



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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Landlord Penalized \$250,000 for Leasing to Illegal Marijuana Dispensaries *Will pay an additional \$300,000 if problem recurs*

A landlord who repeatedly allowed illegal marijuana dispensaries to operate from his San Diego properties will pay the City \$250,000 as a civil penalty. An additional civil penalty of \$300,000 was suspended by the Court so long as he complies with the terms of the stipulated judgment.

John I. Nobel has been a repeat offender named in numerous actions by the City Attorney's Office as it cracks down on unpermitted dispensaries.

As part of a global stipulated court judgment of those cases, Nobel was assessed \$550,000 in civil penalties – with \$300,000 of that amount suspended – and to pay the City for investigative costs of \$8,000. The penalties include \$80,000 of a \$120,000 judgment that previously was awarded the City and that Nobel had appealed.

Under the terms of the Stipulated Final Judgment, Nobel risks paying the \$300,000 suspended penalty if any of his properties is used for any unlawful marijuana operations, or for any use not permitted by the City. In addition, he must ensure any remaining dispensaries vacate his properties, and he must remove their fixtures, effects and signage. Failure to abide by the stipulated court judgment may also result in contempt of court.

The penalty is the largest attained by the City Attorney's Office since it began using civil enforcement action against dispensaries that operate in violation of City zoning regulations. The City Attorney's Office has closed down more than 200 dispensaries in the past four years.

In that time, Nobel-owned properties in Pacific Beach, North Park and the Midway District were leased to dispensary operators despite the fact that they were not allowed under zoning laws. Four dispensaries operated from a building on Rosecrans Street that is 600 feet from an elementary school, a violation of state law.

When an illegal dispensary case is referred to the City Attorney's Office by the City's Code Enforcement Division, a court order to close the dispensary is usually obtained within 30 days. The City Attorney's Office can later seek permanent injunctions against the property owners and dispensary operators as well as penalties.

In cases such as this, where property owners continue to violate the law despite court injunctions, the City often seeks the maximum permissible civil penalties. To date, City Attorney's Office enforcement actions have resulted in court awards of more than \$1.1 million in civil penalties.

“This case underscores that landlords will be held accountable for renting to illegal marijuana dispensaries,” City Attorney Jan Goldsmith said. **“There is a process in place for legally zoned dispensaries and that process should be followed.**

“In cases where dispensaries operate outside of the law, we will continue to hold the operators and property owners accountable for the illegal activities, and we will seek the highest penalties the courts will allow,” Goldsmith said.

John Nobel was not the sole defendant in any of the 12 cases. All of the complaints also named Mahin Nobel. Some also named co-owners Parviz Hakakha and Judith Hakakha. Others named co-owners David Abeles and Melody Abeles.

The settlement resolves cases against the following dispensaries (principal defendants in parentheses):

- San Diego Organic Wellness, 1150 Garnet Avenue (John Nobel, Mahin Nobel)
- Golden West Collective, 2603 University Avenue (John Nobel, Mahin Nobel)
- Fresh Alternative Consulting, Inc., 3045 Rosecrans #208 (John Nobel, Mahin Nobel, Parviz Hakakha, Judith Hakakha)
- Green Wellness Association, Inc., 3045 Rosecrans #207 (John Nobel, Mahin Nobel, Parviz Hakakha, Judith Hakakha)
- SB Health, Inc., 3045 Rosecrans #310 (John Nobel, Mahin Nobel, Parviz Hakakha, Judith Hakakha)
- S.C.C.G., Inc., 3045 Rosecrans #214 (John Nobel, Mahin Nobel, Parviz Hakakha, Judith Hakakha)
- PB 45 CAP, Inc., 4688 Cass Street (John Nobel, Mahin Nobel)
- Organic Roots Delivery, Inc., 2603 University Avenue (John Nobel, Mahin Nobel)
- Lemoin Corp, 936 Garnet Street (John Nobel, Mahin Nobel, David Abeles, Melody Abeles)
- Patient Med Aid, 2015 Garnet Avenue (John Nobel, Mahin Nobel)
- Dank on Turquoise, Inc., 841 Turquoise Street, (John Nobel, Mahin Nobel)

“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.”**

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

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