IMMEDIATE RELEASE



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CITY ATTORNEY'S OFFICE REACHES SETTLEMENT IN CASE INVOLVING AN UNSAFE COLLEGE APARTMENT BUILDING NEAR USD

Property Owners Agree to Pay a \$200,000 penalty and \$5,583.44 in investigative costs

(SAN DIEGO – Thursday, March 25, 2025) The City of San Diego reached a settlement in its civil enforcement action against the owners and property manager of The Carl, an apartment complex near the University of San Diego (USD) that leased units to college students without a valid Certificate of Occupancy or a working fire alarm system. This action was brought by the San Diego City Attorney's Office on behalf of the People of the State of California.

The lawsuit, filed in December 2023, aimed to hold Defendants accountable for renting units, in some cases for up to \$4,200 per month, without ensuring basic safety measures were in place. The complaint alleged that college students were leased units without a working fire system and before a Certificate of Occupancy was issued, creating a hazardous living environment.

As part of the settlement, the property owners have agreed to reimburse the City of San Diego for investigative costs incurred by Building and Land Use Enforcement (BLUE) Division of \$5,583.44 and pay initial civil penalties of \$200,000. Those civil penalties could increase to as much as \$1,275,000 for maintaining state and local law violations, depending on compliance.

The settlement led to a stipulated judgment requiring the property owners to timely correct the remaining building violations and prohibiting the Defendants from maintaining similar violations at any other property they own in the City of San Diego.

"This case sends a clear message: property owners cannot cut corners on tenant safety while charging exorbitant rents. All residents, especially students, deserve to live in a building that meets basic safety standards," said City Attorney Heather Ferbert. "My office is committed to holding property owners and landlords accountable and ensuring that all housing in San Diego is safe and habitable." The defendants in this case are The Mogaford Capital Group, LLC, doing business as Crawford Design & Development, Michael Crawford, Hugs International Corporation, and Carl-Oliver Dumesle.

The Nuisance Abatement Unit of the City Attorney's Office worked in partnership with the City's Building and Land Use Enforcement Division and the Fire Department to address the violations at this building. This case was prosecuted by Deputy City Attorney Karen Barragan and Senior Deputy City Attorney Paul F. Prather, under the supervision of Senior Chief Deputy City Attorney Gabriela S. Brannan and Assistant City Attorney Paige E. Folkman

The Nuisance Abatement Unit is dedicated to enforcing public nuisance, land use, and environmental laws in the City of San Diego.

Tenants who believe they are living in unsafe or hazardous housing should contact the City's Building and Land Use Enforcement Division at 619-236-5500 or https://www.sandiego.gov/development-services/building-land-use-enforcement contact

The complaint and final judgment are attached.

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