

1 [Settlement of business tax lawsuits; authorization to make binding settlement offers;  
2 authorization to settle unlitigated claims.]

3 Ordinance authorizing settlement of the lawsuits filed by Eastman Kodak Company and  
4 General Motors Corporation versus the City and County of San Francisco by payment  
5 of a total amount not to exceed \$102,628.10 ~~\$142,889.78~~, plus interest; the Eastman  
6 Kodak lawsuit was filed on April 22, 1999 in San Francisco Superior Court, Case No.  
7 302983 (Court of Appeal No. A091910), entitled Eastman Kodak Company v. City and  
8 County of San Francisco; the General Motors lawsuit was filed on February 24, 1999 in  
9 San Francisco Superior Court, Case No. 301510 (Court of Appeal No. A091914), entitled  
10 General Motors Corporation v. City and County of San Francisco; the other material  
11 terms of the settlements are that the settlements shall include any claims for the 2000  
12 tax year, plaintiffs shall not file any claims for refunds otherwise due pursuant to any  
13 repeal of the gross receipts tax ordinance for the 2000 tax year, and plaintiffs shall  
14 agree to join in an application for a stipulated reversal of the trial court decisions  
15 pursuant to California Code of Civil Procedure Section 128; authorizing the City  
16 Attorney to make offers to allow judgment pursuant to California Code of Civil  
17 Procedure Section 998 in various business tax cases, for a total amount not to exceed  
18 \$58,164,317.15 ~~\$63,980,409.06~~; and further authorizing settlement of unlitigated claims,  
19 for a total amount not to exceed \$345,981.79 ~~\$380,576.16~~.

20  
21 Note: Additions are *single-underline italics Times New Roman*;  
22 deletions are *strikethrough italics Times New Roman*.  
23 Board amendment additions are double underlined.  
24 Board amendment deletions are ~~strikethrough normal~~.

25 Be it ordained by the People of the City and County of San Francisco:

1 Section 1. The City Attorney is hereby authorized to settle the court action entitled  
2 Eastman Kodak Company v. City and County of San Francisco, San Francisco Superior Court  
3 No. 302-983 (Court of Appeal No. A091910), and the court action entitled General Motors  
4 Corporation v. City and County of San Francisco, San Francisco Superior Court No. 301-510  
5 (Court of Appeal No. A091914), by payment of a total amount not to exceed \$102,628.10  
6 ~~\$112,889.78~~, plus interest. The settlements shall be subject to the following terms:

7 Interest on the settlement amounts shall run from January 1, 2001, at the rate of 7  
8 percent per annum, simple interest;

9 The settlements shall include any claims for the 2000 tax year, and plaintiffs shall  
10 agree not to file any claims for refunds otherwise due pursuant to any repeal of the gross  
11 receipts tax ordinance for the 2000 tax year; and,

12 Plaintiffs shall agree to join in an application for a stipulated reversal of the trial court  
13 judgments pursuant to California Code of Civil Procedure Section 128.

14  
15 Section 2. The Eastman Kodak lawsuit was filed in San Francisco Superior Court on  
16 April 22, 1999, and the following parties were named in the lawsuit: Eastman Kodak Company  
17 as plaintiff and City and County of San Francisco as defendant. The General Motors lawsuit  
18 was filed in San Francisco Superior Court on February 24, 1999, and the following parties  
19 were named in the lawsuit: General Motors Corporation as plaintiff and City and County of  
20 San Francisco as defendant.

21  
22 Section 3. The City Attorney is hereby authorized to make offers to allow judgment  
23 pursuant to California Code of Civil Procedure Section 998 in the following cases:  
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25

1 ABM Industries, Inc.; ABM Janitorial Services – Northern California; ABM Security  
2 Services, Inc.; American Commercial Security Services, Inc. v. City and County of San  
3 Francisco, San Francisco Superior Court No. 316-369 (filed November 2, 2000).

4 Baker & McKenzie v. City and County of San Francisco, San Francisco Superior Court  
5 No. 317-682 (filed December 26, 2000).

6 BEA Systems, Inc., BEA Webxpress, LLC, v. City and County of San Francisco, San  
7 Francisco Superior Court No. 317-617 (filed December 21, 2000) [GM-related claims only].

8 Peter A. Casciato v. City and County of San Francisco, San Francisco Superior Court  
9 No. 317-439 (filed December 14, 2000).

10 Chevron Corp.; Pacific Gas & Electric Co.; PG&E Corp.; PG&E Generating Co. (fka  
11 U.S. Generating Company) v. City and County of San Francisco, San Francisco Superior  
12 Court No. 317-416 (filed December 14, 2000).

13 The Chronicle Publishing Co., dba The Chronicle Broadcasting Co.; Bay TV Joint  
14 Venture v. City and County of San Francisco, San Francisco Superior Court No. 315-910  
15 (filed October 16, 2000).

16 The Chronicle Publishing Co. v. City and County of San Francisco, San Francisco  
17 Superior Court No. 313-611 (filed July 14, 2000).

18 The Chronicle Publishing Co. v. City and County of San Francisco, San Francisco  
19 Superior Court 315-911 (filed October 16, 2000).

20 Costco Wholesale Corp. v. City and County of San Francisco, San Francisco Superior  
21 Court No. 307-277 (filed October 19, 1999).

22 Costco Wholesale Corp. v. City and County of San Francisco, San Francisco Superior  
23 Court No. 316-367 (filed November 2, 2000).

24 Cost Plus, Inc.; Dorsett & Jackson, Inc.; The Good Guys, Inc.; Calbody Steel Forming,  
25 LLC; EBSS-West, Inc.; Edison Brothers Stores, Inc.; FML, Inc.; Kelly-Moore Paint Company,

1 Inc.; Portco, Inc.; SFO Forecast, Inc.; Vivande, Inc. dba Vivande Porta Via; Vivande  
2 Ristorante, LP; J.N. Zippers and Supplies Corporation; Williams-Sonoma, Inc. v. City and  
3 County of San Francisco, San Francisco Superior Court No. 310-692 (filed March 15, 2000).

4 DFS Group, LP, (aka DFS North America); Sephora USA, LLC; DFS Group Ltd.; DFS  
5 Merchandising Ltd. v. City and County of San Francisco, San Francisco Superior Court  
6 No. 319-184 (filed February 28, 2001).

7 Donaldson, Lufkin & Jenrette Securities Corp. v. City and County of San Francisco,  
8 San Francisco Superior Court No. 317-469 (filed December 15, 2000).

9 EOP-580 California Street, LLC; EOP-60 Spear Street, LLC; EOP-One Market, LLC;  
10 EOP-Mission Street, LLC; EOP-Maritime, LLC; EOP-301 Howard Street, LLC, v. City and  
11 County of San Francisco, San Francisco Superior Court No. 315-704 (filed October 10, 2000).

12 Fremont Investors, Inc.; Fremont Investment Advisors, Inc.; Fremont Group, LLC;  
13 Fremont Properties, LP; Fremont Realty Capital, LP; Fremont Partners, LLC; Fremont  
14 Properties, Inc. v. City and County of San Francisco, San Francisco Superior Court  
15 No. 309-043 (filed January 6, 2000).

16 The Gap, Inc.; Banana Republic v. City and County of San Francisco, San Francisco  
17 Superior Court No. 315-696 (filed October 6, 2000).

18 General Motors Corp.; Eastman Kodak Co.; Bechtel Construction Co.; Bechtel Power  
19 Corp.; Bechtel Financing Services, LLC; Bechtel National, Inc.; Bechtel Group, Inc.; Bechtel  
20 Environmental, Inc.; Bechtel Construction Operations, Inc.; Bechtel Enterprises, Inc.; Bechtel  
21 Enterprises Holding, Inc.; Bechtel Infrastructure Corp.; Bechtel Personnel & Operation  
22 Services; Chevron Corp.; Levi Strauss & Co.; Pacific Gas & Electric Co.; PG&E Corp.; PG&E  
23 Generating Co. (fka U.S. Generating Company); PG&E Energy Services Corp.; Pacific Telesis  
24 Group; Pacific Bell Information Services; Pacific Bell Internet Services; Pacific Bell Directory;  
25 Pacific Bell Wireless (successor in interest to Pacific Bell Mobile Services); Safeway, Inc. v.

1 City and County of San Francisco, San Francisco Superior Court No. 312-487 (filed May 30,  
2 2000).

3 The Hearst Corp.; Hearst Communications, Inc. v. City and County of San Francisco,  
4 San Francisco Superior Court No. 310-062 (filed February 18, 2000).

5 The Hearst Corp.; Hearst Communications, Inc. v. City and County of San Francisco,  
6 San Francisco Superior Court No. 313-976 (filed July 28, 2000).

7 The Hearst Corp.; Hearst Communications, Inc. v. City and County of San Francisco,  
8 San Francisco Superior Court No. 316-950 (filed November 27, 2000).

9 Hewlett-Packard Co. v. City and County of San Francisco, San Francisco Superior  
10 Court No. 306-787 (filed November 24, 1999).

11 International Business Machines Corp. v. City and County of San Francisco, San  
12 Francisco Superior Court No. 313-648 (filed September 8, 2000).

13 International Business Machines Corp. v. City and County of San Francisco, San  
14 Francisco Superior Court No. 316-044 (filed October 20, 2000).

15 Little Mendelson, PC v. City and County of San Francisco, San Francisco Superior  
16 Court No. 319-267 (filed February 28, 2001).

17 McKesson HBOC, Inc. (fka McKesson Corp.) v. City and County of San Francisco, San  
18 Francisco Superior Court No. 313-435 (filed July 6, 2000).

19 McKesson HBOC, Inc. (fka McKesson Corp.) v. City and County of San Francisco, San  
20 Francisco Superior Court No. 315-999 (filed October 19, 2000).

21 The Neiman Marcus Group, Inc. v. City and County of San Francisco, San Francisco  
22 Superior Court No. 310-061 (filed February 18, 2000).

23 Nordstrom, Inc. v. City and County of San Francisco, San Francisco Superior Court No.  
24 311-355 (filed April 10, 2000).

1 Nordstrom, Inc. v. City and County of San Francisco, San Francisco Superior Court No.  
2 316-365 (filed November 2, 2000).

3 One California Street Partners; 50 Fremont Center Partners; Fifty California Street  
4 Associates; Forty-Five Fremont Associates; 333 Market Street Associates; 425 Market Street  
5 Associates; 555 California Street Partners; Main and Mission Associates; Russ Building  
6 Partnership; Shorenstein Co., LP; Shorenstein Construction Co., LP; Shorenstein  
7 Management, Inc.; Shorenstein Realty Investors, LP; Shorenstein Realty Services, LP v. City  
8 and County of San Francisco, San Francisco Superior Court No. 315-858 (filed October 12,  
9 2000).

10 Pacific Union Real Estate Group; Pacific Union Residential Brokerage Co., Inc.; Union  
11 Trust Mortgage Services, Inc. v. City and County of San Francisco, San Francisco Superior  
12 Court No. 319-823 (filed March 22, 2001).

13 Panther Creek Leasing, Inc.; Bechtel Construction Co.; Bechtel Power Corp.; Bechtel  
14 Financial Services, Inc.; Bechtel National, Inc.; Bechtel Corp.; Bechtel Group, Inc.; Bechtel  
15 Environmental Inc.; Bechtel Software, Inc.; Bechtel Construction Operations, Inc.; Genuity,  
16 Inc.; Bechtel Enterprises, Inc.; Bechtel Infrastructure Corp.; PMB Engineering, Inc.; Chevron  
17 Corp.; Levi Strauss & Co.; Levi Strauss Associates, Inc.; Pacific Gas & Electric Co.; PG&E  
18 Corp.; PG&E Generating Co. (fka U.S. Generating Co.); PG&E Energy Services Corp.; PG&E  
19 Enterprises; Pacific Telesis Group; Pacific Telesis Legal Group; Pacific Bell; Pacific Bell  
20 Information Services; Pacific Bell Internet Services; Pacific Bell Directory; Pacific Bell Wireless  
21 (successor in interest to Pacific Bell Mobile Services); Safeway, Inc. v. City and County of San  
22 Francisco, San Francisco Superior Court No. 307-873 (filed November 12, 1999).

23 Pillsbury Madison & Sutro LLP v. City and County of San Francisco, San Francisco  
24 Superior Court No. 313-793 (filed July 21, 2000).

1 Pillsbury Madison & Sutro LLP v. City and County of San Francisco, San Francisco  
2 Superior Court No. 315-772 (filed October 11, 2000).

3 Providian Financial Corp.; Providian Bankcorp Services; Interstate Brands West Corp.  
4 v. City and County of San Francisco, San Francisco Superior Court No. 316-461 (filed  
5 November 6, 2000).

6 Salomon Smith Barney, Inc. v. City and County of San Francisco, San Francisco  
7 Superior Court No. 313-974 (filed July 28, 2000).

8 Salomon Smith Barney, Inc. v. City and County of San Francisco, San Francisco  
9 Superior Court No. 316-251 (filed October 30, 2000).

10 San Francisco Baseball Associates, LP; China Basin Ballpark Co., LLC v. City and  
11 County of San Francisco, San Francisco Superior Court No. 313-610 (filed July 14, 2000).

12 San Francisco Baseball Associates, LP; China Basin Ballpark Co., LLC v. City and  
13 County of San Francisco, San Francisco Superior Court No. 316-380 (filed November 2,  
14 2000).

15 Signatures Network, Inc.; Union Pacific Railroad Co.; Atlantic Richfield Co.; Prestige  
16 Stations, Inc.; Charles Schwab & Co., Inc.; Charles Schwab Investment Management, Inc.;  
17 Hewlett-Packard Co.; The Neiman Marcus Group, Inc.; Xerox Corp. v. City and County of San  
18 Francisco, San Francisco Superior Court No. 312-489 (filed May 30, 2000).

19 Southern Wine and Spirits of America, Inc. v. City and County of San Francisco, San  
20 Francisco Superior Court No. 316-368 (filed November 2, 2000).

21 TECHTV (fka ZDTV, LLC) v. City and County of San Francisco, San Francisco  
22 Superior Court No. 318-519 (filed January 31, 2001).

23 Union Pacific Railroad Co. (fka Southern Pacific Transportation Co.); Atlantic Richfield  
24 Co.; Prestige Stations, Inc.; Charles Schwab & Co., Inc.; Charles Schwab Investment  
25 Management, Inc.; Signatures Network, Inc. (fka Sony Signatures, Inc.); Whitmire Distribution

1 ~~Corp.; Xerox Corp. v. City and County of San Francisco, San Francisco Superior Court~~  
2 No. 309-421 (filed February 7, 2000).

3 URS Corp.; URS Greiner Woodward-Clyde, Inc. v. City and County of San Francisco,  
4 San Francisco Superior Court No. 313-471 (filed July 7, 2000).

5 URS Corp.; URS Greiner Woodward-Clyde, Inc. v. City and County of San Francisco,  
6 San Francisco Superior Court No. 317-218 (filed December 7, 2000).

7 Walgreen Co. v. City and County of San Francisco, San Francisco Superior Court  
8 No. 315-605 (filed October 4, 2000).

9 The total amount of the offers in the cases listed above shall not exceed  
10 \$58,164,317.15 ~~\$63,980,100.06~~, plus interest as provided in San Francisco Business and Tax  
11 Regulations Code Section 6.15-2, payable from the effective date of this ordinance. For the  
12 Chevron Corp. (Superior Court No. 317-416), EOP-580 California Street (Superior Court No.  
13 315-704), General Motors Corp. (Superior Court No. 312-487), Hewlett-Packard Co. (Superior  
14 Court No. 306-787), Neiman Marcus Group (Superior Court No. 310-061), Pacific Union  
15 (Superior Court No. 319-823), Panther Creek (Superior Court No. 307-873), Providian  
16 Financial Corp. (Superior Court No. 316-461), Signatures Network, Inc. (Superior Court No.  
17 312-489), and Union Pacific Railroad Co. (Superior Court No. 309-421) cases, interest shall  
18 be paid from January 1, 2001 at the rate of 7 percent per annum, simple interest.

19 The offers shall include any claims for the 2000 tax year, and claimants shall agree not  
20 to file any claims for refunds otherwise due pursuant to any repeal of the gross receipts tax  
21 ordinance for the 2000 tax year.

22  
23 Section 4. The City Attorney is hereby authorized to settle the following unlitigated  
24 claims:

25 ABC, Inc. (filed September 30, 1999 & July 27, 2000).



1 American Drugstores, Inc. (filed March 1, 1999).

2 Hellman & Friedman Administration; Hellman & Friedman Investors; Hellman &  
3 Friedman, LLC (filed October 10, 2000 & November 15, 2000).

4 KGO-AM (filed February 26, 1999 & August 30, 2000).

5 Leemah Lee Electronics, Inc. (filed September 15, 2000).

6 Lucky Stores, Inc. (filed January 7, 2000).

7 ~~Pacific Union Real Estate Group; Pacific Union Residential Brokerage (filed August 18,~~  
8 ~~2000).~~

9 Textainer Equipment Mfg US Ltd. (filed November 6, 2000).

10 The total amount of the settlements of the unlitigated claims listed above shall not  
11 exceed \$345,981.79 ~~\$380,576.16~~, plus interest as provided in San Francisco Business and  
12 Tax Regulations Code Section 6.15-2, payable from the effective date of this ordinance. ~~For~~  
13 ~~the Pacific Union claims, interest shall be paid from January 1, 2001 at the rate of 7 percent~~  
14 ~~per annum, simple interest.~~

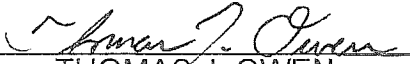
15 The settlements shall include any claims for the 2000 tax year, and claimants shall  
16 agree not to file any claims for refunds otherwise due pursuant to any repeal of the gross  
17 receipts tax ordinance for the 2000 tax year.

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1           Section 5. The Board authorizes the City Attorney to make settlement or 998 offers to  
2 any plaintiffs and claimants who agree to reduce their settlement figures by 9.09 percent, for a  
3 proportionate amount of the totals authorized in the ordinance.

4  
5 APPROVED AS TO FORM:

6 LOUISE H. RENNE, City Attorney  
7

8  
9 By:   
10       THOMAS J. OWEN  
11       Deputy City Attorney



# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails

## Ordinance

**File Number:** 010437

**Date Passed:**

Ordinance authorizing settlement of the lawsuits filed by Eastman Kodak Company and General Motors Corporation versus the City and County of San Francisco by payment of a total amount not to exceed \$102,628.10 plus interest; the Eastman Kodak lawsuit was filed on April 22, 1999 in San Francisco Superior Court, Case No. 302983 (Court of Appeal No. A091910), entitled Eastman Kodak Company v. City and County of San Francisco; the General Motors lawsuit was filed on February 24, 1999 in San Francisco Superior Court, Case No. 301510 (Court of Appeal A091914), entitled General Motors Corporation v. City and County of San Francisco; the other material terms of the settlements are that the settlements shall include any claims for the 2000 tax year, plaintiffs shall not file any claims for refunds otherwise due pursuant to any repeal of the gross receipts tax ordinance for the 2000 tax year, the plaintiffs shall agree to join in an application for a stipulated reversal of the trial court decisions pursuant to California Code of Civil Procedure Section 128; authorizing the City Attorney to make offers to allow judgment pursuant to California Code of Civil Procedure Section 998 in various business tax cases, for a total amount not to exceed \$58,164,317.15; and further authorizing settlement of unlitigated claims, for a total amount not to exceed \$345,981.79.

March 12, 2001 Board of Supervisors — SUBSTITUTED

April 2, 2001 Board of Supervisors — CONTINUED ON FIRST READING

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin, Sandoval, Yee

Excused: 1 - Newsom

April 9, 2001 Board of Supervisors — CONTINUED ON FIRST READING

Ayes: 10 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin, Sandoval, Yee

Excused: 1 - Newsom

April 16, 2001 Board of Supervisors — AMENDED

Ayes: 8 - Ammiano, Gonzalez, Hall, Leno, Maxwell, McGoldrick, Peskin, Yee

Noes: 2 - Daly, Sandoval

Excused: 1 - Newsom

April 16, 2001 Board of Supervisors — PASSED ON FIRST READING AS AMENDED

Ayes: 7 - Ammiano, Hall, Leno, Maxwell, McGoldrick, Peskin, Yee

Noes: 3 - Daly, Gonzalez, Sandoval

Excused: 1 - Newsom

April 23, 2001 Board of Supervisors — FINALLY PASSED

Ayes: 6 - Hall, Leno, Maxwell, McGoldrick, Peskin, Yee

Noes: 3 - Daly, Gonzalez, Sandoval

Absent: 2 - Ammiano, Newsom

File No. 010437

I hereby certify that the foregoing Ordinance  
was FINALLY PASSED on April 23, 2001 by  
the Board of Supervisors of the City and  
County of San Francisco.



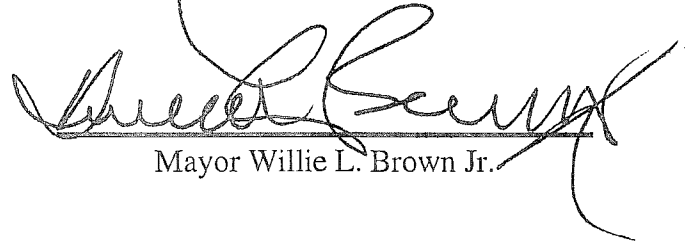
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Jean Lum  
Acting Clerk of the Board

APR 24 2001

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Date Approved



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Mayor Willie L. Brown Jr.