

File No. 251044

Committee Item No. 6

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: November 20, 2025

Board of Supervisors Meeting:

Date: _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| ☐ | ☐ | Motion |
| ☐ | ☐ | Resolution |
| ☒ | ☐ | Ordinance |
| ☐ | ☐ | Legislative Digest |
| ☐ | ☐ | Budget and Legislative Analyst Report |
| ☐ | ☐ | Youth Commission Report |
| ☐ | ☐ | Introduction Form |
| ☐ | ☐ | Department/Agency Cover Letter and/or Report |
| ☐ | ☐ | MOU - FY2022-2024 - Clean |
| ☐ | ☐ | MOU - FY2022-2024 - Redline |
| ☐ | ☐ | Grant Information Form |
| ☐ | ☐ | Grant Budget |
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OTHER

- | | | |
|-------------------------------------|--------------------------|---------------------|
| ☒ | ☐ | <u>Attachment A</u> |
| ☐ | ☐ | _____ |
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Prepared by: Monique Crayton

Date: November 14, 2025

Prepared by: _____

Date: _____

Prepared by: _____

Date: _____

1 [Settlement of Lawsuit - Californians For Equal Rights Foundation - \$50,000]

2
3 **Ordinance authorizing settlement of the lawsuit filed by Californians For Equal Rights**
4 **Foundation, Ruth Parker, and Ellen Lee Zhou against the City and County of San**
5 **Francisco for \$50,000 and non-monetary terms; the lawsuit was filed on May 31, 2023,**
6 **in San Francisco Superior Court, Case No. CGC-23-606796; entitled Californians For**
7 **Equal Rights Foundation et al. v. City and County of San Francisco et al.; the lawsuit**
8 **involves Plaintiffs' allegation that the City participated in one or more guaranteed**
9 **income program the terms of which violated the Equal Protection Cause of the**
10 **Fourteenth Amendment to the United States Constitution, the equal protection**
11 **guarantee in Article I, section 7 of the California Constitution, and/or Title VI of the Civil**
12 **Rights Act.**

13
14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
16 authorizes the City Attorney to settle the claims of Californians For Equal Rights Foundation,
17 Ruth Parker, and Ellen Lee Zhou in the action entitled Californians For Equal Rights
18 Foundation et al. v. City and County of San Francisco et al., San Francisco Superior Court,
19 Case No. CGC-23-606796 on substantially the same terms as set forth in the Settlement
20 Agreement on file with the Clerk of the Board of Supervisors in File No. 251044, which is
21 incorporated by reference and declared to be a part of this ordinance as if set forth fully
22 herein. The Settlement Agreement includes the payment of \$50,000 in attorney's fees and
23 costs, as well as an agreement concerning future guaranteed income programs. The lawsuit
24 involves Plaintiffs' allegation that the City participated in one or more guaranteed income
25 program the terms of which violated the Equal Protection Cause of the Fourteenth

Amendment to the United States Constitution, the equal protection guarantee in Article I, section 7 of the California Constitution, and/or Title VI of the Civil Rights Act.

Section 2. The above-named action was filed in San Francisco Superior Court on May 31, 2023, and the following parties were named in the lawsuit: Plaintiffs Californians For Equal Rights Foundation; Ruth Parker; Ellen Lee Zhou, and Defendants City and County of San Francisco; Kim Johnson, in her official capacity as Director of the California Department of Social Services.

APPROVED AS TO FORM AND
RECOMMENDED:

DAVID CHIU
City Attorney

/s/
TARA M. STEELEY
Team Leader, Government Litigation

RECOMMENDED:
DEPARTMENT OF PUBLIC HEALTH

/s/
DANIEL TSAI
Director

/s/
MARK MOREWITZ
Commission Secretary

FUNDS AVAILABLE:

/s/ Michelle Allersma for Greg Wagner
GREG WAGNER
Controller

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Attachment A

1 DAVID CHIU, State Bar #189542
City Attorney
2 TARA M. STEELEY, State Bar #231775
KAITLYN M. MURPHY, State Bar #293309
3 Deputy City Attorney
City Hall, Room 234
4 1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4682
5 Telephone: (415) 554-4655 (Steeley)
(415) 554-6762 (Murphy)
6 Facsimile: (415) 554-4699
E-Mail: tara.steeley@sfcityatty.org
7 kaitlyn.murphy@sfcityatty.org

8 Attorneys for Respondent and Defendant
9 CITY AND COUNTY OF SAN FRANCISCO

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF SAN FRANCISCO - UNLIMITED JURISDICTION
12
13

14 CALIFORNIANS FOR EQUAL RIGHTS
FOUNDATION; RUTH PARKER; and ELLEN
15 LEE ZHOU

16 Petitioners/Plaintiffs,

17 vs.

18 CITY AND COUNTY OF SAN FRANCISCO;
KIM JOHNSON, in her official capacity as
19 Director of the California Department of Social
Services; and DOES 1-10,
20

21 Respondents/Defendants.
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Case No. CGC-23-606796

SETTLEMENT AGREEMENT

Date Action Filed: May 31, 2023
FAC Filed: January 4, 2024

1 1. This Settlement agreement is entered into by and between (1) Petitioners/Plaintiffs
2 CALIFORNIANS FOR EQUAL RIGHTS FOUNDATION, RUTH PARKER, and ELLEN LEE
3 ZHOU, individually, and on behalf of their heirs, domestic partners, executors, administrators, and
4 assigns, if any; and (2) Respondent/Defendant CITY AND COUNTY OF SAN FRANCISCO
5 (collectively with Plaintiffs, "PARTIES"). In summary, this settlement provides for the dismissal of
6 Defendant CITY AND COUNTY OF SAN FRANCISCO with prejudice in exchange for the
7 settlement amount of \$50,000 (Fifty Thousand and 00/100 Dollars) and the additional agreements set
8 out below.

9 2. FOR GOOD AND VALUABLE CONSIDERATION, in the amount of \$50,000 (FIFTY
10 THOUSAND and 00/100 Dollars) (the "SETTLEMENT AMOUNT"), the sufficiency of which is
11 hereby admitted and acknowledged, Petitioners/Plaintiffs CALIFORNIANS FOR EQUAL RIGHTS
12 FOUNDATION, RUTH PARKER, and ELLEN LEE ZHOU, individually and on behalf of their heirs,
13 domestic partners, executors, administrators, and assigns, if any (hereinafter referred to individually
14 and collectively as "RELEASORS"), hereby agree to fully and forever release and discharge the City
15 and County of San Francisco, together with its elective and/or appointive boards, agents, servants,
16 employees, consultants, departments, commissioners, and officers (hereinafter referred to individually
17 and collectively as "SAN FRANCISCO"), from any and all claims, actions, causes of action,
18 liabilities, damages, demands, attorneys' fees, expenses and costs (including without limitation court
19 costs) of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, which
20 have existed or may have existed, or which do exist, or which hereafter shall or may exist, and which
21 (1) are alleged or set forth or attempted to be set forth in the pleadings on file in that certain action
22 entitled *Californians For Equal Rights Foundation et al. vs. City and County of San Francisco et al.*,
23 being Action No. CGC-23-606796 on the records of the Superior Court for the City and County of San
24 Francisco (hereinafter referred to as the "ACTION"), or (2) arise out of or are in any way related to
25 any of the transactions, occurrences, acts or omissions set forth or alleged in any of the pleadings in
26 the Action (hereinafter referred to collectively as the "CLAIMS"). Petitioners/Plaintiffs
27 CALIFORNIANS FOR EQUAL RIGHTS FOUNDATION, RUTH PARKER, and ELLEN LEE

1 ZHOU each request the SETTLEMENT AMOUNT shall be paid by check or wire to Benbrook Law
2 Group fbo American Civil Rights Project.

3 3. In consideration for the promises provided herein, SAN FRANCISCO agrees to the following:

- 4 a. WHEREAS, RELEASORS challenged four guaranteed income programs: (1) Black
5 Economic Equity Movement (“BEEM”), (2) Guaranteed Income For Transgender People
6 (“GIFT”), (3) Abundant Birth Project Version 1.0 (“ABP 1.0”), and (4) Abundant Birth
7 Project Version 2.0 (“ABP 2.0”).

8 BEEM Program

- 9 b. WHEREAS, RELEASORS challenged the BEEM program alleging that the program “is
10 designed to transfer to participants \$500 per month for one year” and that to be eligible for
11 BEEM, applicants needed to be “Black young adults ages 18-24 in San Francisco and
12 Oakland”;
- 13 c. WHEREAS, SAN FRANCISCO denies that it funded the BEEM program using the criteria
14 alleged in Paragraph 3.b; and
- 15 d. SAN FRANCISCO agrees it will not fund the BEEM program as described in Paragraph
16 3b using the eligibility criteria described in Paragraph 3b during the term of the settlement.

17 GIFT Program

- 18 e. WHEREAS, RELEASORS challenged the GIFT Program, alleging the program was
19 “designed . . . to transfer \$1,200 a month in guaranteed income for a year and a half to
20 participants” and that the program was “designed to select as participants only those who
21 are Transgender, Non-Binary, Gender Non-Confirming, and Intersex,” and among those
22 applicants was “designed to prioritize enrollment of Black, Indigenous, or People of Color
23 and those who are legally vulnerable such as TGI people who are undocumented”;
- 24 f. WHEREAS, SAN FRANCISCO states that the GIFT Program was a pilot program that has
25 expired and has not been renewed; and
- 26
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g. SAN FRANCISCO agrees it will not renew the GIFT Program as described in Paragraph 3e using the eligibility and prioritization criteria described in Paragraph 3e during the term of the settlement.

ABP 1.0 Program

h. WHEREAS, RELEASORS challenged ABP 1.0, alleging that the program was “designed to transfer \$1,000-\$1,500 per month for the duration of a woman’s pregnancy and then for the first two months of the baby’s life to Black and Pacific Islander pregnant women in San Francisco” and that “pregnant mothers of other races were not eligible to receive this unconditional income supplementation”;

i. WHEREAS, SAN FRANCISCO states that ABP 1.0 was a pilot program that has expired and has not been renewed; and

j. SAN FRANCISCO agrees it will not renew ABP 1.0 as described in Paragraph 3h using the eligibility criteria described in Paragraph 3h during the term of the settlement.

ABP 2.0 Program

k. WHEREAS, RELEASORS challenged ABP 2.0 Program alleging the program was designed “to provide Black mothers with monthly incomes of \$600 to \$1,000 for 12 months” and that the program will “serve a minimum of 425 individuals from the pregnant priority population, which is defined as pregnant individuals in the first or second trimester with at least one risk factor above the 1.5 odds ratio for pre-term birth as identified in a paper co-authored by several academics affiliated with the University of California, San Francisco’s California Preterm Birth Initiative”;

l. WHEREAS, PARTIES agree that the five risk factors above the 1.5 odds ratio for pre-term birth identified in the academic journal article referenced in Paragraph 3k are: a history of previous preterm birth [5.24], a history of preexisting hypertension [3.47], a history of preexisting diabetes [2.29], a diagnosis of sickle cell anemia [2.25], and identifying as Black or African-American [1.52];

1 m. WHEREAS, SAN FRANCISCO states that it has never operated a guaranteed income
2 program using the eligibility criteria RELEASORS ascribe to ABP 2.0 in Paragraphs 3k
3 and 3l; and

4 n. WHEREAS, PARTIES acknowledge that RELEASORS are maintaining their challenge to
5 ABP 2.0 against the remaining Respondent/Defendant KIM JOHNSON, in her official
6 capacity as Director of the California Department of Social Services;

7 4. SAN FRANCISCO will not operate or participate in ABP 2.0 as described in Paragraphs 3k,
8 3l, and 3n using the eligibility and prioritization criteria described in Paragraph 3k unless and until
9 either (i) a final ruling in the ongoing litigation determines that the criteria in the ABP 2.0 program
10 over which Petitioners/Plaintiffs have sued the remaining Respondent/Defendant KIM JOHNSON, in
11 her official capacity as Director of the California Department of Social Services are lawful, or (ii) the
12 ongoing litigation concerning ABP 2.0 is settled in such a manner that the program continues using the
13 eligibility and prioritization criteria described in Paragraph 3k. The PARTIES acknowledge that the
14 terms of this Settlement have been negotiated in light of the current state of applicable law. To the
15 extent the state of applicable law changes, the Respondent/Defendant reserves its right to reintroduce
16 programs that are otherwise barred by this Settlement and Petitioners/Plaintiffs reserve the right to
17 challenge those programs under the applicable law existing at the time.

18 5. RELEASORS represent and warrant that they have not assigned or transferred, or agreed to
19 assign or transfer, or attempted to assign or transfer, to any third party or entity (including without
20 limitation any insurer) any interest in any of the CLAIMS. RELEASORS agree to defend, indemnify
21 and hold harmless SAN FRANCISCO against any loss, expense or liability, including without
22 limitation reasonable attorneys' fees, arising from any breach of the foregoing. Furthermore, in the
23 event that SAN FRANCISCO learns that RELEASORS have breached this warranty, SAN
24 FRANCISCO may, at its sole option, elect to rescind this Full and Final Release, in which case
25 RELEASORS shall immediately remit to SAN FRANCISCO the SETTLEMENT AMOUNT, plus
26 interest accruing thereon at a rate of ten percent per year, compounded monthly, from the date of
27 payment thereof.

1 6. RELEASORS represent and warrant that either (a) there are no liens, including without
2 limitation any medical reimbursement, unemployment or disability compensation liens, in existence
3 which may attach to the SETTLEMENT AMOUNT or to any recovery paid to RELEASORS pursuant
4 to the ACTION, or (b) to the extent there are any such liens, RELEASORS will pay and retire all such
5 liens out of the SETTLEMENT AMOUNT. RELEASORS agree to defend, indemnify and hold
6 harmless SAN FRANCISCO against any and all claims by any person or entity purporting to hold any
7 lien, interest, or other claim, whether for medical care, unemployment and/or disability compensation,
8 attorneys' fees, or otherwise, involving RELEASORS and arising in connection with any of the
9 CLAIMS.

10 7. RELEASORS certify that they have read Section 1542 of the California Civil Code, which
11 provides:

12 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
13 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT
14 TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
15 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
16 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
17 DEBTOR OR RELEASED PARTY.

18 RELEASORS hereby waive application of Section 1542 of the Civil Code. RELEASORS understand
19 and acknowledge that, as a consequence of this waiver of Section 1542, even if RELEASORS should
20 eventually suffer additional or further loss, damages or injury arising out of or in any way related to
21 any of the events which gave rise to the CLAIMS, or any of them, RELEASORS will not be permitted
22 to make any further claims against SAN FRANCISCO to recover for such loss, damages or injury.
23 RELEASORS acknowledge that they intend these consequences even as to claims for personal injury
24 or property damage that may exist as of the date of this Full and Final Release but which
25 RELEASORS do not know exist, and which, if known, would materially affect RELEASORS'
26 decision to execute this Full and Final Release, regardless of whether RELEASORS' lack of
27 knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

28 8. RELEASORS acknowledge that, in executing this Full and Final Release, they are acting on
their own, independent judgment informed by their legal counsel. RELEASORS acknowledge having
read this Settlement Agreement and having been advised by their attorney as to its meaning and effect.

1 RELEASORS acknowledge and warrant that their execution of this Settlement Agreement is free and
2 voluntary. RELEASORS further represent and warrant that, at the time they executed Settlement
3 Agreement, they were not in the period of first physical confinement, whether as an inpatient or
4 outpatient, in a clinic or health facility (as defined in Sections 1203 and 1250 of the Health and Safety
5 Code) as a result of the injury alleged to have given rise to any of the CLAIMS, and that as a result
6 Business and Professions Code section 6152(b) cannot be used to invalidate this Full and Final
7 Release.

8 9. RELEASORS acknowledge that this Settlement Agreement contains and constitutes the entire
9 agreement between RELEASORS and SAN FRANCISCO with respect to the CLAIMS. The terms of
10 this Settlement Agreement are contractual and not a mere recital. RELEASORS acknowledge that
11 SAN FRANCISCO has made no representations, express or implied, to induce RELEASORS to enter
12 into this Settlement Agreement, other than as expressly set forth herein.

13 10. No aspect of this Settlement Agreement is intended to be nor at any time shall be construed,
14 deemed, or treated in any respect as an admission by SAN FRANCISCO of liability for any purpose.
15 it is expressly understood by RELEASORS that this Settlement Agreement does not constitute an
16 admission of the truth or accuracy of any of the allegations made in the complaint on file in the
17 ACTION or of liability for any of the CLAIMS, and that SAN FRANCISCO expressly denies the
18 allegations made in the complaint, as more fully set forth in the answer or other responsive pleadings
19 on file in the ACTION.

20 11. If any of the provisions of this Settlement Agreement or the application thereof is held to be
21 invalid, its invalidity shall not affect any other provision or application of this Settlement Agreement
22 to the extent that such other provision or application can be given effect without the invalid provision
23 or application, and to this end, the provisions of this Settlement Agreement are declared and
24 understood to be severable; provided, however, that should a court of competent jurisdiction hold that
25 RELEASORS are entitled to sue SAN FRANCISCO upon any of the CLAIMS, and should
26 RELEASORS bring or join in such a suit, then RELEASORS shall immediately remit to SAN
27
28

1 FRANCISCO the SETTLEMENT AMOUNT, plus interest thereon accruing at a rate of ten percent
2 per year, compounded monthly, from the date of payment thereof.

3 12. Except for payment of the SETTLEMENT AMOUNT herein, RELEASORS understand and
4 acknowledge that both RELEASORS and SAN FRANCISCO shall bear their own legal expenses and
5 costs incurred in connection with prosecuting or defending against the ACTION and any of the
6 CLAIMS.

7 13. RELEASORS will execute a request for dismissal of SAN FRANCISCO from the action with
8 prejudice within five business days of receiving the SETTLEMENT AMOUNT.

9 14. This Full and Final Release and the settlement which led to it have been fully negotiated with
10 the assistance of counsel and should not be construed more strictly against one party than another.

11 15. This Settlement is subject to approval by the necessary City and County of San Francisco
12 entities. The San Francisco City Attorney's Office will use reasonable efforts to obtain the necessary
13 approvals. Subject to City approval, this Settlement Agreement is intended to be fully and formally
14 binding and enforceable and is effective as of the date of this Agreement. It contains the entire
15 understanding and agreement between the parties concerning the resolution of all disputes between
16 them and has been executed without reliance on any promise, representation or warranty not contained
17 herein. A copy of this agreement may be used in lieu of the original for all purposes.

18 16. This Full and Final Release may be executed in two or more counterparts, all of which
19 counterparts shall be deemed originals.

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21
22 Date:

23 _____
24 Petitioner / Plaintiff Californians For Equal Rights
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26 Date:

27 _____
28 Petitioner/Plaintiff Ruth Parker

1
2 Date:

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4 _____
Petitioner/Plaintiff Ellen Lee Zhou

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8 APPROVED AS TO FORM:

9 Date:



10 _____
Bradley A. Benbrook
Benbrook Law Group, PC
Counsel for Petitioners/Plaintiffs

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14 APPROVED AS TO FORM:

15 Date:

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17 _____
KAITLYN MURPHY
Deputy City Attorney
Counsel for Respondent/Defendant City and County of
San Francisco

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19 counterparts shall be deemed originals.

20
21
22 Date:



23
24 Petitioner / Plaintiff Californians For Equal Rights

25
26 Date:



27 Petitioner/Plaintiff Ruth Parker
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1
2 Date:

July 11, 2025



Petitioner/Plaintiff Ellen Lee Zhou

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8 APPROVED AS TO FORM:

9 Date:

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11 _____
Bradley A. Benbrook
Benbrook Law Group, PC
Counsel for Petitioners/Plaintiffs

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13
14 APPROVED AS TO FORM:

15 Date:

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17 _____
KAITLYN MURPHY
Deputy City Attorney
Counsel for Respondent/Defendant City and County of
San Francisco

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2 Date:

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Petitioner/Plaintiff Ellen Lee Zhou

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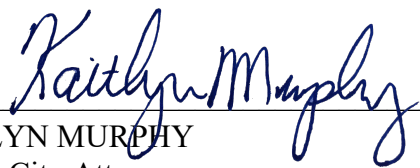
8 APPROVED AS TO FORM:

9 Date:

10 _____
11 Bradley A. Benbrook
12 Benbrook Law Group, PC
13 Counsel for Petitioners/Plaintiffs

14 APPROVED AS TO FORM:

15 Date: 07/22/2025

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17 
18 _____
19 KAITLYN MURPHY
20 Deputy City Attorney
21 Counsel for Respondent/Defendant City and County of
22 San Francisco
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