

OFFICE OF THE  
**DISTRICT ATTORNEY**  
COUNTY OF SANTA BARBARA

**JOYCE E. DUDLEY**  
District Attorney



DA 08-619

RELEASE NUMBER

August 17, 2021

RELEASE DATE

*Joyce E. Dudley*  
Christopher Dalbey, Deputy District Attorney

Contact: (805) 568-2436

\*\*\*\*\* PRESS RELEASE \*\*\*\*\*

**RE: *People v. Medical Investor Holdings LLC; Case No. 21CV02472***  
***People v. Divine Mercy, Inc.; Case No. 21CV00347***

***Cannabis Cultivator and Landowner Settle Environmental Protection Actions***

***The People Alleged Streambed Alteration and Water Pollution***

District Attorney Joyce E. Dudley announced today that her Consumer and Environmental Protection Unit has settled two civil actions alleging environmental violations at 11 Mail Road in Lompoc. The actions were against the cultivator, Medical Investor Holdings LLC, which does business as Vertical Companies, and the non-profit landowner, Divine Mercy, Inc. The People alleged that the Fish and Game Code was violated in connection with the cultivation of cannabis; namely, that a road was graded through the Santa Ynez River, an approximately five-acre area within the river channel was graded and prepared for cannabis cultivation, and this same area contained hoop houses, underground piping, uncompacted soil, an electrical generator, and containers of fertilizer, pesticides and herbicides.

The Final Judgment by Stipulation against the cultivator, Vertical Companies, includes the following provisions:

- \$50,000 in civil penalties, payable as follows pursuant to California law:
  - \$30,000 to the County of Santa Barbara, for the enforcement of consumer protection laws;
  - \$5,000 to the Santa Barbara County Treasurer, for deposit in the County Fish and Wildlife Propagation Fund;
  - \$5,000 to the California Department of Fish and Wildlife, for deposit in the Fish and Game Preservation Fund;
  - \$3,000 to the California Department of Fish and Wildlife;
  - \$4,000 to the California Timber Regulation and Forest Restoration Fund; and
  - \$3,000 to Santa Barbara County, to reimburse District Attorney costs of investigation and prosecution.
- \$5,000 as cost reimbursement to the California Department of Fish and Wildlife.
- Injunction mandating compliance with applicable Fish and Game Code provisions.

The Final Judgment by Stipulation against the landowner, Divine Mercy, includes the following provisions:

- \$250 in civil penalties to the County of Santa Barbara, for the enforcement of consumer protection laws.
- \$2,500 as cost reimbursement to the District Attorney's Office.
- \$2,500 as cost reimbursement to the California Department of Fish and Wildlife.
- Environmental remediation and restoration pursuant to a Streambed Alteration Agreement at the direction of the California Department of Fish and Wildlife.
- Injunction mandating compliance with applicable Fish and Game Code provisions.

District Attorney Dudley said, "Although these violations were serious and caused environmental harm, we are grateful for the cooperation of Vertical Companies and Divine Mercy during our investigation. Of note is that Divine Mercy is a non-profit entity and their agreement to perform environmental remediation and restoration rendered a reduced civil penalty appropriate."

\* \* \* \* \*