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CITY AND COUNTY OF SAN FRANCISCO

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

UNLIMITED JURISDICTION

CITY AND COUNTY OF SAN FRANCISCO  
BY AND THROUGH THE SAN  
FRANCISCO PORT COMMISSION,

Plaintiff,

vs.

CASTAGNOLA, INC. OF SAN  
FRANCISCO, A CAL. CORP.; KATHRINE  
HIGDON, AN INDIVIDUAL; LOLMAN  
ENTERPRISES, INC. A CAL. CORP.;  
CYNTHIA FOXWORTH, AN INDIVIDUAL;  
DOES 1-50,

Defendants.

Case Nos. CUD-24-674725  
CGC-23-606678

**STIPULATION FOR ENTRY OF JUDGMENT  
UPON CONDITION**

Date Action Filed: April 3, 2024  
Trial Date: Not Set

RECITALS

This Stipulation for Entry of Judgment upon Condition (hereinafter referred to as “Stipulated Judgment”) is entered into by and between Plaintiff City and County of San Francisco by and through the San Francisco Port Commission (“**Plaintiff**”) and Defendants Castagnola, Inc. of San Francisco and Lolman Enterprises, Inc. (together, “**Stipulating Defendants**”), who are the sole remaining

1 occupants of Port of San Francisco premises located at 286 Jefferson Street, in San Francisco,  
2 California (hereinafter referred to as the “**Premises**”), as further described in Lease No. L-7493 (as  
3 assigned, amended, and transferred, the “**Castagnola Lease**”), which is the subject of the above-  
4 captioned actions. The Parties also entered into Lease No. L-13524 (the “**Storage Lease**”), and  
5 Application for San Francisco Port Commission Parking Permit (the “**Parking Permit**”) (collectively,  
6 the “**Agreements**”), which are also the subject of one of the above-captioned actions. Defendants,  
7 Kathrine Higdon and Cynthia Foxworth, have expressly disclaimed and otherwise waived any and all  
8 right, title, and interest in the Castagnola Lease through fully executed and notarized quitclaim deeds  
9 and are no longer tenants of the Premises.

10       Whereas, Stipulating Defendants wish to remain as tenants of the Premises for the remainder of  
11 the applicable Castagnola Lease term or until a valid transfer of the Castagnola Lease can be  
12 effectuated (whichever is sooner), and to settle these two actions without further litigation pursuant to  
13 the terms of that certain Settlement Agreement and Release that was entered into on May \_\_, 2025  
14 (“**Settlement Agreement**”), attached hereto as **Exhibit A**, Plaintiff and Stipulating Defendants,  
15 through their respective counsel, do hereby stipulate to the following:

16       1.       Stipulating Defendants may remain in possession of the Premises for the remainder of  
17 the applicable Castagnola Lease term, subject to the terms of the Castagnola Lease and the Settlement  
18 Agreement.

19       2.       As of the date of this Stipulated Judgment, there is no restaurant operating on the  
20 Premises, in violation of Section 6 of the Castagnola Lease. Stipulating Defendants must reopen the  
21 Premises as a restaurant, as further explained in the Settlement Agreement, within three hundred sixty-  
22 five days of the full and final execution of the Settlement Agreement (the “**Reopening Deadline**”).  
23 Upon written request by Stipulating Defendants, Plaintiff may, in its sole and absolute discretion and  
24 subject to conditions described in the Settlement Agreement, extend the Reopening Deadline for up to  
25 one year.

26       3.       As of January 1, 2025, the monthly base rent for the Premises is \$25,741.15, which  
27 amount is scheduled to increase periodically pursuant to the terms of the Castagnola Lease. Such rent  
28 continues to be due monthly, and the monthly amount due in rent will increase on August 1, 2025

pursuant to the terms of the Castagnola Lease. The parties stipulate that Plaintiff will defer collection of such monthly base rent from February 1, 2025 through the Reopening Deadline (“**Deferred Rent**”). Beginning on the first day of the thirteenth month after execution of the Settlement Agreement, payment of rent must be delivered on the first day of the month or postmarked by the first day of the month, and rent payments must continue to be made pursuant to the terms of the Castagnola Lease. In the event that the Reopening Deadline is extended, upon written request by Stipulating Defendants, Plaintiff may, in its sole and absolute discretion and subject to conditions described in the Settlement Agreement, further extend the deferred collection of rent for up to one year.

4. The parties stipulate that Stipulating Defendants will pay Plaintiff a compromised settlement of past due rent in the total amount of \$300,000.00 (“**Settlement Fee**”). Stipulating Defendants will pay Three Hundred Thousand Dollars (\$300,000) in up to two payments: an “**Initial Payment**” of Two Hundred Thousand Dollars (\$200,000) prior to Port’s execution of this Agreement, and a “**Final Payment**” of One Hundred Thousand Dollars (\$100,000) on or before the day that is one hundred eighty (180) calendar days from Port’s execution of the Settlement Agreement. The Settlement Fee shall be paid in certified check or electronic funds transfer. The Settlement Fee will apply to fully satisfy Defendants’ outstanding debt under the Storage Lease and Parking Permit, and to reduce Defendants’ outstanding debt under the Castagnola Lease as of February 1, 2025, resulting in an outstanding balance of \$885,365.83 (“**Outstanding Balance**”) as shown in the table below:

	Explanation	Initial Balance	Settlement Fee	
			Applied	Remaining
Settlement Fee	Port Receives Payment		300,000.00	300,000.00
L-13524	Resolve Account	50,982.69	(50,982.69)	249,017.31
Parking License	Resolve Account	22,500.00	(22,500.00)	226,517.31
L-7493	Security Deposit	51,482.30	(51,482.30)	175,035.01
	Fire Monitoring Equipment	10,000.00	(10,000.00)	165,035.01
		1,050,400.84	(165,035.01)	0.00
<b>Outstanding Balance:</b>		<b>885,365.83</b>		

1           5.       The parties stipulate that in addition to payment of the Settlement Fee, Stipulating  
2 Defendants will invest an amount equal to or greater than Nine Hundred Thousand dollars  
3 (\$900,000.00) into the Premises prior to the Reopening Deadline (the “**Minimum Investment**”),  
4 subject to the terms of the Settlement Agreement. In the event that the Reopening Deadline is  
5 extended, as noted above and detailed in the Settlement Agreement, Plaintiff may, in its sole and  
6 absolute discretion and subject to conditions described in the Settlement Agreement, extend the  
7 deadline to make the Minimum Investment for up to one year.

8           6.       Except as revised by the Settlement Agreement and this Stipulated Judgment, all other  
9 terms and conditions of the Castagnola Lease remain in effect.

10          7.       In the event Stipulating Defendants default on one or more of the obligations under the  
11 terms of either the Settlement Agreement or the Castagnola Lease, for example, by failing to pay the  
12 Final Payment of the Settlement Fee, failing to make the Minimum Investment, or failing to open the  
13 restaurant by the Reopening Deadline, each as noted in the paragraphs above and detailed in the  
14 Settlement Agreement, Stipulating Defendants agree to receive notice of default exclusively in email  
15 format from the Plaintiff allowing Stipulating Defendants thirty (30) days from the date of  
16 transmission of the notice of default email, to cure the noticed default. Stipulating Defendants agree to  
17 receiving written notice of default sent only by email to the following email addresses:  
18 Yobrooks@comcast.net and tmurray@tamurraylaw.com. After thirty (30) days elapse from the date of  
19 transmission via email of the notice of default, Plaintiff may seek an *ex parte* application to the San  
20 Francisco Superior Court at the regularly scheduled time for hearing *ex parte* applications to seek  
21 relief stipulated hereto and obtain entry of judgment against Stipulating Defendants and in favor of  
22 Plaintiff for: (a) immediate possession of the Premises; (b) termination and forfeiture of any right,  
23 privilege or tenancy under which Stipulating Defendants occupied and/or possessed the Premises; (c) a  
24 joint and several money judgment against Stipulating Defendants equal to the Minimum Investment  
25 amount, plus Deferred Rent, less any verified payments toward the Minimum Investment that  
26 permanently improve the physical condition of the Premises (as more particularly detailed in the  
27 Settlement Agreement), which determination shall be made by Plaintiff in its sole and absolute  
28 discretion, plus holdover rent, holdover damages, and prejudgment interest; and (d) all attorneys’ fees

1 and costs to which the Plaintiff is entitled to under the terms of the Agreements, which may include  
2 the attorneys' fees accumulated over the course of filing the underlying above-referenced actions that  
3 cumulated in this Agreement.

4 8. The parties stipulate that if there is a default under this agreement, the Minimum  
5 Investment and any rent or other outstanding debt (collectively, the "**Default Debt**") will incur default  
6 interest of ten percent (10%) per year or, if a higher rate is legally permissible, the highest rate an  
7 individual is permitted to charge under Law, which will continue to accrue until paid in full.

8 9. A default by Stipulating Defendants under the Settlement Agreement or the Castagnola  
9 Lease, as modified by the Settlement Agreement, will be deemed a default by Stipulating Defendants  
10 of the entire Settlement Agreement and the Castagnola Lease, and will be sufficient to trigger the  
11 enforceability of this Stipulated Judgment in full.

12 10. The Parties stipulate that Plaintiff can establish a showing that Stipulating Defendants  
13 are in default (*i.e.*, because they failed to (a) provide the Final Payment of the Settlement Fee, (b) pay  
14 rent, (c) comply with the Reopening Deadline, and/or (d) comply with the Minimum Investment  
15 obligation), and Plaintiff is therefore entitled to judgment, by submitting a declaration under penalty of  
16 perjury by a qualified Deputy City Attorney who has been assigned as counsel to handle this matter on  
17 behalf of Plaintiff, setting forth facts establishing that Defendants are in default. The parties further  
18 agree that the Court may immediately authorize the issuance of a writ of possession and any monetary  
19 judgment as specified in Paragraphs [7] and [8].

20 11. Within five (5) business days of the San Francisco Superior Court's approval of the  
21 Stipulated Judgment and the filing of the same, Plaintiff shall file a Conditional Notice of Settlement  
22 of the Entire Case ("**Notice of Settlement**"). The Notice of Settlement will indicate that Plaintiff will  
23 move to voluntarily dismiss the above-referenced actions within twelve (12) months of the Restaurant  
24 Reopening, provided that Stipulating Defendants have complied in full with all the terms set forth in  
25 the Settlement Agreement, including but not limited to full compliance with all obligations in  
26 Paragraph 6 of the Settlement Agreement.

27 12. Nothing in this Stipulated Judgment shall be construed to prevent Plaintiff from  
28 bringing an action for enforcement of this Stipulated Judgment. The Parties hereby agree and stipulate

that the Court shall retain jurisdiction of this matter pursuant to Civil Code of Procedure section 664.6. The parties hereby agree that this Stipulated Judgment will be filed with the Court in the pending unlawful detainer action before the filing of dismissals or stipulated judgments noting this Stipulated Judgment and requesting that the trial court retain jurisdiction pursuant to CCP section 664.6.

13. If Defendant is in breach of this Stipulated Judgment, Defendant will seek no stays of eviction and none may be granted by the Court.

14. Defendant enters into this Stipulated Judgment free of fraud, menace, duress, or undue influence and hereby waives all rights to challenge plaintiffs right to possession.

15. Parties acknowledge that they were advised by counsel throughout these settlement negotiations and in the drafting of this stipulated judgment.

Dated: May 5, 2025

DAVID CHIU  
City Attorney  
JENNIFER E. CHOI  
Chief Trial Deputy  
ABIGAIL H. WALD  
Deputy City Attorney

By: \_\_\_\_\_  
ABIGAIL H. WALD

Attorneys for Plaintiff  
CITY AND COUNTY OF SAN FRANCISCO

TODD MURRAY  
Attorney for Castagnola, Inc. of San Francisco, Kathrine  
Higdon, Lolman Enterprises, Inc. and Cynthia Foxworth

By: \_\_\_\_\_  
TODD MURRAY

CITY AND COUNTY OF SAN FRANCISCO,  
operating by and through the  
SAN FRANCISCO PORT COMMISSION

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

CASTAGNOLA, INC. OF SAN FRANCISCO,  
a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

LOLMAN ENTERPRISES, INC.,  
a California corporation, dba Castagnola's Restaurant

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_