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| 3 4 5 6 | Cterk of the Superior Court JUN 0 5 2015 | SAN DIEGO SUPERIOR COURT JUN - 5 9115 OLERK OF THE SUPERIOR COURT BY: |
| 7 | | and the Lagra |
| 8 | SUPERIOR COURT OF CALIFORNIA | |
| 9 | COUNTY OF SAN DIEGO | |
| 10 | CITY OF SAN DIEGO, a municipal | Case No. 37-2014-00022681-CU-MC-CTL |
| 11 | corporation, | JUDGE RONALD S. PRAGER |
| 12 | Plaintiff, v. | STIPULATION FOR ENTRY OF FINAL JUDGMENT AND PERMANENT |
| 13 | PRESIDENTIAL COLLECTIVE, a California | INJUNCTION; JUDGMENT THEREON [CCP § 664.6] |
| 4 | corporation; THOMAS NAEMI, an individual; | IMAGED FILE |
| 5 | MISSION VALLEY CORNERSTONE PROPERTY, LLC, a California Limited | |
| 6 | Liability Company; CHERYL HANLEY, an individual; | |
| 7 | CHRISTEN HANLEY, an individual; and DOES 1 through 50, inclusive, | |
| 18 | C , | |
| 9 | Defendants. | |
| 20 | Plaintiff, CITY OF SAN DIEGO, a municipal corporation, appearing by and through its | |
| 21 | attorneys, Jan I. Goldsmith, City Attorney, by Marsha B. Kerr, Deputy City Attorney; and | |
| 22 | Defendants PRESIDENTIAL COLLECTIVE, a California corporation, and THOMAS NAEMI, | |
| 23 | an individual, appearing by and through their attorney, Jeffrey A. Lake, enter into the following | |
| 24 | Stipulation for Entry of Final Judgment (Stipulation) in full and final settlement of the above- | |
| 25 | captioned case without trial or adjudication of any issue of fact or law, and agree that a final | |
| 26 | judgment may be so entered. | |
| 27 | 1. The parties to this Stipulation are parties to a civil suit pending in the Superior Cour | |
| 28 | f the State of California for the County of San Diego, entitled <i>CITY OF SAN DIEGO v</i> . TEU CASE ZN 1764.mk Pleadings Stipulated Settlement - 1 Deerators.docx | |

PRESIDENTIAL COLLECTIVE, a California corporation; THOMAS NAEMI, an individual; 1 2 MISSION VALLEY CORNERSTONE PROPERTY, LLC, a California limited liability company; 3 CHERYL HANLEY, an individual; CHRISTEN HANLEY, an individual; and DOES 1 through 50, 4 inclusive, Civil Case Number 37-2014-00022681-CU-MC-CTL. 5 2. The parties wish to avoid the burden and expense of further litigation and accordingly 6 have determined to compromise and settle their differences in accordance with the provisions of 7 this Stipulation. Neither this Stipulation nor any of the statements or provisions contained herein 8 shall be deemed to constitute an admission or an adjudication of any of the allegations of the 9 Complaint. The parties to this Stipulation agree to resolve this action in its entirety as to them and 10only them by mutually consenting to the entry of this Stipulation in its Entirety and Permanent 11 Injunction by the Superior Court. 12 3. The address where the tenant Defendants PRESIDENTIAL COLLECTIVE and 13 THOMAS NAEMI were allegedly maintaining a marijuana dispensary business is 2425 Camino 14 del Rio South, San Diego, County of San Diego, State of California, also identified as Assessor's 15 Parcel Number 438-320-01-00 (PROPERTY). The legal description of the PROPERTY is: 16 Lot 1 of Valley Center Plaza, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 7582, filed in the office of the 17 County Recorder of San Diego County, January 23, 1974. 18 4. This action is brought under California law and this Court has jurisdiction over the 19 subject matter, the PROPERTY and each of the parties to this Stipulation. 20 **INJUNCTION** 21 5. The provisions of this Stipulation are applicable to Defendants, their successors and 22 assigns, agents, officers, employees, representatives, and tenants, and all persons, corporations or 23 other entities acting by, through, under or on behalf of Defendants, and all persons acting in 24 concert with or participating with Defendants with actual or constructive knowledge of this 25 Stipulation and Injunction. Effective immediately upon the date of entry of this Stipulation, 26 Defendants and all persons mentioned above are hereby enjoined and restrained pursuant to San 27 Diego Municipal Code (SDMC) sections 12.0202 and 121.0311, California Code of Civil 28 LACEUACASE.ZNA1764.mk/Pleadings/Stipulated Settlement -2 operators.docx

STIPULATED SETTLEMENT AGREEMENT

Procedure section 526, and under the Court's inherent equity powers, from engaging in or 1 2 performing, directly or indirectly, any of the following acts:

3 Keeping, maintaining, operating, or allowing any commercial, retail, collective, 4 cooperative or group establishment for the growth, storage, sale or distribution of marijuana, 5 including, but not limited to, any marijuana dispensary, collective or cooperative anywhere in the б City of San Diego without first obtaining a Conditional Use Permit pursuant to the San Diego 7 Municipal Code.

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COMPLIANCE MEASURES

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DEFENDANTS agree to do the following at the **PROPERTY**:

10 6. **Immediately** cease maintaining, operating, or allowing any commercial, retail, 11 collective, cooperative, or group establishment for the growth, storage, sale, or distribution of 12 marijuana, including but not limited to any marijuana dispensary, collective, or cooperative 13 organized pursuant to the California Health and Safety Code.

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7. The parties acknowledge that where local zoning ordinances allow the operation of a 15 marijuana dispensary, collective or cooperative as a permitted use in the City of San Diego, then 16 Defendants will be allowed to operate or maintain a marijuana dispensary, collective or 17 cooperative in the City of San Diego as authorized under the law after Defendants provide the following to Plaintiff in writing: 18

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a. Proof that the business location is in compliance with the ordinance; and

20 b. Proof that any required permits or licenses to operate a marijuana dispensary, collective or cooperative have been obtained from the City of San Diego as required by the 21 22 SDMC.

23 8. Within 24 hours from the date of signing this Stipulation, remove all signage from the exterior of the premises advertising a marijuana dispensary, including but not limited to, 24 25 signage advertising Miramar Holistic.

26 9. No later than 48 hours from entry of this Stipulation cease advertising on the internet, magazines or through any other medium the existence of Presidential Collective at the 27 28 PROPERTY.

L:\CEU\CASE.ZN\1764.mk\Pleadings\Stipulated Settlement -3 operators.docx STIPULATED SETTLEMENT AGREEMENT 10. No later than 48 hours from entry of this Stipulation remove all fixtures, items and
 2 property associated with a marijuana dispensary business from the PROPERTY.

3 11. Allow personnel from the City of San Diego access to the PROPERTY to inspect for
4 compliance upon 24-hour verbal or written notice. Inspections shall occur between the hours of
5 8:00 a.m. and 5:00 p.m.

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MONETARY RELIEF

7 12. Defendants PRESIDENTIAL COLLECTIVE and THOMAS NAEMI shall pay
8 Plaintiff City of San Diego, for Development Services Department, Code Enforcement Section's
9 investigative costs the amount of \$403.37.

10 13. Defendants PRESIDENTIAL COLLECTIVE and THOMAS NAEMI shall pay to
11 Plaintiff, City of San Diego, civil penalties in the amount of \$30,000, pursuant to SDMC section
12 12.0202(b) in full satisfaction of all claims against Defendants arising from any of the past
13 violations alleged by Plaintiff in this action. \$29,000 of these penalties is immediately
14 suspended. These suspended penalties shall only be imposed if Defendants fail to comply with
15 the terms of this Stipulation. Plaintiff City of San Diego agrees to notify Defendants in writing if
16 imposition of the penalties will be sought by Plaintiff and on what basis.

17 14. The aforementioned costs and civil penalties totaling \$1,403.37 shall be paid in
18 monthly installments of \$50.00 each with a final payment of \$53.37, commencing on June 15,
19 2015, and continuing on or before the 15th of each month thereafter until the amount is paid in
20 full. All payments will be made by certified check, payable to the "City of San Diego," and
21 mailed or delivered to the Office of the City Attorney, Code Enforcement Unit, 1200 Third
22 Avenue, Suite 700, San Diego, California 92101, Attention: Marsha B. Kerr.

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ENFORCEMENT OF JUDGMENT

15. In the event of default by Defendants as to any amount due under this Stipulation, the
entire amount due shall be deemed immediately due and payable as penalties to the City of San
Diego, and Plaintiff shall be entitled to pursue any and all remedies provided by law for the
enforcement of this Stipulation. Further, any amount in default shall bear interest at the prevailing
legal rate from the date of default until paid in full.
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STIPULATED SETTLEMENT AGREEMENT

| 16. Nothing in this Stipulation shall prevent any party from pursuing any remedies as | |
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| provided by law to subsequently enforce this Stipulation or the provisions of the SDMC, | |
| including criminal prosecution and civil penalties that may be authorized by the court according | |
| to the SDMC at a cumulative rate of up to \$2,500 per day per violation. | |
| 17. Defendants agree that any act, intentional or negligent, or any omission or failure by | |
| their contractors, successors, assigns, partners, members, agents, employees or representatives to | |
| comply with the requirements set forth in Paragraphs 5-14 above will be deemed to be the act, | |
| omission, or failure of Defendants and shall not constitute a defense to a failure to comply with | |
| any part of this Stipulation. Further, should any dispute arise between any contractor, successor, | |
| assign, partner, member, agent, employee or representative of Defendants for any reason, | |
| Defendants agree that such dispute shall not constitute a defense to any failure to comply with | |
| any part of this Stipulation, nor justify a delay in executing its requirements. | |
| RETENTION OF JURISDICTION | |
| 18. The Court will retain jurisdiction for the purpose of enabling any of the parties to this | |
| Stipulation to apply to this Court at any time for such order or directions that may be necessary or | |
| appropriate for the construction, operation or modification of the Stipulation, or for the | |
| enforcement or compliance therewith, pursuant to Code of Civil Procedure 664.6. | |
| KNOWLEDGE AND ENTRY OF JUDGMENT | |
| 19. By signing this Stipulation, Defendants admit personal knowledge of the terms set | |
| forth herein. Service by mail shall constitute sufficient notice for all purposes. | |
| 20. The clerk is ordered to immediately enter this Stipulation. | |
| IT IS SO STIPULATED: | |
| Dated: June 3, 2014 JAN I. GOLDSMITH, City Attorney | |
| | |
| By Marsha Bker | |
| Marsha B. Kerr Deputy City Attorney | |
| Attorneys for Plaintiff | |
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| L: CEU CASE.ZN: 1764.mk Pleadings Stipulated Settlement - 5 operators.docx STIPULATED SETTLEMENT AGREEMENT | |
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Dated: Min 38th 2015. 2014

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Presidential Collective, a California corporation, by Thomas Naemi, President

Thomas Nacani, an individual

Lake

Jeffrey A. Lake Attorney for Defendants Presidential Collective and Thomas Naemi

JUDGMENT

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Upon the stipulation of the parties hereto and upon their agreement to entry of this Stipulation without trial or adjudication of any issue of fact or law herein, and good cause appearing therefor, IT IS SO ORDERED, ADJUDICATED AND DECREED.

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Dated: JUN - 5 2015

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OURT SUPERIOR C JUD

GREGORY W. POLLACK