

# **EXHIBIT B**

**FILED**  
Clerk of the Superior Court  
No Fee GC \$6103  
OCT 27 2014  
By: D. JELLISON, Deputy

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SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN DIEGO

CITY OF SAN DIEGO, a municipal corporation,  
  
Plaintiff,  
  
v.  
  
THE TREE CLUB COOPERATIVE, INC., a California corporation;  
JONAH McCLANAHAN, an individual;  
JOHN C. RAMISTELLA, an individual;  
JL 6th AVENUE PROPERTY, LLC, a California limited liability company;  
LAWRENCE E. GERACI, also known as LARRY GERACI, an individual;  
JEFFREY KACHA, an individual; and  
DOES 1 through 50, inclusive,  
  
Defendants.

Case No. 37-2014-00020897-CU-MC-CTL  
  
JUDGE: RONALD S. PRAGER  
  
STIPULATION FOR ENTRY OF FINAL JUDGMENT AND PERMANENT INJUNCTION; JUDGMENT THEREON [CCP § 664.6]

IMAGED FILE

Plaintiff City of San Diego, a municipal corporation, appearing by and through its attorneys, Jan I. Goldsmith, City Attorney, and by Marsha B. Kerr, Deputy City Attorney, and Defendants JL 6th AVENUE PROPERTY, LLC, a California limited liability company; LAWRENCE E. GERACI, aka LARRY GERACI, an individual; and JEFFREY KACHA, an individual, appearing by and through their attorney, Joseph S. Carmellino, enter into the following Stipulation for Entry of Final Judgment in full and final settlement of the above-captioned case without trial or adjudication of any issue of fact or law, and agree that a final judgment may be so entered:

1           1. This Stipulation for Entry of Final Judgment (Stipulation) is executed between and  
2 among Plaintiff City of San Diego, a municipal corporation, and Defendants JL 6th AVENUE  
3 PROPERTY, LLC; LAWRENCE E. GERACI, aka LARRY GERACI; and JEFFREY KACHA  
4 only, who are named parties in the above-entitled action (collectively, "Defendants").

5           2. The parties to this Stipulation are parties to a civil suit pending in the Superior Court  
6 of the State of California for the County of San Diego, entitled *City of San Diego, a municipal*  
7 *corporation v., The Tree Club Cooperative, Inc., a California corporation; Jonah McClanahan,*  
8 *an individual; John C. Ramistella, an individual; JL 6th Avenue Property, LLC, a California*  
9 *limited liability company; Lawrence E. Geraci, also known as Larry Geraci, an individual;*  
10 *Jeffrey Kacha, an individual; and DOES 1 through 50, inclusive,* Case No. 37-2014-00020897-  
11 CU-MC-CTL. This Stipulation does not affect *City of San Diego v. Tycel Cooperative, Inc., et al.,*  
12 San Diego Superior Court case No. 37-2014-00025378-CU-MC-CTL, which is a separate case to  
13 be considered separately.

14           3. The parties wish to avoid the burden and expense of further litigation and accordingly  
15 have determined to compromise and settle their differences in accordance with the provisions of  
16 this Stipulation. Neither this Stipulation nor any of the statements or provisions contained herein  
17 shall be deemed to constitute an admission or an adjudication of any of the allegations of the  
18 Complaint. The parties to this Stipulation agree to resolve this action in its entirety as to them and  
19 only them by mutually consenting to the entry of this Stipulation in its Entirety and Permanent  
20 Injunction by the Superior Court.

21           4. The address where the tenant Defendants were maintaining a marijuana dispensary  
22 business is 1033 Sixth Avenue, San Diego, California, 92101, also identified as Assessor's Parcel  
23 Number 534-186-04-00 (PROPERTY).

24           5. The PROPERTY is owned by JL 6th AVENUE PROPERTY, LLC (JL), according to  
25 San Diego County Recorder's Grant Deed, Document No. 2012-0184893, recorded March 29,  
26 2012. Defendants GERACI and KACHA are members of JL and hereby certify they have  
27 authority to sign for and bind JL herein.

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1 6. The legal description of the PROPERTY is:

2 THE NORTH HALF OF LOT D IN BLOCK 34 OF HORTON'S ADDITION, IN THE  
3 CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, MADE  
4 BY L.L. LOCKLING FILED JUNE 21, 1871 IN BOOK 13, PAGE 522 OF DEEDS, IN  
5 THE OFFICE OF THE COUNTY OF SAN DIEGO COUNTY.

6 7. This action is brought under California law and this Court has jurisdiction over the  
7 subject matter, the PROPERTY, and each of the parties to this Stipulation.

### 8 INJUNCTION

9 8. The provisions of this Stipulation are applicable to Defendants, their successors and  
10 assigns, agents, officers, employees, representatives, and tenants, and all persons, corporations or  
11 other entities acting by, through, under or on behalf of Defendants, and all persons acting in  
12 concert with or participating with Defendants with actual or constructive knowledge of this  
13 Stipulation and Injunction. **Effective immediately upon the date of entry of this Stipulation,**  
14 Defendants and all persons mentioned above are hereby enjoined and restrained pursuant to San  
15 Diego Municipal Code (SDMC) sections 12.0202 and 121.0311, California Code of Civil  
16 Procedure section 526, and under the Court's inherent equity powers, from engaging in or  
17 performing, directly or indirectly, any of the following acts:

18 a. Keeping, maintaining, operating, or allowing the operation of an unpermitted  
19 marijuana dispensary, collective or cooperative at the PROPERTY, including but not limited to, a  
20 marijuana dispensary, collective, or cooperative in violation of the San Diego Municipal Code.

21 b. Defendants shall not be barred in the future from any legal and permitted use of  
22 the PROPERTY.

### 23 COMPLIANCE MEASURES

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

25 9. **Within 24 hours from the date of signing this Stipulation,** cease maintaining,  
26 operating, or allowing at the PROPERTY any commercial, retail, collective, cooperative, or  
27 group establishment for the growth, storage, sale, or distribution of marijuana, including but not  
28 limited to any marijuana dispensary, collective, or cooperative organized pursuant to the  
California Health and Safety Code.

1           10. The Parties acknowledge that where local zoning ordinances allow the operation of a  
2 marijuana dispensary, collective or cooperative as a permitted use in the City of San Diego, then  
3 Defendants will be allowed to operate or maintain a marijuana dispensary, collective or  
4 cooperative in the City of San Diego as authorized under the law after Defendants provide the  
5 following to Plaintiff in writing:

- 6           a. Proof that the business location is in compliance with the ordinance; and  
7           b. Proof that any required permits or licenses to operate a marijuana dispensary,  
8 collective or cooperative have been obtained from the City of San Diego as required by the  
9 SDMC.

10           11. **If the marijuana dispensary that is operating at the PROPERTY, including but**  
11 **not limited to, The Tree Club Cooperative, Inc., Jonah McClanahan and John C.**  
12 **Ramistella, does not agree to immediately voluntarily vacate the premises, then within 24**  
13 **hours from the date of signing this Stipulation, DEFENDANTS shall in good faith use all legal**  
14 **remedies available to evict the marijuana dispensary business known as The Tree Club**  
15 **Cooperative, Inc., Jonah McClanahan and John C. Ramistella or the appropriate party responsible**  
16 **for the leasehold and operation of the marijuana dispensary, including but not limited to,**  
17 **prosecuting an unlawful detainer action.**

18           12. **Within 24 hours from the date of signing this Stipulation, remove all signage from**  
19 **the exterior of the premises advertising a marijuana dispensary, including but not limited to,**  
20 **signage advertising The Tree Club Cooperative.**

21           13. **Within 24 hours from the date of signing this Stipulation, post a sign for a**  
22 **minimum of 60 calendar days, conspicuously visible from the exterior of the PROPERTY stating**  
23 **in large bold font and capital letters that can be seen from the public right way, that “The Tree**  
24 **Club Cooperative” is permanently closed and that there is no dispensary operating at this address.**

25           14. Allow personnel from the City of San Diego access to the PROPERTY to inspect for  
26 compliance upon 24-hour verbal or written notice. Inspections shall occur between the hours of  
27 8:00 a.m. and 5:00 p.m.



1 enforcement of this Stipulation. Further, any amount in default shall bear interest at the prevailing  
2 legal rate from the date of default until paid in full.

3 19. Nothing in this Stipulation shall prevent any party from pursuing any remedies as  
4 provided by law to subsequently enforce this Stipulation or the provisions of the SDMC,  
5 including criminal prosecution and civil penalties that may be authorized by the court according  
6 to the SDMC at a cumulative rate of up to \$2,500 per day per violation.

7 20. Defendants agree that any act, intentional or negligent, or any omission or failure by  
8 their contractors, successors, assigns, partners, members, agents, employees or representatives to  
9 comply with the requirements set forth in Paragraphs 8-17 above will be deemed to be the act,  
10 omission, or failure of Defendants and shall not constitute a defense to a failure to comply with  
11 any part of this Stipulation. Further, should any dispute arise between any contractor, successor,  
12 assign, partner, member, agent, employee or representative of Defendants for any reason,  
13 Defendants agree that such dispute shall not constitute a defense to any failure to comply with  
14 any part of this Stipulation, nor justify a delay in executing its requirements.

15 **RETENTION OF JURISDICTION**

16 21. The Court will retain jurisdiction for the purpose of enabling any of the parties to this  
17 Stipulation to apply to this Court at any time for such order or directions that may be necessary or  
18 appropriate for the construction, operation or modification of the Stipulation, or for the  
19 enforcement or compliance therewith, pursuant to Code of Civil Procedure 664.6.

20 **RECORDATION OF JUDGMENT**

21 22. A certified copy of this Judgment shall be recorded in the Office of the San Diego  
22 County Recorder pursuant to the legal description of the PROPERTY.

23 **KNOWLEDGE AND ENTRY OF JUDGMENT**

24 23. By signing this Stipulation, Defendants admit personal knowledge of the terms set  
25 forth herein. Service by mail shall constitute sufficient notice for all purposes.

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24. The clerk is ordered to immediately enter this Stipulation.

**IT IS SO STIPULATED.**

Dated: OCT. 21, 2014

JAN I. GOLDSMITH, City Attorney

By Marsha B. Kerr  
Marsha B. Kerr  
Deputy City Attorney  
Attorneys for Plaintiff

Dated: 7/26, 2014

JL 6<sup>TH</sup> AVENUE PROPERTY, LLC

By [Signature]  
Member

Dated: 10-21-14, 2014

Lawrence E. Geraci aka Larry Geraci, an individual

Dated: 9/26, 2014

Jeffrey Kacha

Dated: 9/26, 2014

Joseph S. Carmellino, Attorney for  
Defendants JL 6<sup>th</sup> Avenue Property, LLC,  
Lawrence E. Geraci aka Larry Geraci and  
Jeffrey Kacha

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**ORDER**

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, ADJUDGED AND DECREED.

Dated: 10/27/14



JUDGE OF THE SUPERIOR COURT

**RONALD S. PRAGER**