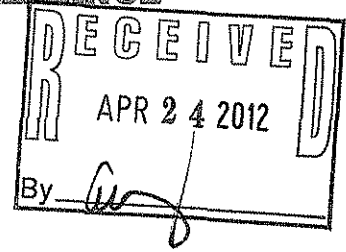


THE GREATER LOS ANGELES COLLECTIVE ALLIANCE



April 23, 2012

The Honorable City Council of Los Angeles
Los Angeles City Hall
200 North Spring Street
Los Angeles, Ca90012

RE: Tuesday April 24, 2012 Closed Session to Discuss the Medical Marijuana Cases
Agenda Item #15 - Council File: 08-0923-s16

Dear Councilmember:

You will enter closed session tomorrow to consider the clutch of Medical Marijuana Cases that remain. At the request of our President, Yamileth Bolanos, The Greater Los Angeles Collective Alliance ("GLACA") is writing to request that you instruct the City Attorney to continue pursuing a negotiated resolution in the medical marijuana litigation.

We believe that if you do so, you will save millions in attorney's fees and damages, gain the support of the Pre-ICO Registered Collective community, as well as avoid additional lawsuits in the future.

As you know, over the last six months, Jane Usher has participated in a series of settlement conferences under the supervision of the Honorable Helen Bendix. The attorneys who represent the medical marijuana providers in these conferences asked Judge Bendix for the opportunity to draft an interim medical marijuana ordinance with Ms. Usher as part of an overall settlement.

This interim measure was intended to resolve the current lawsuits and provide the City with enforcement and regulation powers to stop the continued proliferation of rogue dispensaries, as well as maintain safe access for the patient community, until such time as the law in this area becomes more settled.

As the attorneys participating in these conferences number over a dozen, you can only imagine the complexity and multiplicity of issues Ms. Usher has had to address over the last six months. It is frustrating, difficult work, but Ms. Usher has made significant progress with the parties.

For example, Ms. Usher settled the 420 Grand Case, which involved nearly two hundred defendants and was easily the largest piece of litigation in the medical marijuana lawsuits. As discussed in more detail below, the savings to the City from this one case alone may be in the millions. In light of this fact, we hope that you will instruct Ms. Usher to continue these very important negotiations.

A settlement and mutually agreeable ordinance will carry within the support of the medical marijuana community and will end many of the high profile lawsuits.

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Should the parties agree on an ordinance that allows the Pre-ICO Registered Collectives to continue to operate, GLACA would be pleased to stand in solidarity with Ms. Usher before the City Council. GLACA would also be willing to help educate qualified operators about the new ordinance, as well as discourage patients from joining and supporting illegal rogue collectives.

Additionally, Americans for Safe Access has indicated that a responsible ordinance would allow them to dismiss their suit. Likewise, the Pure Vida Tress litigants, many of whom are GLACA members, have indicated the same.

Finally, before you make any decision, we ask that you keep in mind that, as a gesture of good faith, the Pre-ICO Registered Cannabis Collectives have already waived what could have been over a million dollars in damages and attorney's fees by settling the 420 Grand case.

This was a particularly generous gesture because the collectives in question did not sue the City, but rather were sued by the City Attorney, who needlessly kept those collectives in the lawsuit **for over a year after** the majority of the cases were moot due to the City Council's amendment to the ownership/management provision in Ordinance 181069.

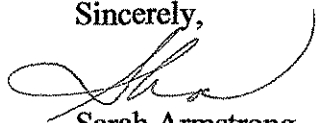
These entities could have insisted on damages and attorney's fees. However, they recognized the greater good in not injuring the City who had allowed them to exist in the first place, **and graciously waived all rights to such claims.**

We hope that when you consider which collectives may remain open in the City you will remember this gesture and the ongoing cooperation over the years.

In closing, we believe it is in the best interest of all parties to reach a negotiated resolution. There is much to be gained by continuing the settlement talks and using them as a mechanism to draft a new ordinance that will be met with support rather than additional litigation.

Please allow Ms. Usher to continue her important work. Thank you for your time and attention to this matter. If you have any questions I can be reached at (805) 279-8229.

Sincerely,



Sarah Armstrong
Legal Liaison
The Greater Los Angeles Collective Alliance

Cc: The Honorable Helen Bendix
Yamileth Bolanos – President GLACA
City Council Deputies Assigned to the Medical Marijuana Issue
Jane Usher – City Attorney's Office
Don Duncan – Americans for Safe Access
Aaron Lachant – Fenton Nelson