[Settlement of Attorney's Fee Claim - Contest Promotions, LLC - City to Receive \$500,000]

Ordinance authorizing settlement by payment of \$500,000 to the City and County of San Francisco, of the City's claim for attorney's fees and costs arising from the lawsuit that Contest Promotions, LLC, filed against the City; the lawsuit was filed on August 26, 2015, in San Francisco Superior Court, Case No. CGC-15-547630; entitled Contest Promotions, LLC vs. City and County of San Francisco; San Francisco Superior Court Case No. CPF-16-514771 was filed on February 9, 2016, and the actions were consolidated; the lawsuit involves a dispute about the City's compliance with a prior settlement agreement between the parties, and the constitutionality of sections of the Planning Code regulating on-site and off-site commercial signs.

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

Section 1. Pursuant to Charter, Section 6.102(5), the Board of Supervisors hereby authorizes the City Attorney to settle the City's claim for attorney's fees and costs in the matter of Contest Promotions, LLC vs. City and County of San Francisco, Superior Court of California, County of San Francisco, Case No. CPF-16-514771 (consolidated with Case No. CGC-15-547630) by the payment of \$500,000 to the City. Under the terms of this fee settlement, (1) Contest Promotions will put \$250,000 in escrow pending appeal; (2) when the appeal is final, the prevailing party receives the funds in escrow; and (3) if the City wins an affirmance, Contest Promotions must pay an additional \$250,000 within 60 days. The lawsuit involves a dispute about the City's compliance with a prior settlement agreement between the parties, and the constitutionality of sections of the Planning Code regulating on-site and off-site commercial signs.

Section 2 The above-named consolidated actions were filed in San Francisco Superior Court on August 26, 2015, and February 9, 2016, and the following parties were named in the lawsuits: Contest Promotions, LLC and the City and County of San Francisco.

APPROVED AS TO FORM AND RECOMMENDED:

DENNIS J. HERRERA City Attorney

KATE STACY
Chief Land Use Deputy City Attorney

RECOMMENDED:

SAN FRANCISCO PLANNING DEPARTMENT

JOHN RAHAIM

Director



City and County of San Francisco Tails

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

Ordinance

File Number: 190916 Date Passed: November 05, 2019

Ordinance authorizing settlement by payment of \$500,000 to the City and County of San Francisco, of the City's claim for attorney's fees and costs arising from the lawsuit that Contest Promotions, LLC, filed against the City; the lawsuit was filed on August 26, 2015, in San Francisco Superior Court, Case No. CGC-15-547630; entitled Contest Promotions, LLC vs. City and County of San Francisco; San Francisco Superior Court Case No. CPF-16-514771 was filed on February 9, 2016, and the actions were consolidated; the lawsuit involves a dispute about the City's compliance with a prior settlement agreement between the parties, and the constitutionality of sections of the Planning Code regulating on-site and off-site commercial signs.

October 17, 2019 Government Audit and Oversight Committee - RECOMMENDED

October 29, 2019 Board of Supervisors - PASSED ON FIRST READING

Ayes: 10 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani

and Yee

Excused: 1 - Walton

November 05, 2019 Board of Supervisors - FINALLY PASSED

Ayes: 9 - Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Stefani, Walton and

Yee

Excused: 1 - Brown Absent: 1 - Safai

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 11/5/2019 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

London N. Breed Mayor **Date Approved**