

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

DISTRICT OF COLUMBIA, <i>ex rel.</i> , [UNDER SEAL],	2016 CAB SLD 006281 Judge Laura A. Cordero
Plaintiffs,	JURY TRIAL DEMANDED
v.	
[UNDER SEAL],	
Defendants.	

**DISTRICT OF COLUMBIA'S COMPLAINT IN
INTERVENTION FOR TREBLE DAMAGES UNDER THE
DISTRICT'S FALSE CLAIMS ACT AND FOR OTHER RELIEF**

[FILED UNDER SEAL]

**IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division**

<p>DISTRICT OF COLUMBIA, <i>ex rel.</i>, DELBERT R. “CHIP” TERRILL, JR. and WASHINGTON INTERNATIONAL SOCCER LEAGUE,</p> <p style="text-align:center">Plaintiffs,</p> <p>v.</p> <p>LARRY T. WASHINGTON, WASHINGTON SPORTS LEAGUES, LLC, and SPORTSLEAGUES LLC,</p> <p style="text-align:center">Defendants.</p>	<p>2016 CAB SLD 006281 Judge Laura A. Cordero</p> <p>JURY TRIAL DEMANDED</p> <p>FILED UNDER SEAL</p>
--	--

**DISTRICT OF COLUMBIA’S COMPLAINT IN
INTERVENTION FOR TREBLE DAMAGES UNDER THE
DISTRICT’S FALSE CLAIMS ACT AND FOR OTHER RELIEF**

Plaintiff, the District of Columbia, by its Attorney General, brings this action to recover treble damages and civil penalties under the False Claims Act, D.C. Code § 2-381.02 *et seq.*, and to recover damages and other monetary relief under the common law.

Introduction

1. Relators, Delbert R. Terrill, Jr. and Washington International Soccer League (WISL), originally filed this action on behalf of the District, pursuant to the *qui tam* provisions of the District’s False Claims Act, D.C. Code § 2-381.03(b)(1). The District files this Complaint in Intervention pursuant to D.C. Code §§ 2-381.03(b)(4)(A) and (B).

2. This case arises out of Defendants' false representations to Relators Terrill and WISL to induce them to pay fees to Defendants for the rental of District of Columbia Public Schools' (DCPS) athletic fields. Defendant Larry Washington advised Relators that he had agreements with DCPS, or DCPS' school principals and athletic directors to rent DCPS' athletic fields to third parties and was acting as a broker or intermediary for DCPS when he rented fields to Relators. Relying on Defendant Larry Washington's false representations, Relators paid rental fees to Defendants for the use of DCPS' athletic fields. These rental fees were never turned over to DCPS. DCPS uses fees from renting its facilities to defray the costs of operation and maintenance of the facilities. Defendants' scheme deprived DCPS of funds needed to maintain safe, playable athletic fields.

3. This lawsuit seeks damages and civil penalties under the District's False Claims Act and monetary relief under the common law for the diverted funds that should have been paid to DCPS from 2009 through 2013.

Jurisdiction, Venue, and Parties

4. This Court has jurisdiction over the subject matter of this action pursuant to D.C. Code § 11-921 and D.C. Code § 2-381.02(a), as the District asserts claims arising under the District's False Claims Act. This Court has personal jurisdiction over Defendants pursuant to D.C. Code §§ 13-422, 423(a)(1), (2) and (3).

5. Plaintiff, the District of Columbia (District), a municipal corporation empowered to sue and be sued, is the local government for the territory constituting the permanent seat of the government of the United States. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1). The Attorney General is specifically authorized to enforce the District's False Claims Act pursuant to D.C. Code § 2-381.03(a).

6. DCPS is an executive branch agency within District government. Since 2007, the Chancellor of DCPS, the chief executive officer of DCPS, has reported to the Mayor's office, which controls DCPS' budget.

7. The *qui tam* provisions of the District's False Claims Act provide that a private person may file an action on behalf of the private person and the District against individuals and entities for violations of the False Claims Act. D.C. Code § 2-381.03(b)(1). The private person initiating such an action is called a "*qui tam* plaintiff" or a "relator."

8. On February 6, 2019, the District notified the Court of its decision to intervene in this action. D.C. Code § 2-381.03(b)(4)(A). The District intervenes as to all allegations in Relators' Complaint.

9. The District timely asserts the causes of action alleged herein based on the filing of *qui tam* Relators' Complaint in this matter, filed under seal on August 23, 2016, insofar as the causes of action herein arise out of the conduct, transactions, or occurrences set forth, or attempted to be set forth, in Relators' Complaint.

10. Relator Terrill is an individual who lives at 3516 Jonathans Harbour Drive, Jupiter, Florida 33477. Relator Terrill is the Commissioner and founder of Relator Washington International Soccer League, Inc. (WISL).

11. Relator WISL, a corporation, is incorporated in the Commonwealth of Virginia, and its address is P.O. Box 101085, Arlington, Virginia 22210. WISL was founded in 1980 to assist individuals in the DC area organize and play in recreational soccer matches.

12. Defendant Larry T. Washington is an individual who lives at 3527 Sharonwood Road, Suite #2-C, Laurel, Maryland 20724.

13. Defendant Washington is President of Defendant Washington Sports Leagues LLC (Washington Sports Leagues) and Defendant Sportsleagues LLC (Sportsleagues). Defendants Washington Sports Leagues and Sportsleagues were registered as limited liability corporations with the Maryland State Department of Assessments and Taxation (MDDA&T) on July 8, 2008 and September 4, 2001, respectively. Defendant Washington was the sole member of both Defendant Washington Sports Leagues and Defendant Sportleagues. At this time, Washington Sports Leagues and

Sportsleagues are no longer registered limited liability corporations in the State of Maryland because both limited liability companies failed to file annual reports with MDDA&T as required by Maryland State law.

The District's False Claims Act

14. The District's False Claims Act provides for the award of treble damages and civil penalties for, *inter alia*, knowingly making or causing to be made false statements to conceal, avoid, or decrease an obligation to pay money to the District. D.C. Code §§ 2-381.02(a)(7) (2011 Supp.).

15. The District's False Claims Act was amended in 2013 by the Medicaid Fraud Enforcement and Recovery Amendment Act of 2012 (2013 Amendments). 59 D.C. Reg. 13632-41 (2012). The 2013 Amendments became effective on March 19, 2013. 60 D.C. Reg. 9261 (2013).

16. The pre-2013 version of the District's False Claims Act provided:

(a) Any person who commits any of the following acts shall be liable to the District for 3 times the amount of damages which the District sustains because of the act of that person. A person who commits any of the following acts shall also be liable to the District for the costs of a civil action brought to recover penalties or damages, and may be liable to the District for a civil penalty of not less than \$5,000, and not more than \$10,000, for each false claim for which the person:

* * *

(7) Knowingly makes or uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the District.

D.C. Code § 2-381.02(a) (2011 Supp.).

17. Section 2-381.01(3)(A) of the pre-2013 False Claims Act defined “knowing” or “knowingly” to mean that “a person, with respect to information, does any of the following: (i) Has actual knowledge of the falsity of the information; (ii) Acts in deliberate ignorance of the truth or falsity of the information; or (iii) Acts in reckless disregard of the truth or falsity of the information.” Proof of specific intent to defraud was not required to establish a “knowing” violation under the DC False Claims Act. D.C. Code § 2-381.01(3)(B).

18. Effective March 19, 2013, the False Claims Act was amended to reflect the following pertinent provisions:

(a) Any person who commits any of the following acts shall be liable to the District for 3 times the amount of damages which the District sustains because of the act of that person. A person who commits any of the following acts shall also be liable to the District for the costs of a civil action brought to recover penalties or damages, and shall be liable to the District for a civil penalty of not less than \$5,500, and not more than \$11,000, for each false or fraudulent claim for which the person:

* * *

(6) Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the District, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the District.

D.C. Code § 2-381.02(a) (2013).

19. Section 2-381.01(7)(A) of the False Claims Act, as amended in 2013, defines “knowing” or “knowingly” to mean that “a person, with respect to information, does any of the following: “(i) Has actual knowledge of the

information; (ii) Acts in deliberate ignorance of the truth or falsity of the information; or (iii) Acts in reckless disregard of the truth or falsity of the information.” The terms “knowing” and “knowingly” do not require proof of specific intent to defraud. D.C. Code § 2-381.07(B).

20. Under the 2013 Amendments, “material” is defined as “having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property,” D.C. Code § 2-381.01(8) (2013), and “obligation” means “an established duty, whether or not fixed, arising from an express or implied contractual, grantor-grantee, or licensor-licensee relationship, from a fee-based or similar relationship, from statute or regulation, or from the retention of any overpayment.” D.C. Code § 2-381.01(9) (2013).

Defendants’ Scheme to Divert District Funds

I. The District’s Authority to Rent DCPS’ Facilities

21. At all times relevant to the actions described in this Complaint, the authority to issue permits for DCPS’ facilities – both indoor and outdoor – was administered by the District’s Department of General Services (DGS) pursuant to the District’s Board of Education Leasing Authority Act of 1982. D.C. Code § 38-401 (2001). The purpose of the law was to grant permission to the Board of Education to enter into leases and other agreements for the use of DCPS’ buildings and grounds to defray costs associated with the operation and maintenance of DCPS’ facilities.

22. The DCPS Realty Office initially managed the use and rental of DCPS' buildings and grounds, reviewing and approving required documentation as well as collecting rental fees. In or about 2010, this management authority was transferred to the DGS Realty Office.

23. According to the Policies and Procedures for Use of School Buildings and Grounds by Parent-Run, Non-Profit Enrichment Programs issued by the DGS Realty Office, "non-profit organizations shall be responsible for payment of all operating costs incurred by the school in connection with usage of school buildings and grounds by the organization . . . beyond the regular operating hours of the school (including weekends or holiday hours or at such other times when school is not in session)"

24. All organizations that wish to use DCPS' buildings and grounds, including athletic fields, have to complete an Application for Use of Facilities form (Application) that is submitted to the principal of the requested school or facility for approval or denial. The Application requires the applicant to provide the name of the user/organization, its address, the name and contact information of an authorized contact for the organization, a description of the proposed use, the period of requested use, including hours, days and dates, and the type of user/organization. The applicant must sign and date the Application and state that the "information provided on this Application to Use Facilities form is accurate and correct to the best of my knowledge and I

agree to abide by the policies and procedures for use of DC Public Schools facilities.”

25. The principal of the requested school or facility forwards approved Applications to the DCPS Out of School Time Office for review and approval. The Out of School Time Office, in turn, forwards all Applications it has approved to the DGS Realty Office for processing, twenty business days prior to the requested date of use.

26. In addition to the Application, all users, other than government agencies, must sign and submit an Assumption of Risk and Indemnification form and submit a certificate of insurance policy to the DGS Realty Office. The certificate of insurance policy must show that the user/organization has a comprehensive liability insurance policy covering liability for all activities to be conducted at the facility or school building as described in the submitted Application. Users must also pay the costs of security services beyond the normal operating hours of the school. Security costs are determined by DCPS’ Security Office.

27. After Applications are approved, the DGS Realty Office notifies users or organizations by letter and requests the organization to sign a conditionally approved use agreement (Use Agreement). Use Agreements state that DCPS and DGS reserve the right to cancel the scheduled usage with a three-day prior notification period. Use Agreements set forth certain conditions that govern the use of facilities or school buildings. Use Agreements

specify that the user or organization does not have the authority to “sublease, transfer or assign” the Use Agreement to another individual or entity. Finally, if a user or organization violates any specified condition in a Use Agreement, the Use Agreement will be terminated and may jeopardize approval of future requests to use space in DCPS’ buildings or facilities.

28. All fees and proceeds derived from the use of DCPS’ buildings and grounds are to be paid to the District’s Office of Finance and Treasury and accounted for in the District’s General Fund as a separate revenue source allocable to pay for the “custody, cleaning, heating, air-conditioning, lighting, maintenance, security, and improvement of public school buildings and grounds” D.C. Code § 38-401(c).

29. The DGS Realty Office charges fees in accordance with a Usage Fee Schedule. At all times relevant to the actions described in this Complaint, the fee for the use of a school’s field stadium for soccer or other vigorous sport was \$95.00 per hour and \$5.00 per hour for equipment rental.

II. WISL’s Rental of St. John’s Athletic Field

30. One of Relator Terrill’s duties as Commissioner of WISL was to locate playing fields so WISL members could hold soccer games. According to Terrill, high schools have some of the best all-weather fields for playing soccer, so he would advise his contacts that WISL was interested in renting high school athletic fields.

31. In the spring of 2006, Defendant Washington contacted Relator Terrill and asked if WISL was interested in renting the soccer field at St. John's College High School (St. John's), a private high school in the District. Defendant Washington advised Relator Terrill that Defendant Sportsleagues had a contract with St. John's athletic director allowing Defendant Sportsleagues to rent St. John's athletic field to third parties for soccer games. Relator WISL, as a subleasee of Defendant Sportsleagues, rented St. John's athletic field from spring 2006 through spring 2009.

32. Defendant Washington directed Relator Terrill to make payments for the rental of St. John's athletic field by paying Defendant Sportsleagues or paying Defendant Washington.

**III. WISL's Rental of DCPS' Athletic Fields
During the 2009 through 2012 Soccer Seasons**

33. In 2009, Defendant Washington informed Relator Terrill that WISL could rent the athletic fields of Coolidge High School and Dunbar High School, two DCPS high schools, for the spring 2009 soccer season. Defendant Washington stated that he had entered into agreements with the athletic directors of these two DCPS high schools. The agreements with the schools' athletic directors allegedly allowed Defendant Washington to rent the schools' athletic fields to third parties for soccer matches.

34. In March 2009, Relator WISL made arrangements to rent Dunbar High School's athletic field for the spring 2009 soccer season. On March 11, 2009, at the direction of Defendant Washington, WISL paid

\$8,200.00 to Defendant Sportsleagues for the rental of Dunbar High School's field for the spring 2009 soccer season. On March 28, 2009, WISL paid an additional \$3,000.00 to Defendant Sportsleagues for the rental of Dunbar High School's athletic field for the spring 2009 soccer season.

35. On certain days during the spring 2009 season, WISL had problems gaining access to Dunbar High School's field. The field would be locked at the times when WISL soccer teams had reserved the field. WISL would call Defendant Washington and he would arrange for someone to unlock the field, but the locked field caused delays in the starting times of the soccer matches. Because of the reliability issues with obtaining access to Dunbar High School's field, WISL only rented Dunbar High School's athletic field for one day during the fall 2009 soccer season. On September 28, 2009, WISL paid \$1,000.00 to Defendant Sportsleagues for the rental of Dunbar High School's field on Saturday, October 31, 2009. WISL paid a total of \$12,200.00 to Defendants for the rental of DCPS' athletic fields for the 2009 spring and fall soccer seasons.

36. WISL did not rent DCPS' soccer fields during the 2010 spring soccer season.

37. In 2010, Defendant Washington contacted Relator Terrill and asked Terrill if WISL would like to rent the athletic field at McKinley Technology High School (McKinley Tech), a DCPS high school, for soccer games for the 2010 fall soccer season. Defendant Washington told Relator

Terrill that McKinley Tech's principal gave him permission to rent McKinley Tech's athletic field to third parties. Relator Terrill agreed to rent McKinley Tech's athletic field for soccer matches held during the 2010 fall and 2011 spring soccer seasons.

38. On August 9, 2010, at Defendant Washington's direction, WISL paid \$7,875.00 to Defendant Sportleagues for the rental of McKinley Tech's athletic field for three Saturdays in September 2010 and four Saturdays in October 2010. In addition, on November 5, 2010, WISL paid \$800.00 to Defendant Washington for the rental of Dunbar High School's or McKinley Tech's field for one day, Sunday, November 14, 2010. WISL paid a total of \$8,675.00 to Defendants for the rental of DCPS' athletic fields for the 2010 fall soccer season.

39. During the time that WISL rented DCPS' athletic fields from Defendants, Defendant Washington told Terrill that he had special relationships with individuals at certain DCPS schools that enabled him to have access to rent the schools' playing fields. Defendant Washington also implied that his relationships with DCPS' athletic directors or school principals allowed him to obtain special rates for WISL's rental of DCPS' fields when, in fact, Defendant Washington typically charged WISL slightly higher hourly fees for renting DCPS' fields than the \$95.00/hour fee that the DGS Realty Office charged for the use of DCPS' fields.

40. In 2010, Defendant Washington told Relator Terrill that it was necessary for WISL to make deposit or reservation payments for the rental of DCPS' athletic fields during the 2011 spring soccer season. Defendant Washington told Terrill that paying in advance would ensure that the fields were available for WISL on requested dates in spring 2011. WISL and Terrill continued to make deposit or reservation payments to Defendants for the rental of DCPS' athletic fields, believing that these deposit payments ensured WISL's rental of DCPS' athletic fields for requested dates.

41. Defendant Washington required that WISL's deposit payments be made several months in advance of when the fields were actually requested for use. The DGS Realty Office, however, accepts reservations and payment for rentals of DCPS' facilities and buildings twenty days in advance of the requested dates of use. Defendant Washington's misrepresentations to Terrill allowed Defendant Washington to obtain interest-free loans from WISL.

42. Following Defendant Washington's request for a deposit payment, on October 6, 2010, WISL paid \$2,500.00 to Defendant Washington as a deposit for the rental of McKinley Tech's athletic field for the 2011 spring soccer season. The memo line on WISL's check to Defendant Washington stated that the payment was for "Deposit on rental of McKinley Tech – spring 2011." WISL's payment to Defendant Washington for the purported reservation of McKinley Tech's athletic field was made

approximately six months before the 2011 spring soccer season began on March 26, 2011.

43. On February 14, 2011, WISL made a second or final payment of \$3,950.00 to Defendant Sportsleagues for the rental of McKinley Tech's field for ten Saturdays beginning on March 26, 2011, and ending on June 4, 2011 – the 2011 spring soccer season. WISL paid a total of \$6,450.00 to Defendants for the rental of DCPS' athletic fields for the 2011 spring soccer season.

44. On April 27, 2011, WISL paid \$5,000.00 to Defendant Sportsleagues as a deposit for the rental of Coolidge High School's soccer field for August and September 2011, four months before the 2011 fall season started. Because WISL needed additional playing fields to accommodate the league's soccer teams, on June 10, 2011, WISL paid an additional \$3,000.00 to Defendant Sportsleagues as a deposit for the rental of McKinley Tech's athletic field for soccer matches for August 2011 through October 2011. On August 9, 2011, WISL made a second or final payment of \$22,150.00 to Defendant Sportsleagues for the rental of Coolidge High School's, McKinley Tech's, and Ballou Senior High School's (Ballou High School) fields for the fall 2011 soccer season. In addition, WISL paid \$800.00 to Defendant Washington Sports Leagues for the rental of the athletic field at Ballou High School, a DCPS high school, for one day, Saturday, November 12, 2011. In total, WISL paid \$30,950.00 to Defendants for the rental of DCPS' playing fields for the fall 2011 soccer season.

45. In fall 2011, Defendant Washington told Relator Terrill that he could rent Ballou High School's athletic field to WISL for the 2012 spring soccer season. Accordingly, on September 18, 2011 and December 23, 2011, WISL paid a total of \$9,000.00 to Defendant Washington as a deposit for the rental of Ballou High School's field for the 2012 spring soccer season. On February 23, 2012, WISL made a final payment of \$1,500.00 to Defendant Washington Sports Leagues for the rental of Ballou High School's field. The memo line on WISL's February 23, 2012 check stated that the payment was the "Final payment spring 2012 – Rental Ballou High School (DCPS) Mar – June 2012 per Washington Email 2/22/12." WISL paid a total of \$10,500.00 to Defendants for the rental of DCPS' athletic fields for the spring 2012 soccer season.

46. On April 25, 2012, WISL paid \$5,000.00 to Defendant Washington Sportsleagues as a deposit for the rental of Ballou High School's athletic field for the 2012 fall season. The memo line of WISL's April 25, 2012 check stated that the payment was for "50 hours total toward Sat Aug 25, Sept 8, 15, 22, 29, Oct 6, 13, 20, 27, Nov 3, 2012 – for 10 hrs each day – Ballou H.S., Wash. D.C." From June 2012 through August 2012, WISL made additional payments on WISL's credit card to Defendant Sportsleagues for the rental of Ballou High School's athletic field for WISL soccer games. WISL paid a total of \$19,900.00 to Defendants for the rental of DCPS' athletic fields for the 2012 fall soccer season.

IV. WISL Payments to Defendants for the 2013 Soccer Seasons

47. In 2012, Defendant Washington informed Relator Terrill that he had obtained a contract with Eastern Senior High School (Eastern High School), a DCPS high school, to rent its athletic field for the 2013 spring and fall soccer seasons. Relator WISL agreed to rent Eastern High School's field, and WISL paid a total of \$18,950.00 to Defendants for the rental of DCPS' athletic fields for the 2013 spring soccer season.

48. In April 2013, Defendant Washington told Relator Terrill that officials at Eastern High School were happy with their partnership with WISL and wanted to continue renting the school's athletic field to WISL for the 2013 fall soccer season. Defendant Washington also told Terrill that Eastern High School needed money to buy school uniforms. According to Defendant Washington, if WISL made a payment of \$6,500.00 by April 17, in return Eastern High School's officials would guarantee that WISL could rent the school's field for the 2013 fall soccer season for a guaranteed rate of \$100/hour.

49. On April 12, 2013, Defendant Washington sent Relator Terrill an email that stated in part:

Eastern [High School] want[s] to b[uy] new Gym uniforms for the school and the Bill is around \$8,000. [Eastern High School officials] told me 2 weeks ago if I can pay this bill by next [W]ednesday April 17th I'll get the field time in the fall. Also keep the rate at \$100 a[n] Hour. I got \$1500 so if you can pay \$6500 you [will] have 65 Hours this Fall at Eastern. Pay \$8000 [and you will] have 80 Hours . . . [w]e need to secure this time before others get it.

Defendant Washington also stated that another soccer league wanted to rent Eastern High School's field and implied that if WISL did not make the payment by April 17, the other team would rent the field.

50. On April 18, 2013, Relator Terrill responded, by email, to Defendant Washington's request. Terrill told Defendant Washington that on April 17, 2013, WISL had deposited \$6,700.00 to Defendant Washington Sports Leagues' bank account as follows: (i) \$6,500.00 to reserve Eastern High School's field for the fall 2013 soccer season, and (ii) \$200.00 to re-pay Defendants for an additional field rental during the 2013 spring soccer season. On WISL's \$6,700.00 check to Washington Sports Leagues, Terrill wrote on the memo line of the check that the check was for "Fall Soccer Play at \$100/hr – Eastern High School, D.C."

51. On June 11, 2013, WSIL paid \$3,000.00 to Defendant Washington Sports Leagues as an additional deposit payment for the rental of Eastern High School's soccer field for fall 2013. On August 2, 2013, WISL paid \$7,700.00 to Defendant Washington Sports Leagues as the final payment for the rental of Eastern High School's field for the 2013 fall season.

52. In addition to WISL's deposit payments to reserve Eastern High School's athletic field for the 2013 fall soccer season, WISL paid an additional deposit for the rental of Spingarn High School's athletic field for the 2013 fall season.

53. On April 30, 2013, Defendant Washington sent an email to Relator Terrill. In the email, Defendant Washington stated that he had a contact at Spingarn High School, a DCPS high school, who would rent Spingarn High School's athletic field for the 2013 fall soccer season to Defendant Washington if Washington paid \$6,000.00 "to secure it." Defendant Washington further stated that his Spingarn High School contact had given him a week to "come up with the money." Because WISL needed additional fields to accommodate all the league's soccer games, on May 7, 2013, WISL paid \$3,000.00 to Defendant Washington Sports Leagues for the rental of the Spingarn High School's field. The memo line on WISL's check stated that the check was for "Deposit for Spingarn – Fall 201[3] Soccer Field Usage."

54. WISL paid a total of \$20,200.00 to Defendants for the rental of DCPS' athletic fields for the 2013 fall soccer season.

55. In August or September 2013, an Eastern High School custodian discovered that a soccer league was using Eastern High School's athletic field. The soccer players told the custodian that they had permission to use the field pursuant to an agreement with Defendant Washington and gave Defendant Washington's telephone number to the custodian. The custodian informed Eastern High School's principal that a soccer league was using the school's athletic field without permission.

56. Defendant Washington did not have a contract to rent or use Eastern High School's athletic field. Defendant Washington did not have a Use Agreement with the DGS Realty Office for the use of Eastern High School's field.

57. In fact, another entity had applied for and been approved by Eastern High School's principal and the DGS Realty Office to use Eastern High School's athletic field on every Saturday from 1:00 p.m. until 4:00 p.m. during fall 2013.

58. Eastern High School's principal called Defendant Washington regarding the improper use of the school's field. Defendant Washington told the school's principal that he had directed the soccer league to use a soccer field at Blair High School and apologized to the principal for the misunderstanding. Blair High School is not a DCPS high school.

59. On September 5, 2013, Defendant Washington informed Relator Terrill that WISL could not use Eastern High School's athletic field for WISL's pre-paid and scheduled soccer matches during the 2013 fall soccer season. Defendant Washington told Terrill that he was trying to obtain another athletic field for WISL's soccer matches and offered Coolidge High School's field as a substitute field. Defendant Washington further advised Relator Terrill that another user was scheduled to use Eastern High School's athletic field on every Saturday from 1:00 p.m. and 4:00 p.m. during fall

2013. Defendant Washington stated that “[s]omehow the Building use agreement got lost or wasn’t put in”

60. On September 5, 2013, on behalf of WISL, Relator Terrill sent an email to Defendant Washington and requested a refund for the pre-paid and scheduled soccer matches at Eastern High School. In response, Defendant Washington stated that he would find WISL an alternative playing field, but stated “[a]s for [a] refund [let’s] work it out” On September 23, 2013, on behalf of WISL, Relator Terrill sent a second email to Defendant Washington and requested a refund of the entire fee paid to Defendants for the 2013 fall soccer season. Defendant Terrill also requested that Defendant Washington produce copies of valid use permits for Eastern High School’s and Springarn High School’s athletic fields. Defendant Washington did not pay WISL a refund and did not provide Terrill with valid use permits.

61. In November 2013, Relator Terrill contacted Eastern High School’s business manager to explain that WISL had paid for the rental of the school’s athletic field for fall 2013. Eastern High School’s business manager informed Relator Terrill that there was no record of WISL or Defendant Washington applying for the use of Eastern High School’s athletic field and that the principal of Eastern High School would not permit WISL to use the school’s athletic field.

62. At all times relevant to the actions described in this Complaint, Defendants Larry Washington, Washington Sports Leagues, and Sportsleagues never submitted applications for the use of DCPS' athletic fields to the DGS Realty Office and never entered into Use Agreements with the DGS Realty Office to rent DCPS' athletic fields.

63. Defendants never paid fees to DCPS or DGS for the use of DCPS' athletic fields or turned over fees paid to them by WISL to DCPS or DGS. Defendants were never employed as brokers or intermediaries by DCPS or DGS to rent DCPS' athletic fields.

Count I
False Claims Act
Knowingly Makes a False Record or Statement to Conceal,
Avoid, or Decrease an Obligation to Pay the District
(D.C. Code § 2-381.02(a)(7) (2011 Supp.))

64. Paragraphs 1 through 63 are realleged as if fully set forth herein.

65. From 2010 continuing through March 2013, Defendant Washington both individually and through Washington Sports Leagues and Sportsleagues knowingly made, used, and caused to be made or used false records or statements to conceal, avoid, or decrease obligations to pay or transmit money to the District in violation of the District's False Claims Act. Specifically, Defendants collected rental fees from WISL for the use of DCPS' athletic fields and failed to pay the fees to the District, directly resulting in financial loss to the District.

Count II
False Claims Act
Knowingly Making a False Record or Statement
Material to Avoid an Obligation to Pay the District
(D.C. Code § 2-381.02(a)(2)(2013))

66. Paragraphs 1 through 65 are realleged as if fully set forth herein.

67. From March 2013 continuing through fall 2013, Defendant Washington both individually and through Washington Sports Leagues and Sportsleagues knowingly made, used, and caused to be made or used, false records or statements to conceal, avoid, or decrease material obligations to pay or transmit money to the District. Specifically, Defendants knowingly misrepresented to WISL and Terrill that they were acting as brokers or intermediaries for DCPS, causing WISL to pay fees to Defendants for the use of DCPS' athletic fields. Defendants failed to pay the fees to the District, directly resulting in a financial loss to the District, in violation of D.C. Code § 2-381.02(a)(6).

68. In addition, Defendants knowingly concealed and knowingly and improperly avoided or decreased obligations to pay or transmit money to the District by collecting fees from WISL for the use of DCPS' athletic fields and failing to the fees to the District. Defendants knew that they had an obligation to pay the fees to the District; however, they failed to pay the District or notify the District that they were improperly collecting fees for the use of DCPS' athletic fields in violation of D.C. Code § 2-381.02(a)(6).

Count III
Common Law – Fraud

69. Paragraphs 1 through 68 are realleged as if fully set forth herein.

70. From 2009 and continuing through fall 2013, Defendant Washington both individually and through Washington Sports Leagues and Sportsleagues made misrepresentations to WISL and Terrill regarding the use of DCPS' athletic fields and the payment of fees for such use to Defendants. Defendants made these representations knowing of their falsity. Defendants' misrepresentations were the direct and proximate causes of the District's injuries as they led Relators to make payments that they would not have made otherwise. Relators relied upon Defendants' misrepresentations in paying Defendants' claims for payment.

71. As a result of Defendants' misrepresentations, from 2009 continuing through fall 2013, the District was damaged in that it did not receive rental fees for the use of DCPS' athletic fields. By virtue of their actions, Defendants are liable to the District for damages.

Count IV
Unjust Enrichment

72. Paragraphs 1 through 71 are realleged as if fully set forth herein.

73. This is a claim for the recovery of monies by which Defendants have been unjustly enriched.

74. By retaining fees that Defendants improperly collected for the rental of DCPS' athletic fields from 2009 and continuing through fall 2013, and by avoiding their obligation to pay the fees to the District, Defendants were unjustly enriched to the detriment of the District.

Prayer for Relief

WHEREFORE, the District respectfully requests that judgment be entered in its favor and against Defendants on its claims, and impose damages and penalties as follows:

(1) On Count I against all Defendants, awarding the District treble statutory damages in an amount to be determined at trial and civil penalties of not less than \$5,000.00 and not more than \$10,000.00, payable to the District, for each violation of the District's False Claims Act;

(2) On Count II against all Defendants, awarding the District treble statutory damages in an amount to be determined at trial and civil penalties of not less than \$5,500.00 and not more than \$11,000.00, payable to the District, for each violation of the District's False Claims Act;

(3) On Count III against all Defendants, awarding the District actual damages in an amount to be determined at trial;

(4) On Count IV against all Defendants, awarding the District actual damages in an amount to be determined at trial;

(5) Awarding the District interest, costs, and other recoverable expenses permitted by law; and

(6) Awarding the District such further and additional relief as the Court may deem just and proper.

Jury Demand

The District of Columbia demands a trial by jury with respect to all issues.

Respectfully Submitted,

KARL A. RACINE
Attorney General for the District of
Columbia

ROBYN R. BENDER
Deputy Attorney General
Public Advocacy Division

/s/ Catherine A. Jackson
CATHERINE A. JACKSON
Bar No. 1005415
Section Chief, Public Integrity Section

/s/ Jane Drummey
JANE DRUMMEY
Bar No. 441172
Assistant Attorney General
Office of the Attorney General
441 4th Street, N.W., Suite 630S
Washington, D.C.
(202) 727-2658; jane.drummey@dc.gov

Attorneys for the District of Columbia

Date: March 13, 2019

Certificate of Service

I hereby certify that on March 13, 2019, a true and correct copy of the foregoing District of Columbia's Complaint in Intervention for Treble Damages Under the District's False Claims Act and for Other Relief was served via email and first-class mail, postage pre-paid, to:

Jesse Winograd
Gowen Rhoades Winograd & Silva PLLC
513 Capitol Court, N.E., Suite 100
Washington, D.C. 20005

Attorney for *Qui Tam* Plaintiff

Because this action is under seal pursuant to D.C. Code § 2-381.03(b)(2), Defendants have not been served with copies of this motion.

/s/ Jane Drummey
Jane Drummey
Assistant Attorney General