and management team as listed in the original application and as currently stated and determined whether any change in ownership and/or management would have affected the application scoring.

HdL reviewed the original application and scorecard, Disclosure Pursuant to the City of Pasadena Taxpayer Protection Act (TPA), Conditional Use Permit (CUP) Application, California Secretary of State filings, Application for Cannabis Permit, Bureau of Cannabis Control (BCC) License Application, and Harvest's responses to the City on May 4, 2020 and June 22, 2020 regarding changes in ownership structure and management.

### ORIGINAL OWNERSHIP AND MANAGEMENT

The original application listed Steve White as the 100% owner and CEO of Harvest. The business plan also listed the names and credentials of other members of the leadership team.

### CURRENT OWNERSHIP AND MANAGEMENT

The TPA, CUP Application, California Secretary of State filings, Application for Cannabis Permit, and BCC License Application listed Steve White as an owner, CEO, and/or manager of Harvest of Pasadena, LLC. Harvest's May 4, 2020 and June 22, 2020 responses to the City indicated White continues to be the 100% owner, CEO, and manager of Harvest. *Reference Exhibits A and B.*

### CONCLUSION

At the City's direction, HdL scored the applicant based on the Experience, Cannabis Industry Knowledge, and Ownership Team criteria outlined in Section 1: Qualifications of Owners/Operators.

Using the City's evaluation criteria, the score was based on the original application listing Harvest as a sole proprietorship 100% owned by Steve White. As the ownership structure of Harvest has not changed since the original application, there would have been no change to the score based on ownership.

Using the City's evaluation criteria, the score was also based on the leadership team's credentials as documented in the business plan. Steve White continues to be Harvest's CEO and manager. Harvest's June 22, 2020 response to the City stated there were no material changes since the original application. Thus, there would have been no change to the score based on management.

Sincerely,

*Matthew Eaton*

Matthew Eaton  
Deputy Director of Compliance, HdL Companies

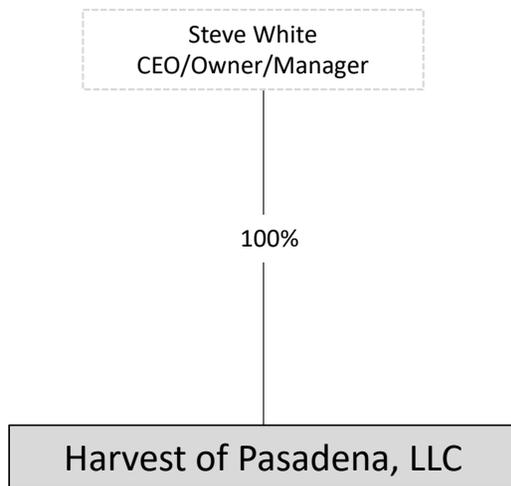
cc: Theresa Fuentes, Assistant City Attorney, City of Pasadena

**City of Pasadena  
Harvest of Pasadena, LLC  
Exhibit A**

<b>Data Sources Examined</b>									
<b>Business Name</b>	<b>Original Application</b>	<b>Original Scorecard</b>	<b>Disclosure Pursuant to the City of Pasadena Taxpayer Protection Act (TPA)</b>	<b>CUP Application</b>	<b>Secretary of State Filings</b>	<b>Cannabis Permit Application</b>	<b>State License Application (within Cannabis Permit Application file)</b>	<b>Responses to City's Request for Ownership and Management Changes</b>	<b>Conclusion</b>
	<b>1/31/2019</b>	<b>3/20/2019</b>	<b>6/12/2019</b>	<b>6/12/2019</b>	<b>Multiple dates</b>	<b>04/2020-05/2020</b>	<b>10/30/2019</b>	<b>5/4/2020, 6/22/2020</b>	
Harvest of Pasadena, LLC	<p>Steve White, Owner/Manager, 100% ownership</p> <p>Business plan listed management team and credentials, including Steve White as CEO.</p>	<p>Evaluation/score was based on the applicant being a sole proprietorship 100% owned by Steve White and the leadership team's credentials as listed in the Business Plan.</p> <p>The scorecard noted the General Manager and other onsite employees did not appear to have been chosen or named yet.</p>	<p>Steve White listed as Owner's Name.</p> <p>Steve White, Jason Vedadi, and Leo Jaschke listed under Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project.</p>	<p>Steve White listed on Cover Sheet as Applicant Name and Signature and on Request for Live Scan.</p> <p>TPA dated 6/12/2019 (previous column) was also included in the CUP Application.</p>	<p>01/22/2019: Articles of Incorporation for Harvest of Pasadena, LLC. Steve White signed as Organizer.</p> <p>07/09/2019 Statement of Information for Harvest of Pasadena, LLC: Harvest Enterprises, Inc. listed under Manager(s) or Member(s).</p> <p>03/20/2020 Statement and Designation by Foreign Corporation for Harvest Enterprises, Inc.: Steve White signed as a corporate officer.</p> <p>04/13/2020 Statement of Information for Harvest of Pasadena, LLC: Steve White listed under Manager(s) or Member(s) and CEO.</p>	<p>Steven White: CEO/Manager on Application for Cannabis Permit (5/18/2020).</p> <p>Steven White: Owner and CEO on Application for Business License (04/07/2020)</p>	<p>Steven White, Owner/CEO, 100% ownership</p>	<p>No change in ownership to Harvest of Pasadena, LLC has occurred since the application was submitted in January 2019. Steve White, individually, is still 100% owner of all outstanding membership interests of Harvest of Pasadena, LLC and also its appointed CEO.</p> <p>The 07/09/2019 statement of information filed with the Secretary of State naming Harvest Enterprises, Inc. as the manager of Harvest of Pasadena, LLC was a clerical error. The error was identified and rectified on 04/13/2020 with the submission of a second statement of information form naming Steve White as the manager.</p> <p>In the original application, no staff were specified to manage on-site employees at the proposed retail store. Steve White is today the manager of Harvest of Pasadena, LLC and continues to provide executive oversight of Harvest's Senior Director of Retail, Barbara Ann Garganta, and California District Manager Jamie Bender.</p>	<p>No change in ownership since the original application.</p> <p>Steve White is still the CEO and manager. Onsite managers were not specified by name in the original application. The response to the City stated there was no material change in management since the original application. As such, no substantial change in management.</p>

**City of Pasadena  
Harvest of Pasadena, LLC  
Exhibit B**

**Ownership Structure  
Derived from Original Application**



**Ownership Structure  
Derived from 5/4/2020 and 6/22/2020 Emails to City**

