

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Attorney General**



In re: Commercial Real Estate Consulting  
Group, LLC

**SETTLEMENT AGREEMENT**

The Attorney General for the District of Columbia, on behalf of the District of Columbia (“the District”), and Respondent Commercial Real Estate Consulting Group, LLC (“Respondent”) (together, the “Parties”), hereby enter into this Settlement Agreement, and agree as follows:

**I. THE PARTIES**

1. The Attorney General for the District of Columbia is the chief legal officer 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. The Attorney General is also charged with enforcing violations of the District of Columbia Wage Payment & Collection Law (“WPCL”), D.C. Code § 32-1301, *et seq.*, Minimum Wage Revision Act (“MWRA”), D.C. Code § 32-1001, *et seq.*, and the Sick & Safe Leave Act (“SSLA), D.C. Code § 32-531.01, *et seq.*

2. Respondent is a company that provides commercial cleaning services and transacts business in the District. Respondent maintains its headquarters at 18772 Ridgeback Court, Leesburg, VA 20176.

3. Respondent’s provision of cleaning services in the District was pursuant to a

subcontracting agreement between itself and Professional Maintenance Enterprises Corporation (“PMC”). PMC maintains its headquarters at 405 Glenn Drive, Suite #9 Sterling Virginia 20164.

## **II. FACTS & RECITALS**

4. In February 2023, the District commenced an investigation of Respondent regarding allegations that Respondent violated the WPCL, MWRA, and SSLA by misclassifying cleaning workers employed to provide cleaning services at commercial worksites located near 760 Maine Avenue SW, Washington, D.C. 20024. The District’s inquiry covered the time period from January 1, 2022 through the present, and investigated whether Respondent (1) failed to provide separated employees with timely final paychecks in compliance with the WPCL, (2) failed to pay employees overtime rates for hours worked in excess of 40 hours per week in compliance with the MWRA, and (3) failed to provide paid sick leave in compliance with the SSLA. The issues investigated by the District are hereinafter referred to as the “Covered Conduct.”

5. Respondent’s agreement to enter into this Settlement Agreement does not constitute, and shall not be construed as, an admission of liability.

## **III. DEFINITIONS**

6. “Effective Date” shall be the last date upon which any party executes the Settlement Agreement.

7. “Eligible Employee” means employees who are entitled to receive distributions pursuant to this Settlement Agreement, as identified in Appendix A.

## **IV. PAYMENT TERMS**

8. **Payments to Eligible Employees.** Respondent shall make a payment of \$93,109.24 to Eligible Employees (the “Worker Share”), less any federal, state, or local withholding taxes. Gross amounts owed to Eligible Employees are itemized in Appendix A.

- a. *Distribution of Notice and Release of Claims Form.* Within 14 days after the Effective Date, Respondent shall distribute to all Eligible Employees a Notice and Release of Claims Form (the “Notice/Release Form”) attached as Appendix B. For Eligible Employees who are currently employed by Respondent or PMC, Respondent may personally deliver the Notice/Release Form. For all other individuals, Respondent shall make at least two (2) attempts to contact them by phone, text, or email and provide them with the Notice/Release Form. The Notice/Release Form provides Eligible Employees with a summary of this settlement and provides Eligible Employees an opportunity to opt in or opt out to receiving a payment under this Settlement Agreement in exchange for agreeing to release Respondent from claims the Eligible Employee may have arising out of the WPCL, MWRA, and SSLA. Eligible Employees shall have 14 days from the date of receiving the Notice/Release Form to opt in or out of receiving a payment under this Settlement Agreement. The last day upon which an Eligible Employee is permitted to submit the Notice/Release Form is hereinafter referred to as the “Claims Deadline.”
  - b. *Distribution of payments.* Within 30 days after the Claims Deadline, Respondent will distribute payments by check or direct deposit to each Eligible Employee who has executed a Notice/Release Form.
  - c. *Records and Reporting.* Respondent shall maintain a “Claims Ledger” that documents (a) Eligible Employee contact information and contact attempts made by Respondent, (b) whether Eligible Employees have opted in or opted out to receive payments, and (c) payments made to and cashed by Eligible Employees. Within 60 days after the Claims Deadline, Respondent will produce the Claims Ledger to the District and copies of executed Notice/Release Forms.
  - d. *Eligible Employees Who Opt-Out of the Notice/Release Form.* For all Eligible Employees who affirmatively opt out of receiving payments, Respondent’s obligation to pay the Worker Share shall be reduced by the Eligible Employee’s amount due as set out in Appendix A (such amounts shall also not be considered “Undistributed Funds” as defined in Paragraph 7(e)). The Respondent shall provide the District with records documenting Eligible Employees’ decision to opt out of receiving payments within 60 days of the Claims Deadline.
  - e. *Undistributed Funds.* The term “Undistributed Funds” refers to any amounts either (i) due to Eligible Employees who do not opt in or out to receiving a payment or (ii) are not cashed by an Eligible Employee within 180 days of the date of payment. Respondent shall notify the District of the amount of Undistributed Funds by December 15, 2023. Respondent shall then make a payment to the District in the amount of the Undistributed Funds by December 31, 2023. OAG will deposit the Undistributed Funds into the Attorney General Restitution Fund and treat such funds consistent with the process set out in D.C. Code § 1–301.86c, *et seq.*
9. **Payments to the District.** Respondent shall pay a civil penalty of \$21,000 to the

District within 30 days of the Effective Date. Payments shall be made out to “D.C. Treasurer” and mailed to D.C. Office of the Attorney General, Attn: Conny Tello, Staff Assistant, 400 6th Street NW, 10<sup>th</sup> Floor, Washington, D.C. 20001.

**V. INJUNCTIVE TERMS**

10. **WPCL, MWRA, and SSLA Compliance.** Respondent shall maintain policies and practices sufficient to ensure prospective compliance with the WPCL regarding timely final paycheck practices; compliance with the MWRA regarding overtime pay practices; and compliance with the SSLA regarding paid sick leave accrual practices. Respondent shall provide the District with copies of such policies within 30 days of the Effective Date.

11. **Reporting.** Respondent shall provide a payroll report to the District to verify prospective compliance with the WPCL, MWRA, and SSLA for one (1) month in the calendar year 2023. The District shall specify the month requested by January 31, 2024 and Respondent will produce the monthly payroll report to the District by February 28, 2024.

**VI. RELEASE**

12. The Parties have agreed to the terms of this Settlement Agreement to resolve the District’s allegations against Respondent concerning the Covered Conduct. In exchange for the performance of the Respondent’s obligations under this Settlement Agreement, the District hereby releases Respondent, and other persons or other entities that could be held liable for the Covered Conduct (including managers or owners of Respondents and PMC), from any and all civil claims that the Attorney General could have asserted under the WPCL, MWRA, and SSLA for actions arising out of the Covered Conduct.

**VII. RECLASSIFICATION OF WORKERS**

13. The District understands that in order to facilitate the reclassification of the workers

covered by this Settlement Agreement as employees, Respondent intends to end its direct relationship with the workers, and have them hired as direct employees of PMC. As it is consistent with the spirit of this Settlement Agreement, the District does not consider the transition of the workers to PMC as inappropriate or retaliatory in any way.

14. In hiring the workers, PMC is permitted to comply with all applicable federal regulations, including confirmation that workers are eligible for employment under federal immigration laws. The District shall consider any non-hire by PMC due to compliance with said regulations to be legitimate and non-retaliatory.

### **VIII. ADDITIONAL TERMS**

15. This Settlement Agreement shall be considered effective and fully executed on the Effective Date. This Settlement Agreement may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature. Copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.

16. Respondent shall not knowingly permit third parties authorized by the Respondent to act on its behalf to engage in practices that would be violative of this Settlement Agreement.

17. This Settlement Agreement represents the full and complete terms of the settlement entered by the Parties. In any action undertaken by the Parties, neither prior versions of this Settlement Agreement nor prior versions of any of its terms may be introduced for any purpose whatsoever.

18. All notices sent pursuant to this Settlement Agreement shall be provided to the following address via first class and electronic mail, unless a different address is specified in writing by the party changing such address:

Graham Lake  
Chief, Workers' Rights and Antifraud Section  
Office of the Attorney General  
400 6th St., NW, 10<sup>th</sup> Floor  
Washington, D.C. 20001  
Graham.Lake@dc.gov

*Counsel for the District of Columbia*

Micah Ticatch  
IslerDare, P.C.  
1945 Old Gallows Rd., Ste 650  
Vienna, Va. 22182  
mticatch@islerdare.com

*Counsel for Respondent*

19. Any failure by any party to this Settlement Agreement to insist upon the strict performance by any other party of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions of this Settlement Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Settlement Agreement.

20. If any clause, provision, or section of this Settlement Agreement shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision, or section of this Settlement Agreement and this Settlement Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section, or other provision had not been contained herein.

21. Respondent shall provide a copy of this Settlement Agreement to each of its current and future principals, officers, directors, and managers having decision-making authority with respect to the subject matter of this Settlement Agreement.

22. Except as permitted by Section VII of this Settlement Agreement, Respondent shall not form a separate entity or corporation for the purpose of engaging in acts or practices in whole

or in part that are prohibited in this Settlement Agreement.

**For the District of Columbia:**

BRIAN L. SCHWALB  
Attorney General for the District of Columbia

James Graham Lake  
Graham Lake  
Chief, Workers' Rights and Antifraud Section  
Office of the Attorney General  
400 6th St., NW, 10<sup>th</sup> Floor  
Washington, D.C. 20001

Date: 7/6/23

*Counsel for the District of Columbia*

**For Respondent Commercial Real Estate Consulting Group, LLC:**

Signed: Chris George

Date: 07/06/2023

Name: Christopher George

Title: Owner