

<b>F R O M</b>	<b>Name &amp; Title</b>	Sara Gross and Hanna Sheehan, Chief Solicitors	CITY OF BALTIMORE  <b>MEMO</b>	
	<b>Agency Name &amp; Address</b>	Law Department-Litigation Division		
	<b>Subject</b>	<i>Re: Chae Bros. et al v. Mayor and City Council of Baltimore, Case No. 1:2017cv01657</i>		

**TO:** Honorable President and Members  
of the Board of Estimates

**Date:** April 4, 2022

**ACTION REQUESTED OF BOARD OF ESTIMATES**

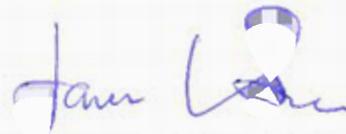
The Department of Law respectfully requests authorization to approve the settlement of a lawsuit against the City filed by 68 plaintiffs as a result of the unrest that occurred in April 2015.

**AMOUNT OF MONEY AND SOURCE OF FUNDS**

The total amount of the proposed settlement is **\$3,562,005.05**. The source of the funds budget account is: 2044-000000-1450-703800-603070.

**BACKGROUND/EXPLANATION**

The plaintiffs in the case are business owners and individuals who sustained property damage during the unrest that occurred in Baltimore City on April 28, 2015. The total property damage alleged by the plaintiffs is \$6,444,010.09. While we can present credible evidence that BPD and the City handled the unrest appropriately and that the de-escalation techniques employed were appropriate, the unpredictable nature of jury verdicts, the cost of further litigation (including expert expenses), and the fact that the settlement takes into account the risks to both sides with proceeding, we recommend this settlement as a fair resolution to this matter.



James L. Shea, City Solicitor

APPROVED BY THE BOARD OF ESTIMATES

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Date



By Unyime.Ekpa at 1:45:30 PM, 4/8/2022

## **SETTLEMENT AGREEMENT AND RELEASE**

THIS SETTLEMENT AGREEMENT AND RELEASE (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2022, by and among the individuals identified below and referred to herein as the "Releasing Parties" and the Mayor and City Council of Baltimore (the "City"). The City, along with Stephanie Rawlings-Blake, Anthony Batts, and the Baltimore Police Department are the "Released Parties." The Released Parties together with the Releasing Parties are referred to herein as the "Settling Parties."

### **RECITALS**

WHEREAS, the Releasing Parties filed a Complaint in the Circuit Court for Baltimore City against the Released Parties, which was removed to the United States District Court for the District of Maryland and substantially or similarly styled *Chae Bros, LLC, et al. v. Mayor and City Council of Baltimore*, Case No. 1:17-CV-01657 (the "Litigation"), arising out of the property and other actual damages sustained by the Releasing Parties in or around April 2015 at, near, or during the widespread civil unrest that occurred throughout Baltimore City (the "Occurrence"); and

WHEREAS, the Releasing Parties allege they sustained economic losses and/or other actual damages, whether presently known or unknown, related to the Occurrence (hereinafter "Releasing Party's/Parties' Losses");

WHEREAS, the Released Parties deny and dispute the allegations asserted in the Litigation; and

WHEREAS, the Settling Parties now desire to fully compromise and settle finally and forever the Litigation and any other existing or future claims or disputes asserted or which could have been asserted of whatever nature, including without limitation, any and all

claims, causes of action, costs and demands of whatever name or nature, in any manner by Releasing Parties arising, growing out of, or on account of any Releasing Parties' Losses, the Litigation or the Occurrence against the City or other persons.

### **AGREEMENT**

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Settling Parties hereby covenant and agree as follows:

1. **Recitals:** The foregoing recitals are incorporated into and made part of this Agreement.
2. **Payment:** Within sixty (60) days of the approval of this Agreement by the Baltimore City Board of Estimates, the City shall make payment made payable to counsel for the Releasing Parties, Sung Hwang & Kim LLP, totaling the sum of Three Million, Five Hundred Sixty-Two Thousand and Five Dollars and Five cents (\$3,562,005.05) (the "Settlement Sum"), as full and final payment for making the release herein and abiding by the terms set forth in this Agreement. The Releasing Parties agree that their attorney will distribute to them their portion of the settlement funds as per their agreement with him, and release the City from any claims that may arise out of disputes relating to the distribution of these funds.
3. **Dismissal:** This case has already been dismissed by the Court pending this settlement by order entered in the Litigation on February 17, 2022, which additionally provides that the Releasing Parties and the City may move to reopen the Litigation before April 18, 2022 (the "Court Deadline") if settlement is not consummated. In the event this Agreement is not approved by the Baltimore City Board of Estimates and the Settlement Sum

is not received before April 5, 2022, the City shall consent to a motion filed by the Releasing Parties for a sixty-day extension of the Court Deadline. The City agrees to consent to any subsequent motions filed by the Releasing Parties for additional extensions if the Baltimore City Board of Estimates does not approve this Agreement and/or the Settlement Sum is not received fifteen days prior to any subsequent deadline set by the Court. If the Baltimore City Board of Estimate rejects this Agreement, the City will consent to reopening the Litigation.

4. **Approval by City's Board of Estimates:** The Settling Parties understand that payment of the Settlement Sum as set forth in this Agreement is subject to, and contingent upon, the prior approval of the City's Board of Estimates. In the event that the Board of Estimates rejects the settlement, this Agreement will become void and of no legal effect, whereupon the parties could continue to seek relief through the Litigation regarding the Occurrence.

5. **Warranty of Capacity to Enter Into Release:** The Releasing Parties represent and warrant that no other person or entity has any interest in the claims, demands, allegations or causes of action referred to in this Settlement Agreement except as otherwise set forth herein and that they have the sole right and exclusive authority to execute this Settlement Agreement, to receive the sum specified in it and to release all claims on their behalf, and that they have not sold, assigned, transferred, conveyed or otherwise disposed of any claim, demand, obligation or causes of action referred to in this Settlement Agreement. If any person should assert a claim on behalf of the Releasing Parties for damages against any of the Released Parties claiming that the Releasing Parties did not have the right or authority to enter into this Settlement Agreement or receive the monies hereunder, the Releasing Parties agree to indemnify, defend and hold harmless the Released Parties from

any and all claims or contentions, damages, costs, liability and attorneys' fees as a consequence or result of such claim or lawsuit.

6. **General Release and Covenant not to Sue:** In consideration of the payment of the Settlement Sum and other good and valuable consideration, the Releasing Parties, their heirs, assigns, agents, representatives, attorneys and successors in interest hereby unconditionally release and forever discharge and covenant not to sue the Released Parties, their officials, agents, employees, employers, agencies, departments, directors, officers, members, representatives, assigns, attorneys, successors in interest, and all other persons, firms, entities, governmental entities, and corporations from any and all Claims which the Releasing Parties may now or hereafter have or claim to have, arising out of, or in any way related to, the Occurrence, Releasing Parties' Losses, and/or the allegations or claims asserted, or that could have been asserted, in the Claim, provided, however, the obligations of the Settling Parties under this Agreement shall continue in full force and effect. "Claims" includes, but is not limited to, any and all losses, costs, expenses, debts, actions (constitutional or statutory, in law or in equity), causes of action, suits, damages, claims, demands and all other claims, liabilities and obligations of any nature whatsoever including but not limited to any and all claims for discrimination under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Age Discrimination in Employment Act, the Equal Pay Act, the Older Worker Benefits Protection Act, the Family and Medical Leave Act, the Consolidated Omnibus Budget Reconciliation Act, the Americans With Disabilities Act, the Employee Retirement Income Security Act, and any comparative state law, whether presently known or unknown, including attorneys' and consultant's fees.

7. **Costs and Expenses.** Each party will be responsible for his, her or its own costs and expenses incurred in connection with the prosecution, defense and settlement of the claims asserted by the Releasing Parties against the Released Parties.

8. **No Admission of Liability:** It is understood and agreed by the Settling Parties that this Agreement and the releases contained herein shall not be construed as an admission of liability on the part of the Released Parties, any such liability being expressly denied, and that rather, the purpose of this Agreement is to fully and finally resolve all differences amongst the Settling Parties and to allow the Settling Parties to avoid the time, expense and uncertainties of protracted litigation.

9. **Medicare/Medicaid Liens:** The Releasing Party understands that Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 ("MMSEA") imposes a lien (the "Medicare Lien") for reimbursement of certain payments made by Medicare. The Settling Parties understand and believe that there are no outstanding Medicare Liens. Notwithstanding this, in the event that payment of the claims results in an obligation to reimburse Medicare, the Releasing Party agrees to make such reimbursement and agrees that his attorneys may retain sufficient funds in the attorneys' escrow account to satisfy the Medicare Lien. If the Releasing Party or his attorneys fails to satisfy a Medicare Lien, and that failure causes the Released Parties to pay or reimburse any person or entity any amount MMSEA specifies, the Releasing Party agrees to reimburse the Released Parties' payment or reimbursement to such person or entity. Upon receipt of documentation from Medicare that any Medicare Lien is satisfied, the Releasing Party will send a copy of such documentation to the Released Parties.

10. **No Evidence of Need to Indemnify:** It is understood and agreed by the Settling Parties that this Agreement and/or corresponding settlement or payment of the Settling Sum is not to be construed as evidence of an obligation on behalf of the City to indemnify any person who may be covered under this Agreement for claims of intentional conduct, as such contention is expressly denied.

11. **Entire Agreement of the Parties:** It is understood and agreed by the Parties that this Agreement constitutes the entire Agreement among the Settling Parties with respect to the subject matter hereof and supersedes all other prior and contemporaneous written or oral agreements and discussions. This Agreement may only be amended by a writing signed by all parties hereto.

12. **Drafting of the Agreement.** The Parties acknowledge and agree that this Agreement represents the product of negotiations by the Parties and shall not be deemed to have been drafted exclusively by any one party. In the event of a dispute regarding the meaning of any language contained in this Agreement, the Settling Parties agree that the same shall be accorded a reasonable construction and shall not be construed more strongly against one party than the other.

13. **Severability:** In the event that any covenant, condition, or other provision contained in this Agreement is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other covenant, condition or other provision contained herein. If such condition, covenant or other provision shall be deemed invalid due to its scope of breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope of breadth permitted by law.

14. **WAIVER OF JURY TRIAL:** TO THE EXTENT AN ACTION IS FILED IN ANY COURT IN CONNECTION WITH ANY COVENANT, TERM OR CONDITION OF THIS AGREEMENT, THE SETTLING PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTELLIGENTLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY. THE SETTLING PARTIES FURTHER AGREE THAT THEY MAY SEEK TO ENFORCE THIS AGREEMENT BY MOTION IN THE LITIGATION AND/OR BY SEPARATE ACTION. THE SETTLING PARTIES HEREBY CONSENT TO THE JURISDICTION OF THE U.S. DISTRICT COURT FOR THE DISTRICT OF MARYLAND AND THE CIRCUIT COURT OF MARYLAND FOR BALTIMORE CITY, AND FURTHER AGREE THAT SUCH COURTS ARE PROPER VENUES FOR THE ENFORCEMENT OF THIS AGREEMENT.

15. **Knowing and Voluntary Act:** Each of the Settling Parties represents that each has read this Agreement and acknowledges that each has been represented or had the opportunity to be represented by legal counsel of their own choice throughout all of the negotiations which preceded the execution of this Agreement and that each party has voluntarily and knowingly executed this Agreement of their own free will and/or with the consent and/or on the advice of such legal counsel. Each of the Settling Parties further acknowledges that each and/or such party's counsel have had adequate opportunity to make whatever investigation or inquiry they may deem necessary or desirable in connection with the subject matter of this Agreement prior to the execution hereof and the delivery and acceptance of the considerations specified herein.

16. **Survival of Terms:** The Settling Parties agree that this Agreement shall upon approval inure to the benefit of the Settling Parties and their respective agents, assigns, partners, heirs, executors, administrators, and personal or legal representatives. The Settling

Parties understand and agree that the terms, covenants, and conditions set forth in this Agreement shall survive the closing of the Agreement.

17. **Governing Law:** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maryland, without giving effect to its conflicts of law provisions, and any legal actions presenting disputes arising out of or under this Agreement shall be subject to the exclusive jurisdiction of the Circuit Court for Baltimore City, Maryland.

18. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same instrument. An emailed, facsimile or copy signature will be binding and legal in all respects as if it were an original signature to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by the duly authorized representatives as of the date first written above:

RELEASING PARTIES

  
WITNESS

 (SEAL)  
On behalf of 3DED Mobile, Inc. d/b/a We Fix It All

Kyung sub Kim  
Print Name

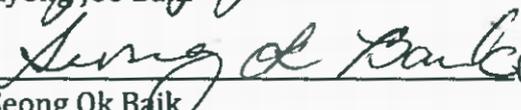
  
WITNESS

 (SEAL)  
Jun Bin Baik

  
WITNESS

 (SEAL)  
Kyong Joo Baik

  
WITNESS

 (SEAL)  
Seong Ok Baik

Claire  
WITNESS

Hae Rm Song  
WITNESS

Claire  
WITNESS

[Signature] (SEAL)  
Kyong Yol Baik

[Signature] (SEAL)  
On behalf of Beauty Fair, Inc. d/b/a Beauty Fair

[Signature]  
Print Name HYO YUL CHOI

[Signature] (SEAL)  
On behalf of Cathedral Rock, Inc. d/b/a Jerry's Bar

SUNG JOO PARK  
Print Name

[Signature] (SEAL)  
Han Bok Chae

[Signature] (SEAL)  
John Han Chae

[Signature] (SEAL)  
On behalf of Chae Bros., LLC d/b/a Fireside North  
Liquors

HAN B CHAE  
Print Name

[Signature] (SEAL)  
Chong Il Cho

[Signature] (SEAL)  
On behalf of Choon & Hae, Inc. d/b/a Gruner's  
Market

choon keun song  
Print Name

[Signature] (SEAL)  
On behalf of DSK Enterprise, Inc. d/b/a Clever  
Mart

Dominic Kim  
Print Name

Clairine  
WITNESS

Am (SEAL)  
On behalf of Dasarang Wholesale, Inc. d/b/a  
Mountain Grocery & Deli

Clairine  
WITNESS

Jim soo Kim  
Print Name  
김수영 (SEAL)  
On behalf of Geun, Inc. d/b/a Freddie's Liquor

Clairine  
WITNESS

YOUNG MEEN PARK  
Print Name  
Grace Lyo (SEAL)  
Grace Lyo d/b/a Hae Ttenen Market

Clairine  
WITNESS

Grace Lyo  
Print Name  
Soon Jung Hong (SEAL)  
Soon Jung Hong d/b/a Metro Plaza Wig

Clairine  
WITNESS

Hoon Suk Cho (SEAL)  
Hoon Suk Cho, Inc. d/b/a East Curley Liquors

Clairine  
WITNESS

Jong M. Kim  
Print Name  
Grace Young Beer & Wine (SEAL)  
On behalf of Hoon's Beer and Wine, Inc. d/b/a  
Grace Young Beer & Wine

Clairine  
WITNESS

Joe Hyuk Lee  
Print Name  
Gi Hwang (SEAL)  
Gi Hwang d/b/a Yovak Market

Clairine  
WITNESS

Jag Hwa Lee (SEAL)  
On behalf of J&K Food, Inc. d/b/a Metro Sundries

Clairine  
WITNESS

Jag Hwa Lee  
Print Name  
Jeffer Young (SEAL)  
On behalf of JJYC, Inc. d/b/a Uptown Liquors

Claire  
WITNESS

Claire  
WITNESS

Claire  
WITNESS

Claire  
WITNESS

Claire  
WITNESS

Willie R.  
WITNESS

Claire  
WITNESS

[Signature]  
WITNESS

Jennifer Yom  
Print Name

[Signature] (SEAL)  
Se Hoon Jang d/b/a Doughty's Market

[Signature] (SEAL)  
Mi Ja Jang d/b/a Doughty's Market

[Signature] (SEAL)  
On behalf of Jayrevapuri, LLC d/b/a Jolly Food Mart

RAKASHKULI Patel  
Print Name

[Signature] (SEAL)  
On behalf of Jin Suk Kim, Inc. d/b/a Ebony Towne Store

JIN SUK KIM  
Print Name

[Signature] (SEAL)  
Jung Chung d/b/a J Mart Wig

[Signature] (SEAL)  
On behalf of K and Mike Corporation d/b/a Carey Liquors

MI SUN KIM  
Print Name

[Signature] (SEAL)  
On behalf of KCJJ, Inc. d/b/a Hillen Grocery

Sung Hee Choo  
Print Name

[Signature] (SEAL)  
On behalf of KHY Company, Inc. d/b/a Yom's Food Market

KYON GI KIM

Print Name

Soonsue Kim (SEAL)

Soonsue Kim

Tony Kim (SEAL)

Tony Kim d/b/a Carrollton Food Market

Hyo H. Kim (SEAL)

Hyo H. Kim d/b/a Carrollton Food Market

Jung Hyun Kim (SEAL)

Jung Hyun Kim

Kil Ja Kim (SEAL)

Kil Ja Kim

Chong Ran Kim (SEAL)

Chong Ran Kim /b/a One P us One Grocery & Deli

Jung Ran Kim (SEAL)

Jung Ran Kim

Jin Suk Kim (SEAL)

Jin Suk Kim

On behalf of Koam's Pillars II, Inc. d/b/a Blocks Discount Liquors (SEAL)

On behalf of Koam's Pillars II, Inc. d/b/a Blocks Discount Liquors

HYUN SOOK KIM

Print Name

On behalf of Koam's Pillars, Inc. d/b/a Linden Food Market (SEAL)

On behalf of Koam's Pillars, Inc. d/b/a Linden Food Market

HYUN SOOK KIM

Print Name

Sung Heek (SEAL)

Sung Heek d/b a Beauty Mart

Claire  
WITNESS

C. [Signature]  
WITNESS

[Signature]  
WITNESS

Min Ja Lee [Signature] (SEAL)

Song Ja Lee [Signature] (SEAL)

[Signature] (SEAL)

HAK JUN LEE as Personal Representative  
for the Estate of Young Koo Lee

Seung Yong Lee [Signature] (SEAL)

[Signature] (SEAL)  
On behalf of Lee L&M, Inc. d/b/a L&M Liquors

HAK JUN LEE  
Print Name

[Signature] (SEAL)  
On behalf of Luckychol, Inc. d/b/a Kim's Liquor

Hannup Lee  
Print Name

Grace C. Lyo [Signature] (SEAL)

[Signature] (SEAL)  
On behalf of MGC Market, Inc. d/b/a Fox Liquors

JUNGF KIM  
Print Name

[Signature] (SEAL)  
On behalf of Mica II, Inc. d/b/a Friend General Store

[Signature]  
Print Name

[Signature] (SEAL)  
Kyung Hae Oh

Claire  
WITNESS

[Signature] (SEAL)  
Stephen Park d/b/a Park's Food Market

Sung Joo Park (SEAL)  
Sung Park

[Signature] (SEAL)  
On behalf of Pat Liquors, Inc. d/b/a J&J Liquor

SONG JA LEE  
Print Name

[Signature] (SEAL)  
On behalf of Royal K&K, Inc. d/b/a Royal Liquors

YOUNG KIM  
Print Name

[Signature] (SEAL)  
On behalf of SRN Communications 101, Inc. d/b/a Boost Mobile

Domingo Kim  
Print Name

[Signature] (SEAL)  
On behalf of Shon's Market, Inc. d/b/a Shon's Food Market

Chang C Lee  
Print Name

Sung Chung (SEAL)  
Sung Chung d/b/a J Mart Wig

[Signature] (SEAL)  
On behalf of The One Liquor, Inc. d/b/a Perry Liquor

Kevin Y. Kim  
Print Name

[Signature] (SEAL)  
On behalf of Three Brothers Spirits, Inc. d/b/a Bunny's Liquors

Cheung  
WITNESS

Cheung  
WITNESS

Choi  
WITNESS

Choung  
WITNESS

이선자  
WITNESS

Hee Rom Song  
WITNESS

Chung  
WITNESS

Chung  
WITNESS

James L. Hea  
WITNESS

Paul Kim  
Print Name

Paul Kim (SEAL)  
On behalf of Wonderland Cheers, inc. d/b/a  
Wonderland Liquor

HYE SUN WILSON  
Print Name

Hye Sun Wilson (SEAL)  
Sook Yeo d/b/a A&D Food Mart

Jennifer Youn (SEAL)  
Jennifer Youn

Jong Youn (SEAL)  
Jong Youn

Julie Youn (SEAL)  
Julie Youn

Choon Ken Song (SEAL)  
On behalf of Gruners LLC

Choon Ken Song  
Print Name

Young Park (SEAL)  
Young Park

Hyun Youn Boh (SEAL)  
Hyun Youn Boh

MAYOR AND CITY CLERK OF BALTIMORE

By: James L. Hea (SEAL)  
James L. Hea, City Solicitor

Approved as to Form and Legal Sufficiency **APPROVED BY THE BOARD OF ESTIMATES**



By: \_\_\_\_\_  
Sara Gross, Chief Solicitor  
Department of Law

By: \_\_\_\_\_  
Clerk Date