



# San Diego City Attorney Jan I. Goldsmith

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## NEWS RELEASE

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### **Defiant Pot Shop's Landlord Must Pay \$175,000**

*Unpermitted marijuana dispensary operated for 17 months after it was ordered to close*

A San Diego landlord must pay \$175,000 in civil penalties to the City for allowing an illegal marijuana dispensary by the name of "The Green Room" to operate on his property for 17 months in open defiance of a court order.

San Diego Municipal Code section 12.0202(b) provides that a court may assess a civil penalty of \$2,500 per violation per day. The property owner, Luis Eduardo Medrano, was ordered to pay the penalties for maintaining the unpermitted use of his property at 4218 Market Street in the community of Mount Hope in violation of local zoning laws.

The dispensary operators, North County Holistic, Inc., and Hakeem (Hakeem) Dequan Garrett, were also ordered to separately pay \$600,000 in civil penalties. All parties were permanently enjoined from operating or maintaining a marijuana dispensary anywhere in the City without proper permits.

The illegal marijuana dispensary advertised on the Internet and in the *San Diego Reader*.

The City Attorney's Office will continue to seek civil penalties against property owners that lease to illegal marijuana dispensaries. While some landlords take steps to evict law-breaking tenants, many, as in this case, choose instead to break the law and collect rent from an illegal use.

In issuing his order, Superior Court Judge Gregory W. Pollack noted that Medrano continued to collect rent knowing that his tenant was illegally selling marijuana.

City Attorney Jan Goldsmith said property owners who lease to illegal dispensaries will continue to be held accountable.

**"As we warned, we are going after property owners who profit from renting to these illegal operators. I strongly urge property owners to obey the law,"** Goldsmith said.

The City Attorney's Office filed a complaint against the dispensary operators and landlord in April 2015. In May 2015, it obtained a Temporary Restraining Order and in June 2015 a Preliminary Injunctive Order enjoining Medrano from maintaining a dispensary on his property. It obtained a Temporary Restraining Order against the operators in September 2015 and a Preliminary Injunctive Order last November.

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Despite these four court orders, the dispensary remained open until this week.

In a declaration provided to the court, the Rev. James B. Harrison said the dispensary was next to a block of educational and church properties, and that he has observed its patrons engaging in conversation with young girls getting off school buses. He also said he has observed young boys exchanging money with men who emerged from the dispensary.

Under the City's medical marijuana zoning ordinance, legal marijuana dispensaries cannot be located within 1,000 feet of schools or churches.

The case was argued for the City by Senior Deputy City Attorney Gabriela Brannan.

In a separate action, Maher Hanna, the operator of The Nugget House, an unpermitted dispensary located at 3717 University Avenue in the community of City Heights that also remained open in defiance of a court order, was ordered to pay \$55,000 in civil penalties by Superior Court Judge John S. Meyer.

Maher Hanna was ordered to close the dispensary at 3717 University Avenue in July 2015, but kept its doors open until January 2016.

The case was argued for the City by Deputy City Attorney Marsha Kerr.

The City Attorney's Office has now won civil penalties of nearly \$3 million against dispensary operators and landlords.

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