

FOR IMMEDIATE RELEASE: July 14, 2022 Contact: Leslie Wolf Branscomb at <u>lawolf@sandiego.gov</u> or (619) 533-5896

City Attorney Shuts Down Illegal Nightclub

Neighbors complained of noise, all-night parties, underage strippers

City Attorney Mara W. Elliott announced today that the City Attorney's Office has obtained a final judgment in its case against an illegal gaming establishment that generated dozens of complaints from neighbors during its nearly two years in operation.

The Empire Gaming Lounge opened inside a warehouse at 4178 Cartagena Drive in 2019 without a San Diego Business Tax Certificate, which is required of all businesses in the City. Nor did the business have an entertainment permit for live music or a conditional use permit, which would be required for an entertainment venue in an industrial zone near a residential area.

The club stayed open even after the City, County, and State declared a health emergency in March 2020 requiring restaurants, bars, and entertainment venues to close. During that time, Empire Gaming continued to advertise on social media as a venue offering food and alcohol, video game tournaments, a hookah lounge, and special events. Neighboring residents repeatedly complained of noise, late-night parties, and illegal activity at the location.

"While most local businesses followed pandemic-related health and safety orders, this nightclub flouted the law, creating a public nuisance, gaining an unfair business advantage, and draining police resources," City Attorney Mara W. Elliott said. "Our Office acted swiftly to hold the property owners accountable and restore peace to the community."

In July 2021, the City Attorney's Nuisance Abatement Unit filed a complaint seeking an injunction and civil penalties against property owners Yael and David Alpert and three of the nightclub operators. The civil action charged them with maintaining a public nuisance, violating the state's unfair competition law, and numerous violations of the San Diego Municipal Code.

In a stipulated judgment reached between the parties on June 2, 2022, the Alperts agreed to a permanent injunction prohibiting operation of the venue and requiring them to bring the property up to code. They agreed to pay the City's investigative costs of \$1,655 and \$75,000 in civil penalties, with \$50,000 of that amount suspended, pending satisfactory completion of the other requirements of the settlement.

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Three employees of the lounge who were named in the complaint cooperated with the investigation and were dismissed from the case.

The first complaints about the venue came to the City's Code Enforcement Division in March 2018 and concerned illegal construction, including the building of platforms for booths and a stage for a disc jockey, all without permits.

The Empire Gaming Lounge began advertising its parties and special events on Instagram and Facebook in September 2019. Over the next 21 months, nearby residents called police at least 33 times complaining of loud music and late-night rave parties. Disturbances, which included screaming and tire squealing, sometimes lasted until 4:30 a.m. The San Diego Police Department estimates its officers spent more than 94 hours responding to calls at that location.

In March 2020, Gov. Gavin Newsom declared a public health emergency due to the growing COVID-19 threat and issued a stay-at home mandate. On March 18, 2020, Empire Gaming posted a message on Instagram saying that due to the ban on public gatherings the venue would shut its doors until further notice. But 11 days later, on March 29, three people called police to report loud music playing at the club.

Despite numerous complaints and visits from police, the lounge stayed open and continued to advertise its events online. Their New Year's Eve 2020 party generated a dozen complaints from neighbors, reporting fireworks, drug use, and underage partiers being served alcohol. An event the next night brought complaints to the police about the presence of underage strippers. A party two weeks later resulted in 14 calls to police and culminated in the arrest of a felon in illegal possession of a gun.

On Jan. 22, 2021, the County Health Officer issued a Cease and Desist order to the nightclub. The following week, City Code Enforcement inspectors gained entry to the building and observed bathrooms built without permits, electrical power strips being used in lieu of permanent wiring, electrical switches missing cover plates, and other code violations. The Alperts were given a Civil Penalty Notice and Order to correct the violations, but the parties and the complaints continued until at least mid-May 2021.

This case was brought on behalf of the People of the State of California and City of San Diego by Supervising Deputy City Attorney Paul F. Prather of the City Attorney's Nuisance Abatement Unit.

The Nuisance Abatement Unit addresses nuisance properties and blight throughout San Diego, working in partnership with the Code Enforcement Division of the City Development Services Department, the San Diego Police Department, other local agencies, and the community to identify and aggressively address problem properties.

Community members may report code, health and safety, and environmental violations to the City Attorney's Nuisance Abatement Unit at 619-533-5655.

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