

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Northeast District, Pasadena Courthouse, Department P

23AHCV01511

**BRYANT MORALES vs URBANE CAFE OPERATIONS,
LLC, A DELAWARE LIMITED LIABILITY COMPANY, et al.**

February 20, 2026

8:30 AM

Judge: Honorable Jared D. Moses
Judicial Assistant: Ani Ilieva
Courtroom Assistant: Christina Ruiz

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Arby Aiwarzian by Scarlet Tunney Via LA Court Connect; Jill J. Parker Via LA Court Connect

For Defendant(s): Jesse M. Caryl by Jennifer Carver Via LA Court Connect

NATURE OF PROCEEDINGS: Hearing on Motion - Other Motion for Approval of PAGA Settlement (0861)

The matter is called for hearing.

After conferring with counsel, the Court adopts its tentative as the final ruling as follows:

ORDER GRANTING PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT

I. INTRODUCTION

This is an action for violations of the Labor Code and enforcement under the Private Attorneys General Act. Plaintiff alleges that while he and other employees were employed by Defendants, Defendants failed to compensate them for all hours worked, missed meal periods and rest breaks, did not keep accurate payroll records, and committed other violations of the Labor Code.

On June 30, 2023, Plaintiff Bryant Morales, individually, and on behalf of other aggrieved employees, filed his Complaint against Defendants Urbane Cafe Operations, LLC and TGH Enterprises, Inc.

On January 20, 2026, Plaintiff filed a motion for final approval of settlement.

II. LEGAL STANDARD

Settlement

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The PAGA is “a procedural statute allowing an aggrieved employee to recover civil penalties—for Labor Code violations—that otherwise would be sought by state labor law enforcement agencies.” (Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court (2009) 46 Cal.4th 993, 1003.) The statute provides a mechanism for private enforcement of Labor Code violations for the public benefit. (See Arias v. Superior Court (2009) 46 Cal.4th 969, 986; Ochoa-Hernandez v. Cjaders Foods, Inc. (N.D.Cal. 2010) 2010 WL 1340777, at p. *4.)

To incentivize employees to bring PAGA actions, the statute provides aggrieved employees 25 percent of the recovered civil penalties. (Lab. Code § 2699, subd. (i).) The remaining 75 percent is distributed to the Labor and Workforce Development Agency (“LWDA”) “for enforcement of labor laws and education of employers and employees about their rights and responsibilities under [the Labor Code].” (Id.)

In reviewing the terms of a settlement agreement, courts determine whether the settlement is fair, reasonable, and adequate to all concerned, and not the product of fraud, collusion, or overreaching. (Reed v. United Teachers Los Angeles (2012) 208 Cal.App.4th 322, 337; Nordstrom Commission Cases (2010) 186 Cal.App.4th 576, 581.) Although a PAGA plaintiff need not satisfy class action requirements (see Arias v. Superior Court (2009) 46 Cal.4th 969, 975), general principles applicable to class action settlements apply equally in this context.

In the context of a class action settlement, courts consider various factors including whether (1) the settlement is the result of arm’s length bargaining, (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently, (3) counsel is experienced in similar litigation, and (4) the percentage of objectors is small. (Nordstrom, supra, 186 Cal.App.4th at 581; Wershba v. Apple Computer, Inc. (2001) 91 Cal.App.4th 224, 245.) The final factor is not applicable to PAGA. (See Arias, supra 46 Cal.4th at p. 984 [rejecting the argument that representative actions under PAGA violate the due process rights of “nonparty aggrieved employees who are not given notice of, and an opportunity to be heard”].) “Because many of the factors used to evaluate class action settlements bear on a settlement’s fairness—including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount—these factors can be useful in evaluating the fairness of a PAGA settlement.” (Moniz v. Adecco USA, Inc. (2021) 72 Cal.App.5th 56, 77.) Furthermore, “a trial court should ... determine whether [the settlement] is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.” (Ibid.)

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In considering the amount of settlement, courts must be mindful that compromise is inherent and necessary in the settlement process. (Wershba, supra, 91 Cal.App.4th at 250.) A proposed PAGA settlement must be submitted to LWDA at the same time that it is submitted to the court for review and approval. (Lab. Code § 2699, subd. (l)(2).)

Attorney's Fees Under Settlement

California Rule of Court 3.769(b), requires that “[a]ny agreement... with respect to the payment of attorney fees or the submission of an application for the approval of attorney fees must be set forth in full in any application for approval of the dismissal or settlement of an action that has been certified as a class action.” Despite any agreement by the parties to the contrary, “the court ha[s] an independent right and responsibility to review the attorney fee provision of the settlement agreement and award only so much as it determined reasonable.” (Garabedian v. Los Angeles Cellular Telephone Co. (2004) 118 Cal.App.4th 123, 128.)

III. ANALYSIS

The terms of the proposed settlement are as follows. Defendants will pay a gross settlement of \$1,000,000. Defendant will pay \$350,000 in attorney's fees and \$16,479.03 in costs to Plaintiff's counsel, and \$10,000 to Plaintiff. The settlement also provides for a \$10,000 payment to Melissa Pacheco, another PAGA representative whose case in Kern County (Melissa Pacheco v. Morales v. Urbane Café Operations, LLC, et al., Kern County Superior Court Case No. BCV-24-102170) settled and was dismissed after mediation. (Parker Decl., ¶¶28, 30.) Although the parties stipulated to add Pacheco as a named plaintiff to this action, the Court vacated the order to show cause hearing regarding the filing of an amended complaint. Pacheco appears to have been included in this settlement as part of a global settlement. Defendants will pay \$12,000 to the settlement administrator. The net settlement is \$601,520.97. The LWDA will receive \$451,140.73 of the net settlement, which represents 75% of the net settlement. The aggrieved employees will receive \$150,380.24 of the net settlement, representing 25% of the net settlement.

Plaintiff has shown that the parties reached settlement after arms-length negotiation, including participation in mediation on August 13, 2024. (Parker Decl., ¶19.) Plaintiff has shown that the parties conducted extensive discovery before reaching this settlement. (Id., ¶17.) Plaintiff's counsel sampled one third of the PAGA members' time and payroll records, examined Defendants' employee handbook, and other records such as job descriptions, employee records, and meal waiver forms. (Id.) Plaintiff's counsel has significant experience in wage-and-hour

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class and representative actions, having practiced employment law since 2010. (Id., ¶¶4-7.) During mediation, the parties considered all aspects of the case, including the risks and delays of further litigation, before reaching settlement. (Id., ¶19.) The Court is satisfied that the proposed settlement is fair in light of this evidence. The amounts proposed to be paid to Plaintiff and Pacheco are fair and typical of incentive payments paid to PAGA representatives.

The proposed attorney's fees are also fair. The fees constitutes 35% of the gross settlement. As discussed above, Plaintiff's counsel has significant experience in wage-and-hour class and representative actions. Two firms, Lawyers for Justice and Parker & Minne, participated in this matter and will split the fees evenly. (Morales Decl., ¶13.) Lawyers for Justice spent 233.30 hours in litigation and Parker & Minne spent 247.1 hours in litigation. (Parker Decl., ¶¶68-69.) Counsel took this matter on a contingency basis and advanced all costs in litigation. (Parker Decl., ¶¶70-77.) In light of the work performed in this case, counsel's experience, and the fact that counsel took this matter on a contingency basis, the percentage of the gross settlement to be paid in attorney fees is reasonable.

The proposed settlement satisfies the requirements of Labor Code, section 2699. The LWDA has been notified of the settlement as required by the statute (Parker Decl., ¶83), and they have chosen not to object. In the absence of any objection from the LWDA, the motion is GRANTED.

IV. CONCLUSION

Plaintiff's motion for approval of PAGA settlement is GRANTED.

Plaintiff to give notice.

The Court then takes the Jury Trial and Final Status Conference off calendar and sets an Order to Show Cause Re: Dismissal as follows:

The Motion for Final Approval of Settlement filed by Bryant Morales on 01/20/2026 is Granted.

On the Court's own motion, the Final Status Conference scheduled for 08/20/2026, and Jury Trial (Time Estimate: 10-15 Days) scheduled for 09/01/2026 are advanced to this date and

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vacated.

Order to Show Cause Re: Dismissal and Hearing Re: Disbursement of Final Settlement is scheduled for 02/22/2027 at 08:30 AM in Department P at Pasadena Courthouse.

Plaintiff is to give notice.