[Settlement of Lawsuit - MJM Management Group - City to Receive \$400,000]

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco against MJM Management Group for \$400,000; the lawsuit was filed on April 29, 2020, in San Francisco Superior, Case No. CGC-20-584294; entitled City and County of San Francisco v. MJM Management Group, et al.; the lawsuit involves allegations of false claims for reimbursement in connection with property management expenses at Yerba Buena Gardens; consistent with the requirements of the California False Claims Act, a portion of the City's recovery shall be allocated to the qui tam plaintiff and to the City Attorney's Office.

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 action entitled City and County of San Francisco v. MJM Management Group, et al., San Francisco Superior Court, Case No. CGC-20-584294 by the payment of \$400,000 by MJM Management Group and injunction against future contracting with the City and County of San Francisco for a period of three years. The lawsuit involves allegations of false claims for reimbursement in connection with property management expenses at Yerba Buena Gardens. Funds received by the City under this settlement must be used to support the continued operation of Yerba Buena Gardens.

Section 2. The above-named action was filed in San Francisco Superior Court on April 29, 2020, and the following parties were named in the lawsuit: plaintiffs City and County of San Francisco and Successor Agency to the Redevelopment Agency of the City and County of San Francisco (commonly known as Office of Community investment and Infrastructure) and defendants MJM Management Group and DOES 1-20.

1 2 3 APPROVED AS TO FORM AND RECOMMENDED: RECOMMENDED: 4 **DAVID CHIU** Real Estate Division 5 City Attorney <u>/s/ Sara J. Eisenberg</u> SARA J. EISENBERG <u>/s/ Andrico Penick</u> ANDRICO PENICK 6 7 Chief of Complex and Affirmative Litigation **Director of Real Estate** 8 9 APPROVED: 10 <u>/s/ Carmen Chu</u> CARMEN CHU 11 City Administrator 12 n:\cxlit\li2023\200964\01656657.docx 13 14 15 16 17 18 19 20 21 22 23 24

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City and County of San Francisco Tails

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

Ordinance

File Number:

230191

Date Passed: April 12, 2023

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco against MJM Management Group for \$400,000; the lawsuit was filed on April 29, 2020, in San Francisco Superior, Case No. CGC-20-584294; entitled City and County of San Francisco v. MJM Management Group, et al.; the lawsuit involves allegations of false claims for reimbursement in connection with property management expenses at Yerba Buena Gardens; consistent with the requirements of the California False Claims Act, a portion of the City's recovery shall be allocated to the qui tam plaintiff and to the City Attorney's Office.

March 16, 2023 Government Audit and Oversight Committee - RECOMMENDED...

April 04, 2023 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

April 12, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 8 - Chan, Dorsey, Engardio, Mandelman, Peskin, Preston, Safai and Walton Excused: 3 - Melgar, Ronen and Stefani

File No. 230191

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/12/2023 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**