



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-5

333 West Ocean Blvd • Long Beach, California 90802

July 10, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Refer to Hearing Officer the business license revocation appeal by Augie Doggie Enterprises, LLC, located at 3401 Orange Avenue, Long Beach, CA 90807. (District 7)

DISCUSSION

On June 6, 2012, the Department of Financial Management revoked the business license issued to Augie Doggie Enterprises, LLC, located at 3401 Orange Avenue, Long Beach, CA 90807 (Attachment A), due to violations of the Long Beach Municipal Code (LBMC) and state law.

On May 16, 2012, a business license revocation hearing was conducted, in compliance with LBMC Section 3.80.429.1. On May 30, 2012, the hearing officer recommended the Director of Financial Management to revoke business license number BU07066691 (Attachment B).

Pursuant to LBMC section 3.80.429.5, a licensee can appeal the revocation of a business license to the City Council. The licensee lodged its written request for appeal on June 13, 2012 (Attachment C). Whenever it is provided that a hearing shall be heard by the City Council, the City Council may, in its discretion, conduct the hearing itself or refer it to a hearing officer, in accordance with LBMC section 2.93.050(A).

This matter was reviewed by Deputy City Attorney Kendra Carney on June 22, 2012.

TIMING CONSIDERATIONS

If referred, upon selection of a hearing officer, the matter will be heard not less than thirty (30) days thereafter.

HONORABLE MAYOR AND CITY COUNCIL
July 10, 2012
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FISCAL IMPACT

There is no fiscal or local job impact associated with this item.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

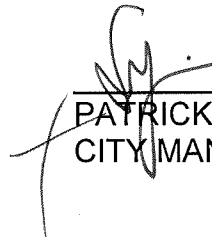


JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:ES
K:\EXEC\COUNCIL LETTERS\BUSINESS RELATIONS\HEARING LETTERS\07-10-12 CCL - AUGIE DOGGIE REFER TO HO.DOC

ATTACHMENTS

APPROVED:



PATRICK H. WEST
CITY MANAGER

CITY OF LONG BEACH
BUSINESS LICENSE
ACCOUNT: BU07066691 OWNERSHIP - TRANSFERABLE
LICENSE EXPIRES ON 11/01/12

DATE: 10/21/11

THE LICENSEE NAMED BELOW IS AUTHORIZED TO OPERATE THE FOLLOWING TYPE OF
BUSINESS: COMM/INDUST SPACE RENTAL
LOCATED AT: 3401 ORANGE AVE

AUGIEDOGGIE ENTERPRISES LLC
2901 E PACIFIC COAST HWY
SIGNAL HILL CA 90755-1633

INCLDS: 1175-77 E WARDLOW/3401-05 ORANGE AUTHORIZED BY JOHN GROSS
DIRECTOR OF FIN MGMT

=====> LICENSE HOLDER -- PLEASE NOTE <=====

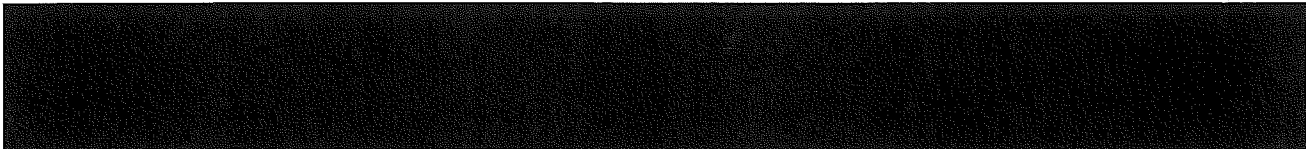
THE TOP PORTION OF THIS FORM IS YOUR LICENSE. YOU MUST DISPLAY THE
LICENSE IN A CONSPICUOUS PLACE ON THE BUSINESS PREMISES.

THE DATE YOUR LICENSE EXPIRES IS INDICATED ON THE FACE OF THE LICENSE.
IF YOU DO NOT RECEIVE A RENEWAL NOTICE BY THE EXPIRATION DATE, CONTACT
THE BUSINESS LICENSE SECTION AT (562) 570-6211.

NOTE: YOU ARE RESPONSIBLE FOR RENEWING THE LICENSE ON OR BEFORE THE
LICENSE EXPIRATION DATE. (PLEASE NOTIFY THE BUSINESS LICENSE
SECTION IF YOU ARE NO LONGER IN BUSINESS.)

PLEASE REPORT IMMEDIATELY ANY CHANGE IN OWNERSHIP, BUSINESS LOCATION,
MAILING ADDRESS, OR BUSINESS ACTIVITY TO THE BUSINESS LICENSE SECTION.

X368 BC15USMC BC0102 ACCOUNT SUMMARY INQUIRY 06/27/12 08:40
 TC: AS FUNCTION: I SYSTEM: BU ACCOUNT: 07066691
 SEARCH: KEY: PR:
 STATUS: ACTIVE STATUS DATE: 12/16/03 TYPE: NORMAL CURRENT DUE: 06/14/12
 CUST NAME: AUGIEDOGGIE ENTERPRISES LLC *REVOKE* ACCT BAL: [REDACTED]
 DBA NAME: DEP DUE: [REDACTED]
 MAIL: 2901 E PACIFIC COAST HWY DEP BAL: [REDACTED]
 SIGNAL HILL CA CENS: 572001 CNCL DIST: 07
 ZIP: 90755 1633
 PHONE:
 SOC SEC: DR LIC:
 EMPLOYER: EMP PH: EXT:
 ADDR: CITY:
 HSE# FRA D STREET NAME TYPE S UNIT ZIP CODE
 SITE: 03401 ORANGE AVE 90807 4826 VALIDATE:
 SERVICE DATE: 12 16 03 ID#1: H BUS 205024 ID#2: DIST: 30
 NEXT INTERVAL DUE: 11 01 12 INTERVAL: 012 M CANCELLATION DATE:
 DESCRIPTION OF SERVICE PROVIDED:



X368 BC15USMC BC0117 BUS LICENSE SUMMARY - INQUIRY 06/27/12 08:40
 TC: BL FUNCTION: I SYSTEM: BU ACCOUNT: 07066691
 SEARCH: KEY: AUGIEDOGGIE ENTERPRISES LLC *REVOKE* PR:
 STATUS: ACTIVE EXEMPT: START: 12 01 03 NEW CODE: A3 SRCE CODE: 9 I/C:
 CONAME: INCL: 1175-77 E WARDLOW/3401-05 ORANG
 DBA: NTC#: PREV LIC:
 CRT: 205024 COMM/INDUST SPACE RENTAL PRODUCT: H/O: N ORG:
 SIC: 006512 REAL ESTATE OPERATORS (EXCEPT DEVELOPERS) & LESSORS
 OPERATORS OF NONRESIDENTIAL BUILDINGS
 HSE# FRA D STREET NAME TYPE S UNIT NAICS:
 BUS ADDR: 03401 ORANGE AVE VALIDATE: X
 CITY: LONG BEACH ST: CA ZIP: 90807 4826 BUS PH:
 RES ADDR: [REDACTED] -----> OWNED BY <-----
 FEM: MIN: SBA:
 ALC: N SQFT => BLDG: PUB: HAZ/QTY: N EPA: N
 PRINCIPAL OFFICER NAMES: ADDRESSES:
 [REDACTED]

FED TAX ID: [REDACTED] STATE SALES TAX#: SOC SEC:
 CONTRACTOR => LIC: RENEW DATE: CLASS:
 REFERRALS => BUILDING: N FIRE: N HEALTH: N HAZ: N POLICE: N OTHER: N
 NBR OF => EMPS: [REDACTED] VNDNG MCHNS: SQ FT: [REDACTED] UNITS: VEHS:

* ASSESSOR DATA DISPLAY *

PARCEL: 7146026021 AGENCY: TAX STATUS: PAID TRA: 0550
 SITUS: 03401 ORANGE AVE -----SALE-----
 LONG BEACH CA 90807 CD PRICE DATE
 1ST OWNER: AUGIE DOGGIE ENTERPRISES LLC PRCNT: 1 2003111
 DT 20050314 1968102
 C/O MARK S MALAN
 MAIL ADR: 02901 EPACIFIC COAST HWY
 SIGNAL HILL CA 90755
 2ND OWNER: HOW OWNED: 3
 LAND: 2008 138010 HO EXEMPT: EXEMPT:
 IMPR: 2008 237376 RE EXEMPT:
 FIXTURE VAL: ZONED: COMMERCIAL CC USE: 1100
 FIXTURE EXMP: HAZARD: DOC REASON: R
 PART DESIGN CLASS YR UNITS BDR BTH SQFT
 0101 1100 D5B 1939 5362 PF1/13: RETURN FOR NEW INQUIRY
 PF2/14: NEXT SITUS ADDRESS DATA
 ENTER: NEXT INQUIRY SELECTIONS

TRACT NO 5630 EX OF ST LOT 87 AND EX OF STS LOT 88 BLK 12

* ENTER:NEW SELECTIONS * PF1:MAIN MENU * PF2:NEXT SITUS DATA

Owner AUGIE DOGGIE ENTERPRISES LLC	Address 3401 ORANGE AVE LONG BEACH , CA 90807	Parcel/Tax ID 7146-026-021
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Prop rt Profile

Ownership Information

Primary Owner	AUGIE DOGGIE ENTERPRISES LLC	Site Address	3401 ORANGE AVE
Secondary Owner		Site City, St Zip	LONG BEACH, CA 90807
Ownership Description	Company Corporation Incorporated	Mail Address	2901 E PACIFIC COAST HWY
Telephone Number		Mail City, St Zip	SIGNAL HILL, CA 90755
Lot	88	Census Tract	5720.01
Housing Tract / Subdivision Name	5630 / 5630		
Legal Description	TRACT NO 5630 EX OF ST LOT 87 AND EX OF STS LOT 88		

Property Details

Use Code	Stores, retail outlet		
State	CA	County/Municipality	LOS ANGELES
RTSQ		Total Rooms	
Zoning	LBCCA	Bedrooms	
Number Of Units		Bathrooms	
Year Built	1939	Basement Square Feet	
# Of Stories		Parking	
Lot Size	5,439	Parking Square Feet	
Usable Lot Size	5,571	View	
Lot Depth		Pool	
Lot Width		Fireplace	
Square Feet	5,362	HT/AC	
Square Ft 1st Flr		Cooling Detail	
Square Ft 2nd Flr		Heating Detail	
Square Ft 3rd Flr		Roof Type	
Additions - Square Feet		Construction Quality	
Building Shape	Other	Construction Type	Other
New Page Grid		Exterior	
Old Page Grid		Foundation	





CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 W. Ocean Boulevard, 4th Floor •

Long Beach, CA 90802 •

(562) 570-6212

FAX (562) 570-6180

BUSINESS RELATIONS BUREAU
BUSINESS LICENSE SECTION

June 6, 2012

Augie Doggie Enterprises LLC
2901 E. Pacific Coast Hwy.
Signal Hill, CA 90755

RE: Notice of Business License Revocation
Business License Number: BU07066691

Dear Sir or Madam:

Please be advised that **business license number BU07066691**, issued to Augie Doggie Enterprises LLC, located at 3401 Orange Avenue, Long Beach, CA 90807 **has been revoked**, pursuant to Long Beach Municipal Code ("LBMC") section 3.80.429.1, subsection (b), **effective June 6, 2012**. Pursuant to LBMC section 3.80.429.1, you have 10 calendar days from the date of this letter to request an appeal, otherwise the revocation will be final.

Failure to cease operations at this location after June 16, 2012 shall constitute a criminal offense pursuant to Long Beach Municipal Code sections 3.80.429.1, subsection (a) and 3.80.210.

Pursuant to Long Beach Municipal Code section 3.80.429.5, a request to appeal must be in writing, must set forth the specific ground or grounds on which it is based, and must be accompanied by a non-refundable cashier's check or money order, made payable to the City of Long Beach, in the amount of \$1,205. The request for appeal must be submitted to the Office of the Long Beach City Clerk, located at 333 W. Ocean Boulevard, Long Beach, California, not later than 4:00 p.m. June 16, 2012. Should you have any questions, please contact me at (562) 570-6663.

Sincerely,

Erik Sund
Manager, Business Relations Bureau

I have received notification of the
above:

Attachments

ES:smc

cc: Kendra Carney, Deputy City Attorney
Council District 7

Name/Title

May 30, 2012

Larry G. Herrera,
City Clerk
City of Long Beach
333 West Ocean Boulevard
Long Beach, CA 90802

Attn: Irma Heinrichs

Re: Report and Recommendation of Hearing Officer

Matter of City of Long Beach Business License Number BU07066691
issued to Augie Doggie Enterprises LLC

Dear Mr. Herrera:

On May 16, 2012, I conducted an administrative hearing to show cause why the captioned business license should not be revoked pursuant to Long Beach Municipal Code §3.80.429.1.

The hearing was recorded. The recording is in your possession.

The hearing has been completed.

This letter constitutes my report and recommendation.

1. INTRODUCTION

In this report:

- The City of Long Beach is referred to as “the City.”
- The Director of Financial Management for the City is referred to as “the Director.”
- Augie Doggie Enterprises LLC is referred to as “the Licensee.”
- The improved real property commonly known as 3401 Orange Avenue, Long Beach, is referred to as “the Premises.”
- City of Long Beach Business License Number BU07066691 is referred to as “the License.”

THOMAS A. RAMSEY - A PROFESSIONAL CORPORATION - LAWYER

Report and Recommendation of Hearing Officer

Matter of City of Long Beach Business License Number BU07066691 issued to Augie Doggie Enterprises LI

May 30, 2012

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- All references to titles, chapters or sections, without an accompanying reference to a specific code, are to the Long Beach Municipal Code.

Accompanying this report is a copy of the exhibits introduced by the City at the hearing. They are numbered 1-9.

The basis for this hearing is found in §§3.80.429.1 and 3.80.429.5, which provide as follows:

- The belief that a licensee has failed to comply with applicable ordinances or statutes empowers the Director to notice a hearing at which the licensee may show cause why the license should not be revoked.
- Following such a hearing and receipt of the hearing officer's report, the Director may revoke or suspend the license.
- In the event the license is revoked by the Director, the licensee has the right to file a written appeal to the Long Beach City Council.

2. HEARING LOCATION AND DATE

Pursuant to written notice (Exhibit 1), the matter was heard at Long Beach City Hall, 333 West Ocean Boulevard, Seventh Floor Large Conference Room, on May 16, 2012, commencing at 12:10 p.m.

3. PARTIES AND COUNSEL

The City was represented by the Long Beach City Attorney, through Kendra L. Carney, Deputy City Attorney.

The Licensee was represented by Charles M. Farano.

4. STATEMENT OF THE ISSUE BEFORE THE HEARING OFFICER

The issue in this matter is as follows: Is the Licensee operating its commercial rental business at the Premises outside the scope of the authorized business activities identified in its business license?

Report and Recommendation of Hearing Officer
Matter of City of Long Beach Business License Number BU07066691 issued to Augie Doggie Enterprises LI
May 30, 2012
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5. SUMMARY OF RELEVANT EVIDENCE INTRODUCED BY THE CITY

Eric Sund (City of Long Beach Business Relations Manager) and Ray Gehring (City of Long Beach License Inspector) testified on the City's behalf.

Exhibits 1-9, introduced by the City, were placed into evidence.

The testimony of Eric Sund was as follows:

- The Licensee holds title to the Premises (Exhibit 3).
- Business license number BU07066691, issued to the Licensee, permits the Licensee to lease all or any portion of the Premises to others (Exhibit 2).
- On various visits to the Premises, it was determined that one of the Licensee's lessees operates a medical marijuana collective, apparently under the name "OMG."
- At the conclusion of each visit to the Premises which resulted in the discovery of the operation of a medical marijuana collective on at least a portion of the premises, an administrative citation was issued to the collective and posted on its portion of the Premises. Additionally, written notice was sent to the Licensee, advising it that the collective is operating in violation of Long Beach Municipal Code Chapter 5.89 (Exhibit 4).
- Written notice of this hearing, in the form of Exhibit 1, was mailed to the Licensee.

Ray Gehring testified that he had visited the Premises on various occasions, during which he observed transactions involving the sale of marijuana by the collective.

6. SUMMARY OF RELEVANT EVIDENCE INTRODUCED BY THE LICENSEE

Brian Zanzucchi testified, apparently on behalf of the Licensee, and explained the relationship between the Licensee and the collective.

Mr. Farano submitted a brief on behalf of the Licensee, which has been reviewed. It appears and the Licensee's Exhibit A.

Report and Recommendation of Hearing Officer
Matter of City of Long Beach Business License Number BU07066691 issued to Augie Doggie Enterprises LI
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7. FINDINGS OF FACT

The findings of fact are as follows:

- A. The Licensee is the owner of the Premises.
- B. Business license number BU07066691, issued to the Licensee, authorizes the Licensee to operate a commercial/industrial space rental business at the Premises.
- C. One of the Licensee's lessees is known as OMG.
- D. OMG operates a medical marijuana collective, in violation of Long Beach Municipal Code Chapter 5.89 (Exhibit 4).
- E. Written notice was sent to the Licensee, advising it that one of its lessees, the collective, is operating in violation of Long Beach Municipal Code Chapter 5.89 (Exhibit 4).
- F. The Licensee has knowledge of the nature of the business of the collective.
- G. The collective continues to operate from a portion of the Premises.
- H. Written notice of this hearing was mailed to the Licensee.

8. RECOMMENDATION

The business license issued to the Licensee allows the Licensee to operate a commercial/industrial space rental business at the Premises. By leasing/renting/licensing/permitting an unlicensed medical marijuana dispensary on the Premises, the Licensee is operating outside the scope of the authorized business activities identified in his business license.

In this factual setting, it is recommended that Long Beach Business License Number BU07066691 issued to Augie Doggie Enterprises LLC be revoked.

Respectfully submitted,



THOMAS A. RAMSEY

TR:dc
Attachments as noted

Augie Doggie Enterprises, LLC

2901 Pacific Coast Hwy, Signal Hill, CA 90755 (562) 983-6700

6/13/2012

Office of the Long Beach City Clerk
333 W. Ocean Blvd.
Long Beach, CA 90802

RECEIVED
CITY CLERK
LONG BEACH, CA
12 JUN 14 AM 10:31

Appeal of Decision Regarding BU07066691

TO WHOM IT MAY CONCERN:

Denied Access

The Official Transcripts of the Hearing should reflect that as the Property Manager I was denied access to the Hearing. It was boggling to me that the Hearing Officer didn't want me in the room. Perhaps it was due to the contentious hearing on the previous property where the City was shown to be corrosive, inaccurate, unfair, and just plain wrong that strained the Hearing Officer's ability to be impartial.

Or was it that the Hearing Officer knew that he had been partial in allowing a poorly balanced agenda to be completed in the case just prior to the Augie Doggie hearing. The hearing was starting over an hour behind schedule due to the private consultation with witnesses and the Deputy Prosecutor in advance of the previous hearing. The Hearing Officer was rude and unprofessional. He stated that he wanted me to leave. I never got past the door jam. City staff was outside the door where I was attempting to enter telling me I had to leave.

This was an embarrassment to all judicial proceedings. Proof of this should be in the transcripts that were requested by the property manager from Erik Sund (Business License Officer), Kendra Carney (Deputy City Prosecutor), and Robert Shannon (City Prosecutor). To date, no transcripts have been made available.

Due to the lack of transcripts from the meeting it is hard to know what to specifically appeal to. However, there is evidence that the pre-concluded hearing would have repeated heresy,

innuendo, false evidence, etc. Suffice to say, the main reason for the appeal is that the Hearing Officer didn't want the property manager in the room.

I felt threatened from both his actions toward me (tape recording will reveal the veracity and intonation) and the seventh floor staff outside the door telling me to leave the area. Not wanting to get into legal trouble I left the building. Fifteen minutes later when the Hearing Officer realized he had made an error by not letting the property manager enter the hearing, he didn't reschedule the hearing. That would have been the correct and fair thing to do.

However, realizing that he had made a mistake by excluding the 'noticed' property manager from the hearing, the Hearing Officer asked for the tenant who was allowed to sit at the hearing table to call the property manager's assistant. The assistant was unable locate the property manager to request him to return to for the hearing.

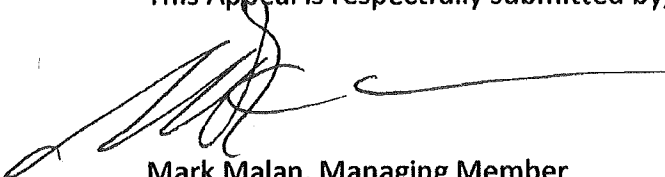
CONCLUSION

So, after the property manager was excluded from the hearing by the Hearing Officer, that decided to conduct the hearing anyway. I have no knowledge of what was said or presented. It is inexcusable to have the 'noticed' party forced from the hearing and to continue to conduct the hearing in his absence. This wasn't a failure to appear. This was trial after refused admission.

If this isn't evidence of the Hearing Officer being partial to the prosecution I don't know what is.

I ask that the Decision be vacated and that a transcript of the past hearing to be made available for further litigation purposes. It is a public record and I was promised a copy. This Decision flies in the face of fairness and can't be presumed to be fair or accurate.

This Appeal is respectfully submitted by,



Mark Malan, Managing Member
Augie Doggie Enterprises, LLC