

**IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

DISTRICT OF COLUMBIA,
a municipal corporation
400 6th Street NW
Washington, DC 20001,

Plaintiff,

v.

SEQUOIA ROW CONSULTING, LLC,
1717 Pennsylvania Avenue NW, Suite 1025
Washington, DC 20006;

and

PAUL LAWRENCE,
809 Old Mountain Rd NW
Marietta, GA 30064,

Defendants.

Case No.:

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff the District of Columbia (the “District”) brings this action against Defendants Sequoia Row Consulting, LLC (“Sequoia Row”) and Paul Lawrence (collectively, “Defendants”) for violations of the District’s False Claims Act (“FCA”), D.C. Code §§ 2–381.01, *et seq.*; Minimum Wage Revision Act (“MWRA”), D.C. Code §§ 32–1001, *et seq.*; Sick and Safe Leave Act (“SSLA”), D.C. Code §§ 32–531.01, *et seq.*; Wage Payment and Collection Law (“WPCL”), D.C. Code §§ 32–1301, *et seq.*; Workers’ Compensation Act (“WCA”), D.C. Code §§ 32–1501, *et seq.*; Universal Paid Leave Act (“UPLA”), D.C. Code §§ 32–541.01, *et seq.*; and Unemployment Compensation Act (“UCA”), D.C. Code §§ 51–101, *et seq.* In support of its claims, the District states as follows:

INTRODUCTION

1. Defendants Sequoia Row and Paul Lawrence have repeatedly committed fraud against the District and wage theft against their workers.

2. Defendant Lawrence—a Georgia resident—and Sequoia Row have secured millions of dollars in District contracts by fraudulently certifying that Sequoia Row qualifies as a Certified Business Enterprise (“CBE”) under a District program that provides preferential treatment for government contracts to local, small, and disadvantaged businesses located in the District.

3. Sequoia Row has fraudulently maintained and re-certified its CBE status, falsely representing to the District that it meets multiple CBE eligibility requirements, including having a principal office located in the District and majority ownership by District residents.

4. With these false CBE certifications, Defendants have induced the District to award Sequoia Row at least 32 government contracts that were “set aside” for CBEs, meaning only CBE-certified companies were eligible to bid on and receive them.

5. Under these contracts, Defendants have submitted or caused to be submitted to the District government more than 200 invoices seeking payments.

6. Based on Defendants’ false CBE certifications, the District government has paid Defendants more than \$13 million on these invoices.

7. Because of their fraud, Defendants have taken procurement opportunities away from true CBEs, fundamentally undermining the goals of the CBE program.

8. In addition to fraudulently obtaining lucrative District contracts, Defendants have exploited their own janitorial workers, who have fulfilled a significant portion of those contracts, by misclassifying them as independent contractors. Only after a United States Department of Labor

(“DOL”) investigation did Defendants agree, in July 2024, to properly classify their janitorial workers as employees.

9. Through their misclassification scheme, Defendants have deprived their janitorial workers of District and federal wage-and-hour legal protections—including overtime pay, paid sick leave, prevailing wage rates, and fringe benefits—and thus lined their own pockets at the expense of these workers.

10. Defendants’ worker misclassification scheme has also harmed the public by enabling Defendants to evade their duty to pay payroll taxes that fund government programs, including workers’ compensation, paid family leave, and unemployment insurance, and by giving Defendants an illegal advantage over competitors who properly classify their employees.

11. The District brings this enforcement action to put an end to Defendants’ fraud; to recover all unpaid wages, paid sick leave, and damages to which Defendants’ janitorial workers are entitled; to compel Defendants to fulfill their financial obligations to the District’s public programs; and to recoup damages and civil penalties for Defendants’ unlawful conduct.

PARTIES

12. Plaintiff District of Columbia is a municipal corporation empowered to sue and be sued and 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 expressly authorized to enforce the District’s False Claims Act, Wage Payment Collection Act,

Minimum Wage Revision Act, and Sick and Safe Leave Act under D.C. Code § 2-381.03(a) and D.C. Code § 32-1306(a)(2).

13. Defendant Sequoia Row Consulting, LLC is a limited liability company incorporated in the District of Columbia that provides janitorial and construction services and employs janitorial workers who perform work in the District of Columbia.

14. Defendant Paul Lawrence is the co-founder and Chief Executive Officer of Sequoia Row Consulting, LLC, a resident of Marietta, Georgia, and an employer of all Sequoia Row employees. During all relevant times, Defendant Lawrence has formulated, directed, controlled, had the authority to control, participated in, or knowingly approved of the acts or practices of Sequoia Row, including the conduct set forth in this Complaint.

JURISDICTION

15. The Court has jurisdiction over the subject matter of this case pursuant to D.C. Code § 11-921, D.C. Code § 2-381.03(a), and D.C. Code § 32-1306(a)(2).

16. This Court has personal jurisdiction over Sequoia Row Consulting, LLC, pursuant to D.C. Code § 13-423(a).

17. This Court has personal jurisdiction over Paul Lawrence pursuant to D.C. Code § 13-423(a).

FACTUAL ALLEGATIONS

I. Certified Business Enterprises.

18. The District's Department of Small and Local Business Development ("DSLBD") operates a certification program designed to provide local, small, and disadvantaged business enterprises with preferential treatment in contracting and procurement opportunities with the District government. District businesses that are certified to receive this preferential treatment are known as Certified Business Enterprises, or CBEs.

19. The goals of the CBE program include stimulating and expanding the District's tax base, increasing employment opportunities for District residents, and supporting local business owners, their employees, and the communities they serve.

20. There are several categories of CBEs, including Local Business Enterprises, Resident-Owned Businesses, and Small Business Enterprises, each of which are assigned contracting and procurement preferences.

21. A Local Business Enterprise is a business enterprise that, among other requirements, has its principal office located physically in the District. In addition, the chief executive officer and highest-level managerial employees of the business must perform their managerial functions in that principal office.

22. A "principal office" means a business's corporate headquarters, where the central operational, financial, and recordkeeping functions of the business occur. The headquarters must be a dedicated suite, office, or desk that the business owns or leases for a minimum of 12 months, and it must have sufficient size and functionality to enable the chief executive officer and highest-level managerial employees to perform their managerial functions.

23. A Resident-Owned Business is a Local Business Enterprise that is owned by an individual who is, or a majority of individuals who are, subject to personal income tax solely in the District. In other words, the owner, or a majority of the owners, of a Resident-Owned Business must reside in the District.

24. A Small Business Enterprise, among other requirements, must be certified as a Local Business Enterprise. Other requirements for a Small Business Enterprise include that the business is independently owned and operated and either meets the definition of a small business

concern under the Small Business Act, 15 U.S.C. § 631 *et seq.*, or has average annualized gross receipts that do not exceed certain limits.

25. In awarding government contracts, District agencies are required to set aside contracts of \$250,000 or less for a qualified Small Business Enterprise or, in the absence of a qualified Small Business Enterprise, any qualified CBE.

26. In evaluating submissions under certain procurement processes, including Requests for Proposals and Invitations for Bids, District agencies are also required to award numerical preference points to CBEs. For example, a Local Business Enterprise is entitled to two preference points, a Small Business Enterprise to three preference points, and a Resident-Owned Business to five preference points. Under certain special procurement processes, including those for emergency contracts or small purchase agreements, District agencies generally do not award preference points in the evaluation process.

27. When a District agency issues a Request for Proposals, a solicitation method that requires offerors to submit written technical and cost proposals, proposals are evaluated and awarded on a numerical point scale that includes points for the technical proposal, points for the cost proposal, and preference points. Accordingly, preference points increase the total number of points a business receives in the evaluation process.

28. When a District agency issues an Invitation for Bids, which does not require written proposals, bids are evaluated based on the bid price alone, and the contract is awarded to the responsive and responsible bidder with the lowest price. In this scenario, preference points correspond to a percentage reduction in the effective price of the CBE's bid. For example, the two preference points awarded to a Local Business Enterprise are, for the purpose of evaluating its bid,

the functional equivalent of a two percent reduction in its bid price. In other words, a \$100,000 bid from a certified Local Business Enterprise would be evaluated instead as a \$98,000 bid.

29. A CBE may receive preference points for more than one certification—for example, certification as both a Local Business Enterprise and a Small Business Enterprise—so long as its total number of preference points does not exceed 12.

II. Sequoia Row's Initial CBE Certification.

30. Defendant Sequoia Row is a limited liability company solely owned by Defendant Lawrence and his wife, Nakia Lawrence. Sequoia Row was incorporated and registered in the District in 2016.

31. Sequoia Row's initial operating agreement indicated that both Defendant Lawrence, as chief executive officer, and Nakia Lawrence were responsible for the management of the company.

32. In 2016, Defendants Lawrence and Sequoia Row submitted an initial CBE application to DSLBD for certification as a Local Business Enterprise and Small Business Enterprise, listing the company's address as 1155 F Street NW, Washington, DC 20004.

33. In November 2016, Defendant Lawrence, on behalf of Sequoia Row, entered into a one-year lease agreement for a property at 1512 Good Hope Road SE, Washington, DC 20020.

34. The following month, DSLBD conducted a site visit of Sequoia Row's office space as part of the CBE certification process. A DSLBD analyst first attempted to visit 1155 F Street NW, the address listed on Sequoia Row's application, at which time Defendant Lawrence informed DSLBD by phone that the business had moved to an office in Southeast Washington. A week later, the analyst visited the office at 1512 Good Hope Road SE for a rescheduled site visit.

35. In its report documenting the 2016 site visit to 1512 Good Hope Road SE, DSLBD noted that Defendant Lawrence communicated that he had, in addition to the 1512 Good Hope Road SE office, a “virtual office space located at 1155 F Street NW.”

36. Following the site visit, DSLBD recommended that Sequoia Row’s CBE application be denied on several grounds, including that the 1512 Good Hope Road SE office, having only one desk and one chair, could not accommodate the company’s two co-owners and managers, Defendant Lawrence and Nakia Lawrence.

37. Defendant Lawrence subsequently provided new information to DSLBD, including an assertion that Nakia Lawrence in fact played no role in the management of Sequoia Row (although in a February 2026 interview with DSLBD, Paul Lawrence named Nakia Lawrence as a high-level managerial employee). DSLBD subsequently certified Sequoia Row as both a Local Business Enterprise and Small Business Enterprise.

38. In 2017, Defendants Lawrence and Sequoia Row applied to upgrade Sequoia Row’s CBE certification to include a Resident-Owned Business certification, listing a District address as the residential address for Defendant Lawrence and Nakia Lawrence.

III. Defendants Have Knowingly Submitted Documents with False Information to the District.

39. Between 2017 and 2025, when its certifications lapsed, Sequoia Row maintained its certification as a Local Business Enterprise, Small Business Enterprise, and Resident-Owned Business.

40. Sequoia Row has not had a principal office in the District since at least 2017, a threshold requirement for all CBE certifications.

41. Although Defendant Lawrence provided DSLBD with the address at 1512 Good Hope Road SE at the time of the initial site visit, Defendants’ official government filings continued

to indicate that the company's true address was 1155 F Street NW, Suite 1050, Washington, DC 20004. Defendants listed this F Street address on all CBE applications and recertifications filed with DSLBD between 2016 and 2019 and on all business registration forms filed with the District prior to 2020. None of these records made any reference to an office location at 1512 Good Hope Road SE.

42. However, Defendants did not own or lease 1155 F Street NW, Suite 1050, nor did that address serve as a dedicated office for Sequoia Row's management to perform their management functions. Instead, 1155 F Street NW, Suite 1050 was leased by a different company, Servcorp, which provides, among other services, a "virtual office" that allows customers to "run your business from anywhere."

43. Since 2020, Defendants Lawrence and Sequoia Row have listed the company's address as 1717 Pennsylvania Ave NW, Suite 1025, on all business registration forms filed with the District.

44. 1717 Pennsylvania Ave NW is another Servcorp location.

45. Between July 2020 and May 2021, Sequoia Row had a "virtual office" membership at Servcorp's 1717 Pennsylvania Ave NW location. This allowed Sequoia Row to use the business address of 1717 Pennsylvania Ave NW, Suite 1025, Washington, DC 20006, and provided Defendants with mail handling, notifications, and call forwarding services. Defendants did not have a dedicated office suite or assigned desks.

46. From June 2021 to the present, Sequoia Row has had a lease agreement with Servcorp that entitles the company to a private furnished office at 1717 Pennsylvania Ave NW, Washington, DC 20006.

47. However, that office contains only one desk and one chair and has capacity for only one individual to work out of it, even though Sequoia Row has three high-level managerial employees: Defendant Lawrence, Nakia Lawrence, and Senior Project Manager Edwin Ramirez, who joined the company in 2017 or 2018.

48. Defendants have at all relevant times been aware of the requirement that a principal office must have sufficient space to accommodate all high-level management. After all, DSLBD had previously recommended denial of Sequoia Row's initial CBE certifications on the ground that the company had two managers but the office on Good Hope Road SE had only one desk and one chair.

49. Nor do Defendant Lawrence, Nakia Lawrence, or Mr. Ramirez in fact perform their managerial functions out of the office at 1717 Pennsylvania Ave NW. Between December 2024 and November 2025, for example, Defendant Lawrence did not enter the building a single time. During that same year-long period, Mr. Ramirez entered the building only nine times.

50. Defendant Lawrence and Nakia Lawrence, the co-owners of Sequoia Row, have not been residents of the District—a basic and self-evident requirement for certification as a Resident-Owned Business—since at least 2018.

51. Defendant Lawrence testified under oath that he moved to Maryland in 2017 or 2018 and then to Georgia, where he and Nakia Lawrence currently reside, in 2020 or 2021.

52. Thus, since at least 2018, Sequoia Row has not been owned by a majority of individuals who are subject to personal income tax solely in the District of Columbia.

53. Nevertheless, on December 2, 2019, and again on October 21, 2022, Defendants Lawrence and Sequoia Row self-recertified the company's status as a Local Business Enterprise, Resident-Owned Business, and Small Business Enterprise with DSLBD. In order to recertify for

each of these certifications, Defendants were required to confirm, among other things, that “the CEO and the highest level managerial employees perform their managerial functions in their principal office in the District” and that “the business still meet[s] the requirements for the other categories it currently maintains.” To recertify as a Resident-Owned Business, Defendants were therefore required to confirm that a majority of Sequoia Row’s owners are subject to personal income tax solely in the District.

54. Defendants were further required to “certify, verify, attest or state under penalty of perjury . . . that the business enterprise still meets the certification requirements for each category selected to be certified.”

55. Defendants completed the CBE recertifications in 2019 and 2022 despite knowing that they did not meet basic certification requirements—namely, having a principal office located in the District, with adequate space and functionality to enable the chief executive officer and the high-level managerial employees to perform their managerial functions, and having majority ownership by District residents.

56. In October 2025, Sequoia Row’s CBE certifications lapsed. Since October 2025, Defendant Lawrence has been taking steps to try and renew Sequoia Row’s Local Business Enterprise and Small Business Enterprise certifications with DSLBD.

57. In November 2025, well after Defendants learned they were under investigation for fraud by the Office of the Attorney General, Defendant Lawrence requested that DSLBD remove Sequoia Row’s Resident-Owned Business certification.

58. In February 2026, DSLBD conducted a virtual site visit of the office at 1717 Pennsylvania Ave NW as part of Sequoia Row’s recertification process. Only Mr. Ramirez was

present at the office for the site visit. Defendant Lawrence joined the call from Georgia, where he resides.

IV. Sequoia Row Has Knowingly and Repeatedly Presented False or Fraudulent Claims for Payment to the District.

59. From at least as early as May 2018 through at least June 2025, Sequoia Row has bid on and been awarded at least 37 contracts with the District. At least 32 of these contracts have been set aside for CBEs, meaning that only CBEs were eligible to bid on and receive them.

60. Of these set aside contracts, many were emergency contracts or small purchase agreements and thus were not evaluated based on preference points. In at least five of them, however, Sequoia Row received CBE preference points in the evaluation process. In each of those procurements, Sequoia Row's CBE certifications, taken together, provided 10 preference points, which made their offers more competitive.

61. As an example of the contracts Sequoia Row has won as a direct result of its CBE certifications, on March 20, 2020, Defendant Lawrence, on behalf of Sequoia Row, executed a \$400,000 set-aside contract with the District's Department of General Services ("DGS") for cleaning services related to the COVID-19 pandemic.

62. As another example, on July 20, 2022, Defendant Lawrence, on behalf of Sequoia Row, executed a "Basic Ordering Agreement" with DGS, which entitled Sequoia Row to be included on DGS's list of pre-qualified contractors for facility maintenance and repair work in the District. The agreement was both a set-aside contract and one that awarded preference points in the bidding process. Defendant Lawrence, on behalf of Sequoia Row, subsequently executed at least 19 task orders for specific authorized work under this contract, collectively worth nearly \$5 million.

63. As a final example, on June 23, 2025, Defendant Lawrence, on behalf of Sequoia Row, executed a contract with DGS that was worth up to \$995,000 for general contractor maintenance and repair services. This contract was both a set-aside contract and one that awarded preference points in the bidding process.

64. Sequoia Row has submitted more than 200 invoices to the District for payment under its contracts.

65. Between May 2018 and March 2026, the District paid Defendants more than \$16 million on these invoices, at least \$13 million of which has been pursuant to contracts that were set-aside for CBEs.

V. Sequoia Row Misclassified its Janitorial Workers as Independent Contractors Prior to July 2024.

66. Out of the at least 37 contracts Sequoia Row has secured with the District since 2020, at least 15 of those contracts (including at least 14 set aside for CBEs) have been to provide janitorial services at District locations, including numerous Metropolitan Police Department sites.

67. To fulfill these District contracts, Sequoia Row has employed janitorial workers. Until at least July 2024, after the conclusion of a DOL investigation, Sequoia Row has misclassified its janitorial workers as independent contractors rather than employees. As a result, Sequoia Row has deprived these workers of overtime pay, paid sick leave, prevailing wages, fringe benefits, and other employment rights under District law.

A. Sequoia Row Reclassified its Janitorial Workers as Employees After a Federal Investigation.

68. In May 2024, DOL began investigating Sequoia Row for federal wage-and-hour violations with respect to its janitorial workers for work performed on a contract with the District worth several million dollars. The investigation addressed potential violations of the Contract

Work Hours and Safety Standards Act (“CWHSSA”), 40 U.S.C. §§ 3701, *et seq.*, and the McNamara-O’Hara Service Contract Act of 1965 (“SCA”), 41 U.S.C. §§ 351, *et seq.*, among others.

69. In July 2024, DOL found that Sequoia Row had violated the CWHSSA and the SCA by failing to provide overtime pay to its janitorial workers for all hours worked over 40 in a workweek. DOL found that these violations occurred because the janitorial workers had been classified as independent contractors, as opposed to employees.

70. During a final disposition meeting with DOL on July 16, 2024, Sequoia Row agreed to reclassify its janitorial workers as employees as of July 20, 2024, to pay its janitorial workers \$232,511.59 in back wages owed for work performed on the single contract DOL reviewed, and to comply with the CWHSSA and the SCA going forward. Sequoia Row did not pay back wages for any of its other contracts.

B. Sequoia Row’s Janitorial Workers Should At All Times Have Been Classified as Employees.

71. Sequoia Row has had an employer-employee relationship with its janitorial workers since it first began employing them in approximately 2021. An employer-employee relationship is clear based on a variety of factors, including that Sequoia Row has at all relevant times:

- a. Set the work schedules of its janitorial workers.
- b. Had the ability to hire and fire its janitorial workers.
- c. Unilaterally set the rate of pay for its janitorial workers.
- d. Required its janitorial workers to follow a daily checklist of work to perform, including, at various times, sweeping, mopping, dusting, vacuuming, disinfecting surfaces, grout-cleaning, and removing trash.

- e. Supervised its janitorial workers through weekly meetings with team leads, regular site visits, and inspections.
- f. Required its janitorial workers to record their hours worked for each workday.
- g. Authorized payment directly to its janitorial workers based on their hours worked.
- h. Required its janitorial workers to submit requests for and receive approval from Sequoia Row to take time off.
- i. Provided its janitorial workers with all the necessary tools and materials for the completion of their work, such as mops, brooms, vacuums, paper products, and other cleaning supplies.
- j. Required its janitorial workers to wear a uniform of khaki pants and a black shirt emblazoned with the Sequoia Row logo while performing work for Sequoia Row.
- k. Hired its janitorial workers on a permanent basis, with no set end date for their employment. Many janitorial workers have worked for Sequoia Row for at least two years and a number of them have worked for Sequoia Row for four or five years.

72. Janitorial work is critical to Sequoia Row's business. Without janitorial workers, Sequoia Row would have no way of completing its janitorial services-related District contracts, worth millions of dollars.

73. Sequoia Row has known or should have known that it was misclassifying its janitorial workers because of the nature of its relationship with these workers.

C. Sequoia Row Owes Its Janitorial Workers Unpaid Back Wages for Overtime, Sick Leave, Prevailing Wage, and Fringe Benefits That It Has Not Provided.

74. Each of Sequoia Row's District contracts are subject to District and federal wage-and-hour laws.

75. DOL's investigation resolved federal wage-and-hour violations on a single contract that Sequoia Row has had with the District. Janitorial workers have performed work for Sequoia Row on additional District contracts.

76. By misclassifying its janitorial workers, Sequoia Row has reduced its labor costs and harmed workers by denying them the rights they would otherwise be entitled to as employees under District law, including overtime pay and paid sick leave.

77. Starting at least as early as 2021, Sequoia Row janitorial workers have worked over 40 hours in one workweek but have not received overtime pay. Sequoia Row has admitted that, in classifying its janitorial workers as independent contractors, it has not provided workers with overtime pay.

78. Sequoia Row has also admitted that, in classifying its janitorial workers as independent contractors, it has not provided workers with paid sick leave. When these workers have needed time off or schedule changes due to illnesses and injuries, they have been forced to take unpaid time off.

79. By failing to pay accrued sick and safe leave, Sequoia Row has saved hundreds of thousands of dollars at its workers' expense.

80. District law also requires that employers pay employees all wages they are owed pursuant to federal law.

81. Starting at least as early as 2021, Sequoia Row's misclassification of its janitorial workers has denied those workers the wages they are owed under the federal SCA, which applies

to all of Sequoia Row's District contracts worth at least \$2,500. These wages include the prevailing wage—a minimum hourly pay rate based on a worker's specific trade—and fringe benefits, such as health insurance or the cash equivalent in lieu of benefits.

D. Sequoia Row's Misclassification of Janitorial Workers Has Deprived Workers of Other Employment Rights under District Law.

82. District law requires employers to provide new hires with written notices containing specific information such as the employee's rate of pay and the basis of that rate, and the employee's regular payday.

83. Sequoia Row has not always provided new janitorial worker hires with the proper notices containing this information.

84. District law also requires employers to provide each employee, at the time of payment of wages, with itemized paystubs.

85. Sequoia Row has not always provided itemized paystubs to its janitorial workers.

VI. Due to Its Misclassification of Workers, Sequoia Row Has Not Paid What It Has Owed into District Programs.

86. In addition to failing to pay workers overtime pay, paid sick leave, prevailing wage rates, and fringe benefits, Sequoia Row has evaded its obligations to pay what it has owed to District programs, including workers' compensation, unemployment insurance, and paid family leave, leaving taxpayers and workers to foot the bill.

A. Sequoia Row Has Not Maintained Workers' Compensation Coverage for Its Janitorial Workers.

87. Every District employer is required to participate in the District's workers' compensation program, which is a form of no-fault insurance that provides financial compensation to workers for injuries suffered on the job.

88. To comply with this requirement, employers must purchase a workers' compensation insurance policy that administers workers' compensation.

89. Sequoia Row has not maintained workers' compensation insurance coverage for its janitorial workers.

B. Sequoia Row Has Not Paid Universal Paid Family Leave or Unemployment Insurance Contributions.

90. The District maintains multiple public benefits programs that are funded by employer contributions.

91. The District's Universal Paid Family Leave program ("PFL") is governed by the Universal Paid Leave Act ("UPLA") and provides monetary benefits to workers who take leave to care for a newborn, another family member, or their own serious medical condition. PFL benefits are funded by mandatory employer contributions paid to the District's Department of Employment Services ("DOES") on a quarterly basis and calculated as a percentage of the wages paid by the employer to its employees.

92. Sequoia Row has not paid PFL contributions on wages paid to janitorial workers.

93. The District's Unemployment Insurance Fund ("UIF") provides monetary benefits to workers during periods of unemployment. The UIF is funded by mandatory employer contributions paid on a quarterly basis and calculated as a percentage of the wages paid by the employer to its employees.

94. Sequoia Row has not paid UIF contributions for janitorial workers.

VII. Sequoia Row Has Knowingly and Improperly Avoided an Obligation to Pay or Transmit Money to the District.

95. District employers submit PFL and UIF contributions to DOES using Form UC-30 on a quarterly basis.

96. The information in Form UC-30 includes an employer's number of employees and the wages paid to them.

97. Sequoia Row has submitted a Form UC-30 to DOES each quarter since it began operating in the District.

98. Prior to October 2024, Sequoia Row's Form UC-30s identified only one to three employees each quarter.

99. Because Sequoia Row has misclassified its janitorial workers as independent contractors, its Form UC-30s have not identified its janitorial workers and have omitted the wages paid to them. As a result, each UC-30 submitted by Sequoia Row from approximately 2021 until at least October 2024 has been false.

100. Sequoia Row has known that it should classify its janitorial workers as employees. Accordingly, it has knowingly or recklessly omitted its janitorial workers from its Form UC-30s.

101. By knowingly or recklessly omitting its janitorial workers from its Form UC-30s, Sequoia Row has avoided paying PFL and UIF contributions with respect to such workers.

CAUSES OF ACTION

COUNT ONE

Knowingly Presenting or Causing to be Presented False Claims for Payment in Violation of the False Claims Act, D.C. Code § 2-381.02(a)(1) (Against All Defendants)

102. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

103. The District's False Claims Act, D.C. Code § 2-381.02, has at all relevant times provided for the award of treble damages and civil penalties for knowingly presenting or causing to be presented to the District false or fraudulent claims for payment or approval. *Id.* § 2-381.02(a)(1).

104. Since at least 2017, Sequoia Row has not qualified as a Local Business Enterprise because it has not had “its principal office located physically in the District of Columbia” and “its chief executive officer and the highest level managerial employees” have not “perform[ed] their managerial functions in their principal office located in the District.” D.C. Code §§ 2–218.31(1), (2).

105. Since at least 2017, Sequoia Row has not qualified as a Resident-Owned Business because it has not met the requirements of a Local Business Enterprise and has not been “owned by an individual who is, or a majority number of individuals who are, subject to personal income tax solely in the District of Columbia.” D.C. Code § 2–218.02(15).

106. Since at least 2017, Sequoia Row has not qualified as a Small Business Enterprise because it has not met the requirements of a Local Business Enterprise. D.C. Code § 2–218.32(a)(1)(A).

107. Notwithstanding the fact that Sequoia Row has not been qualified as Local Business Enterprise, Resident-Owned Business, or Small Business Enterprise since at least 2017, Defendants have repeatedly certified to the District since then that it qualifies as a CBE on one or more of these bases. Defendants made these certifications to the District when self-recertifying its CBE status in 2019 and 2022, when bidding on contracts that were set aside for CBEs, and when submitting each and every claim for payment under the contracts it has received from the District since at least May 2018.

108. These certifications were false, and Defendants knew they were false, because (a) since at least 2017 Sequoia Row has not had its principal office located physically in the District and its chief executive officer and highest managerial employees have not performed their managerial functions in a principal office located in the District, and (b) since at least 2018,

Sequoia Row has not been owned by an individual or majority of individuals subject to personal income tax solely in the District.

109. Since at least 2017, by falsely certifying its qualifications for CBE status, Defendants have fraudulently induced the District to enter into at least 32 set-aside contracts that Sequoia Row was only eligible to bid on and receive because of its CBE certifications.

110. With each claim for payment they have made to the District under these set-aside contracts, Defendants have made false implied certifications that Sequoia Row qualifies as a CBE and complies with all the requirements of the CBE program. Accordingly, all the claims for payment Defendants have presented to the District under these set-aside contracts have been false or fraudulent.

111. Defendants' false or fraudulent claims for payment include more than 200 invoices they have submitted to the District government.

112. Between May 2018 and March 2026, the District has paid Defendants more than \$16 million pursuant to these invoices, at least \$13 million of which has been for services under contracts that were set-aside for CBEs.

113. The false and fraudulent misrepresentations Defendants have made about their CBE status to the District government are material because Defendants would not have been eligible to bid on or receive the set-aside contracts the District awarded them, and thus could not have been paid for the invoices they submitted under those set-aside contracts, if Sequoia Row were not a CBE.

114. As a result of the false claims that Defendants have knowingly presented and caused to be presented to the District, the District has been damaged and, under the District's False Claims Act, is entitled to treble damages plus a civil penalty for each false claim.

COUNT TWO
Knowingly Making or Using False Records or Statements in Violation of the
False Claims Act, D.C. Code § 2–381.02(a)(2)
(Against All Defendants)

115. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

116. The District’s False Claims Act, D.C. Code § 2–381.02, has at all relevant times provided for the award of treble damages and civil penalties for knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim paid by the District. *Id.* § 2–381.02(a)(2).

117. Defendants have knowingly made, used, or caused to made or used false records and statements material to false or fraudulent claims.

118. These false or fraudulent claims include more than 200 invoices Defendants have submitted to the District government under the dozens of contracts they were able to bid on and receive because of their CBE status.

119. The District has paid these invoices.

120. The false records and statements material to these false or fraudulent claims that Defendants have knowingly made, used or caused to be made include: (a) Sequoia Row’s 2019 and 2022 self-recertifications with DSLBD confirming its ongoing compliance with the requirements of the CBE program; (b) all the bids that Defendants have submitted to the District for contracts set aside for CBEs, which falsely implied certification of Sequoia Row’s compliance with the requirements of the CBE program; and (c) each and every one of the more than 200 invoices that Defendants have submitted to the District for payment under these set-aside contracts, which falsely implied certification of Sequoia Row’s compliance with the requirements of the CBE program.

121. These records and statements are material because they were capable of influencing and have influenced the District's decisions to enter into set-aside contracts with Sequoia Row and to pay Sequoia Row for claims for payment made pursuant to these contracts.

122. As a result of Defendants' knowingly making and using these false records and statements, the District has been damaged and, under the District's False Claims Act, is entitled to treble damages plus a civil penalty for each false record or statement.

COUNT THREE
Knowingly and Improperly Avoiding an Obligation to Pay or Transmit Money to the District in Violation of the False Claims Act, D.C. Code § 2-381.02(a)(6) (Against All Defendants)

123. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

124. The District's False Claims Act, D.C. Code § 2-381.02, has at all relevant times provided for the award of treble damages and civil penalties for knowingly making, using, or causing 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 concealing or knowingly and improperly avoiding or decreasing an obligation to pay or transmit money or property to the District. *Id.* § 2-381.02(a)(6).

125. Defendants have knowingly and improperly avoided an obligation to pay or transmit money to the District—specifically, their obligation to pay PFL and UIF contributions to the District for Sequoia Row's janitorial workers—by repeatedly filing UC-30s that have falsely omitted those janitorial workers.

126. As a result of Defendants' knowingly and improperly avoiding their obligation to pay or transmit money to the District, the District has been damaged and, under the District's False Claims Act, is entitled to treble damages plus a civil penalty.

COUNT FOUR
Failure to Pay Overtime in Violation of the
Minimum Wage Revision Act, D.C. Code § 32–1003(c)
(Against All Defendants)

127. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

128. The MWRA requires employers to pay employees overtime wage rates of at least one and one-half times the employee’s regular rate for hours worked in excess of 40 hours per week. D.C. Code § 32–1003(c).

129. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the MWRA. D.C. Code § 32–1002(1A), (2), (3).

130. Defendant Lawrence is also an “employer” under the MWRA, D.C. Code § 32–1002(3), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

131. Defendants Sequoia Row and Lawrence have violated the MWRA by failing to pay overtime rates to janitorial workers who have worked in excess of 40 hours per week.

COUNT FIVE
Failure to Provide Written Notices and Maintain Records in Violation of the
Minimum Wage Revision Act, D.C. Code § 32–1003(c)
(Against All Defendants)

132. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

133. The MWRA requires employers to provide employees, at the time of hiring, a written notice containing the name of their employer, their employer’s physical and mailing addresses, their employer’s phone number, the employee’s base of pay and the basis of that rate, and the employee’s regular payday. D.C. Code § 32–1008(c).

134. The MWRA requires employers to furnish each employee, at the time of payment of wages, an itemized statement showing, among other things, any deductions from and additions to wages and hours worked during the pay period. D.C. Code § 32–1008(b).

135. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the MWRA. D.C. Code § 32–1002(1A), (2), (3).

136. Defendant Lawrence is also an “employer” under the MWRA, D.C. Code § 32–1002(3), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

137. Defendants have violated the MWRA by failing to provide employees, at the time of hiring, the required written notice containing the name of their employer, their employer’s physical and mailing addresses, their employer’s phone number, the employee’s base of pay and the basis of that rate, and the employee’s regular payday. D.C. Code § 32–1008(c).

138. Defendants have further violated the MWRA by failing to furnish each employee, at the time of payment of wages, an accurate itemized statement showing any deductions from and additions to wages and hours worked during the pay period. D.C. Code § 32–1008(b)(3), (5).

COUNT SIX
Failure to Provide Paid Sick Leave in Violation of the
Sick and Safe Leave Act, D.C. Code § 32–531
(Against All Defendants)

139. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

140. The SSLA requires employers to provide employees with paid sick leave, which is accrued based upon hours worked at a rate that depends on the employer’s total number of employees. D.C. Code § 32–531.02.

141. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the SSLA. D.C. Code § 32–531.01(2)–(3).

142. Defendant Paul Lawrence is also an “employer” under the SSLA, D.C. Code § 32–531.01(3)(A), because at all relevant times, Defendant Lawrence has “employ[ed] or exercise[d] control over the wages, hours, or working conditions of” employee janitorial workers.

143. Defendants Sequoia Row and Paul Lawrence have violated the SSLA by failing to provide janitorial workers with accrued paid sick leave.

COUNT SEVEN
Failure to Pay Wages Due in Violation of the
Wage Payment and Collection Law, D.C. Code §§ 32–1301, *et seq.*
(Against All Defendants)

144. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

145. The WPCL requires that employers “shall pay all wages earned to his or her employees on regular paydays.” D.C. Code § 32–1302.

146. Overtime and paid sick leave are “wages” as defined by the WPCL because, under D.C. Code § 32–1003(c) and D.C. Code § 32–531.02, they are “remuneration promised or owed . . . [p]ursuant to District . . . law.” D.C. Code § 32–1301(3)(E)(iii).

147. Prevailing wage rates and fringe benefits required by the Service Contract Act (“SCA”) are also “wages” as defined by the WPCL because, under 41 U.S.C. § 351(a)(1)–(2), they are “remuneration promised or owed . . . [p]ursuant to . . . federal law.” D.C. Code § 32–1301(3)(E)(iii).

148. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the WPCL. D.C. Code § 32–1301(1B)–(2).

149. Defendant Lawrence is also an “employer” under the WPCL, D.C. Code § 32–1301(1B), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

150. Defendants Sequoia Row and Lawrence have violated the WPCL by failing to pay janitorial workers all wages earned, including by failing to pay overtime, paid sick leave, prevailing wage rates, and fringe benefits.

COUNT EIGHT
Failure to Secure Workers’ Compensation Coverage in Violation of the
Workers’ Compensation Act, D.C. Code § 32–1534(a)
(Against All Defendants)

151. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

152. The WCA requires that employers shall “secure the payment of [workers’] compensation” by either purchasing workers’ compensation insurance through an insurance carrier or furnishing to the Mayor the employer’s financial ability to pay workers’ compensation directly. D.C. Code § 32–1534(a).

153. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the WCA. D.C. Code § 32–1501(9)–(10).

154. Defendant Lawrence is also an “employer” under the WCA. D.C. Code § 32–1501(10), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

155. Defendants Sequoia Row and Lawrence have violated the WCA by failing to secure the payment of workers’ compensation for janitorial workers.

COUNT NINE
Failure to Pay Universal Paid Leave Taxes in Violation of the
Universal Paid Leave Act, D.C. Code § 32–541.03
(Against All Defendants)

156. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

157. The UPLA requires covered employers to pay a tax, calculated as a percentage of wages paid to its covered employees, to fund paid leave. D.C. Code § 32–541.03(a).

158. Defendant Sequoia Row is a “covered employer” that employs its janitorial workers as “covered employees” as defined by the UPLA. D.C. Code § 32–541.01(3)–(4).

159. Defendant Lawrence is also an “employer” under the UPLA. D.C. Code § 32–541.01(4), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

160. Sequoia Row’s payments to janitorial workers are “wages” as defined by the UPLA. D.C. Code § 32–541.01(22).

161. Defendants Sequoia Row and Lawrence have violated the UPLA by failing to pay UPLA taxes on wages paid to its janitorial workers.

COUNT TEN
Failure to Pay Unemployment Insurance in Violation of the
Unemployment Compensation Act, D.C. Code § 51–103
(Against All Defendants)

162. The District re-alleges the foregoing paragraphs of this Complaint as if fully set forth herein.

163. The UCA requires employers in the District to pay into the Unemployment Insurance Fund “contributions at a rate equal to the average rate on taxable wages of all employers

for the preceding 12-month period ending June 30th (rounded to the next higher tenth of 1%) or 2.7%, whichever is higher.” D.C. Code § 51–103(c)(3)(A).

164. Defendant Sequoia Row is an “employer” that employs its janitorial workers as “employees” as defined by the UCA. D.C. Code § 51–101(1)–(2).

165. Defendant Lawrence is also an “employer” under the UCA. D.C. Code § 51–101(1), because at all relevant times, Defendant Lawrence has controlled, or has had the ability to control, Defendant Sequoia Row’s conduct alleged here.

166. Defendants Sequoia Row and Lawrence have violated D.C. Code § 51–103 by failing to contribute to the Unemployment Insurance Fund for their janitorial workers.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff the District of Columbia respectfully requests that the Court:

- a. Award treble damages and civil penalties against Defendants Sequoia Row and Paul Lawrence payable to the District for violations of the False Claims Act, D.C. Code § 2–381.02, in an amount to be proven at trial;
- b. Declare that Defendants have misclassified their janitorial workers as independent contractors, and, as a result, have violated the MWRA, WPCL, SSLA, WCA, UPLA, and UCA;
- c. Award damages and liquidated damages, pursuant to D.C. Code §§ 32–1308(a)(1)(A)(i)–(ii), against Defendants Sequoia Row and Lawrence, jointly and severally, payable to their janitorial workers for failing to pay overtime to them, in violation of the MWRA and WPCL, in an amount to be proven at trial;
- d. Award damages and liquidated damages, pursuant to D.C. Code §§ 32–1308(a)(1)(A)(i)–(ii), against Defendants Sequoia Row and Lawrence, jointly and severally, payable to their janitorial workers for failing to pay prevailing wage rates

- and fringe benefits to them, in violation of the WPCL, in an amount to be proven at trial;
- e. Award compensatory and punitive damages, pursuant to D.C. Code § 32–531.12(e)(3), against Defendants Sequoia Row and Lawrence, jointly and severally, payable to their janitorial workers for failing to provide accrued paid sick leave to them in violation of the SSLA, in an amount to be proven at trial;
 - f. Award statutory penalties, pursuant to D.C. Code § 32–1308(a)(1)(A)(iii), against Defendants Sequoia Row and Lawrence, jointly and severally, for each violation of the MWRA, SSLA, and WPCL, in an amount to be proven at trial;
 - g. Award civil penalties, pursuant to D.C. Code § 32–1539(a), against Defendants Sequoia Row and Lawrence, jointly and severally, payable to the District for each violation of the WCA, in an amount to be proven at trial;
 - h. Award UPLA contributions, interest, and penalties, pursuant to D.C. Code § 32–541.03(f), against Defendants Sequoia Row and Lawrence, jointly and severally, payable to the District, in an amount to be proven at trial;
 - i. Award UI contributions, interest, and penalties, pursuant to D.C. Code §§ 51–104(c)(1)–(2) against Defendants Sequoia Row and Lawrence, jointly and severally, payable to the District for the UI contributions Defendant Sequoia Row failed to pay the District, in an amount to be proven at trial;
 - j. Award costs and reasonable attorneys’ fees; and
 - k. Order such other further relief as this Court deems just and proper.

JURY DEMAND

The District demands a trial by jury on all issues triable as of right by a jury in this action.

Respectfully submitted,

Dated: April 30, 2026

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