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May 28, 2025
Clerk of the Court
Superior Court of CA
County of Santa Clara
21CV386663
By: edesantiago

SUPERIOR COURT, STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

CATHERINE ZULU, et al., on behalf of the State of California, as private attorney generals,	)	Case No.: 21CV386663
	)	
Plaintiffs,	)	ORDER GRANTING PLAINTIFFS’
	)	MOTION FOR APPROVAL OF PAGA
v.	)	SETTLEMENT
	)	
	)	
FRONT PORCH COMMUNITIES AND	)	
SERVICES, et al.,	)	
	)	
Defendants.	)	

This is a Private Attorneys General Act (“PAGA”) action. Plaintiffs Catherine Zulu, Ramy El Mallakh, and Miguel Infanzon (collectively, “Plaintiffs”) seek to recover PAGA civil penalties from Defendant Front Porch Communities and Services (“Defendant”).

Before the Court is Plaintiffs’ motion for approval of settlement, which is unopposed. The Court previously continued the hearing on the motion pending the submission of additional materials. Having now received and reviewed those materials, the Court GRANTS the motion.

I. BACKGROUND

According to the allegations of the operative First Amended Complaint (“FAC”), Plaintiffs were employed by Defendant, that offers nursing, continuing care retirement

ORDER GRANTING PLAINTIFFS’ MOTION FOR APPROVAL OF PAGA SETTLEMENT

1 communities, and residential care facilities to older adults. (FAC, ¶ 5.) Plaintiffs allege that
2 Defendant failed to: provide Plaintiffs accurate itemized wage statements; properly record and
3 provide legally required meal and rest periods; pay minimum wages; pay overtime and sick pay
4 wages; reimburse employees for required expenses; and provide wages when due.

5 Based on the foregoing, Plaintiffs initiated this action in September 2021 and filed the
6 operative FAC on November 26, 2024 asserting a single cause of action for Violation of the
7 Private Attorneys General Act.

8 The parties have reached a settlement. Plaintiffs filed a motion for approval of the PAGA
9 settlement, and the motion is unopposed.

10 **II. LEGAL STANDARD**

11 Under PAGA, an aggrieved employee may bring a civil action personally and on behalf
12 of other current or former employees to recover civil penalties for Labor Code violations.
13 (*Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal.4th 348, 380, overruled on other
14 grounds by *Viking River Cruises, Inc. v. Moriana* (2022) 596 U.S. 639 [2022 U.S. LEXIS
15 2940].) Seventy-five percent of any penalties recovered go to the Labor and Workforce
16 Development Agency (“LWDA”), leaving the remaining 25 percent for the employees. (*Ibid.*)
17 PAGA is intended “to augment the limited enforcement capability of [the LWDA] by
18 empowering employees to enforce the Labor Code as representatives of the Agency.” (*Id.* at
19 p. 383.) A judgment in a PAGA action binds all those, including nonparty aggrieved employees,
20 who would be bound by a judgment in an action brought by the government. (*Id.* at p. 381.)

21 A superior court must review and approve any PAGA settlement. (Lab. Code, § 2699,
22 subd. (1)(2).) The court’s review “ensur[es] that any negotiated resolution is fair to those
23 affected.” (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) The proposed settlement must
24 be submitted to the LWDA at the same time it is submitted to the court. (*Ibid.*)

1 As discussed by one court:

2 PAGA does not establish a clear standard for evaluating PAGA settlements. ... [¶]

3 Accordingly, certain courts have been willing to approve PAGA settlements only if (1) the
4 statutory requirements set forth by PAGA have been satisfied, and (2) the settlement agreement
5 is fair, reasonable, and adequate in view of PAGA’s public policy goals.

6 (*Patel v. Nike Retail Services, Inc.* (N.D. Cal. 2019) 2019 WL 2029061, 2019 U.S. Dist.
7 LEXIS 77988 (*Patel*), at *5.)

8 As part of this analysis, these courts have evaluated proposed PAGA settlements under
9 the relevant factors from *Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1026. (*Patel*,
10 *supra*, 2019 U.S. Dist. LEXIS 77988 at *5-6.) “Of the *Hanlon* factors, the following are relevant
11 to evaluating [a] PAGA settlement: (1) the strength of the plaintiff’s case; (2) the risk, expense,
12 complexity, and likely duration of further litigation; (3) the amount offered in settlement; (4) the
13 extent of discovery completed and the stage of the proceedings; (5) the presence of government
14 participation; and (6) the expertise and views of counsel.” (*Ibid.*)

15 Similar to its review of class action settlements, the Court must “determine independently
16 whether a PAGA settlement is fair and reasonable,” to protect “the interests of the public and the
17 LWDA in the enforcement of state labor laws.” (*Moniz v. Adecco USA, Inc.* (2021) 72
18 Cal.App.5th 56, 76–77.) It must make this assessment “in view of PAGA’s purposes to
19 remediate present labor law violations, deter future ones, and to maximize enforcement of state
20 labor laws.” (*Id.* at p. 77; see also *Haralson, supra*, 383 F. Supp. 3d at p. 971 [“when a PAGA
21 claim is settled, the relief provided for under the PAGA [should] be genuine and meaningful,
22 consistent with the underlying purpose of the statute to benefit the public ...”], quoting LWDA
23 guidance discussed in *O’Connor v. Uber Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d
24 1110 (*O’Connor*).)

1 “[W]hen a PAGA claim is settled, the relief provided ... [should] be genuine and
2 meaningful, consistent with the underlying purpose of the statute to benefit the public”
3 (*O’Connor, supra* at p. 1133.) The settlement must be reasonable in light of the potential verdict
4 value. (*Id.* at 1135 [rejecting settlement of less than one percent of the potential verdict].) But a
5 permissible settlement may be substantially discounted, given that courts often exercise their
6 discretion to award PAGA penalties below the statutory maximum even where a claim succeeds
7 at trial. (See *Viceral v. Mistras Group, Inc.* (N.D. Cal., Oct. 11, 2016, No. 15-CV-02198-EMC)
8 2016 WL 5907869, 2016 U.S. Dist. LEXIS 140759 at *8-9.)

9 III.DISCUSSION

10 a. Provisions of the Settlement

11 Plaintiffs move for approval of a proposed settlement made on behalf of:

12 [A]ll current and former non-exempt, hourly paid employees, who were employed by
13 Defendant in California during the PAGA Period [April 22, 2020 through December 9, 2024].

14 According to the terms of the settlement, Defendant will pay a gross payment in the
15 amount of \$3,060,000.00. This amount includes attorneys’ fees in the amount of \$1,020,000 (1/3
16 of the PAGA settlement), litigation costs not to exceed \$40,000, and settlement administration
17 costs not to exceed \$20,700. Of the remaining amount (no less than \$1,979,300), 75% (no less
18 than \$1,484,475) will be paid to the LWDA and 25% (no less than \$494,825) will be paid to
19 Aggrieved Employees. Funds from checks that not cashed within 180 days from the date of
20 mailing will be sent to the Controller of the State of California to be held pursuant to the
21 Unclaimed Property Law.

22 In exchange for the settlement, the Aggrieved Employees agree to release the Released
23 Parties¹ from all “Released PAGA Claims” defined as: “all claims for PAGA penalties that were
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25 ¹ Released Parties means: “Defendant; its present, former, or future owners, officers,
members, directors, shareholders, partners, employees, insurers, successors, subsidiaries,

1 alleged, or reasonably could have been alleged, based on the facts stated in the Operative
2 Complaint, and the PAGA Notice submitted by Plaintiffs to the LWDA, which occurred during
3 the PAGA Period.” (Settlement Agreement, ¶ 5.1.)

4 **b. Fairness of the Settlement**

5 Plaintiffs contend that the PAGA settlement is fair and reasonable. (Motion, p. 6:19-20.)
6 Plaintiffs state the gross PAGA settlement amount of \$3,060,000 is more than other PAGA
7 settlements as it constitutes approximately \$13.48 per pay period. There are approximately 5,784
8 Aggrieved Employees who collectively worked approximately 226,882 PAGA Pay Periods
9 during the PAGA Period. The parties participated in an all-day mediation session with Lynn
10 Frank, Esq. and were able to reach an agreement to settle the PAGA claims. (Motion, p. 3:9-11.)
11 Prior to mediation, the parties conducted significant investigation and information discovery of
12 the facts and law. Defendants produced hundreds of documents and Plaintiffs were provided with
13 sufficient records and data to determine the number of Aggrieved Employees and the number of
14 pay periods in the PAGA Period.

15 Plaintiffs indicate that Defendant’s maximum exposure is \$22,688,200. As a result, the
16 Gross PAGA Settlement Amount is equivalent to this potential maximum recovery. Plaintiffs
17 assert that the settlement amount is fair because courts have wide latitude to reduce the amounts
18 of civil penalties based on the facts and circumstances of a particular case. Plaintiffs cite
19 authorities, including: *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 528 and
20 *Fleming v. Covidien, Inc.* (C.D. Cal. Aug. 12, 2011, No. ED CV10-01487 RGK (OPx)) 2011
21 U.S.Dist.LEXIS 154590.

22 In its May 1, 2025 tentative order, the Court instructed Plaintiffs to submit the Plaintiffs’
23 individual settlement agreements for its review. The Court has reviewed the individual
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25 affiliates, predecessors, contractors, assigns, and managing agents; and any and all agents, legal
representatives, and/or attorneys.” (Settlement Agreement, ¶ 1.27.)

1 settlement agreements and finds that the terms do not adversely affect the fairness of the
2 proposed PAGA settlement agreement. The Court now finds the terms of the settlement to be
3 fair. The settlement provides for recovery for each class member and eliminated the risk and
4 expense of further litigation.

5 **c. Incentive Awards, Fees, and Costs**

6 Plaintiffs do not appear to seek an incentive award as part of the settlement.
7 The Court has an independent right and responsibility to review the requested attorney fees and
8 only award so much as it determines reasonable. (See *Garabedian v. Los Angeles Cellular*
9 *Telephone Co.* (2004) 118 Cal.App.4th 123, 127-128.) “Courts recognize two methods for
10 calculating attorney fees in civil class actions: the lodestar/multiplier method and the percentage
11 of recovery method.” (*Wershba, supra*, 91 Cal.App.4th at p. 254.)

12 Plaintiffs’ counsel seeks attorney fees in the amount of \$1,020,000 and reimbursement of
13 \$31,515.51 in litigation costs. Plaintiffs’ counsel provides evidence demonstrating a lodestar of
14 \$315,888.75. (Nordrehaug Decl., ¶ 8, Haines Decl., ¶ 14.) This results in a multiplier of 3.2. This
15 is within the range of multipliers that courts typically approve. (*Wershba, supra*, 91 Cal.App.4th
16 at p. 255 [“[m]ultipliers can range from 2 to 4 or even higher”].) While the requested fees appear
17 to be reasonable as a percentage of the total recovery, the Court will revisit the requested
18 attorneys fees and costs after it reviews the terms of Plaintiffs’ separate settlement agreements.

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1 **IV. CONCLUSION**

2 Accordingly, the motion for approval of PAGA settlement is GRANTED.

3 The parties shall return for a compliance hearing to occur in Department 7 on February
4 26, 2026 at 2:30 PM.

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6 Dated: May 28, 2025

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8 CHARLES F. ADAMS
9 Judge of the Superior Court
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