| File | No. | 210982 |
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| Committee Item | No. | 6 | |
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| Board Item No. | 4 | | |

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

| Committee: | Government Audit and Oversight | D | ate: | Oct. 7, 2021 |
|---------------------------------------------------|--------------------------------|----------|----------|--------------|
| Board of Supervisors Meeting: Date: Oct. 26, 2021 | | | | |
| Cmte Boar | | Report | | |
| OTHER | | | | |
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| Prepared by: _John Carroll | | | | |
| | | | | 5, 2021 |
| | | Date: | <u> </u> | O, 202 I |
| . Toparca by | . <u>John Ganon</u> | <u> </u> | | |

[Settlement of Attorney's Fee Claim - Contest Promotions, LLC - City to Receive \$580,000]

Ordinance authorizing settlement by payment of \$580,000 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

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

Planning Code regulating on-site and off-site commercial signs.

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 \$580,000 to the City. Under the terms of this fee settlement, (1) Contest Promotions will release \$250,000 that is currently held in escrow for the benefit of the City; (2) when the appeal is final, the prevailing party receives the funds in escrow; and (3) Contest Promotions will pay the remaining \$330,000 in 12 monthly payments of \$27,500/month. This settlement modifies the terms of a 2019 fee settlement in this lawsuit. 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 onsite and off-site commercial signs.

| 1 | Section 2. The above-named consolidated actions were filed in San Francisco | | | | |
|----------|------------------------------------------------------------------------------------------|--------------------------------------|--|--|--|
| 2 | Superior Court on August 26, 2015, and February 9, 2016, and the following parties were | | | | |
| 3 | named in the lawsuits: Contest Promotions, LLC and the City and County of San Francisco. | | | | |
| 4 | | | | | |
| 5 | APPROVED AS TO FORM AND RECOMMENDED: | RECOMMENDED: | | | |
| 6 7 | DENNIS J. HERRERA | SAN FRANCISCO PLANNING DEPARTMENT | | | |
| 8 | City Attorney | | | | |
| 9 | <u>/s/</u> KATE H. STACY | /s/ RICH HILLIS Director | | | |
| 10 | Chief Land Use Deputy City Attorney | | | | |
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