### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

### AGENDA ITEM SUMMARY

Meeting Date:	May 16, 2023	[X] Consent [ ] Ordinance	[ ] Regular [ ] Public
Department:	COUNTY ATTORNEY		
Submitted By:	COUNTY ATTORNEY		

### I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve a settlement for damages in the civil rights action styled <u>Robert W. Otto and Julie H. Hamilton v. City of Boca Raton,</u> <u>Fla. and Palm Beach County</u>, Case No. 18-CV-80771, in Southern District Court, in the total amount of \$100,000.00, exclusive of attorney's fees and costs.

**Summary:** This is a civil rights lawsuit arising from the passage of Ordinance No. 2017-046 on December 19, 2017, by the Palm Beach County Board of County Commissioners. The ordinance prohibits providers from engaging in the practice of conversion therapy on minors. The proposed settlement pursuant to two (2) Offers of Judgment seeks to resolve all issues of the Plaintiffs' alleged damages, excluding reasonable attorney's fees and costs, through the date of the respective offers, February 22, 2023.

**Background and Justification** Plaintiffs Otto and Hamilton (licensed marriage and family therapists) filed suit in federal court on June 13, 2018, seeking a preliminary injunction to prohibit the County from enforcing the ordinance and seeking damages related to their individual practices, alleging that the County ordinance violated their First Amendment constitutional rights of free speech and religious freedom, preventing them from conducting portions of their counseling practices and advertising related to the therapy at issue in Ordinance No. 2017-046. Extensive litigation followed, including an evidentiary hearing on the Plaintiffs' motion for a preliminary injunction which was initially denied by the trial court. On February 13, 2019, Plaintiffs appealed the trial court's ruling to the 11th Circuit Court of Appeals, which reversed the trial court's ruling and concluded that the ordinance was unconstitutional.

### Background and Justification: (Continued on page 3)

### Attachments:

- 1. Offer of Judgment as to Plaintiff Robert W. Otto
- 2. Offer of Judgment as to Plaintiff Julie H. Hamilton
- 3. Plaintiffs' Notice of Acceptance of Offers of Judgment
- 4. Final Judgment dated April 6, 2023
- 5. Budget Availability Statement

**Recommended By:** 

Approved By:

**County Administrator** 

Date

Date

## **II. FISCAL IMPACT ANALYSIS**

A. Five Year Summary of Fiscal Impact:								
Fiscal Years	2023	2024	2025	2026	2027			
Capital								
Expenditures								
Operating Costs	\$100,000							
External								
Revenues								
Program								
Income(County)								
In-Kind								
Match(County								
NET FISCAL	\$100,000	-						
IMPACT								
#ADDITIONAL								
FTE								
POSITIONS								
(CUMULATIVE								
Is Item Included in Current Budget? Yes X No								
Does this item include the use of federal funds? Yes No X								
Budget Account No	0:							
Fund <u>5010</u> Ag	gency <u>700</u> Organization <u>7130</u> Object <u>4511</u>							
B. Recommended Sources of Funds/Summary of Fiscal Impact:								
C. Departmental Fiscal Review:								

**III. REVIEW COMMENTS:** 

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

HSDall 5/4/23

OFMB OF 519 MG S/4 Legal Sufficiency Β.

Assistant County Attorney

C. Other Department Review

515173 & Control

**Department Director** 

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

**Background and Justification (Continued from Page 1):** On December 11, 2020, the County and the City of Boca Raton jointly petitioned the 11<sup>th</sup> Circuit for a re-hearing before all the 11<sup>th</sup> circuit appellate judges. Nearly two years later, on July 29, 2022, the 11<sup>th</sup> Circuit denied the joint petition for re-hearing, and on August 1, 2022, the 11th Circuit issued a mandate ordering the trial court to enter a preliminary injunction consistent with Plaintiffs' requested relief prohibiting Palm Beach County (and the City of Boca Raton) from enforcing their respective ordinances.

On August 23, 2022, the Palm Beach County Board of County Commissioners unanimously passed Ordinance No. 2022-020 repealing Chapter 18, Article V, Section 18-121, et seq., Palm Beach County Code, Ordinance No. 2017-046 (the challenged ordinance in this action). Plaintiffs amended their complaint to bring additional claims (including claims of conspiracy) in federal court, and the County moved to dismiss Plaintiffs' Amended Complaint. To avoid additional lengthy litigation, on February 22, 2023, the County served offers of judgment on the respective Plaintiffs for \$50,000.00 each, which the Plaintiffs accepted as to all damages on all claims by each Plaintiff. The Court retained jurisdiction to determine reasonable attorney's fees and costs to which Plaintiffs claim entitlement.

This settlement is warranted based on: a) the County's liability exposure and the injuries allegedly sustained by the Plaintiffs, including but not limited to, alleged loss of business, advertising, and prospective clients, and; b) otherwise extensive litigation which could result in a substantial increase in exposure to the County for costs (including reasonable attorney's fees) claimed by the Plaintiffs through the close of merits litigation over Plaintiffs' damages claims.

### UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA WEST PALM BEACH DIVISION

Case No.: 9:18-cv-80771-RLR

ROBERT W. OTTO, PH.D., LMFT, individually ,and on behalf of his patients, JULIE H. HAMILTON, PH.D., LMFT, individually and on behalf of her patients,

Plaintiffs,

v.

CITY OF BOCA RATON, FLORIDA, and COUNTY OF PALM BEACH, FLORIDA,

Defendants.

### DEFENDANT, PALM BEACH COUNTY'S OFFER OF JUDGMENT TO PLAINTIFF, ROBERT W. OTTO

Pursuant to Federal Rule of Civil Procedure 68, Defendant, Palm Beach County

("County"), makes the following offer of judgment ("Offer") to Plaintiff, Robert Otto ("Otto"):

1. The County makes this Offer more than 14 days before the date set for trial.

2. The County hereby offers to allow entry of judgment against it as to Otto in the amount of fifty thousand dollars (\$50,000.00), plus the County's pro rata share of Otto's costs (including reasonable statutory attorney's fees when deemed to be a component of costs such as under 42 U.S.C. § 1988, as determined by the Court) accrued to date for all of Otto's claims for relief.

3. The County's Offer is unconditional and is made to fully and finally resolve Otto's claims against the County in this action, including costs and attorney's fees.

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4. In accordance with Rule 68, this Offer is not being filed with the Court at this time, but will be filed at such time as the Offer is accepted or if necessary to enforce the provisions of Rule 68.

5. In accordance with Rule 68, the County's Offer of Judgment will remain open and irrevocable for 14 days after being served.

### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail on February 22, 2023 on all counsel of record on the attached Service List.

> /s/ Marianna Sarkisyan Marianna Sarkisyan, Esquire Assistant County Attorney Florida Bar No. 57059 Eric Reichenberger, Esquire Assistant County Attorney Florida Bar No. 86219 300 North Dixie Highway, Suite 359 West Palm Beach, Florida 33401 Tel: (561) 355-6019; Fax: (561) 355-4234 Email: msarkisyan@pbcgov.org EReichenberger@pbcgov.org Idennis@pbcgov.org mjcullen@pbcgov.org

### SERVICE LIST: CASE NO.: 9:18-CV-80771-RLR

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Mathew D. Staver, Esq. Horatio G. Mihet, Esq. Roger K. Gannam, Esq. Daniel J. Schmid(pro hac vice pending) LIBERTY COUNSEL P.O. Box 540774 Orlando, FL, 32854 Email:court@lc.org *Attorneys for Plaintiffs*  Marianna Sarkisyan, Esq. Eric Reichenberger, Esq. 300 North Dixie Highway, Suite 359 West Palm Beach, Florida 33401 Email: Msarkisyan@pbcgov.org EReichenberger@pbcgov.org Ldennis@pbcgov.org Mjcullen@pbcgov.org *Attorneys for Defendant, Palm Beach County* 

### UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA WEST PALM BEACH DIVISION

Case No.: 9:18-cv-80771-RLR

ROBERT W. OTTO, PH.D., LMFT, individually ,and on behalf of his patients, JULIE H. HAMILTON, PH.D., LMFT, individually and on behalf of her patients,

Plaintiffs,

v.

CITY OF BOCA RATON, FLORIDA, and COUNTY OF PALM BEACH, FLORIDA,

Defendants.

### DEFENDANT, PALM BEACH COUNTY'S OFFER OF JUDGMENT TO PLAINTIFF, JULIE H. HAMILTON

Pursuant to Federal Rule of Civil Procedure 68, Defendant, Palm Beach County ("County"), makes the following offer of judgment ("Offer") to Plaintiff, Julie H. Hamilton ("Hamilton"):

1. The County makes this Offer more than 14 days before the date set for trial.

2. The County hereby offers to allow entry of judgment against it as to Hamilton in the amount of fifty-thousand dollars (\$50,000.00), plus the County's pro rata share of Hamilton's costs (including reasonable statutory attorney's fees when deemed to be a component of costs such as under 42 U.S.C. § 1988, as determined by the Court) accrued to date for all of Hamilton's claims for relief.

3. The County's Offer is unconditional and is made to fully and finally resolve Hamilton's claims against the County in this action, including costs and attorney's fees.

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4. In accordance with Rule 68, this Offer is not being filed with the Court at this time, but will be filed at such time as the Offer is accepted or if necessary to enforce the provisions of Rule 68.

5. In accordance with Rule 68, the County's Offer of Judgment will remain open and irrevocable for 14 days after being served.

### **CERTIFICATE OF SERVICE**

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> /s/ Marianna Sarkisyan Marianna Sarkisyan, Esquire Assistant County Attorney Florida Bar No. 57059 Eric Reichenberger, Esquire Assistant County Attorney Florida Bar No. 86219 300 North Dixie Highway, Suite 359 West Palm Beach, Florida 33401 Tel: (561) 355-6019; Fax: (561) 355-4234 Email: msarkisyan@pbcgov.org <u>EReichenberger@pbcgov.org</u> <u>Idennis@pbcgov.org</u> mjcullen@pbcgov.org

### SERVICE LIST: CASE NO.: 9:18-CV-80771-RLR

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Mathew D. Staver, Esq. Horatio G. Mihet, Esq. Roger K. Gannam, Esq. Daniel J. Schmid(pro hac vice pending) LIBERTY COUNSEL P.O. Box 540774 Orlando, FL, 32854 Email:court@lc.org *Attorneys for Plaintiffs*  Marianna Sarkisyan, Esq. Eric Reichenberger, Esq. 300 North Dixie Highway, Suite 359 West Palm Beach, Florida 33401 Email: Msarkisyan@pbcgov.org EReichenberger@pbcgov.org Ldennis@pbcgov.org Mjcullen@pbcgov.org *Attorneys for Defendant, Palm Beach County* 

#### UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

### CASE NO. 9:18-CV-80771-ROSENBERG/REINHART

ROBERT W. OTTO, et al.,

Plaintiffs,

v.

CITY OF BOCA RATON, FLA., and COUNTY OF PALM BEACH, FLA.,

Defendants.

### PLAINTIFFS' NOTICE OF ACCEPTANCE OF THE OFFERS OF JUDGMENT OF DEFENDANT COUNTY OF PALM BEACH, FLORIDA <u>AND PLAINTIFFS' REQUEST FOR CLERK'S ENTRY OF FINAL JUDGMENT</u>

Pursuant to Fed. R. Civ. P. 68(a), Plaintiff, Robert W. Otto ("Otto") hereby accepts the Offer of Judgment served upon him by Defendant, County of Palm Beach, Florida ("County"), which is attached hereto as **Exhibit A**, and requests the Clerk to enter Judgment against the County as required by Rule 68(a).

Pursuant to Fed. R. Civ. P. 68(a), Plaintiff, Julie H. Hamilton ("Hamilton") hereby accepts the Offer of Judgment served upon her by the County, which is attached hereto as **Exhibit B**, and requests the Clerk to enter Judgment against the County as required by Rule 68(a).

The foregoing Offers of Judgment resolve the County's liability for Plaintiffs' costs and attorney's fees (Exh. A at  $\P$  2; Exh. B at  $\P$  2), the amount of which shall be established in separate proceedings following entry of final judgment in this action.

Because Plaintiffs have now accepted offers of judgment from all Defendants (*see also* dkt. 196), there are no longer any substantive claims pending against any party (other than Plaintiffs' forthcoming motion for fees and costs, to be filed after Judgment in accordance with Local Rule 7.3). Accordingly, the Court and/or Clerk is requested to enter Final Judgment in favor of Plaintiffs, and against Defendants, on each of Plaintiffs' claims, pursuant to the Offers of Judgment accepted by Plaintiffs and Fed. R. Civ. P. 54.

Respectfully submitted,

Dated: March 3, 2023

/s/ Horatio G. Mihet Mathew D. Staver (FL Bar 0701092) Horatio G. Mihet (FL Bar 026581) Roger K. Gannam (FL Bar 240450) **LIBERTY COUNSEL** P.O. Box 540774 Orlando, FL 32854 Phone: (407) 875-1776 Email: court@lc.org

Attorneys for Plaintiffs

### **CERTIFICATE OF SERVICE**

I hereby certify that on March 3, 2023, I caused a true and correct copy of the foregoing to be filed electronically with this Court. Service will be effectuated on all counsel of record via this Court's ECF/electronic notification system.

/s/ Horatio G. Mihet Horatio G. Mihet

Attorney for Plaintiffs

### UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

### CASE NO. 18-CV-80771-ROSENBERG/REINHART

### **ROBERT W. OTTO and JULIE H.** HAMILTON,

v.

Plaintiffs,

CITY OF BOCA RATON, FLA., and COUNTY OF PALM BEACH, FLA.,

Defendants.

### FINAL JUDGMENT

1

Plaintiffs ROBERT OTTO and JULIE HAMILTON settled their claims against Defendants CITY OF BOCA RATON, FLORIDA and COUNTY OF PALM BEACH, FLORIDA, pursuant to Fed. R. Civ. P. 68, through accepted offers of judgment. [DE 196, 203.] The Court accordingly enters this Final Judgment in favor of Plaintiffs ROBERT OTTO and JULIE HAMILTON and against Defendants CITY OF BOCA RATON, FLORIDA and COUNTY OF PALM BEACH, FLORIDA, on all of Plaintiffs' claims for relief, and ORDERS and ADJUDGES as follows:

 Defendant CITY OF BOCA RATON, FLORIDA shall pay Plaintiff ROBERT OTTO the sum of \$50,000.00 (fifty thousand dollars and no cents), as and for damages on all of his claims for relief;

2) Defendant CITY OF BOCA RATON, FLORIDA shall pay Plaintiff JULIE HAMILTON the sum of \$25,000.00 (twenty-five thousand dollars and no cents), as and for damages on all of her claims for relief; 3) Defendant COUNTY OF PALM BEACH, FLORIDA shall pay Plaintiff ROBERT OTTO the sum of \$50,000.00 (fifty thousand dollars and no cents), as and for damages on all of his claims for relief;

4) Defendant COUNTY OF PALM BEACH, FLORIDA shall pay Plaintiff JULIE HAMILTON the sum of \$50,000.00 (fifty thousand dollars and no cents), as and for damages on all of her claims for relief; and

5) The Court retains jurisdiction to determine, in subsequent proceedings, attorney's fees and costs pursuant to Local Rule 7.3.

DONE AND ORDERED in West Palm Beach, Florida, this 6th day of April, 2023.

Neve ROBÌN L. ROSENBERG

U.S. District Judge

Copies provided to counsel of record.

### BUDGET AVAILABILITY STATEMENT RISK MANAGEMENT

REQUEST DATE: <u>5/1/2023</u>

## REQUESTED BY: County Attorney

REQUESTED FOR: Robert W. Otto and Julie H. Hamilton v. City of Boca Raton, Fla. and Palm Beach County

REQUESTED AMOUNT: <u>\$100,000.00</u>

AGENDA DATE: May 16, 2023

BUDGET ACCOUNT NUMBER:

FUND: <u>5010</u> DEPT: <u>700</u> UNIT: <u>7130</u> OBJ: <u>4511</u>

BAS APPROVED BY:

Brian Palacios, Fiscal Manager

DATE: <u>5/1/2023</u>