



San Diego City Attorney Mara W. Elliott

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City Attorney Wins \$388,000 Judgment Against Marijuana Dispensary's Landlords *Operator ordered to pay \$100,000 in civil penalties*

Today a judge ordered a Riverside County couple who leased a San Ysidro storefront to an illegal marijuana dispensary to pay \$388,000 in civil penalties to the City of San Diego.

The judgment against Quirino and Bertha Gutierrez of Menifee, Calif., equates to \$1,000 a day for each of the 388 days the dispensary operated illegally. It brings to \$7,862,353 the civil judgments obtained by the City Attorney's Office against landlords and operators of illegal dispensaries.

"Landlords of illegal dispensaries are no less culpable than their tenants, and we prosecute them with equal vigor," City Attorney Mara W. Elliott said. **"If you are leasing your property to an unpermitted pot shop, we will hold you accountable to the fullest extent of the law."**

The Gutierrezes' property at 154 West San Ysidro Boulevard is located in a zone where a marijuana dispensary could be permitted, but the Gutierrezes never obtained a permit from the City. In October 2015, the City investigated a prior marijuana dispensary operating at the property. The operators of the dispensary closed it by the end of November 2015. In August 2016, the court entered a default judgment against the Gutierrezes imposing \$12,399 in penalties and costs and a permanent injunction prohibiting them from leasing their property to any marijuana-related business without permits.

Then, in March 2016, the City learned that the "Luxury Care Healing Center" was operating at the property and advertising marijuana products on the Internet. The current lawsuit was filed in May and the court issued a temporary restraining order against the Gutierrezes in September and a preliminary injunction on October 21, 2016. The dispensary continued to operate in violation of the court's orders until the San Diego Police Department raided it on February 22, 2017, and impounded approximately 10 pounds of marijuana, \$3,484 in cash, 100 edible marijuana products, and 150 concentrated products.

The court entered a \$425,000 default judgment against the Gutierrezes but set it aside after their former attorney, Ron Rockwell, admitted fault in failing to answer the Complaint.

On June 8, 2018, Superior Court Judge Randa Trapp granted the City's Motion for Summary Judgment against the Gutierrezes. Today, June 26, 2018, the court signed the attached final judgment, ordering the Gutierrezes to pay \$388,000 in civil penalties to the City for leasing their property to an unpermitted marijuana dispensary for 388 days, civil penalties of \$1,000 per day. The judgment includes a permanent injunction, prohibiting the Gutierrezes from operating or maintaining a marijuana dispensary or other marijuana-related business without a Conditional Use Permit.

Today Judge Trapp also signed the attached default judgment against the dispensary operator, Ziad Putrus, ordering him to pay \$100,000 in civil penalties and prohibiting him from operating or maintaining a marijuana dispensary or other marijuana-related business in the City of San Diego without a Conditional Use Permit.

The civil case was prosecuted by Deputy City Attorney Marsha B. Kerr of the City Attorney's [Nuisance Abatement Unit](#) (previously titled the Code Enforcement Unit). Since September 2011, this unit has shut down 237 illegal marijuana dispensaries. Civil penalties come to the City, with half of the money going to a fund that supports future civil prosecutions. The unit works in partnership with the City's Development Services Department, the San Diego Police Department, and members of the community to identify and aggressively address nuisance properties. Community members can report code, health and safety, and environmental violations to the City Attorney's Nuisance Abatement Unit at 619-533-5655.

The Gutierrezes also faced separate misdemeanor criminal charges in case number M230794. Quirino Gutierrez was convicted of making his building available for purposes of storing controlled substances, as a misdemeanor. Bertha Gutierrez was convicted of operating an illegal marijuana dispensary without a permit, as an infraction. The operators of the illegal dispensary, Alaa and Ziad Putrus, were also convicted of misdemeanor offenses for illegally possessing marijuana for sale. They were sentenced to three years of probation, public work service, a waiver of their Fourth Amendment rights against police searches, court fines, and to forfeit \$3,484 in cash that was seized by the police during the raid.

The criminal case was handled on behalf of the People of the State of California by Chief Deputy City Attorney Mark Skeels, head of the City Attorney's [Special Prosecutions Unit](#). Since May 2016, that unit has shut down more than 50 marijuana dispensaries through the aggressive use of search warrants in conjunction with criminal prosecution.

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