

THE ATRIUM GROUP LLC

August 27, 2019

Ms. Michele Beal Bagneris, City Attorney
City of Pasadena, City Hall
100 N. Garfield Avenue, Room N210
Pasadena, California 91101

Assist. City Manager Nicholas G. Rodriguez
City of Pasadena, City Hall
100 N. Garfield Avenue
Pasadena, California 91101

David Reyes, Director of Pasadena
Department of Planning & Development
Pasadena Permit Center
175 North Garfield Avenue
Pasadena, California 91101

Guille Nuñez, Management Analyst IV
Department of Planning & Development
Pasadena Permit Center
175 North Garfield Avenue
Pasadena, California 91101

Dear Ms. Bagneris, Mr. Reyes, Ms. Nunez, and Mr. Rodriguez:

We are in receipt of the City's correspondence of August 23, 2019, rejecting our claims against the City that are set forth in Claim No. 13,373, which was filed on August 19, 2019. For the record, we have not yet received any response to our second claim against the City, which was filed on the same date.

As you know, we have engaged legal counsel to advise us about pursuing our claims against the City. We are still amenable to meeting with you to discuss the resolution of our concerns, as long as such a meeting is held immediately and without conditions. However, we have not seen thus far any indication that you are willing to have an open and honest discussion about the many complaints Atrium has about the City's cannabis permitting program. Please understand that your reluctance to fairly deal with our concerns will leave Atrium with no recourse but to file a lawsuit against the City.

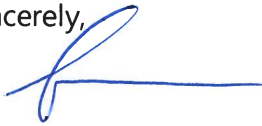
Aside from these two claims, please be advised that Atrium will also be filing a third claim based upon the City's acts and omissions during the screening process. The basis of this claim should be familiar, as previous correspondence from Atrium and other parties has fully documented the many provisions of the cannabis Code and regulations that the City failed to enforce, as well as the favoritism it appears to have shown one applicant in particular.

Finally, we have not yet received any response to our Request For Appeal that was filed on July 15, 2019. As you know, this appeal was based upon the City's errors in interpreting the

meaning of the phrase "any library" in Section 17.50.066(D)(5)(e) of the Municipal Code. We believe we are entitled to an appeal hearing pursuant to Code Section 17.72.040(A)(1). Accordingly, we demand the right to bring our concerns before the Board of Zoning Appeals at the earliest available opportunity.

I will finish by saying that I'm as tired of writing these letters as you are in reading them. Despite the lengthy chronicle of our grievances against the City, at no time have I ever believed you have taken our concerns seriously. Regrettably, the time left for dialog is nearly at an end.

Sincerely,



Chris Berman
Chief Operating Officer
The Atrium Group, LLC

w/attachments

cc: Mr. Dean Bornstein, Chief Executive Officer, The Atrium Group, LLC
Mr. Steven Mermell, City Manager
Mr. Christopher Sutton, Esq.
Honorable Members of the Pasadena City Council