

San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

FOR IMMEDIATE RELEASE: May 14, 2015

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Ten More Marijuana Dispensaries Ordered Closed

Illegal pot shops were found operating in communities from Kearney Mesa to Mount Hope

The City Attorney's Office has obtained court orders to close 10 more marijuana dispensaries that were operating in violation of San Diego zoning regulations, bringing the total number of closure orders obtained by the City to 265.

Ongoing enforcement of zoning laws is needed to protect neighborhood standards and safety, as the City Council has established specific guidelines for the locations and conditions in which marijuana dispensaries can operate legally in San Diego.

None of the close dispensaries had applied for permits through a process that addresses concerns about of parking, security and proximity to schools, parks and youth-oriented establishments. Currently, more than a dozen applicants are seeking permits for legal dispensaries.

Aggressive enforcement reduces the visibility and profitability of the illegal dispensaries during the time they are in operation, which is typically no more than 30 days after the City Attorney's Office seeks a closure order. A recent listing of the top "trending weed shops" in Southern California listed none in the City of San Diego.

That list can be found here: <u>http://www.laweekly.com/news/here-are-the-top-trending-weed-shops-in-socal-5503878</u>

The dispensaries ordered to close in the latest round of restraining orders were:

- **The Nugget House,** 3717 University Avenue in City Heights. Defendants were the property owner, Ribhi Sinnawi and Halah Sinnawi, trustees of the Sinnawi Family Trust; and Maher Hanna, CEO, secretary, president and CFO of The Nugget House, Inc., a California corporation. The Nugget House was ordered closed on April 2, 2015.
- **Paradise Wellness**, 2332 Reo Drive in Paradise Hills. Defendant was the property owner, George Sailaly. Paradise Wellness was ordered closed on April 7, 2015.
- San Diego Cannabis Club, 4706 Ruffner Street in Kearney Mesa. Defendants were the property owner, YM Holdings LLC, a Kansas limited liability company; and Yoshiaki Fukuda, a member of YM

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Holdings Inc. who was operating the dispensary. San Diego Cannabis Club was ordered closed on April 8, 2015.

- **Coastal ReLeaf OB**, 5056 Newport Avenue in Ocean Beach. Defendant was the property owner, Gary R. Hoag, also known as Gary R. Corio. Coastal ReLeaf OB was ordered closed on April 22, 2015.
- **The Bakery**, 7082 El Cajon Boulevard in Rolando. Defendants were the property owner, SD Quality Investments, LLC, a California corporation; and Michael Ng, the managing member of the dispensary. The Bakery was ordered closed on April 20, 2015.
- Aztec Meds, 6179 University Avenue in Redwood Villages. Defendants were the property owner, David B. Alpert and Yael Alpert. Aztec Meds was ordered closed May 7, 2015.
- Fire Stop, 3677 University Avenue in City Heights. Defendants were the property owner, Luis Alberto Lopez-Yanez, and the operator, Jerry R. Baca. Fire Stop was ordered closed April 28, 2015.
- Q & Q Wellness Center/Green Leaf Association, 3040 Hancock Street in Midway District. Defendants were the property owner, John G. Merutka; and the dispensary operators, Green Leaf Association, Inc., Q & Q Wellness Center, Ky Nguyen, and Thao Lam Hoang. The property owner and dispensary operators were ordered to close the marijuana dispensary on May 12, 2015.
- United Wellness Center, 4218-4220 Market Street in Mount Hope. Defendant was the property owner, Luis Eduardo Medrano. United Wellness Center was ordered closed on May 5, 2015.
- **College Organix**, 6111 University Avenue in Redwood Villages. Defendants were the property owner, College Avenue Holdings, LLC, and its manager/member Delta M. Collins; the dispensary operator, Cassie Estrada; and the two individuals holding the ground lease, Ahmed Abdulhadi Awad and Ali Abdul Hadi Awad. College Organix was ordered closed on May 5, 2015.

In the past four years, 265 unpermitted marijuana dispensaries have been shut down through enforcement action by the City Attorney's Office. These closures result from civil lawsuits against property owners and dispensary operators who violate City zoning regulations. The number does not include dispensaries that closed voluntarily through enforcement action by the Code Enforcement Division of the Department of Development Services.

"Marijuana dispensaries, like any other business, must obtain proper permits and conform to zoning regulations," City Attorney Jan Goldsmith said. "Our office is working with neighborhoods throughout San Diego to ensure that dispensaries only operate where they are legally allowed to be."

Once it obtains court orders to close the dispensaries, the City Attorney's Office and San Diego Police Department monitor the property to ensure all operations cease within 24 hours. If they do not, the dispensaries can be closed by police.

As part of each court action, the City Attorney's Office also seeks civil penalties and investigative costs against the operators and property owners.

"We believe there are other dispensaries operating illegally in San Diego beyond those that have been referred to us for prosecution," Goldsmith said. "When cases on those other dispensaries are investigated and brought to us by the San Diego Police Department or Code Enforcement Division, we will close them down and obtain monetary sanctions."

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Complaints regarding marijuana dispensaries may be referred to the Code Enforcement Division of the City at (619) 236-5500.

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