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FILED
YOLO SUPERIOR COURT
JAN 30 2018
BY N. PLOWMAN
DEPUTY

8 *Attorneys for the People of the State of California*

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10 SUPERIOR COURT OF CALIFORNIA
11 COUNTY OF YOLO

12 THE PEOPLE OF THE STATE OF CALIFORNIA,) Case No. CV 17-1527
13 Plaintiff,)
14 v.) ~~PROPOSED~~ FINAL JUDGMENT AND
15 JOHN CHEN, an individual; TILL LAND, LLC, a) PERMANENT INJUNCTION PURSUANT
16 California limited liability company, inclusively,) TO STIPULATION
17 Defendants.)
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21 Plaintiff, the People of the State of California, by and through Jeff W. Reisig, District
22 Attorney of Yolo County, and Defendants JOHN CHEN, an individual, and TILL LAND, LLC, a
23 California limited liability company, through their attorneys, Law Offices of Derek Soriano, by
24 Derek David Soriano, have stipulated to entry of this Final Judgment and Permanent Injunction
25 Pursuant to Stipulation (“Final Judgment and Permanent Injunction”) to resolve all the matters
26 alleged in the People’s Complaint.

27 NOW THEREFORE, the Court having considered the Stipulation for Entry of Final
28 Judgment and Permanent Injunction reached between the parties, and the Court having considered

1 the Final Judgment and Permanent Injunction, IT IS HEREBY ORDERED, ADJUDGED, AND
2 DECREED as follows:

3 JURISDICTION AND VENUE

4 1. The Superior Court of California, County of Yolo, has subject matter jurisdiction over
5 the matters alleged in this action and personal jurisdiction over the parties to this Final Judgment and
6 Permanent Injunction.

7 INJUNCTIVE RELIEF

8 2. Pursuant to Business and Professions Code section 17203, Defendants, and their
9 agents, servants, employees, representatives, and successors as it relates to Defendants' property in
10 Yolo County, are permanently enjoined from engaging in the following acts or practices in
11 California:

12 a. Violating any of the provisions of Yolo County Code section 5-20 *et seq.* and any
13 updated versions to include:

- 14 1) Violating the provisions of Yolo County Code section that require a permit
15 before cultivating commercial cannabis.
- 16 2) Violating the provisions of Yolo County Code section that require
17 participation in the track-and-trace program for cannabis cultivation.
- 18 3) Failing to pay all applicable cannabis cultivation fees in full and on time as
19 designated by the Yolo County Department of Agriculture for the
20 cultivation of cannabis.
- 21 4) Planting, cultivating, storing, maintaining, watering, moving, harvesting or
22 otherwise tending to any cannabis plants that are not a permitted cannabis
23 grow as determined by Yolo County Department of Agriculture.
- 24 5) Removing, selling, giving away, donating, dispensing, or otherwise
25 distributing any cannabis without full compliance with laboratory testing
26 and outcome requirements.
- 27 6) Failing to input and activate all stamps and tags associated with all
28 cannabis plants and products into the County and State track-and-trace

programs for cannabis cultivation.

7) Maintaining any buildings or operations that are unpermitted under Yolo County Code.

8) Failing to allow members of Yolo County or other law enforcement or governmental regulatory officials on-site to effectuate service of and ensure compliance with court order(s) and for reasonable compliance inspections of the cultivation area during reasonable hours, in violation of Yolo County Code.

- b. Failing to contact the Cannabis Task Force and fully cooperate if and when Defendants have knowledge of illegal cannabis activities by anyone in Yolo County and/or the State of California.
- c. Failing to adhere to existing and to be determined California Department of Food and Agriculture legal and regulatory requirements related to cultivation of cannabis.
- d. Failing to adhere to existing and to be determined California Department of Public Health legal and regulatory requirements related to manufacturing of cannabis if allowed in Yolo County.
- e. Failing to adhere to existing and to be determined California Department Consumer Affairs legal and regulatory requirements related to cannabis distribution, retail, laboratory testing, and microbusinesses if allowed in Yolo County.
- f. Failing to adhere to existing and to be determined California Department of Insurance legal and regulatory requirements related to workers' compensation coverage and any other worker safety requirements.
- g. Failing to adhere to existing and to be determined California Department of Pesticide Regulation or Yolo County Agricultural Commissioner legal and regulatory requirements related to pesticides and worker safety requirements.
- h. Failing to adhere to existing and to be determined California Department of Fish

and Wildlife legal and regulatory requirements related to water pollution and streambed alteration.

- i. Failing to adhere to existing and to be determined legal and regulatory requirements related to hazardous materials and hazardous waste laws of California.

CIVIL PENALTIES AND COST RECOVERY

I. COST RECOVERY

3. Defendants must pay the Yolo County Department of Agriculture TWELVE THOUSAND SEVEN HUNDRED EIGHTY DOLLARS (\$12,780.00) for partial reimbursement of costs of inspections and other costs of enforcement.

4. Defendants must pay the Yolo County Sheriff's Office FOUR HUNDRED DOLLARS (\$400.00) for partial reimbursement of costs of inspections and other costs of enforcement.

5. Defendants must pay the Yolo County District Attorney's Office NINETEEN THOUSAND TWENTY-FIVE DOLLARS (\$19,025.00) for partial reimbursement of costs of investigation and other costs of enforcement.

II. CIVIL PENALTIES

6. Defendants must pay TWO HUNDRED TWENTY-FOUR THOUSAND EIGHTY-SIX DOLLARS (\$224,086.00) as civil penalties pursuant to Business and Professions Code section 17206.

7. Defendants are further jointly and severally liable for an additional ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) pursuant to Business and Professions Code section 17206. However, it is stipulated by all parties that the entire ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) in civil penalties shall be permanently stayed from the date of signing this document, on the following condition:

- a. Defendants have not violated Paragraph 2 of this Final Judgment and Permanent Injunction.

8. The ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) described in

1 Paragraph 7 above, shall be due and payable if the Yolo County District Attorney's Office files a
2 declaration that Defendants violated Paragraph 2 above, and this Court finds by a preponderance of
3 the evidence that the violation did occur.

4 9. Within 21 days of a Court order finding Defendants have violated any requirement of
5 this Final Judgment and Permanent Injunction, Defendants must pay amounts owed under Paragraph
6 7 in the total amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00). Defendants
7 must pay this amount in one business or cashier's check made payable to the Treasurer of Yolo
8 County pursuant to Business and Professions Code section 17206.

9 III. PAYMENTS

10 10. Defendants must pay amounts owed under Paragraphs 3-6 in the total amount of
11 TWO HUNDRED FIFTY-SIX THOUSAND TWO HUNDRED NINETY-ONE DOLLARS
12 (\$256,291.00).

- 13 a. Due at the time of signing: one business or cashier's check for TWELVE
14 THOUSAND SEVEN HUNDRED EIGHTY DOLLARS (\$12,780.00) made
15 payable to the Yolo County Department of Agriculture.
- 16 b. Due at the time of signing: one business or cashier's check for FOUR
17 HUNDRED DOLLARS (\$400.00) made payable to the Yolo County Sheriff's
18 Office.
- 19 c. Due at the time of signing: one business or cashier's check for NINETEEN
20 THOUSAND TWENTY-FIVE DOLLARS (\$19,025.00) made payable to the
21 Yolo County District Attorney's Office.
- 22 d. Due at the time of signing: one business or cashier's check for TWENTY-FOUR
23 THOUSAND EIGHTY-SIX DOLLARS (\$24,086.00) made payable to the
24 Treasurer of Yolo County.
- 25 e. Due by March 31, 2018: one business or cashier's check for ONE HUNDRED
26 THOUSAND DOLLARS (\$100,000.00) made payable to the Treasurer of Yolo
27 County pursuant to Business and Professions Code section 17206.
- 28 f. Due by May 31, 2018: one business or cashier's check for ONE HUNDRED

THOUSAND DOLLARS (\$100,000.00) made payable to the Treasurer of Yolo County.

11. Defendants must deliver all payments required in Paragraph 11 above to the District Attorney's Office for the County of Yolo, Attention David J. Ireby, Assistant Chief Deputy District Attorney, 301 Second Street, Woodland, CA 95695.

12. If Defendants fail to make timely payment of any of the amounts owed under Paragraphs 9 and 10, Defendants shall pay interest on the amount past due at a rate of ten percent (10%) per annum, and a late penalty of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00). The People shall be entitled to all costs of collects and costs of enforcement for any violations of this Final Judgment and Permanent Injunction, including reasonable attorneys' fees. The People shall be entitled to pursue all remedies provided by law for the enforcement of this Final Judgment and Permanent Injunction.

MATTERS COVERED BY THIS FINAL JUDGMENT AND PERMANENT INJUNCTION

13. This Final Judgment and Permanent Injunction is a final and binding resolution and settlement of all claims, violations, and causes of action expressly alleged by the People in their Complaint against Defendants ("Covered Matters").

14. Any claim, violation, or cause of action that is not a Covered Matter is a "Reserved Claim." Reserved Claims include, without limitation, any unknown violation, any violation that occurs after the filing of this Final Judgment and Permanent Injunction, and any violation outside the scope of the allegations set forth in the People's Complaint. People reserve the right to pursue any Reserved Claim, and Defendants reserve their defenses against any Reserved Claim. Nothing in this paragraph limits People's ability to enforce the terms of this Final Judgment and Permanent Injunction.

15. In any subsequent action that the People may bring based on any Reserved Claim, Defendants cannot assert that failing to pursue any Reserved Claim as part of this action constitutes claim-splitting.

16. Defendants' potential civil and administrative claims against the People or any agency of the State of California, county or city in the State of California, or local agency (collectively,

1 “Agencies”), or against any of the People or Agencies’ officers, employees, representatives, agents
2 or attorneys, arising out of or related to any Covered Matter are hereby merged into and extinguished
3 by this Final Judgment and Permanent Injunction; provided, however, that if any Agencies initiate
4 claims against Defendants, Defendants reserve any and all rights, claims, demands, and defenses
5 against such Agencies.

6 17. Nothing in this Final Judgment and Permanent Injunction deprives those individuals
7 harmed by Defendants’ acts, as alleged in the People’s Complaint, of any right or remedy that they
8 may otherwise be entitled to by law. Nor does anything in this Final Judgment and Permanent
9 Injunction relieve Defendants of any obligation they may have to those individuals harmed by
10 Defendants’ acts, as alleged in the People’s Complaint.

11 NOTICES

12 18. All submissions and notices required by this Final Judgment and Permanent
13 Injunction must be sent to:

14 For Defendants:

15 JOHN CHEN
16 204 Second Ave, #508
17 San Mateo, CA 94401

18 TILL LAND, LLC
19 204 Second Ave. #508
20 San Mateo, CA 94401

21 With a copy to:

22 Derek David Soriano
23 Law Offices of Derek Soriano
24 2485 Notre Dame Blvd, Ste 320-263
25 Chico, CA 95928

26 For the People:

27 Ashley Harvey
28 Deputy District Attorney
Office of the District Attorney, Yolo County
Consumer Fraud and Environmental Protection Division
301 Second Street
Woodland, CA 95695

19. Any Party may change its notice name and address by informing the other Party in

1 writing, but no change is effective until it is received. All notices and other communications required
2 or permitted under this Final Judgment and Permanent Injunction that are properly addressed as
3 provided in this paragraph are effective upon delivery if delivered personally or by overnight mail, or
4 are effective five (5) days following deposit in the United States mail, postage prepaid, if delivered
5 by mail, or the day that electronic mail is sent if sent before 5:00 p.m. to the electronic mail addresses
6 of the designated recipients for notice concurrent with sending the notice by overnight mail.

7 EFFECT OF FINAL JUDGMENT AND PERMANENT INJUNCTION

8 20. Except as expressly provided in this Final Judgment and Permanent Injunction,
9 nothing in this Final Judgment and Permanent Injunction is intended nor may it be construed to
10 preclude the People from exercising their authority under any law, statute, or regulation. Except as
11 expressly provided in this Final Judgment and Permanent Injunction, Defendants retain all of their
12 defenses to the People's exercise of the aforementioned authority.

13 FUTURE REGULATORY CHANGES

14 21. Nothing in this Final Judgment and Permanent Injunction excuses Defendants from
15 meeting any more-stringent requirements that may be imposed by applicable law or by any change in
16 the applicable law. To the extent any future statutory or regulatory change makes Defendants'
17 obligations less stringent than those provided for in this Final Judgment and Permanent Injunction,
18 Defendants' compliance with the changed law will be deemed compliance with this Final Judgment
19 and Permanent Injunction; however, any change in law or regulation may not reduce or diminish
20 Defendants' obligations to comply with Paragraphs 7-10.

21 WAIVER

22 22. The People's failure to enforce any provision of this Final Judgment and Permanent
23 Injunction may neither be deemed a waiver of such provision nor in any way affect the validity of
24 this Final Judgment and Permanent Injunction. The People's failure to enforce any such provision
25 does not preclude them from later enforcing the same or any other provision of this Final Judgment
26 and Permanent Injunction. Except as expressly provided in this Final Judgment and Permanent
27 Injunction, Defendants retain all defenses allowed by law to any such later enforcement.

28 CONTINUING JURISDICTION

