

# **General Public Comments**



February 8, 2021

Stefan Chatwin  
City Manager  
The City of Fairfield  
1000 Webster Street  
Fairfield, CA 94533

RE: Request for City Council to consider SPCF, LLC., 5113 Business Center Drive,  
CRM2020-009 in Phase V of the Commercial Cannabis RFP process pursuant to  
Fairfield Municipal Code (FMC) 10E.8 (C)

Dear Mr. Chatwin:

As you know, the City of Fairfield, in conjunction with HdL, implemented a process that will permit and regulate commercial cannabis within the City, including up to two cannabis retail businesses. The objective of a competitive process is laudable. Unfortunately, even the best process can include flaws which can inhibit the City's ability to identify the best operators that meet the expectations of the City Council and are reflective of the community they will ultimately serve.

The City of Fairfield's process has been hampered by the unfortunate weight placed on written applications, which represents 40 percent of the initial score. While this design, which has been utilized across multiple jurisdictions, was intended to capture an applicant's ability to express and present their knowledge of operating cannabis dispensaries, it has morphed into a process whereby professional writers with experience answering HdL's criteria simply regurgitate responses that they know will yield them the highest scoring application. In a nutshell, it has made application writing more important than the applicant's ability to actually execute on their proposals. In fact, it has become abundantly clear to industry observers that competitive application processes based on written evaluations do not reliably identify the most qualified applicants. This flawed process has led to a boom in groups who simply collect licenses in the hopes of selling them to the highest bidder.

For this reason, local jurisdictions across the state are reconsidering whether a written competitive process is the best approach. Does this mean written materials should be excluded? Absolutely not. While some written competition can still prove useful, greater weight and import should be given to the proven ability to execute; the interview and council presentations. Additionally, a simple tour of open operating facilities and a statistical review of licenses acquired vs licenses opened will establish operators versus applicants.

SPARC (SPCF, LLC) is a seasoned operator with a proven track record extending back nearly 20 years in the Bay Area. The knowledge, experience, and skill of the owners-operators was clearly demonstrated in the interview process, as SPCF earned more points in Phase III than any other applicant based on the



published score sheets. This strong showing reflected the fact that SPARC is a team of experienced cannabis professionals.

Yet in spite of the strength of our interview score, we placed 6th in the overall scoring and will not likely be considered by the City Council. This specifically highlights the flaw in the weight given to the written materials. Based on our understanding of the City's process, SPARC will miss council consideration based on a two (2) point scoring difference. Two points could have boiled down to the use of specific words, or the exclusion of a reference to a code or regulation. Two points reflecting the difference between the fifth and sixth placed applicants is .05%. Therefore we believe that statistically, our application is tied for fifth place.

By contrast, the difference between the 6th and 7th scoring applicants is 45 points, representing a substantive scoring difference, highlighting the significance of the margin of difference between fifth and sixth scoring applicants. In the interest of selecting the most qualified applicants to operate cannabis retail storefronts in Fairfield, we believe the City Council should consider the six highest scoring applicants following Phase III, which we argue is permissible under your existing ordinance.

FMC Chapter 10E.8 (c) says that "The City reserves the right to reject any or all applications. Prior to permit issuance, the City may modify, postpone, or cancel any request for applications, or the entire program under this Chapter without liability, obligation, or commitment to any party, firm, or organization, to the extent permitted under State law." The current scenario is exactly why this flexibility was built into the original ordinance. By exercising this discretion, the City can better meet the objectives of the RFP and ensure that the most qualified applicants are selected.

For the reasons previously stated, we respectfully request that SPARC (SPCF, LLC) move forward for consideration and thank you for your attention to this request. Should you have any questions or need more information, please don't hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "E Pearson", written over a white background.

Erich Pearson  
Founder and CEO

Cc: Honorable Harry Price, Mayor, City of Fairfield  
Honorable Members, Fairfield City Council



February 12, 2021

City of Fairfield  
Community Development Department, 2<sup>nd</sup> Floor  
1000 Webster Street  
Fairfield, CA, 94533

**RE:** Request for Reconsideration, Community Veterans of Fairfield LLC, CRM2020-006 1500 W TEXAS ST

Dear City Manager:

Thank you for your email response in regard to our application CRM2020-006. Our corporate, legal, and licensing teams have conducted a thorough review of our originally submitted application, the requirements provided us by the City of Fairfield prior to submittal, as well as the scoring and comments provided us from HDL in response to our public records request.

After completing our review, it is our opinion that there are major discrepancies between what was requested by the City, what we provided in our written application, and the points we received for specific sections of our scorecard. Based on these score discrepancies, we would like to request a meeting with the City Manager for reconsideration. Additionally, as part of our request for reconsideration, we are providing an analysis of the discrepancies we have identified in the scoring process which can be found in the following exhibits:

- [Exhibit A:](#) Scoring Analysis for Subsection 1.3
- [Exhibit B:](#) Scoring Analysis for Subsection 1.6 + 1.6.1b
- [Exhibit C:](#) Scoring Analysis for Subsection 2.3
- [Exhibit D:](#) Scoring Analysis for Subsection 3.1+3.2+3.3
- [Exhibit E:](#) Scoring Analysis for Subsection 4.1.1
- [Exhibit F:](#) Scoring Analysis for Subsection 5.1
- [Exhibit G:](#) Original Submission
- [Exhibit H:](#) HDL Scorecard

Considering HDL is a contracted company to score these applications, we also believe it is important to the city to see and understand the significant discrepancies between the score, and what appears to be significant contradictions to what we as the applicant provided.

### **Scoring Summary:**

Based off the initial scorecard, we received a score of **1,413** points out of a potential **1,600** points on our written application, and **2,150** out of **2,400** points on our interview.

We feel strongly, and have provided substantial documentation to support, the following re-scoring of certain sections of our application:

### **Section 1 / Subsection 1.3 + 1.6b:**

Original Score: 262 of 300

Based off the documentation provided, we believe the correct score to be: 300 of 300

**Section 2 / Subsection 2.3:**

Original Score: 257 of 300

Based off the documentation provided, we believe the correct score to be: 294 of 300

**Section 3 / Subsection 3.1 + 3.2 + 3.3:**

Original Score: 168 of 200

Based off the documentation provided, we believe the correct score to be: 192 of 200

**Section 4 / Subsection 4.1.1:**

Original Score: 386 of 400

Based off the documentation provided, we believe the correct score to be: 390 of 400

**Section 5 / Subsection 5.1:**

Original Score: 340 of 400

Based off the documentation provided, we believe the correct score to be: 380 of 400

Based off the documentation, we believe the correct cumulative score of our written application is: **1,556**

The combined score of our written application of **1,556**, and our interview score of **2,150**, gives us a cumulative score of **3,706**. This score would rank our application as the #2 scoring application overall, based off the rankings provided by the City.

For this reason, we are requesting the City of Fairfield halt any further progress towards the public comment period, until we have an opportunity to have our application rescored. Based off our review, and in line with the documentation provided, we fully believe that **CRM2020-006 should be the number two scoring application and should be moving forward to the public comment period.** Thank you in advance for your rapid response to this serious matter.

Sincerely,



Daniel Wise

President & CEO, Cake Enterprises Inc. & Community Veterans of Fairfield, LLC.

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*Starting with page one of the HDL scorecard, please see the attached narrative and documentation to the aforementioned discrepancies in scoring:*