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FILED
 YOLO SUPERIOR COURT
 SEP 15 2017
 BY N. PLOWMAN
 DEPUTY

8 SUPERIOR COURT OF CALIFORNIA
 9 COUNTY OF YOLO

10 THE PEOPLE OF THE STATE OF CALIFORNIA,) Case No. CV-17-1527
 11)
 Plaintiff,)
 12) COMPLAINT FOR INJUNCTIVE
 v.) RELIEF, CIVIL PENALTIES, AND
 13) OTHER RELIEF
)
) (Bus. & Prof. Code, § 17200 et seq.)
 14)
 JOHN CHEN, an individual; TILL LAND, LLC, a)
 15 California limited liability company; and DOES 1-50,)
 inclusive,)
 16)
 Defendants.)
 17)

18
 19 1. Plaintiff, the People of the State of California, by and through Jeff W. Reisig, District
 20 Attorney of Yolo County, hereby allege the following upon information and belief.

21 **PARTIES**

22 2. Plaintiff is the People of the State of California. The People bring this action by and
 23 through Jeff W. Reisig, District Attorney of Yolo County. The authority of the District Attorney of
 24 Yolo County to bring this action is derived from statutory language of the State of California,
 25 specifically Business and Professions Code section 17200 et seq.

26 3. Defendant TILL LAND, LLC, is and at all times relevant herein was, a California
 27 limited liability company engaged in the cultivation of cannabis in Yolo County.
 28

1 12. California statutory law explicitly recognizes the authority of counties to regulate
2 cannabis cultivation. For example, Proposition 64—a recently passed initiative relating to
3 cannabis—expressly recognizes the ability of local authorities to regulate cannabis activities. (See
4 Bus. & Prof. Code, § 26200 [Division 10 of the Business and Professions Code, the Medicinal and
5 Adult-Use Cannabis Regulation and Safety Act, “shall not be interpreted to supersede or limit the
6 authority of a local jurisdiction to adopt and enforce local ordinances to regulate businesses licensed
7 under this division, including, but not limited to, local zoning and land use requirements, business
8 license requirements. . . .”].)

9 13. Consistent with the California Constitution and state law, Yolo County (the “County”)
10 adopted, on March 22, 2016, an ordinance governing cannabis cultivation within its jurisdiction.

11 14. The County amended its cannabis ordinance in October 25, 2016, and under the
12 October 25, 2016 amendment, and still today, cannabis cultivation in the County is prohibited unless
13 it falls within one of two exceptions.

14 15. The first exception is for “qualified patients.” To come within the exception, a person
15 must, among other things, grow cannabis exclusively for his or her personal medical use, and have
16 cannabis plants that occupy no more than 100 square feet. (Yolo County Code, §5-20.04(A)(1).)

17 16. The second exception is for permitted growers who are growing between 1,000 square
18 feet and 43,560 square feet of medicinal cannabis. To come within the permitted exception, a person
19 must, among other things, have (1) submitted, by October 11, 2016, a Notice of Intent to comply
20 with a Central Valley Regional Water Quality Control Board (“Regional Water Board”) order
21 governing cannabis cultivation (“Order R5-2015-0113”), and (2) obtained a County permit to
22 cultivate cannabis. (Yolo County Code, § 5-20.04(A)(2).) The requirement to submit a notice of
23 intent with Regional Water Board has been in place since the cannabis ordinance was passed by the
24 Yolo County Board of Supervisors in March of 2016.

25 17. The County’s permitting scheme for medicinal cannabis cultivators requires, among
26 other things, that cultivators pay permitting fees, allow for sample collection for laboratory analysis
27 of their cannabis plants, allow for site inspections, and participate in a track-and-trace program
28

1 intended to ensure that cannabis grown in the County is compliant with the county code. (Yolo
2 County Code, § 5-20.04(A)(2)(a).) The track-and-trace program monitors permitted cultivators'
3 cannabis plants throughout the production chain—from initial cultivation to market-ready product—
4 and ensures that cannabis grown in Yolo County complies with local and state laws and promotes
5 public health and safety.

6 18. The County's cannabis ordinance holds liable owners, tenants, and cultivators who
7 cause or allow a property to be used or occupied for cannabis cultivation in violation of the
8 ordinance. (Yolo County Code § 5-20.07).

9 19. The Yolo County Cannabis Task Force ("Task Force"), a task force consisting of
10 county representatives from the Yolo County Department of Agriculture, the Yolo County District
11 Attorney's Office, the Yolo County Sheriff's Office, the Yolo County Community Services
12 Department, and the Esparto Fire Department, implements the County's cannabis ordinance and
13 oversees cannabis permitting in the County.

14 GENERAL ALLEGATIONS

15 20. Defendants are in the business of cultivating medicinal cannabis on a commercial
16 scale within the meaning of Yolo County Code section 5-20 et seq. at the Property.

17 21. Under the Yolo County Code, Defendants could not cultivate cannabis on the
18 Property until they received a business license to cultivate cannabis in Yolo County. To obtain this
19 license, Defendants were required to submit a Notice of Intent to the Regional Water Board for
20 eligibility under R5-2015-0113, register with the Yolo County Department of Agriculture, pay
21 applicable cannabis cultivation fees, and allow the Task Force to inspect the Property to ensure that it
22 met all applicable county code requirements.

23 22. Defendants nonetheless engaged in the business of cultivating cannabis even though
24 they did not register with the Yolo County Department of Agriculture and did not have a business
25 license to cultivate medicinal cannabis in Yolo County.

26 23. On or around August 9, 2016, Defendants submitted a Notice of Intent to the Regional
27 Water Board for eligibility under R5-2015-0113.
28

1 24. Defendants, however, did not attempt to register with the Yolo County Department of
2 Agriculture and pay applicable fees.

3 25. On or around April 13, 2017, a Yolo County employee, while driving past the
4 Property, observed evidence of a cannabis cultivation operation on the Property. On that date,
5 Defendants were not registered with the Yolo County Department of Agriculture, in violation of the
6 Yolo County Code.

7 26. On or around April 17, 2017, after contact from the Yolo County Department of
8 Agriculture regarding the cannabis operation on the Property, Defendants subsequently submitted
9 their registration for commercial cultivation of medicinal cannabis within Yolo County.

10 27. Defendants' actions were insufficient, and created an unfair advantage here, because
11 Defendants waited approximately eight months, and until their operation was discovered by county
12 officials, before Defendants submitted the necessary paperwork to start the process for a county-
13 issued license for medicinal cannabis cultivation in Yolo County.

14 28. Once Defendants submitted an application for a cannabis license, the Task Force
15 inspected the Property and observed multiple county code violations on the Property. The Task
16 Force gave Defendants multiple opportunities to correct these code violations, and several deadlines
17 for the correction of these violations. But Defendants consistently failed to meet these deadlines.

18 29. At the present time, Defendants are still not licensed by the County to lawfully
19 cultivate medicinal cannabis under the county ordinance's permit exception.

20 **FIRST CAUSE OF ACTION**

21 **Violation of Business and Professions Code section 17200**
22 **(Unlawful and/or Unfair Competition)**

23 30. The People restate and incorporate all previous paragraphs as though fully set forth
24 herein.

25 31. Section 17200 of the Business and Professions Code prohibits unfair competition—
26 meaning any unlawful, unfair, or fraudulent business act or practice; any unfair, deceptive, untrue, or
27 misleading advertising; and any act prohibited under Business and Professions Code section 17500.

28 32. Beginning at an exact date that is unknown to Plaintiff, but within four (4) years prior

1 to the filing of this Complaint, Defendants engaged in acts of unlawful and/or unfair competition
2 prohibited by Business and Professions Code section 17200 et seq. by virtue of the acts described
3 herein, each of which constitutes an unlawful and/or unfair business practice. The use of such
4 unlawful and/or unfair business practices constitutes unfair competition within the meaning of
5 Business and Professions Code section 17200 et seq. The unlawful and/or unfair business practices
6 committed by the Defendants include, but are not limited to:

- 7 a. Engaged in the business of cultivating commercial medicinal cannabis without a
8 valid license, in violation of Yolo County Code section 5-20 et seq.

9 33. Each and every separate act constitutes an unlawful or unfair business practice. Each
10 day that Defendants engaged in each separate unlawful act, omission, or practice is a separate and
11 distinct violation of Business and Professions Code section 17200.

12 34. Based on the above, the People request injunctive relief against Defendants under
13 Business and Professions Code section 17203, and civil penalties against Defendants under Business
14 and Professions Code section 17206, as set forth in the People's prayer for relief.

15 **PRAYER**

16 WHEREFORE, the People respectfully request the following relief:

17 1. That Defendants be permanently restrained and enjoined from engaging in or
18 performing, directly or indirectly, any and all of the following acts which Defendants are alleged to
19 have violated:

- 20 a. Engaging in any of the unlawful acts of unfair competition set forth in the First
21 Cause of Action of this Complaint, as well as any other violations of Business and
22 Professions Code Section 17200 et seq., including but not limited to:

23 1. Violations of Yolo County Code section 5-20 et seq.
24 2. For violation of the First Cause of Action, that Defendant be assessed a civil penalty
25 of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) for each act of unfair competition,
26 in an amount according to proof but no less than FOUR HUNDRED THOUSAND DOLLARS
27 (\$400,000.00), pursuant to Business and Professions Code section 17206.
28

1 3. That the People recover their costs and agencies costs, including costs of
2 investigation.

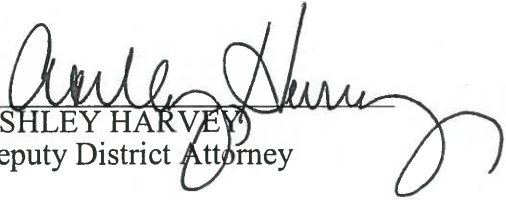
3 4. That the People receive all other relief to which they are legally entitled.

4 5. That the Court award such other relief that it deems just, proper, and equitable.
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6 Dated: 9/15/17

Respectfully submitted,

7 JEFF W. REISIG
8 DISTRICT ATTORNEY

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10 By:  ASHLEY HARVEY
11 Deputy District Attorney