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November 5, 2025

File No. ABD02-5000

Via FedEx and Email Only

City of Riverside c/o Jacob S. Guerard, Deputy City Attorney 3750 University Ave., Ste 250 Riverside, CA 92501 (951) 826-5567 City of Riverside Police Department c/o Charles Payne – Deputy Chief Police 10540 Magnolia Ave., St. B, Riverside, CA 92505 (951) 826-5700 CPayne@RiversideCA.gov

Re: <u>Iowa Smoke Shop</u>

Denial of Application re: Tobacco Establishment Permit Case No. 240023961-026

Messrs. Guerard and Payne:

We write on behalf of Basam Abdelhadi/Daoud Turshan dba Iowa Smoke Shop ("Operator") regarding the business operations taking place at 3375 Iowa Ave., #F, Riverside, CA 92507 (the "Property") and the City of Riverside's (the "City") denial of Operator's Tobacco Establishment Permit – Renewal despite Operator's timely payment of the renewal fee prior to the expiration of such permit. *See* Riverside Municipal Code, 06.24.070.

On or about June 26, 2025, the City issued a denial of Operator's Tobacco Establishment Permit – Renewal based on the alleged violation of Riverside Municipal Code, 06.24.120. Upon information and belief, the City's denial of Operator's Tobacco Establishment Permit – Renewal is based on allegations of money laundering, tax evasion, conspiracy, or the sale of narcotics or other prohibited products. The City has failed to show any evidence that there was any money laundering, tax evasion, conspiracy, or the sale of narcotics by Operator and/or at the Property. Despite such lack of evidence, the City proceeded with a hearing on the denial of Operator's Tobacco Establishment Permit – Renewal, with the decision pending before the City.

Operator challenges the fairness and legality of the hearing procedure that took place on or about October 2025, as the City's decision to proceed with the hearing was improper and violated Operator's fundamental principles of due process.

First, the warrant used by the City to seize certain properties from Operator on or about March 13,

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2025, was defective on its face and was improperly issued under applicable legal standards. The warrant was based on the City's generalized belief that items may be seized from the Property on the basis that a felony has been committed or a person has committed a felony, neither of which are true. Such a warrant requires a demonstration that the property or records sought are directly related to a legitimate regulatory purpose or violation, which the City has not and cannot show.

Upon the execution of the warrant, the City seized and holds in their possession items belonging to Operator that exceed one million dollars (\$1,000,000.00) in value. Operator's forensic accounting confirms that items seized were lawfully obtained and that all applicable taxes were duly paid. The City failed to establish probable cause or reasonable grounds to justify such intrusive action and has further failed to justify its continued retention of Operator's property.

As the warrant was improperly issued and executed, and because the items seized are clearly legitimate, such items should have been returned to Operator. To date, the City retains all such items within their possession without justification, causing Operator to file a Petition to Compel the Return of Seized Property with the Superior Court of California, County of Riverside.

Second, the City's denial of Operator's request for continuance of the hearing violated Operator's due process rights and severely prejudiced Operator. Despite reasonable and good faith efforts, Operator was unable to secure legal representation in time for the hearing. The City's denial of a continuance on such grounds was an abuse of discretion and procedurally unfair, especially when the hearing involved complex regulatory and legal issues. As a result, Operator was forced to proceed with the assistance of a family friend, an attorney who, while acting in good faith, was not well-versed in municipal or administrative law. The City's unwillingness to allow additional time for Operator to obtain adequate representation deprived him of meaningful representation and fair opportunity to be heard. Proceeding under these circumstances rendered the hearing fundamentally unfair. The lack of qualified representation impaired Operator's ability to effectively present evidence, respond to the City's assertions, and make appropriate legal arguments and defend the action. It is standard administrative practice to grant reasonable continuances to ensure that parties can be adequately represented especially when there would no prejudice to the City. The City would have suffered no harm from a short continuance, particularly when it had already seized property valued in excess of one million dollars (\$1,000,000.00) from Operator. The City's refusal to accommodate such a reasonable request demonstrates bias and undermines the fairness and integrity of the administrative proceeding.

The City's refusal to grant continuance, its restriction on representation, and its reliance on improperly seized evidence collectively demonstrate that the hearing procedure failed to meet due process requirements. By disregarding Operator's fundamental protection of due process, the City's actions rendered the proceeding constitutionally deficient and its outcome inherently unreliable.

Through this correspondence we also request a complete copy of the administrative record related to Operator's business operations at the Property. The request for the administrative record includes, but is not limited to, all applications, renewals, and supporting documents submitted by or on behalf of

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Operator, namely the Tobacco Establishment Permit and all renewal documents, as well as all notices, correspondence, and communications (including letters, emails, text messages, direct messages, or other written or electronic communications) between Operator and/or its representatives and the City, and communications among City staff and officials regarding the matter. It further includes any complaints, reports, notices of violation, inspection records, and enforcement documentation; all staff reports, City memoranda, meeting minutes, recordings, and transcripts related to the Property or the Tobacco Establishment Permit; and any photographs, videos, audio recordings, or other visual or audio evidence in the City's possession relevant to the application, permit, renewal, or enforcement actions. In addition, the request encompasses all records reflecting any fees paid, renewals, or amendments associated with the Tobacco Establishment Permit. To summarize, this request seeks all documents, evidence, and materials forming the basis of the City's actions or decisions concerning the Property and/or Operator's Tobacco Establishment Permit. If any portion of the requested records is exempt from disclosure, please provide the non-exempt portions and cite the specific legal authority for each withholding. All records are to be provided in electronic format via email or a file-sharing link if possible.

In light of the foregoing, Operator requests that the administrative record remain open to allow for the submission of additional evidence and documentation relevant to the hearing. Given the City's reliance on a flawed warrant to improperly seize items from the Property, the denial of a continuance, and the restriction on Operator's ability to obtain qualified representation, keeping the record open is necessary to ensure a full and fair opportunity to present a complete defense. Allowing the record to remain open will prevent further prejudice to Operator and step towards safeguarding the administrative proceeding. Accordingly, Operatory hereby demands that the record remain open for a minimum of three (3) weeks to allow for the submission and consideration of supplemental materials prior to rendering of a decision by the decision maker.

Summary of Objections

In summary, Operator objects to the City's actions and proceedings on multiple grounds, including but not limited to, the following:

- 1. Invalid and defective warrant
- 2. Overbroad scope of warrant
- 3. Unlawful seizure and retention of property
- 4. Denial of procedural fairness
- 5. Due process violations

We would like to schedule a call with the Deputy City Attorney to discuss the matter. Our goal is to open a line of communication and explore potential avenues for resolution. Please let us know your available to discuss. Thank you.

F. Michael Ayaz

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