

Jury sides with Humane Society in land dispute

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A contract dispute between Worm's Nursery and the Humane Society of Del Norte was recently decided by a jury - a decision that awarded HSDN \$5,000 in damages and may lead to the eviction of Worm's Nursery.

The dispute involved whether the parties had entered into a contract that would have allowed Worm's Nursery to purchase the property it sits on, as well as disagreements involving a greenhouse.

The jury's unanimous decision also opened up the possibility for HSDN to pursue legal fee reimbursements from Patrick Corbin, the owner of Worm's Nursery.

"We are working on having him leave for breach of contract," said Eileen Bennett, vice president of the Humane Society, the on-site manager and a tenant of a mobile home that sits on the property within the Bertsch-Oceanview track in Crescent City.

Corbin replied he is looking for another location for his business, but the legal battle will continue.

“At trial, local Judge (Darren) McElfresh apparently didn’t want to make an unpopular decision, so he refused to decide certain matters that the law requires the court to decide prior to involving a jury,” Corbin said in a written statement.

“Instead, Judge McElfresh allowed the jury to decide something only a judge can decide,” added Corbin. “The jury was then misled to believe they could reach their verdict based on sympathy for the Humane Society instead of basing their verdict on California contract law. I don’t think it was a coincidence that Judge McElfresh gave this unlawful advantage to his close buddy, George Mavris. The result is a verdict that contradicts California law and deprives me of my protected right to a fair and impartial trial.”

Mavris represented HSDN, but was not available for comment. For almost six years, Corbin and HSDN appeared to have a working relationship that was established under a lease contract in March 2013.

The lease allowed Corbin to rent a metal-pole barn for storage for six months, followed by a month-to-month tenancy. In late 2013, the two parties started to talk about splitting the property so that Corbin could purchase three acres from HSDN for his business.

On Oct. 21, 2015, HSDN drafted a document that offered to sell to Corbin the metal pole barn (which by that time Worm’s Nursery was operating a retail business out of); a double-wide trailer (which Bennett and her partner, Jason Northrip live in), as well as three acres of open land.

The document, which was signed by four parties that included Corbin and Bennett, stipulated that Corbin would pay up to \$10,000 for a property split, plus \$135,000 for the land and two structures.

In 2017, Corbin paid \$7,000 (half the bill) so Killops Land Surveying in Smith River could perform the split.

However, a separate property split involving a tenant located at the base of the property off Elk Valley Road had to occur first.

While they waited, relationships started to sour.

“I was his (Corbin’s) office manager and the on-site manager (for HSDN), and I would have stayed in the rental - which would have been perfect for both parties,” Bennett said. “But when I stopped working up there (at Worm’s Nursery) for health issues, everything started to get ugly and he told our board president once he started buying the place that he was kicking me out.”

Northrip, who said he had a key to Worm’s Nursery, said the situation escalated further about five months later.

“I went to feed his cats and noticed the lock’s had been changed,” Northrip said.

Though Corbin could not be reached for comment after the trial, he did say to the Triplicate in early November that “I’m just a small business owner.”

Corbin added the dispute was strictly a request for specific performance of the signed land purchase contract, and “I’m not trying to hurt them in any way.”

In December 2018, a week before the land split was finally completed, HSDN's board of directors sent a letter to Corbin stating it no longer wished to sell its property.

"The agreement was entered into based on certain assumptions," the letter stated. "We entered into our conditional agreement to sell believing that the tenant currently residing in the residence located on the property would become your tenant and continue the tenancy."

According to Bennett, her lease agreement with HSDN to occupy the trailer does not expire until 2034.

The letter also stated that the Del Norte County Community Development Department required, under a Home Enterprise Use Permit, that the home either be occupied by Corbin or whoever manages Worm's Nursery.

"It has become evident that his arrangement is not possible and therefore, it is no longer feasible to complete the conditional sale," the same letter stated.

Four months later, Corbin informed the board of directors of HSDN of his intent to sue, and on June 12 a complaint was filed with the court.

"They decided that they wanted to keep the property and benefit from the numerous improvements to the property accomplished by the plaintiff," stated Corbin's legal complaint.

According to the same document, Corbin did not pursue other parcels of land for his business, and "made numerous upgrades to the property for the purpose of making it more useful for his business."

Next to the metal pole barn, Corbin built a large greenhouse that included water and power lines. The complaint contended that a loss of business and cost of moving would result in a loss of about \$90,000.

However, HSDN countered in a cross complaint that the original lease continued to be the governing document, and as such Corbin broke two of its conditions: Opening a retail business and constructing the large greenhouse without written approval from HSDN.

"Worm's nursery started with a lease to rent that building as storage," Bennett said. "He did talk about running a business here, but at that point we had a realtor who was doing the lease with him and it was up to him as a business owner to modify the lease for anything beyond storage."

Bennett added that Corbin did not obtain a building permit from the Del Norte County Code Enforcement Department to build the greenhouse.

Further complicating the issue, Bennett said, is in order to disassemble the greenhouse an engineer would need to be hired.

"That is correct, a demolition permit would be needed to take it down," said Heidi Kunstal, community development director for Del Norte County.

Kunstal testified during the trial. According to her, HSDN is the property owner so it's up to them to determine what to do about the greenhouse, including hiring a county inspector to determine proper removal procedures.

"It would be about \$600 for the engineer," said Bennett. "That's what we asked for, but they (the jury) wanted to know if they could award us more and that's where the \$5,000 came from."

Minutes obtained from Del Norte Superior Court state the jury deliberated for about two hours, and returned with the following findings: 1) Corbin and HSDN entered into a commercial lease agreement, 2) HSDN would receive \$5,000 in damages due to the non-permitted greenhouse, and 3) Corbin and HSDN did not enter into a land sale contract where "contract terms were clear enough so that parties could understand what each was required to do."

According to Bennett, the next step is requesting indemnification for their legal fees, as well as an eviction.

"Our most recent (legal) bill is for \$32,000, and that's only for the month of November," Bennett said.

However, it doesn't appear the dispute will come to a close any time soon. "By the time it went to trial, it never should've been heard in this County," Corbin said. "I don't really blame the judge for not wanting to make an unpopular decision, but he should've just disqualified himself instead of making substantial legal errors at great personal cost to me. I intend to challenge the matter in the First District Court of Appeal."