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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

CESAR TEIXEIRA, as an aggrieved
employee pursuant to the Private
Attorneys General Act ("PAGA"), on
behalf of the State of California and
other non-party Aggrieved
Employees,

Plaintiff,

vs.

MERCY HOUSING
MANAGEMENT GROUP, INC., a
Nebraska corporation; NEBRASKA
MERCY HOUSING, INC., a
Nebraska corporation; MERCY
HOUSING CALIFORNIA, a
California corporation; MERCY
HOUSING CALWEST, a California
corporation; MERCY HOUSING
WEST, a California corporation;
MERCY HOUSING CALIFORNIA
SPECIAL NEEDS, a California
corporation; MERCY HOUSING
CALIFORNIA SENIOR
PROPERTIES, a California
corporation; MERCY HOUSING
CALIFORNIA FAMILY
PROPERTIES, a California
corporation; AFFORDABLE

Case No.: **24CV026689**

**COMPLAINT – PAGA ENFORCEMENT
ACTION**

(1) Claim for Civil Penalties for Violations of
California Labor Code, Pursuant to PAGA,
§§ 2698, *et seq.*

Jury Trial Demanded

HOUSING INITIATIVES OF
MERCY HOUSING, a California
corporation; and DOES 1 through 10,
inclusive,

Defendants.

1 Plaintiff Cesar Teixeira, as an aggrieved employee and on behalf of the State of
2 California and all other non-party Aggrieved Employees, alleges as follows:

3 JURISDICTION AND VENUE

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as a non-exempt, hourly paid
8 employee and received at least one wage statement and against whom one or more violations of
9 any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating
10 hours and days of work in the applicable Industrial Welfare Commission (“IWC”) Wage Order
11 were committed, as set forth in this complaint, at any time between one year prior to the filing
12 of the pre-filing written notice to the Labor and Workforce Development Agency (“LWDA”) in this case on October 23, 2024, until judgment (“non-party Aggrieved Employees”).
13 Plaintiff’s share of civil penalties sought in this action does not exceed \$75,000.
14

15 2. This Court has jurisdiction over this action pursuant to the California
16 Constitution, Article VI, section 10. The statute under which this action is brought does not
17 specify any other basis for jurisdiction.

18 3. This Court has jurisdiction over all Defendants because, on information and
19 belief, Defendants are either citizens of California, have sufficient minimum contacts in
20 California, or otherwise intentionally avail themselves of the California market so as to render
21 the exercise of jurisdiction over them by the California courts consistent with traditional notions
22 of fair play and substantial justice. There is no basis for federal diversity jurisdiction in this
23 action given that the State of California, as the real party in interest in this action, is not a
24 “citizen” for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin Servs. of Cal.*, 726
25 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil penalties cannot be aggregated
26 to satisfy the amount in controversy requirement for federal diversity jurisdiction in this action,
27 and that diversity jurisdiction cannot be established when Plaintiff’s share of the civil penalties
28 attributable to violations personally suffered are less than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court because Defendants employ or employed persons within the County of Sacramento and have violated the requirements of the California Labor Code and applicable IWC Wage Order in this county which give rise to the penalties sought in this action. Cal. Code Civ. P. § 393. Specifically, Defendants have violated the requirements of the California Labor Code and applicable IWC Wage Order in at least 17 locations within the County of Sacramento, including Defendants' properties located in Carmichael (4828 El Camino Avenue, Carmichael, California 95608); Galt (805 Elk Hills Drive, Galt, California 95632); Folsom (1720 Creekside Drive, Folsom, California 95630; 613 Stafford Street, Folsom, California 95630; 713 Stafford Street, Folsom, California 95630; 1160 Duchow Way, Folsom, California 95630); McClellan (5836 Dudley Boulevard, McClellan, California 95652); Pleasant Hills (2387 Lisa Lane #10, Pleasant Hill, California 94523); Rancho Cordova (3615 Bleckley Street, Rancho Cordova, California 95655); and Sacramento (1500 North A Street, Sacramento, California 95814; 8200 Bruceville Road, Sacramento, California 95823; 720 7th Street, Sacramento, California 95814; 5321 Stockton Boulevard, Sacramento, California 95820; 7271 Florin Mall Drive, Sacramento, California 95823; 6501 Elder Creek Road, Sacramento, California 95824; 2814 Fifth Street, Sacramento, California 95818; 3900 47th Avenue, Sacramento, California 95824). Pursuant to California Civil Code of Procedure section 393, venue is proper for the recovery of a penalty imposed by statute in the county in which the cause, or some part of the cause, arose. Because Defendants have employees in Sacramento County, and Plaintiff could bring an action filed under PAGA in any county in which an aggrieved employee worked and Labor Code violations occurred, venue is proper. *Crestwood Behavioral Health, Inc. v. Superior Court of Alameda County*, 60 Cal. App. 5th 1069 (2021).

5. California Labor Code sections 2698, *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violations of various provisions in the California Labor Code.

THE PARTIES

6. Plaintiff Cesar Teixeira is a resident of Hayward, in Alameda County, California.

1 Defendants employed Plaintiff as an hourly paid, non-exempt employee from approximately
2 June 2022 to November 2023. Plaintiff worked for Defendants as a Maintenance Technician at
3 their San Leandro, California location. During his employment, Plaintiff typically worked eight
4 (8) hours or more per day, and five (5) days per week. At the time his employment ended,
5 Plaintiff was compensated approximately \$22.60 per hour. His job duties included, without
6 limitation, handling maintenance issues such as plumbing, restoration, groundskeeping, and
7 residents' maintenance requests.

8 7. On information and belief, Defendants required some employees, including
9 Plaintiff, to execute an arbitration agreement at the time of their hire or during their
10 employment. On further information and belief, Defendants' arbitration agreement was and is
11 both procedurally and substantively unconscionable. Specifically, Defendants presented
12 employees with an "Arbitration Agreement" during the onboarding process or during their
13 employment, which had to be reviewed and acknowledged immediately. Specifically, the
14 Arbitration Agreement was one of several documents presented to new employees for signature
15 during the orientation process, including an Authorization for Background Checks, Employee
16 Acknowledgement Medical Provider Network, CA Employee Handbook, and SF Employee
17 Handbook, among other documents. Also, employees did not have a meaningful opportunity
18 to negotiate the terms of the Arbitration Agreement. Rather, it was provided to Defendants'
19 employees for them to sign on a take-it or leave-it basis at the time they were hired or during
20 their employment. Further, Defendants did not set forth in the Arbitration Agreement or
21 otherwise provide employees with the rules which will govern the arbitration, instead forcing
22 employees to seek this information out on their own ("Copies of the applicable rules will be
23 provided to Employee by the Company upon written request or may be located and obtained on
24 the Internet at the AAA's website at <http://www.adr.org/>.").

25 8. MERCY HOUSING MANAGEMENT GROUP, INC. was and is, upon
26 information and belief, a Nebraska corporation, and at all times hereinafter mentioned, an
27 employer whose employees are engaged throughout this county and the State of California.

28 9. NEBRASKA MERCY HOUSING, INC. was and is, upon information and

1 belief, a Nebraska corporation, and at all times hereinafter mentioned, an employer whose
2 employees are engaged throughout this county and the State of California.

3 10. MERCY HOUSING CALIFORNIA was and is, upon information and belief, a
4 California corporation, and at all times hereinafter mentioned, an employer whose employees
5 are engaged throughout this county and the State of California.

6 11. MERCY HOUSING CALWEST was and is, upon information and belief, a
7 California corporation, and at all times hereinafter mentioned, an employer whose employees
8 are engaged throughout this county and the State of California.

9 12. MERCY HOUSING WEST was and is, upon information and belief, a California
10 corporation, and at all times hereinafter mentioned, an employer whose employees are engaged
11 throughout this county and the State of California.

12 13. MERCY HOUSING CALIFORNIA SPECIAL NEEDS was and is, upon
13 information and belief, a California corporation, and at all times hereinafter mentioned, an
14 employer whose employees are engaged throughout this county and the State of California.

15 14. MERCY HOUSING CALIFORNIA SENIOR PROPERTIES was and is, upon
16 information and belief, a California corporation, and at all times hereinafter mentioned, an
17 employer whose employees are engaged throughout this county and the State of California.

18 15. MERCY HOUSING CALIFORNIA FAMILY PROPERTIES was and is, upon
19 information and belief, a California corporation, and at all times hereinafter mentioned, an
20 employer whose employees are engaged throughout this county and the State of California.

21 16. AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING was and is,
22 upon information and belief, a California corporation, and at all times hereinafter mentioned,
23 an employer whose employees are engaged throughout this county and the State of California.

24 17. Plaintiff is unaware of the true names or capacities of the Defendants sued herein
25 under the fictitious names DOES 1 through 10, but will seek leave of this Court to amend the
26 complaint and serve such fictitiously named Defendants once their names and capacities
27 become known.

28 18. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10

1 were the partners, agents, owners, or managers of MERCY HOUSING MANAGEMENT
2 GROUP, INC.; NEBRASKA MERCY HOUSING, INC.; MERCY HOUSING CALIFORNIA;
3 MERCY HOUSING CALWEST; MERCY HOUSING WEST; MERCY HOUSING
4 CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA SENIOR
5 PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY PROPERTIES; and/or
6 AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING at all relevant times.

7 19. Plaintiff is informed and believes, and thereon alleges, that each and all of the
8 acts and omissions alleged herein was performed by, or is attributable to, MERCY HOUSING
9 MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING, INC.; MERCY
10 HOUSING CALIFORNIA; MERCY HOUSING CALWEST; MERCY HOUSING WEST;
11 MERCY HOUSING CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA
12 SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY PROPERTIES;
13 AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING; and/or DOES 1 through
14 10 (collectively, “Defendants” or “MERCY HOUSING”), each acting as the agent, employee,
15 alter ego, and/or joint venturer of, or working in concert with, each of the other co-Defendants
16 and was acting within the course and scope of such agency, employment, joint venture, or
17 concerted activity with legal authority to act on the others’ behalf. The acts of any and all
18 Defendants were in accordance with, and represent, the official policy of Defendants.

19 20. At all relevant times, Defendants, and each of them, ratified each and every act
20 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
21 and abetted the acts and omissions of each and all the other Defendants in proximately causing
22 the damages herein alleged.

23 21. Plaintiff is informed and believes, and thereon alleges, that each of said
24 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
25 omissions, occurrences, and transactions alleged herein.

26 22. Under California law, Defendants are jointly and severally liable as employers
27 for the violations alleged herein because they have each exercised sufficient control over the
28 wages, hours, working conditions, and employment status of Plaintiff and other non-party

1 Aggrieved Employees. Each Defendant had the power to hire and fire Plaintiff and other non-
2 party Aggrieved Employees, supervised and controlled their work schedule and/or conditions
3 of employment, determined their rate of pay, and maintained their employment records.
4 Defendants suffered or permitted Plaintiff and other non-party Aggrieved Employees to work
5 and/or “engaged” Plaintiff and other non-party Aggrieved Employees so as to create a common-
6 law employment relationship. As joint employers of Plaintiff and other non-party Aggrieved
7 Employees, Defendants are jointly and severally liable for the civil penalties available to
8 Plaintiff and other non-party Aggrieved Employees under the law.

9 23. Plaintiff is informed and believes, and thereon alleges, that at all relevant times,
10 Defendants, and each of them, have acted as joint employers with respect to Plaintiff and other
11 non-party Aggrieved Employees because Defendants have:

- 12 (a) jointly exercised meaningful control over the work performed by Plaintiff
13 and other non-party Aggrieved Employees;
- 14 (b) jointly exercised meaningful control over Plaintiff’s and other non-party
15 Aggrieved Employees’ wages, hours, and working conditions, including
16 the quantity, quality standards, speed, scheduling, and operative details
17 of the tasks performed by Plaintiff and other non-party Aggrieved
18 Employees;
- 19 (c) jointly required that Plaintiff and other non-party Aggrieved Employees
20 perform work which is an integral part of Defendants’ businesses; and
- 21 (d) jointly exercised control over Plaintiff and other non-party Aggrieved
22 Employees as a matter of economic reality in that Plaintiff and other non-
23 party Aggrieved Employees were dependent on Defendants, who shared
24 the power to set the wages of Plaintiff and other non-party Aggrieved
25 Employees and determined their working conditions, and who jointly
26 reaped the benefits from the underpayment of their wages and
27 noncompliance with other statutory provisions governing their
28 employment.

1 24. Plaintiff is informed and believes, and thereon alleges, that at all relevant times
2 there has existed a unity of interest and ownership between Defendants such that any
3 individuality and separateness between the entities has ceased.

4 25. MERCY HOUSING MANAGEMENT GROUP, INC.; NEBRASKA MERCY
5 HOUSING, INC.; MERCY HOUSING CALIFORNIA; MERCY HOUSING CALWEST;
6 MERCY HOUSING WEST; MERCY HOUSING CALIFORNIA SPECIAL NEEDS; MERCY
7 HOUSING CALIFORNIA SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA
8 FAMILY PROPERTIES; AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING;
9 and/or DOES 1 through 10 are therefore alter egos of each other.

10 26. Adherence to the fiction of the separate existence of Defendants would permit an
11 abuse of the corporate privilege, and would promote injustice by protecting Defendants from
12 liability for the wrongful acts committed by them under the name MERCY HOUSING.

13 27. Plaintiff further alleges, upon information and belief, that the Defendants
14 MERCY HOUSING MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING,
15 INC.; MERCY HOUSING CALIFORNIA; MERCY HOUSING CALWEST; MERCY
16 HOUSING WEST; MERCY HOUSING CALIFORNIA SPECIAL NEEDS; MERCY
17 HOUSING CALIFORNIA SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA
18 FAMILY PROPERTIES; and AFFORDABLE HOUSING INITIATIVES OF MERCY
19 HOUSING are alter egos of each other for the following reasons:

20 (a) On the California Secretary of State's website
21 (<https://bizfileonline.sos.ca.gov/>), MERCY HOUSING
22 MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING,
23 INC.; MERCY HOUSING CALWEST; MERCY HOUSING
24 CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA
25 SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY
26 PROPERTIES; and AFFORDABLE HOUSING INITIATIVES OF
27 MERCY HOUSING have the same principal and/or mailing address,
28 "1600 BROADWAY STE 2000 DENVER, CO 80202";

1 (b) According to their most recent "Statement of Information" forms filed
2 with the California Secretary of State, MERCY HOUSING
3 MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING,
4 INC.; MERCY HOUSING CALIFORNIA; MERCY HOUSING
5 CALWEST; MERCY HOUSING WEST; MERCY HOUSING
6 CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA
7 SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY
8 PROPERTIES; and AFFORDABLE HOUSING INITIATIVES OF
9 MERCY HOUSING share the same officers and/or directors, including,
10 but not limited to:

11 (i) Chad Payne, who serves as Chief Financial Officer; and

12 (ii) Joe Rosenblum, who serves as Secretary;

13 (c) On the California Secretary of State's website, MERCY HOUSING
14 MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING,
15 INC.; MERCY HOUSING CALIFORNIA; MERCY HOUSING
16 CALWEST; MERCY HOUSING WEST; MERCY HOUSING
17 CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA
18 SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY
19 PROPERTIES; and AFFORDABLE HOUSING INITIATIVES OF
20 MERCY HOUSING share the same agent for service of process, CSC -
21 LAWYERS INCORPORATING SERVICE; and

22 (d) On information and belief, MERCY HOUSING MANAGEMENT
23 GROUP, INC.; NEBRASKA MERCY HOUSING, INC.; MERCY
24 HOUSING CALIFORNIA; MERCY HOUSING CALWEST; MERCY
25 HOUSING WEST; MERCY HOUSING CALIFORNIA SPECIAL
26 NEEDS; MERCY HOUSING CALIFORNIA SENIOR PROPERTIES;
27 MERCY HOUSING CALIFORNIA FAMILY PROPERTIES; and
28 AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING

utilize the same standardized employment forms and issue the same employment policies.

PAGA REPRESENTATIVE ALLEGATIONS

28. Defendants are a nonprofit organization that provides affordable, program-enriched housing to a variety of people across the country, including low-income families, seniors, and people with special needs. Upon information and belief, Defendants maintain a single, centralized Human Resources (HR) department at their corporate headquarters in Denver, Colorado, or San Francisco, California, for all non-exempt, hourly paid employees working for Defendants in California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants' company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

29. In particular, Plaintiff and other non-party Aggrieved Employees, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees' assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee's time of hire.

30. Upon information and belief, Defendants maintain a centralized Payroll department at their corporate headquarters in Denver, Colorado, or San Francisco, California, which processes payroll for all non-exempt, hourly paid employees working for Defendants at their various locations and jobsites in California, including Plaintiff and other non-party Aggrieved Employees. Based upon information and belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees in California, irrespective of their work locations. Upon information and belief, Defendants process payroll for departing employees in the same manner throughout the State of California, regardless of the manner in which each employee's employment ends.

1 31. Defendants continue to employ non-exempt or hourly paid employees in
2 California.

3 32. Plaintiff is informed and believes, and thereon alleges, that at all times herein
4 mentioned, Defendants were advised by skilled lawyers and other professionals, employees and
5 advisors knowledgeable about California labor and wage law, employment and personnel
6 practices, and about the requirements of California law.

7 33. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
8 non-party Aggrieved Employees were not paid for all hours worked because all hours worked
9 were not recorded.

10 34. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
11 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
12 receive certain wages for overtime compensation and that they were not receiving certain wages
13 for overtime compensation.

14 35. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
15 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
16 receive at least minimum wages for compensation and that they were not receiving at least
17 minimum wages for work that was required to be done off-the-clock. In violation of the
18 California Labor Code, Plaintiff and other non-party Aggrieved Employees were not paid at
19 least minimum wages for work done off-the-clock.

20 36. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
21 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
22 meal periods in accordance with the California Labor Code and applicable IWC Wage Order or
23 payment of one (1) additional hour of pay at their regular rates of pay when they were not
24 provided with timely, uninterrupted, thirty (30) minute meal periods and that Plaintiff and other
25 non-party Aggrieved Employees were not provided with all meal periods or payment of one (1)
26 additional hour of pay at their regular rates of pay when they did not receive a timely,
27 uninterrupted, thirty (30) minute meal period.

28 37. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or

1 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to rest
2 periods in accordance with the California Labor Code and applicable IWC Wage Order or
3 payment of one (1) additional hour of pay at their regular rates of pay when they were not
4 authorized and permitted to take a compliant rest period and that Plaintiff and other non-party
5 Aggrieved Employees were not authorized and permitted to take compliant rest periods or
6 provided with payment of one (1) additional hour of pay at their regular rates of pay when they
7 were not authorized and permitted to take a compliant rest period.

8 38. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
9 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
10 receive complete and accurate wage statements in accordance with California law. In violation
11 of the California Labor Code, Plaintiff and other non-party Aggrieved Employees were not
12 provided complete and accurate wage statements.

13 39. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
14 should have known that they had a duty to maintain accurate and complete payroll records in
15 accordance with the Labor Code and applicable IWC Wage Order, but willfully, knowingly,
16 and intentionally failed to do so.

17 40. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
18 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
19 timely payment of wages during their employment. In violation of the California Labor Code,
20 Plaintiff and other non-party Aggrieved Employees did not receive payment of all wages,
21 including, but not limited to, overtime wages, minimum wages, meal and rest period premiums,
22 and/or reporting time pay, within permissible time periods.

23 41. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
24 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
25 timely payment of all wages earned upon termination of employment. In violation of the
26 California Labor Code, Plaintiff and other non-party Aggrieved Employees did not receive
27 payment of all wages due, including, but not limited to, overtime wages, minimum wages, meal
28 and rest period premiums, and/or reporting time pay, within permissible time periods.

1 42. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
2 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to be
3 paid reporting time pay when they reported to work for their usual or scheduled shift but were
4 put to work for less than half of the usual or scheduled shift. In violation of the California Labor
5 Code and applicable IWC Wage Order, Defendants did not pay Plaintiff and other non-party
6 Aggrieved Employees all reporting time pay due.

7 43. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
8 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
9 receive reimbursement for all business-related expenses and costs they incurred during the
10 course and scope of their employment and that they did not receive reimbursement of applicable
11 business-related expenses and costs incurred.

12 44. Plaintiff is informed and believes, and thereon alleges, that at all times herein
13 mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff
14 and other non-party Aggrieved Employees for all hours worked, and that Defendants had the
15 financial ability to pay such compensation, but willfully, knowingly, and intentionally failed to
16 do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees that they
17 were properly denied wages, all in order to increase Defendants' profits.

18 45. At all times herein set forth, PAGA provides that any provision of law under the
19 Labor Code and applicable IWC Wage Order that provides for a civil penalty to be assessed and
20 collected by the LWDA for violations of the California Labor Code and applicable IWC Wage
21 Order may, as an alternative, be recovered by aggrieved employees in a civil action brought on
22 behalf of themselves and other current or former employees pursuant to procedures outlined in
23 California Labor Code section 2699.3.

24 46. PAGA defines an "aggrieved employee" in Labor Code section 2699(c)(1) as
25 "any person who was employed by the alleged violator and personally suffered each of the
26 violations alleged each of the violations alleged."

27 47. Plaintiff and other current and former employees of Defendants are "aggrieved
28 employees" as defined by Labor Code section 2699(c)(1) in that they are all Defendants' current

1 or former employees and each of the alleged violations were committed against them.

2 48. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved
3 employee, including Plaintiff, may pursue a civil action arising under PAGA after the following
4 requirements have been met:

5 (a) The aggrieved employee shall give written notice by online filing
6 (hereinafter “Employee’s Notice”) to the LWDA and by certified mail to
7 the employer of the specific provisions of the California Labor Code
8 alleged to have been violated, including the facts and theories to support
9 the alleged violations.

10 (b) An aggrieved employee’s notice filed with the LWDA pursuant to
11 2699.3(a) and any employer response to that notice shall be accompanied
12 by a filing fee of seventy-five dollars (\$75).

13 (c) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
14 employer and the aggrieved employee by certified mail that it does not
15 intend to investigate the alleged violation within sixty (60) calendar days
16 of the postmark date of the Employee’s Notice. Upon receipt of the
17 LWDA Notice, or if the LWDA Notice is not provided within sixty-five
18 (65) calendar days of the postmark date of the Employee’s Notice, the
19 aggrieved employee may commence a civil action pursuant to California
20 Labor Code section 2699 to recover civil penalties in addition to any other
21 penalties to which the employee may be entitled.

22 49. Pursuant to California Labor Code section 2699.3(c), aggrieved employees,
23 through Plaintiff, may pursue a civil action arising under PAGA for violations of any provision
24 other than those listed in Section 2699.5 after the following requirements have been met:

25 (a) The aggrieved employee or representative shall give written notice by
26 online filing to the LWDA and by certified mail to the employer of the
27 specific provisions of the California Labor Code alleged to have been
28 violated (other than those listed in Section 2699.5), including the facts

1 and theories to support the alleged violation.

2 (b) An aggrieved employee's notice filed with the LWDA pursuant to
3 2699.3(c) and any employer response to that notice shall be accompanied
4 by a filing fee of seventy-five dollars (\$75).

5 (c) The employer may cure the alleged violation within thirty-three (33)
6 calendar days of the postmark date of the notice. The employer shall give
7 written notice by certified mail within that period of time to the aggrieved
8 employee or representative and the agency if the alleged violation is
9 cured, including a description of actions taken, and no civil action
10 pursuant to Section 2699 may commence. If the alleged violation is not
11 cured within the 33-day period, the employee may commence a civil
12 action pursuant to Section 2699.

13 50. On October 23, 2024, Plaintiff provided written notice by online filing to the
14 LWDA and by certified mail to Defendants of the specific provisions of the California Labor
15 Code alleged to have been violated, including facts and theories to support the alleged
16 violations, in accordance with California Labor Code section 2699.3. Plaintiff's written notice
17 was accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA
18 PAGA Administrator has confirmed receipt of Plaintiff's written notice and assigned Plaintiff
19 PAGA Case Number LWDA-CM-1057935-24. A true and correct copy of Plaintiff's written
20 notice to the LWDA and Defendants are attached hereto as "Exhibit 1."

21 51. As of the filing date of this complaint, over 65 days have passed since Plaintiff
22 sent the written notice described above, and the LWDA has not responded that it intends to
23 investigate Plaintiff's claims, and Defendants have not cured the violations.

24 52. Thus, Plaintiff has satisfied the administrative prerequisites under California
25 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for
26 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,
27 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

28 53. Labor Code section 558(a) provides "[a]ny employer or other person acting on

1 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
2 provision regulating hours and days of work in any order of the Industrial Welfare Commission
3 shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for
4 each underpaid employee for each pay period for which the employee was underpaid (2)
5 For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for
6 each pay period for which the employee was underpaid” Labor Code section 558(c)
7 provides “[t]he civil penalties provided for in this section are in addition to any other civil or
8 criminal penalty provided by law.” Plaintiff, acting in the public interest as a private attorney
9 general, seeks assessment and collection of civil penalties under Labor Code section 558 for
10 himself, all other non-party Aggrieved Employees, and the State of California against
11 Defendants for violations of Labor Code sections 510, 512(a), 516, and 1198, and the applicable
12 IWC Wage Order. Plaintiff, acting in the public interest as a private attorney general, does not
13 seek the recovery of unpaid wages under Labor Code section 558 from Defendants for violations
14 of Labor Code sections 510, 512(a), 516, and 1198, and the applicable IWC Wage Order.

15 54. Defendants, at all times relevant to this complaint, were employers or persons
16 acting on behalf of an employer(s) who violated Plaintiff’s and other non-party Aggrieved
17 Employees’ rights by violating various sections of the California Labor Code as set forth above.

18 55. As set forth below, Defendants have violated numerous provisions of both the
19 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
20 Order.

21 56. Pursuant to PAGA, and in particular, California Labor Code sections 1194.5,
22 2699(a), 2699(k), 2699.3(a) and 2699.3(c), 2699.5, and section 558, Plaintiff, acting in the
23 public interest as a private attorney general, seeks assessment and collection of civil penalties
24 and injunctive relief for himself, all other non-party Aggrieved Employees, and the State of
25 California against Defendants for violations of California Labor Code sections 201, 202, 204,
26 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1198, and 2802.

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28 ///

1 **FIRST CAUSE OF ACTION**

2 **For Civil Penalties, Pursuant to California Labor Code §§ 2698, *et seq.***

3 **(Against all Defendants)**

4 57. Plaintiff incorporates by reference and re-alleges as if fully stated herein each
5 and every allegation set forth above.

6 58. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
7 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section
8 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 1174(d), and 1198.
9 Labor Code section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil
10 penalties for violations of those Labor Code sections not found in section 2699.5, including
11 sections 226(a), 226.7, 510, 512(a), 516, 1182.12, 1194, 1197, and 2802.

12 59. Defendants’ conduct, as alleged herein, violates numerous sections of the
13 California Labor Code, including, but not limited to, the following:

- 14 (a) Violation of Labor Code sections 510 and 1198, and the applicable IWC
15 Wage Order for Defendants’ failure to compensate Plaintiff and other
16 non-party Aggrieved Employees with all required overtime pay, as set
17 forth below;
- 18 (b) Violation of Labor Code sections 1182.12, 1194, 1197, and 1198, and the
19 applicable IWC Wage Order for Defendants’ failure to compensate
20 Plaintiff and other non-party Aggrieved Employees with at least
21 minimum wages for all hours worked, as set forth below;
- 22 (c) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the
23 applicable IWC Wage Order for Defendants’ failure to provide Plaintiff
24 and other non-party Aggrieved Employees with meal periods, as set forth
25 below;
- 26 (d) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable
27 IWC Wage Order for Defendants’ failure to authorize and permit Plaintiff
28 and other non-party Aggrieved Employees to take rest periods, as set forth

below;

- (e) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other non-party Aggrieved Employees, as set forth below;
- (f) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as set forth below;
- (g) Violation of Labor Code sections 204 for failure to pay all earned wages during employment, as set forth below;
- (h) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as set forth below;
- (i) Violation of Labor Code section 1198 and the applicable IWC Wage Order for failure to pay reporting time pay when Plaintiff and other non-party Aggrieved Employees were put to work for less than half of their usual or scheduled shifts, as set forth below; and
- (j) Violation of Labor Code sections 2802 for failure to reimburse Plaintiff and other non-party Aggrieved Employees for all business expenses necessarily incurred, as set forth below.

FAILURE TO PAY OVERTIME

VIOLATION OF LABOR CODE SECTIONS 510 AND 1198

60. Labor Code section 1198 makes it illegal to employ an employee under conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

61. California Labor Code section 1198 and the applicable IWC Wage Order provide that it is unlawful to employ persons without compensating them at a rate of pay either time-

1 and-one-half or two-times that person's regular rate of pay, depending on the number of hours
2 worked by the person on a daily or weekly basis.

3 62. Specifically, the applicable IWC Wage Order provides that Defendants are and
4 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
5 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
6 one-half (1 ½) for all hours worked in excess of eight (8) hours in a day or more than forty (40)
7 hours in a workweek.

8 63. The applicable IWC Wage Order further provides that Defendants are and were
9 required to pay Plaintiff and other non-party Aggrieved Employees working more than twelve
10 (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate of pay.
11 An employee's regular rate of pay includes all remuneration for employment paid to, or on
12 behalf of, the employee, including nondiscretionary bonuses and incentive pay.

13 64. California Labor Code section 510 codifies the right to overtime compensation
14 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)
15 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh
16 (7th) day of work, and to overtime compensation at twice the employee's regular rate of pay for
17 hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on
18 the seventh (7th) day of work.

19 65. During the relevant time period, Defendants willfully failed to pay all overtime
20 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
21 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
22 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
23 hours in a day, and/or in excess of forty (40) hours in a week, because all hours worked were
24 not recorded.

25 66. First, during the relevant period, Defendants had a company-wide "on-call"
26 policy, whereby they required Plaintiff and other non-party Aggrieved Employees to work "on-
27 call" or on standby. During an "on-call" shift, Plaintiff and other non-party Aggrieved
28 Employees had to be available to work 24 hours per day, seven (7) days per week. While

1 working an “on-call” shift, Plaintiff and other non-party Aggrieved Employees were required
2 to respond to calls from management and/or residents within 30 minutes, and if necessary, report
3 to the property/jobsite to address the maintenance issue in person. When scheduled to be “on-
4 call,” Plaintiff and other non-party Aggrieved Employees were, in essence, on controlled
5 standby for Defendants because they could not use that time freely for their own purposes and
6 were forced to put their lives on hold. For example, Plaintiff refrained from making plans
7 altogether while “on-call” because he knew that he had to drop whatever he was doing at a
8 moment’s notice if he received a call. However, Defendants failed to pay Plaintiff and other
9 non-party Aggrieved Employees for the time they spent waiting for a call from Defendants and
10 were unable to use their time for their own purposes.

11 67. Second, during the relevant time period, on information and belief, Defendants
12 had, and continue to have, a company-wide policy and/or practice of discouraging and impeding
13 Plaintiff and other non-party Aggrieved Employees from recording hours worked that were
14 outside of their scheduled shifts in order to limit the amount of overtime employees could
15 accrue. Because Defendants discouraged overtime accrual, Plaintiff and other non-party
16 Aggrieved Employees were required to complete assigned tasks outside of their scheduled shifts
17 without being compensated for the time they worked. For example, approximately 4-5 times
18 per month, Plaintiff’s supervisor pressured him to clock out at his scheduled shift end-time and
19 continue working for 30 minutes and up to a few hours resolving a maintenance issue or waiting
20 for help, such as a plumber, to arrive. As a further example, approximately three times per year,
21 Plaintiff and other non-party Aggrieved Employees were required to attend employee meetings
22 in San Francisco. Plaintiff spent up to an hour and a half driving to and from San Francisco,
23 time for which he was not paid. Thus, Defendants failed to track all of the time that employees
24 spent performing work-related tasks outside of their shifts, and Plaintiff and other non-party
25 Aggrieved Employees received no compensation for this time.

26 68. Third, Defendants had, and continue to have, a company-wide security policy of
27 allowing only certain employees to carry keys to Defendants’ properties. Specifically, only
28 managerial employees were issued keys to access the properties at any given time. In adherence

1 with this policy, upon arriving to work at their scheduled shift start-times, Plaintiff and other
2 non-party Aggrieved Employees had to wait up to 20 minutes for a managerial employee to
3 arrive at Defendants' premises and unlock the gate in the mornings before they could clock in
4 for their shifts. As a result, Plaintiff and other non-party Aggrieved Employees were subject to
5 Defendants' control before they had clocked in for their shifts but were not compensated for
6 this time.

7 69. Fourth, Defendants had, and continue to have, company-wide policies and/or
8 practices of understaffing their locations while assigning heavy workloads. Defendants'
9 policies and/or practices resulted in a failure to provide Plaintiff and other non-party Aggrieved
10 Employees with adequate meal period coverage, and thus, Plaintiff and other non-party
11 Aggrieved Employees were not always afforded uninterrupted 30-minute meal periods during
12 shifts when they were entitled to receive a meal period. Defendants also had a practice of failing
13 to schedule meal periods, which further caused Plaintiff and other non-party Aggrieved
14 Employees to not be relieved of their duties for compliant meal periods. For example, Plaintiff
15 had his meal periods interrupted, due to the lack of coverage and heavy workload. Defendants
16 did not compensate Plaintiff and other non-party Aggrieved Employees for the time they spent
17 working off the clock during unpaid meal periods.

18 70. Fifth, Defendants had, and continue to have, a policy and/or practice of requiring
19 that Plaintiff and other non-party Aggrieved Employees carry a company-issued radio and/or
20 their personal cellular phone and respond to it at all times, including during meal periods. For
21 example, Plaintiff would regularly have his meal periods interrupted because he was required
22 to answer calls from Defendants' management. Thus, Plaintiff and other non-party Aggrieved
23 Employees worked through meal periods and/or had them interrupted to handle their assigned
24 workloads and responsibilities, and Defendants did not pay Plaintiff and other non-party
25 Aggrieved Employees for the time they continued to perform tasks during meal periods.

26 71. Defendants knew or should have known that as a result of these company-wide
27 practices and/or policies, Plaintiff and other non-party Aggrieved Employees were performing
28 their assigned duties off-the-clock before and after their shifts and during meal periods, and

1 were suffered or permitted to perform work for which they were not paid. Because Plaintiff
2 and other non-party Aggrieved Employees worked shifts of eight (8) hours or more a day, or
3 forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium
4 pay. Therefore, Plaintiff and other non-party Aggrieved Employees were not paid overtime
5 wages for all of the overtime hours they actually worked.

6 72. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
7 the balance of overtime compensation as required by California law, violates the provisions of
8 California Labor Code sections 510 and 1198. Plaintiff and other non-party Aggrieved
9 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558
10 and/or 2699(a), (f), and (k).

11 **FAILURE TO PAY MINIMUM WAGES**

12 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, AND 1198**

13 73. At all relevant times, California Labor Code sections 1182.12, 1194, 1197, and
14 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment
15 of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in
16 IWC Wage Order No. 5-2001 as "the time during which an employee is subject to the control
17 of an employer, and includes all the time the employee is suffered or permitted to work, whether
18 or not required to do so." Cal. Code Regs. tit. 8, § 11050(2)(M) (defining "Hours Worked").

19 74. First, as stated above, Defendants systematically, and on a company-wide basis,
20 required Plaintiff and other non-party Aggrieved Employees to work "on-call" shifts during
21 which they had to put their lives on hold and were restricted from using that time freely for their
22 own purposes. Even though Plaintiff and other non-party Aggrieved Employees were subject
23 to Defendants' control during "on-call" shifts, Defendants did not pay Plaintiff and other non-
24 party Aggrieved Employees at least minimum wages for all hours that they were suffered or
25 permitted to work.

26 75. Second, as set forth above, due to Defendants' restrictions on overtime accrual,
27 Defendants systematically failed to pay Plaintiff and other non-party Aggrieved Employees for
28 actual hours worked before and after their scheduled shifts, because these hours were not

1 accurately recorded. Because Defendants discouraged and impeded Plaintiff and other non-
2 party Aggrieved Employees from recording hours worked that were outside of their scheduled
3 shifts, Plaintiff and other non-party Aggrieved Employees were required to perform work off-
4 the-clock after their shifts, including resolving maintenance issues, traveling to attend employee
5 meetings, and waiting for a managerial employee to arrive and unlock the property gate in the
6 morning.

7 76. Third, as also stated, due to Defendants' policies and/or practices of
8 understaffing their properties while assigning heavy workloads, and failing to schedule meal
9 periods, Plaintiff and other non-party Aggrieved Employees were impeded from taking all
10 uninterrupted meal periods to which they were entitled and were required to work off-the-clock
11 during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of
12 all duties during unpaid meal periods. Moreover, as also stated, Defendants had a company-
13 wide policy and/or practice of requiring that Plaintiff and other non-party Aggrieved Employees
14 carry a company-issued radio and/or personal cellular phone and to respond to requests at all
15 times, including during unpaid meal periods.

16 77. Thus, Defendants did not pay minimum wages for all hours worked by Plaintiff
17 and other non-party Aggrieved Employees. Also, to the extent that these off-the-clock hours
18 did not qualify for overtime premium payment, Defendants did not pay at least minimum wages
19 for those hours worked off-the-clock in violation of California Labor Code sections 1182.12,
20 1194, 1197, and 1198.

21 78. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
22 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, and 1198.
23 Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil
24 penalties pursuant to Labor Code sections 2699(a), (f), and (k).

25 **FAILURE TO PROVIDE AND RECORD MEAL PERIODS**

26 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), 516, AND 1198**

27 79. At all relevant times herein set forth, the applicable IWC Wage Order and
28 California Labor Code sections 226.7, 512(a), 516, and 1198 were applicable to Plaintiff's and

1 non-party Aggrieved Employees' employment by Defendants.

2 80. At all relevant times herein set forth, California Labor Code section 512(a)
3 provides that an employer may not require, cause, or permit an employee to work for a period
4 of more than five (5) hours per day without providing the employee with a meal period of not
5 less than thirty (30) minutes, except that if the total work period per day of the employee is not
6 more than six (6) hours, the meal period may be waived by mutual consent of both the employer
7 and the employee. Under California law, first meal periods must start after no more than five
8 hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012).

9 81. At all relevant times herein set forth, California Labor Code sections 226.7,
10 512(a), 516, and 1198 provide that no employer shall require an employee to work during any
11 meal period mandated by an applicable order of the IWC.

12 82. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198,
13 and the applicable IWC Wage Order also require employers to provide a second meal period of
14 not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an
15 employee one (1) additional hour of pay at the employee's regular rate, except that if the total
16 hours worked is no more than twelve (12) hours, the second meal period may be waived by
17 mutual consent of the employer and the employee only if the first meal period was not waived.

18 83. As stated, Defendants had, and continue to have, company-wide policies and/or
19 practices of understaffing while assigning heavy workloads, which has resulted in a lack of meal
20 period coverage and prevented Plaintiff and other non-party Aggrieved Employees from taking
21 all timely, uninterrupted meal periods to which they were entitled. Further, as stated,
22 Defendants had a company-wide practice and/or policy of failing to schedule meal periods,
23 which further caused Plaintiff and other non-party Aggrieved Employees to not be relieved of
24 their duties for compliant meal periods. Moreover, as stated, Defendants had a company-wide
25 policy and/or practice of requiring that Plaintiff and other non-party Aggrieved Employees carry
26 a company-issued radio and/or personal cellular phone and to respond to requests at all times,
27 including during meal periods.

28 84. As a result, Plaintiff and other non-party Aggrieved Employees had to work

1 through all or part of their meal periods, had their meal periods interrupted, and/or had to wait
2 extended periods of time before taking meal periods. For example, Plaintiff would sometimes
3 miss his meal periods due to lack of coverage and heavy workload. Plaintiff and other non-
4 party Aggrieved Employees did not sign valid meal period waivers on days that they were
5 entitled to meal periods and were not relieved of all duties.

6 85. At all times herein mentioned, Defendants knew or should have known that, as a
7 result of these policies, Plaintiff and other non-party Aggrieved Employees were prevented from
8 being relieved of all duties and required to perform some of their assigned duties during meal
9 periods. Defendants further knew or should have known that Defendants did not pay Plaintiff
10 and other non-party Aggrieved Employees meal period premiums when meal periods were
11 missed, shortened, interrupted, and/or late.

12 86. Furthermore, Defendants engaged in a company-wide practice and/or policy of
13 not paying meal period premiums owed when compliant meal periods are not provided.
14 Because of this practice and/or policy, Plaintiff and other non-party Aggrieved Employees have
15 not received premium pay for all missed, late, and interrupted meal periods.

16 87. Defendants' conduct violates the applicable IWC Wage Order, and California
17 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and other non-party Aggrieved
18 Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 558
19 and/or 2699(a), (f), and (k).

20 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

21 **VIOLATION OF LABOR CODE SECTIONS 226.7, 516, AND 1198**

22 88. At all relevant times herein set forth, the applicable IWC Wage Order and
23 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and other
24 non-party Aggrieved Employees' employment by Defendants.

25 89. At all relevant times, the applicable IWC Wage Order provides that "[e]very
26 employer shall authorize and permit all employees to take rest periods, which insofar as
27 practicable shall be in the middle of each work period" and that the "rest period time shall be
28 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)

hours or major fraction thereof” unless the total daily work time is less than three and one-half (3 ½) hours.

90. At all relevant times, California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

91. Pursuant to the applicable IWC Wage Order and California Labor Code section 226.7(c), Plaintiff and other non-party Aggrieved Employees are entitled to recover from Defendants one (1) additional hour of pay at their regular rates of pay for each work day that a required rest period was not authorized and permitted.

92. During the relevant time period, Defendants regularly failed to authorize and permit Plaintiff and other non-party Aggrieved Employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, Defendants’ company-wide practices, including understaffing and assigning heavy workloads, and their requirement that employees carry a company-issued radio and/or personal cellular phone at all times, including during rest periods, prevented Plaintiff and other non-party Aggrieved Employees from being relieved of all duty to take rest periods. Additionally, Defendants failed to schedule rest periods, which, coupled with Defendants’ failure to provide adequate rest period coverage, further led to Plaintiff and other non-party Aggrieved Employees not being authorized and permitted to take rest periods.

93. Furthermore, upon information and belief, during the relevant time period, Defendants maintained and implemented a company-wide on-premises rest period policy, which effectively required that Plaintiff and/or other non-party Aggrieved Employees remain on the work premises during their rest periods. Because Plaintiff and/or other non-party

1 Aggrieved Employees were restricted from leaving the premises during rest periods, they were
2 denied the ability to use their rest periods freely for their own purposes, such as running personal
3 errands. Thus, Defendants effectively maintained control over Plaintiff and/or other non-party
4 Aggrieved Employees during rest periods.

5 94. As a result of Defendants' practices and policies, Plaintiff and other non-party
6 Aggrieved Employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess
7 of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For
8 example, during some time periods of his employment, Plaintiff had to forgo his rest periods
9 entirely. When Plaintiff was able to take his rest periods, they were sometimes interrupted by
10 vendors reporting for repairs or by Defendants calling Plaintiff on his company-issued radio or
11 his personal cellular phone to discuss work-related matters.

12 95. Defendants have also engaged in a company-wide practice and/or policy of not
13 paying rest period premiums owed when compliant rest periods are not authorized and
14 permitted. Because of this practice and/or policy, Plaintiff and other non-party Aggrieved
15 Employees have not received premium pay for all missed rest periods.

16 96. Defendants' conduct violates the applicable IWC Wage Order and California
17 Labor Code sections 226.7, 516, and 1198. Plaintiff and other non-party Aggrieved Employees
18 are therefore entitled to recover civil penalties pursuant to Labor Code sections 558 and/or
19 2699(a), (f), and (k).

20 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
21 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

22 97. At all relevant times herein, California Labor Code section 226(a) provides that
23 every employer shall furnish each of his or her employees an accurate and complete itemized
24 wage statement in writing, including, but not limited to, the name and address of the legal entity
25 that is the employer, the inclusive dates of the pay period, total hours worked, and all applicable
26 rates of pay.

27 98. During the relevant time period, Defendants have knowingly and intentionally
28 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete, and

1 inaccurate wage statements. For example, Defendants issued uniform wage statements to
2 Plaintiff and other non-party Aggrieved Employees that fail to correctly list: gross wages
3 earned; total hours worked; net wages earned; and all applicable hourly rates in effect during
4 the pay period, including rates of pay for overtime wages, and the corresponding number of
5 hours worked at each hourly rate. Specifically, Defendants violated sections 226(a)(1),
6 226(a)(2), 226(a)(5), and 226(a)(9).

7 99. Because Defendants did not record the time Plaintiff and other non-party
8 Aggrieved Employees spent working off-the-clock, Defendants did not list the correct amount
9 of gross wages and net wages earned by Plaintiff and other non-party Aggrieved Employees in
10 compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason,
11 Defendants failed to accurately list the total number of hours worked by Plaintiff and other non-
12 party Aggrieved Employees, in violation of section 226(a)(2), and failed to list the applicable
13 hourly rates of pay in effect during the pay period and the corresponding accurate number of
14 hours worked at each hourly rate, in violation of section 226(a)(9).

15 100. The wage statement deficiencies also include, among other things, failing to list
16 the number of piece-rate units earned and any applicable piece rate if the employee is paid on a
17 piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for
18 which aggrieved employees were paid; failing to list the name of the employee and only the last
19 four digits of his or her social security number or an employee identification number other than
20 a social security number; failing to list the name and address of the legal entity that is the
21 employer; and/or failing to state all hours worked as a result of not recording or stating hours
22 worked off-the-clock.

23 101. California Labor Code section 1174(d) provides that “[e]very person employing
24 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees
25 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the
26 plants or establishments at which employees are employed, payroll records showing the hours
27 worked daily by and the wages paid to, and the number of piece-rate units earned by and any
28 applicable piece rate paid to, employees employed at the respective plants or

1 establishments” Labor Code section 1174.5 provides that employers are subject to a \$500
2 civil penalty if they fail to maintain accurate and complete records as required by section
3 1174(d). At all relevant times, and in violation of Labor Code section 1174(d), Defendants
4 willfully failed to maintain accurate payroll records for Plaintiff and other non-party Aggrieved
5 Employees showing the daily hours they worked and the wages paid thereto as a result of failing
6 to record the off-the-clock hours that they worked.

7 102. California Labor Code section 1198 provides that the maximum hours of work
8 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set
9 forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment
10 of any employees for longer hours than those fixed by the order or under conditions of labor
11 prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers
12 are required to keep accurate time records showing when the employee begins and ends each
13 work period and meal period. During the relevant time period, Defendants engaged in company-
14 wide practices and/or policies of failing to record actual hours worked, and thereby failed to
15 keep accurate records of work period start and end times for Plaintiff and other non-party
16 Aggrieved Employees, in violation of section 1198.

17 103. Defendants’ conduct violates California Labor Code sections 226(a), 1174(d),
18 and 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover
19 civil penalties pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

20 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

21 **VIOLATION OF LABOR CODE SECTION 204**

22 104. At all relevant times herein set forth, California Labor Code section 204 requires
23 that all wages earned by any person in any employment between the 1st and the 15th days,
24 inclusive, of any calendar month, other than those wages due upon termination of an employee,
25 are due and payable between the 16th and the 26th day of the month during which the labor was
26 performed. Labor Code section 204 further provides that all wages earned by any person in any
27 employment between the 16th and the last day, inclusive, of any calendar month, other than
28 those wages due upon termination of an employee, are due and payable between the 1st and the

1 10th day of the following month.

2 105. At all relevant times herein, California Labor Code section 204 also requires that
3 all wages earned for labor in excess of the normal work period shall be paid no later than the
4 payday for the next regular payroll period. Alternatively, at all relevant times herein, Labor
5 Code section 204 provides that the requirements of this section are deemed satisfied by the
6 payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more
7 than seven (7) calendar days following the close of the payroll period.

8 106. During the relevant time period, Defendants willfully failed to pay Plaintiff and
9 other non-party Aggrieved Employees all wages due to them including, but not limited to,
10 overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay,
11 within any time period specified by California Labor Code section 204.

12 107. Plaintiff and other non-party Aggrieved Employees are therefore entitled to
13 recover civil penalties pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

14 **FAILURE TO PAY WAGES UPON TERMINATION**

15 **VIOLATION OF LABOR CODE SECTIONS 201 AND 202**

16 108. At all times relevant herein set forth, Labor Code sections 201 and 202 provide
17 that if an employer discharges an employee, the wages earned and unpaid at the time of
18 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
19 her employment, his or her wages shall become due and payable not later than seventy-two (72)
20 hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his
21 or her intention to quit, in which case the employee is entitled to his or her wages at the time of
22 quitting.

23 109. Defendants willfully failed to pay Plaintiff and other non-party Aggrieved
24 Employees who are no longer employed by Defendants the earned and unpaid wages set forth
25 above, including but not limited to, overtime wages, minimum wages, meal and rest period
26 premiums, and/or reporting time pay, either at the time of discharge, or within seventy-two (72)
27 hours of their leaving Defendants' employ.

28 110. Defendants' failure to pay Plaintiff and those non-party Aggrieved Employees

1 who are no longer employed by Defendants their wages earned and unpaid at the time of
2 discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor
3 Code sections 201 and 202. Plaintiff and other non-party Aggrieved Employees are therefore
4 entitled to recover civil penalties pursuant to Labor Code sections 256 and/or 2699(a), (f), and
5 (k).

6 **FAILURE TO PAY REPORTING TIME PAY**
7 **VIOLATION OF LABOR CODE SECTION 1198 AND CALIFORNIA CODE OF**
8 **REGULATIONS TITLE 8, SECTION 11050 SUBDIVISION 5(A)**

9 111. California Labor Code section 1198 makes it illegal to employ an employee
10 under conditions of labor that are prohibited by the applicable IWC Wage Order. California
11 Labor Code section 1198 requires that "... the standard conditions of labor fixed by the
12 commission shall be the ... standard conditions of labor for employees. The employment of
13 any employee ... under conditions of labor prohibited by the order is unlawful."

14 112. California Code of Regulations, Title 8, section 11050(5)(A) provides that
15 "[e]ach workday an employee is required to report for work and does report, but is not put to
16 work or is furnished less than half said employee's usual or scheduled day's work, the employee
17 shall be paid for half the usual or scheduled day's work, but in no event for less than two (2)
18 hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be
19 less than the minimum wage." The "primary purpose of the reporting time regulation" is "to
20 guarantee at least partial compensation for employees who report to work expecting to work a
21 specified number of hours, and who are deprived of that amount because of inadequate
22 scheduling or lack of proper notice by the employer." *Aleman v. AirTouch Cellular*, 209 Cal.
23 App. 4th 556 (2012).

24 113. During the relevant time period, Defendants violated California Labor Code
25 section 1198 and California Code of Regulations, Title 8, section 11050(5)(A), because
26 Defendants failed to pay Plaintiff and other non-party Aggrieved Employees reporting time pay
27 when they reported to work for their scheduled shift but were put to work for less than half of
28 the usual or scheduled day's work.

114. As stated, Defendants had a company-wide “on-call” policy, whereby they scheduled Plaintiff and other non-party Aggrieved Employees to work “on-call,” or on standby. When scheduled for a “on-call” or standby shift, Plaintiff and other non-party Aggrieved Employees regularly presented themselves as ready for work by waiting for the Defendants to call them after regular business hours regarding responding to maintenance emergencies. When this occurred, Defendants did not pay Plaintiff and other non-party Aggrieved Employees the minimum reporting time pay when they were subject to Defendants’ “on-call” policy and were ultimately not called. Furthermore, when Plaintiff and other non-party Aggrieved Employees reported for work for maintenance emergencies at certain properties, Defendants failed to pay them for at least two (2) hours at their regular rate of pay. Instead, Defendants only paid Plaintiff and other non-party Aggrieved Employees for the time that they had worked.

115. Accordingly, Plaintiff and other non-party Aggrieved Employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A). Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to Labor Code sections 2699(a), (f), and (k).

FAILURE TO REIMBURSE NECESSARY BUSINESS EXPENSES

VIOLATION OF LABOR CODE SECTION 2802

116. At all times herein set forth, California Labor Code section 2802 provides that an employer must reimburse employees for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan’s Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001 provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.”

1 IWC Wage Order No. 5-2001, further provides that: “[w]hen uniforms are required by the
2 employer to be worn by the employee as a condition of employment, such uniforms shall be
3 provided and maintained by the employer.”

4 117. First, during the relevant time period, Defendants, on a company-wide basis,
5 required Plaintiff and other non-party Aggrieved Employees to use their personal mobile
6 devices, including, but not limited to, cellular phones and/or mobile data, to carry out their job
7 duties but failed to fully reimburse them for the costs of their work-related mobile device and/or
8 mobile data expenses. For example, Plaintiff used his personal mobile device to make work-
9 related phone calls to communicate with Defendants’ management and to set up repairs with
10 vendors. As a further example, Plaintiff used his personal mobile device and mobile data to
11 communicate with management via email. Finally, Plaintiff used his personal cellular phone to
12 take photos of maintenance issues and send them to Defendants’ management for record
13 keeping. Although Defendants required Plaintiff and other non-party Aggrieved Employees to
14 use their personal mobile devices and mobile data to carry out their work-related duties,
15 Defendants failed to fully reimburse them for their costs incurred.

16 118. Second, during the relevant time period, Defendants, on a company-wide basis,
17 required that Plaintiff and other non-party Aggrieved Employees use their own personal
18 vehicles to travel to attend employee meetings. For example, approximately three (3) times per
19 year, Plaintiff was required to use his personal vehicle and drive to San Francisco, California to
20 attend employee meetings. On average, Plaintiff drove approximately 80 miles roundtrip each
21 time. Although Defendants required Plaintiff and other non-party Aggrieved Employees to
22 utilize their personal vehicles to carry out their work-related responsibilities, Defendants failed
23 to fully reimburse them for their mileage or travel expenses.

24 119. Third, during the relevant time period, Defendants required Plaintiff and other
25 non-party Aggrieved Employees to purchase supplies and equipment necessary for the
26 performance of their duties, but failed to reimburse them for their out-of-pocket costs. For
27 example, Plaintiff spent about \$150 on gasoline, paints brushes, and paint rollers because
28 Defendants failed to provide employees with sufficient tools and equipment to operate properly

1 and/or meet management's expectations. As a result, Plaintiff was required to purchase his own
2 tools and equipment in order to complete his daily tasks. Although Defendants required
3 Plaintiff and other non-party Aggrieved Employees to purchase supplies and equipment to carry
4 out their work-related responsibilities, Defendants failed to reimburse them for their out-of-
5 pocket costs to purchase necessary supplies and equipment.

6 120. Fourth, during the relevant time period, Defendants required Plaintiff and other
7 non-party Aggrieved Employees to wear uniforms shirts bearing the company logo. However,
8 Defendants only provided Plaintiff with two (2) shirts at the time of hire and then three (3)
9 additional shirts later. Because Defendants failed to provide Plaintiff and other non-party
10 Aggrieved Employees with an adequate number of uniform items in relation to their scheduled
11 shifts and for the tasks they were required to perform, Plaintiff and other non-party Aggrieved
12 Employees had to wash their uniforms more frequently than they otherwise do laundry, and
13 incur expenses in doing so. For example, due to the nature of maintenance work, Plaintiff's
14 uniform shirts would become stained with paint, sweaty, and/or accumulate dust particles from
15 sanding and drilling such that he was unable to mix these clothes in with other laundry. As a
16 result, he had to wash his uniform shirts separately from his regular clothing and would spend
17 about \$20 per week at the laundromat for the upkeep of his uniforms. Thus, Defendants failed
18 to maintain uniforms they required Plaintiff and other non-party Aggrieved Employees to wear
19 during their shifts and forced them to incur the cost of maintaining employee uniforms.

20 121. Defendants could have provided Plaintiff and other non-party Aggrieved
21 Employees with the actual equipment for use on the job, such as company mobile devices,
22 company vehicles, and supplies and equipment, as well as an adequate number of uniform items
23 or access laundering services; or Defendants could have reimbursed employees for the costs of
24 their mobile device usage, travel, mileage, supplies, and laundering expenses or provided a
25 uniform maintenance allowance. Instead, Defendants passed these operating costs onto Plaintiff
26 and other non-party Aggrieved Employees.

27 122. Defendants' company-wide policy and/or practice of not reimbursing employees
28 for expenses necessarily incurred and passing on their operating costs to Plaintiff and other non-

1 party Aggrieved Employees violates California Labor Code section 2802. Plaintiff and other
2 non-party Aggrieved Employees are therefore entitled to recover civil penalties pursuant to
3 Labor Code sections 2699(a), (f), and (k).

4 **REQUEST FOR JURY TRIAL**

5 Plaintiff requests a trial by jury.

6 **PRAYER FOR RELIEF**

7 Plaintiff, on behalf of all other non-party Aggrieved Employees, prays for relief and
8 judgment against Defendants, jointly and severally, as follows:

9 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
10 (\$25,000). Plaintiff reserves the right to amend his prayer for relief to seek a different amount.

11 **As to the First Cause of Action**

12 2. That the Court declare, adjudge and decree that Defendants violated the
13 following California Labor Code provisions as to Plaintiff and other non-party Aggrieved
14 Employees: 510 and 1198 (by failing to pay all overtime compensation); 1182.12, 1194, 1197,
15 and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7, 512(a), 516,
16 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and
17 permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage
18 statements and maintain accurate payroll records); 204 (by failing to timely pay all earned wages
19 during employment); 201 and 202 (by failing to timely pay all earned wages upon termination);
20 1198 and the applicable IWC Wage Order (by failing to provide reporting time pay); and 2802
21 (by failing to reimburse business expenses);

22 3. For civil penalties, pursuant to California Labor Code sections 210, 226.3, 256,
23 558, 1174.5, 2699(a), (f), and (k), for violations of California Labor Code sections 201, 202,
24 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

25 4. For injunctive relief pursuant to California Labor Code sections 1194.5 and/or
26 2699(k) to bring Defendants into compliance with the requirements of the applicable IWC Wage
27 Order and California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516,
28 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802;

1 5. For attorneys' fees and costs pursuant to California Labor Code section
2 2699(k)(1), and any and all other relevant statutes, for Defendants' violations of California
3 Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194,
4 1197, 1197.1, 1198, and 2802;

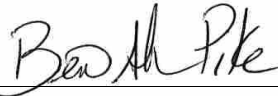
5 6. For pre-judgment and post-judgment interest as provided by law; and

6 7. For such other and further relief as the Court may deem equitable and
7 appropriate.

8
9 Dated: December 30, 2024

Respectfully submitted,

Capstone Law APC

10
11
12 By: 

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Daniel S. Jonathan
Trisha K. Monesi
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EXHIBIT “1”



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October 23, 2024

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.govfa.net/308>)

Subject: *Cesar Teixeira v. Mercy Housing Management Group, Inc., et al.*

Dear PAGA Administrator:

This office represents Cesar Teixeira in connection with his claims under the California Labor Code. Mr. Teixeira was an employee of MERCY HOUSING MANAGEMENT GROUP, INC.; NEBRASKA MERCY HOUSING, INC.; MERCY HOUSING CALIFORNIA; MERCY HOUSING CALWEST; MERCY HOUSING WEST; MERCY HOUSING CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY PROPERTIES; and/or AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING. For the purpose of this letter, Mr. Teixeira collectively refers to these entities as "MERCY HOUSING."

The employers may be contacted directly at the addresses below:

MERCY HOUSING MANAGEMENT GROUP, INC.
1600 BROADWAY STE 2000
DENVER, CO 80202

NEBRASKA MERCY HOUSING, INC.
1600 BROADWAY STE 2000
DENVER, CO 80202

MERCY HOUSING CALIFORNIA
1256 MARKET STREET
SAN FRANCISCO, CA 94102

MERCY HOUSING CALWEST
1600 BROADWAY STE 2000
DENVER, CO 80202

MERCY HOUSING WEST
1256 MARKET STREET
SAN FRANCISCO, CA 94102

MERCY HOUSING CALIFORNIA
SPECIAL NEEDS
1600 BROADWAY STE 2000
DENVER, CO 80202

MERCY HOUSING CALIFORNIA
SENIOR PROPERTIES
1600 BROADWAY STE 2000
DENVER, CO 80202

MERCY HOUSING CALIFORNIA
FAMILY PROPERTIES
1600 BROADWAY, SUITE 2000
DENVER, CO 80202

AFFORDABLE HOUSING INITIATIVES
OF MERCY HOUSING
1600 BROADWAY STE 2000
DENVER, CO 80202

Mr. Teixeira intends to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Mr. Teixeira seeks relief on behalf of himself, the State of California, and other persons who are or were employed by MERCY HOUSING as a non-exempt, hourly paid employee in California and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

MERCY HOUSING employed Mr. Teixeira as an hourly paid, non-exempt employee from approximately June 2022 to November 2023. Mr. Teixeira worked for MERCY HOUSING as a Maintenance Technician in San Leandro, California. During his employment, Mr. Teixeira typically worked eight (8) hours or more per day, and five (5) days per week. At the time Mr. Teixeira's employment with MERCY HOUSING ended, he earned approximately \$22.60 per hour. His job duties included, without limitation, handling maintenance issues such as plumbing, restoration, groundskeeping, and residents' maintenance requests.

MERCY HOUSING has committed each of the following Labor Code violations against Mr. Teixeira, the facts and theories of which follow, making him an "aggrieved employee" pursuant to California Labor Code section 2699(c)(1):¹

MERCY HOUSING's Company-Wide and Uniform Payroll and HR Practices

MERCY HOUSING MANAGEMENT GROUP, INC. and NEBRASKA MERCY HOUSING, INC. are Nebraska corporations. MERCY HOUSING CALIFORNIA; MERCY HOUSING CALWEST; MERCY HOUSING WEST; MERCY HOUSING CALIFORNIA SPECIAL NEEDS; MERCY HOUSING CALIFORNIA SENIOR PROPERTIES; MERCY HOUSING CALIFORNIA FAMILY PROPERTIES; and AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING are California corporations. Together, they provide affordable, program-enriched housing to a variety of people across the country, including low-income families, seniors, and people with special needs. Upon information and belief, MERCY HOUSING maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Denver, Colorado, and San Francisco, California, for all non-exempt, hourly paid employees working for MERCY HOUSING in California, including Mr. Teixeira and other aggrieved employees. At all relevant times, MERCY HOUSING issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Mr. Teixeira and other aggrieved employees, regardless of their location or position.

¹ These facts, theories, and claims are based on Mr. Teixeira's experience and counsel's review of those records currently available relating to Mr. Teixeira's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Mr. Teixeira reserves the right to supplement this letter with additional facts, theories, and claims if he becomes aware of them subsequent to the submission of this letter.

Upon information and belief, MERCY HOUSING maintains a centralized Payroll department at its corporate headquarters in Denver, Colorado, and San Francisco, California, which processes payroll for all non-exempt, hourly paid employees working for MERCY HOUSING in California, including Mr. Teixeira and other aggrieved employees. Further, MERCY HOUSING issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees in California, including Mr. Teixeira and other aggrieved employees, irrespective of their location, position, or manner in which each employee's employment ended. In other words, MERCY HOUSING utilized the same methods and formulas when calculating wages due to Mr. Teixeira and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

MERCY HOUSING willfully failed to pay all overtime wages owed to Mr. Teixeira and other aggrieved employees. During the relevant time period, Mr. Teixeira and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant period, MERCY HOUSING had a company-wide "on-call" policy, whereby it required Mr. Teixeira and other aggrieved employees to work "on-call" or on standby. During an "on-call" shift, Mr. Teixeira and other aggrieved employees had to be available to work 24 hours per day, seven (7) days per week. While working an "on-call" shift, Mr. Teixeira and other aggrieved employees were required to respond to calls from management and/or residents within 30 minutes, and if necessary, report to the property/site to address the maintenance issue in person. When scheduled to be "on-call," Mr. Teixeira and other aggrieved employees were, in essence, on controlled standby for MERCY HOUSING because they could not use that time freely for their own purposes and were forced to put their lives on hold. For example, Mr. Teixeira refrained from making plans altogether while "on-call" because he knew that he had to drop whatever he was doing at a moment's notice if he received a call. However, MERCY HOUSING failed to pay Mr. Teixeira and other aggrieved employees for the time they spent waiting for a call from MERCY HOUSING and were unable to use their time for their own purposes.

Second, during the relevant time period, on information and belief, MERCY HOUSING had, and continues to have, a company-wide policy and/or practice of discouraging and impeding Mr. Teixeira and other aggrieved employees from recording hours worked that were outside of their scheduled shifts in order to limit the amount of overtime employees could accrue. Because MERCY HOUSING discouraged overtime accrual, Mr. Teixeira and other aggrieved employees were required to complete assigned tasks outside of their scheduled shifts without being compensated for the time

they worked. For example, approximately 4-5 times per month, Mr. Teixeira's supervisor pressured him to clock out at his scheduled shift end-time and continue working for 30 minutes and up to a few hours resolving a maintenance issue or waiting for help, such as a plumber, to arrive. As a further example, approximately three times per year, Mr. Teixeira and other aggrieved employees were required to attend employee meetings in San Francisco. Mr. Teixeira spent up to one (1) and a half hours driving to and from San Francisco, time for which he was not paid. Thus, MERCY HOUSING failed to track all of the time that employees spent performing work-related tasks outside of their shifts, and Mr. Teixeira and other aggrieved employees received no compensation for this time.

Third, MERCY HOUSING had, and continues to have, a company-wide security policy of allowing only certain employees to carry keys to MERCY HOUSING's properties. Specifically, only managerial employees were issued keys to access the properties at any given time. In adherence with this policy, upon arriving to work at their scheduled shift start-times, Mr. Teixeira and other aggrieved employees had to wait up to 20 minutes for a managerial employee to arrive at MERCY HOUSING's premises and unlock the gate in the mornings before they could clock in for their shifts. As a result, Mr. Teixeira and other aggrieved employees were subject to MERCY HOUSING's control before they had clocked in for their shifts but were not compensated for this time.

Fourth, MERCY HOUSING had, and continues to have, company-wide policies and/or practices of understaffing its locations while assigning heavy workloads. MERCY HOUSING's policies and/or practices resulted in a failure to provide Mr. Teixeira and other aggrieved employees with adequate meal period coverage, and thus, Mr. Teixeira and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. MERCY HOUSING also had a practice of failing to schedule meal periods, which further caused Mr. Teixeira and other aggrieved employees to not be relieved of their duties for compliant meal periods. For example, Mr. Teixeira had his meal periods interrupted, due to the lack of coverage and heavy workload. MERCY HOUSING did not compensate Mr. Teixeira and other aggrieved employees for the time they spent working off the clock during unpaid meal periods.

Fifth, MERCY HOUSING had, and continues to have, a policy and/or practice of requiring that Mr. Teixeira and other aggrieved employees carry a company-issued radio and/or their personal cellphone and respond to it at all times, including during meal periods. For example, Mr. Teixeira would regularly have his meal periods interrupted because he was required to answer calls from MERCY HOUSING's management. Thus, Mr. Teixeira and other aggrieved employees worked through meal periods and/or had them interrupted to handle their assigned workloads and responsibilities, and MERCY HOUSING did not pay Mr. Teixeira and other aggrieved employees for the time they continued to perform tasks during meal periods.

MERCY HOUSING knew or should have known that as a result of these company-wide practices and/or policies, Mr. Teixeira and other aggrieved employees were performing their assigned duties off-the-clock before and after their shifts and during meal periods, and were suffered or permitted to perform work for which they were not paid. Because Mr. Teixeira and other aggrieved employees worked shifts of eight (8) hours or more a day, or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Mr. Teixeira and other aggrieved employees were not paid overtime wages for all of the overtime hours they actually worked.

MERCY HOUSING's failure to pay Mr. Teixeira and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Mr. Teixeira and other aggrieved employees are entitled to recover

civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code sections 510 and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11050(2)(L) (defining "Hours Worked").

First, as stated above, MERCY HOUSING systematically, and on a company-wide basis, required Mr. Teixeira and other aggrieved employees to work "on-call" shifts during which they had to put their lives on hold and were restricted from using that time freely for their own purposes. Even though Mr. Teixeira and other aggrieved employees were subject to MERCY HOUSING's control during "on-call" shifts, MERCY HOUSING did not pay Mr. Teixeira and other aggrieved employees at least minimum wages for all hours that they were suffered or permitted to work.

Second, as set forth above, due to MERCY HOUSING's restrictions on overtime accrual, MERCY HOUSING systematically failed to pay Mr. Teixeira and other aggrieved employees for actual hours worked after their scheduled shifts, because these hours were not accurately recorded. Because MERCY HOUSING discouraged and impeded Mr. Teixeira and other aggrieved employees from recording hours worked that were outside of their scheduled shifts, Mr. Teixeira and other aggrieved employees were required to perform work off-the-clock after their shifts, including resolving maintenance issues, traveling to attend employee meetings, and waiting for a managerial employee to arrive and unlock the property gate in the morning.

Third, as also stated, due to MERCY HOUSING's policies and/or practices of understaffing its properties while assigning heavy workloads, and failing to schedule meal periods, Mr. Teixeira and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods. Moreover, as also stated, MERCY HOUSING had a company-wide policy and/or practice of requiring that Mr. Teixeira and other aggrieved employees carry a company-issued radio and/or personal cellphone and to respond to requests at all times, including during meal periods.

MERCY HOUSING did not pay at least minimum wages for all hours worked by Mr. Teixeira and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, MERCY HOUSING did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, MERCY HOUSING regularly failed to pay at least minimum wages to Mr. Teixeira and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor

Code sections 1182.12, 1194, 1197, 1197.1, and 1198, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

As stated, MERCY HOUSING had, and continues to have, company-wide policies and/or practices of understaffing while assigning heavy workloads, which has resulted in a lack of meal period coverage and prevented Mr. Teixeira and other aggrieved employees from taking all timely, uninterrupted meal periods to which they were entitled. Further, as stated, MERCY HOUSING had a company-wide practice and/or policy of failing to schedule meal periods, which further caused Mr. Teixeira and other aggrieved employees to not be relieved of their duties for compliant meal periods. Moreover, as stated, MERCY HOUSING had a company-wide policy and/or practice of requiring that Mr. Teixeira and other aggrieved employees carry a company-issued radio and/or personal cellphone and to respond to requests at all times, including during meal periods.

As a result, Mr. Teixeira and other aggrieved employees had to work through all or part of their meal periods, had their meal periods interrupted, and/or had to wait extended periods of time before taking meal periods. For example, Mr. Teixeira would sometimes miss his meal periods due to lack of coverage and heavy workload. Mr. Teixeira and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, MERCY HOUSING knew or should have known that, as a result of these policies, Mr. Teixeira and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal periods. MERCY HOUSING further knew or should have known that MERCY HOUSING did not pay Mr. Teixeira and other aggrieved employees meal period premiums when meal periods were missed, shortened, interrupted, and/or late.

Furthermore, MERCY HOUSING engaged in a company-wide practice and/or policy of not paying all meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Mr. Teixeira and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods.

Accordingly, MERCY HOUSING failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 512(a), 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, MERCY HOUSING regularly failed to authorize and permit Mr. Teixeira and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, MERCY HOUSING's company-wide practices, including understaffing and assigning heavy workloads, and its requirement that employees carry a company-issued radio and/or personal cellphone at all times, including during rest periods, prevented Mr. Teixeira and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, MERCY HOUSING failed to schedule rest periods, which, coupled with MERCY HOUSING's failure to provide adequate rest period coverage, further led to Mr. Teixeira and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, upon information and belief, during the relevant time period, MERCY HOUSING maintained and implemented a company-wide on-premises rest period policy, which effectively required that Mr. Teixeira and/or other aggrieved employees remain on the work premises during their rest periods. Because Mr. Teixeira and/or other aggrieved employees were restricted from leaving the premises during rest periods, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, MERCY HOUSING effectively maintained control over Mr. Teixeira and/or other aggrieved employees during rest periods.

As a result of MERCY HOUSING's practices and policies, Mr. Teixeira and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted rest periods to which they were entitled. For example, during

some time periods of his employment, Mr. Teixeira had to forgo his rest periods entirely. Whenever Mr. Teixeira was able to take his rest periods, they were sometimes interrupted by vendors reporting for repairs or MERCY HOUSING calling Mr. Teixeira on his company-issued radio or his personal cellphone to discuss work-related matters.

MERCY HOUSING has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Mr. Teixeira and other aggrieved employees have not received premium pay for all missed rest periods.

Accordingly, MERCY HOUSING failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code sections 226.7, 516, and 1198, pursuant to Labor Code sections 558 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, MERCY HOUSING has knowingly and intentionally provided Mr. Teixeira and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, MERCY HOUSING issued uniform wage statements to Mr. Teixeira and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, and the corresponding number of hours worked at each hourly rate. Specifically, MERCY HOUSING violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because MERCY HOUSING did not record the time Mr. Teixeira and other aggrieved employees spent working off-the-clock, MERCY HOUSING did not list the correct amount of gross wages and net wages earned by Mr. Teixeira and other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, MERCY HOUSING failed to accurately list the total number of hours worked by Mr. Teixeira and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

The wage statement deficiencies also include, among other things, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for which aggrieved employees were paid; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall . . . [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), MERCY HOUSING willfully failed to maintain accurate payroll records for Mr. Teixeira and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, MERCY HOUSING engaged in company-wide practices and/or policies of failing to record actual hours worked, and thereby failed to keep accurate records of work period start and end times for Mr. Teixeira and other aggrieved employees, in violation of section 1198.

Because MERCY HOUSING failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Mr. Teixeira and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Mr. Teixeira and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code sections 226(a), 1174(d), and 1198, pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f), and (k).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month

during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, MERCY HOUSING failed to pay Mr. Teixeira and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, within any time period specified by California Labor Code section 204.

Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with Labor Code section 204, pursuant to Labor Code sections 210 and/or 2699(a), (f), and (k).

Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

MERCY HOUSING willfully failed to pay Mr. Teixeira and other aggrieved employees who are no longer employed by MERCY HOUSING all their earned wages, including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or reporting time pay, either at the time of discharge, or within seventy-two (72) hours of their leaving MERCY HOUSING's employ.

Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with Labor Code sections 201 and 202, pursuant to Labor Code sections 256 and/or 2699(a), (f), and (k).

Violation of California Labor Code § 1198 and California Code of Regulations Title 8, Section 11050 Subdivision 5(A) – Failure to Pay Reporting Time Pay

California Labor Code section 1198 dictates that no employer may employ an employee under conditions of labor that are prohibited by the applicable IWC wage order. California Labor Code section 1198 further requires that “. . . the standard conditions of labor fixed by the commission shall be the . . . standard conditions of labor for employees. The employment of any employee . . . under conditions of labor prohibited by the order is unlawful.”

California Code of Regulations, Title 8, section 11050(5)(A) provides that “[e]ach workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay, which shall not be less than the minimum wage.” The “primary purpose of the reporting time regulation” is “to guarantee at least partial compensation for employees who report to work expecting to work a specified number of hours, and who are deprived of that amount because of inadequate scheduling or lack of proper notice by the employer.” *Aleman v. AirTouch Cellular*, 209 Cal. App. 4th 556 (2012).

During the relevant time period, MERCY HOUSING violated California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5)(A), because MERCY HOUSING failed to pay Mr. Teixeira and other aggrieved employees reporting time pay when they reported to work for their usual or scheduled shift but were put to work for less than half of their usual or scheduled day’s work.

As stated, MERCY HOUSING had a company-wide “on-call” policy, whereby it scheduled Mr. Teixeira and other aggrieved employees to work “on-call,” or on standby. When scheduled for a “on-call” or standby shift, Mr. Teixeira and other aggrieved employees regularly presented themselves as ready for work by waiting for the MERCY HOUSING to call them after regular business hours regarding responding to maintenance emergencies. When this occurred, MERCY HOUSING did not pay Mr. Teixeira and other aggrieved employees the minimum reporting time pay when they were subject to MERCY HOUSING’s “on-call” policy and were ultimately not called. Furthermore, when Mr. Teixeira and other aggrieved employees reported for work for maintenance emergencies at certain properties, MERCY HOUSING failed to pay them for at least two (2) hours at their regular rate of pay. Instead, MERCY HOUSING only paid Mr. Teixeira and other aggrieved employees for the time that they had worked.

Accordingly, Mr. Teixeira and other aggrieved employees were not properly compensated with reporting time pay in violation of California Labor Code section 1198 and California Code of Regulations, Title 8, section 11050(5). Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys’ fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code section 1198, pursuant to Labor Code sections 2699(a), (f), and (k).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan’s Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001, provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.” IWC Wage Order No. 5-2001 further provides that: “[w]hen uniforms are required by the employer to be worn by the employee as a condition of employment, such uniforms shall be provided and maintained by the employer.”

First, during the relevant time period, MERCY HOUSING, on a company-wide basis, required Mr. Teixeira and other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones and/or mobile data, to carry out their job duties but failed to fully reimburse them for the costs of their work-related mobile device and/or mobile data expenses. For example, Mr. Teixeira used his personal mobile device to make work-related phone calls to communicate with MERCY HOUSING's management and to set up repairs with vendors. As a further example, Mr. Teixeira used his personal mobile device and mobile data to communicate with management via email. Finally, Mr. Teixeira used his personal cellular phone to take photos of maintenance issues and send them to MERCY HOUSING's management for record keeping. Although MERCY HOUSING required Mr. Teixeira and other aggrieved employees to use their personal mobile devices and mobile data to carry out their work-related duties, MERCY HOUSING failed to fully reimburse them for their costs incurred.

Second, during the relevant time period, MERCY HOUSING, on a company-wide basis, required that Mr. Teixeira and other aggrieved employees use their own personal vehicles to travel to attend employee meetings. For example, approximately three (3) times per year, Mr. Teixeira was required to use his personal vehicle and drive to San Francisco, California to attend employee meetings. On average, Mr. Teixeira drove approximately 80 miles roundtrip each time. Although MERCY HOUSING required Mr. Teixeira and other aggrieved employees to utilize their personal vehicles to carry out their work-related responsibilities, MERCY HOUSING failed to fully reimburse them for their mileage or travel expenses.

Third, during the relevant time period, MERCY HOUSING required Mr. Teixeira and other aggrieved employees to purchase supplies and equipment necessary for the performance of their duties, but failed to reimburse them for their out-of-pocket costs. For example, Mr. Teixeira spent about \$150 on gasoline, paints brushes, and paint rollers because MERCY HOUSING failed to provide employees with sufficient tools and equipment to operate properly and/or meet management's expectations. As a result, Mr. Teixeira was required to purchase his own tools and equipment in order to complete his daily tasks. Although MERCY HOUSING required Mr. Teixeira and other aggrieved employees to purchase supplies and equipment to carry out their work-related responsibilities, MERCY HOUSING failed to reimburse them for their out-of-pocket costs to purchase necessary supplies and equipment.

Fourth, during the relevant time period, MERCY HOUSING required Mr. Teixeira and other aggrieved employees to wear uniforms shirts bearing the company logo. However, MERCY HOUSING only provided Mr. Teixeira with two (2) shirts at the time of hire and then three (3) additional shirts later. Because MERCY HOUSING failed to provide Mr. Teixeira and other aggrieved employees with an adequate number of uniform items in relation to their scheduled shifts and for the tasks they were required to perform, Mr. Teixeira and other aggrieved employees had to wash their uniforms more frequently than they otherwise do laundry, and incur expenses in doing so. For example, due to the nature of maintenance work, Mr. Teixeira's uniform shirts would become stained with paint, sweaty, and/or accumulate dust particles from sanding and drilling such that he was unable to mix these clothes in with other laundry. As a result, he had to wash his uniform shirts separately from his regular clothing and would spend about \$20 per week at the laundromat for the upkeep of his uniforms. Thus, MERCY HOUSING failed to maintain uniforms it required Mr. Teixeira and other aggrieved employees to wear during their shifts and forced them to incur the cost of maintaining employee uniforms.

MERCY HOUSING could have provided Mr. Teixeira and other aggrieved employees with the actual equipment for use on the job, such as company mobile devices, company vehicles, and supplies and equipment, as well as an adequate number of uniform items or access laundering services; or MERCY HOUSING could have reimbursed employees for the costs of their mobile device usage, travel, mileage, supplies, and laundering expenses or provided a uniform maintenance allowance. Instead, MERCY HOUSING passed these operating costs onto Mr. Teixeira and other aggrieved employees.

Thus, MERCY HOUSING had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Mr. Teixeira and other aggrieved employees are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon, and seek injunctive relief to bring MERCY HOUSING into compliance with the applicable IWC Wage Order and Labor Code section 2802, pursuant to Labor Code sections 2699(a), (f), and (k).

California Labor Code § 558(a)

California Labor Code section 558(a) provides "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid" Labor Code section 558(c) provides that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law." MERCY HOUSING, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Mr. Teixeira's and other aggrieved employees' rights by violating various sections of the California Labor Code.

Accordingly, Mr. Teixeira seeks the remedies set forth in Labor Code section 558 for himself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 1194.5, 2699(a), 2699(k), 2699.3(a) and 2699.3(c), 2699.5, and 558, Mr. Teixeira acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties and injunctive relief for himself, all other aggrieved employees, and the State of California against MERCY HOUSING for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Mr. Teixeira seeks all applicable civil penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Mr. Teixeira's reasonable attempt to settle his dispute with MERCY HOUSING prior to litigation. Pursuant to *Graham v. Daimler Chrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform MERCY HOUSING of Mr. Teixeira's aforementioned grievances and the proposed remedies as detailed below, while affording MERCY HOUSING a reasonable opportunity to satisfy Mr. Teixeira's demands.

Demand is hereby made that MERCY HOUSING shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. MERCY HOUSING shall pay Mr. Teixeira and all other aggrieved employees employed by MERCY HOUSING at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. MERCY HOUSING shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. MERCY HOUSING shall conduct a survey or interview all current and former aggrieved employees in California who worked for MERCY HOUSING in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mobile device expenses; mileage and travel expenses; supply and equipment expenses; uniform maintenance; or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. MERCY HOUSING shall pay Mr. Teixeira and each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512(a), 516, and 1198. MERCY HOUSING also shall pay Mr. Teixeira and each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. MERCY HOUSING shall provide aggrieved employees who are required to report for work and do report but are not put to work or are furnished less than half their usual or scheduled day's work, with pay for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the aggrieved employee's regular rate of pay.
6. MERCY HOUSING shall reimburse Mr. Teixeira and all aggrieved employees who were required to pay for any business expenses incurred for MERCY HOUSING's benefit, including, but not limited to, personal mobile device expenses, personal vehicle expenses and mileage costs, out-of-pocket costs incurred to purchase necessary supplies and equipment, uniform laundering expenses incurred, and other expenditures, as required by Labor Code section 2802.
7. MERCY HOUSING shall pay accrued legal interest to Mr. Teixeira and all aggrieved employees at the rate of 10% per annum for said unpaid wages.
8. MERCY HOUSING shall provide Mr. Teixeira and all aggrieved employees employed by MERCY HOUSING at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).

9. MERCY HOUSING shall pay waiting time penalties, equal to 30 days of pay, to each former aggrieved employee who was not paid all wages due as described herein.
10. MERCY HOUSING shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, et seq., including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 5-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Ninel Kocharyan
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Ninel Kocharyan

Copy: MERCY HOUSING MANAGEMENT GROUP, INC. (via U.S. Certified Mail); NEBRASKA MERCY HOUSING, INC. (via U.S. Certified Mail); MERCY HOUSING CALIFORNIA (via U.S. Certified Mail); MERCY HOUSING CALWEST (via U.S. Certified Mail); MERCY HOUSING WEST (via U.S. Certified Mail); MERCY HOUSING CALIFORNIA SPECIAL NEEDS (via U.S. Certified Mail); MERCY HOUSING CALIFORNIA SENIOR PROPERTIES (via U.S. Certified Mail); MERCY HOUSING CALIFORNIA FAMILY PROPERTIES (via U.S. Certified Mail); AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING (via U.S. Certified Mail)

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Ste. #2000
Denver, CO 80202

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

**MERCY HOUSING
CALIFORNIA**
1256 Market Street
San Francisco, CA 94102

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hardcopy)

☐ Return Receipt (electronic)

☐ Certified

☐ Adult Sig

☐ Adult Sig

Postage

Total Post

Sent To

Street and

City, State,

Postmark

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3.
☒ Print your name and address on the reverse so that we can return the card to you.

A. Signature

☒ X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes ☐ No

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes ☐ No

**MERCY HOUSING
CALIFORNIA**
1256 Market Street
San Francisco, CA 94102

9590 9402 7575 2098 7287 94

2. Article Number (Transfer from service label)

7021 1970 0001 9028 3398

added Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

**MERCY HOUSING
CALIFORNIA**

1256 Market Street
San Francisco, CA 94102

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee #s appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified MailSM \$
☐ Adult SignSM \$
Postage \$
Total Post \$
Sent To
Street and
City, State, ZIP+4®

Terrence
Mercy Housing

Postmark

MERCY HOUSING WEST
1256 Market Street
San Francisco, CA 94102

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

5092 9206 1000 026T 1202
5092 9206 1000 026T 1202

SENDER: COMPLETE THIS SECTION

☒ Complete items 1, 2, and 3.
☒ Print your name and address on the reverse
on that you can return this part to you.

MERCY HOUSING WEST
1256 Market Street
San Francisco, CA 94102

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
3. Recipient by (Printed Name) C. Date of Delivery
1. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

2. Article Number (Transfer from service label)
9590 9402 7575 2098 7287 87
7021 1970 0001 9028 2505

3. Service Type
☐ Adult Signature
☐ Registered MailSM
☐ Registered Mail Restricted DeliverySM
☐ Certified Mail Restricted DeliverySM
☐ Collect on Delivery
☐ Signature ConfirmationSM
☐ Signature Confirmation Restricted DeliverySM
☐ Priority Mail ExpressSM
☐ Registered MailSM
☐ Registered Mail Restricted DeliverySM
☐ Signature ConfirmationSM
☐ Signature Confirmation Restricted DeliverySM
☐ Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

MERCY HOUSING WEST
1256 Market Street
San Francisco, CA 94102

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

**MERCY HOUSING
CALWEST**
1600 Broadway, Ste. #2000
Denver, CO 80202

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
\$
Extra Services & Fees (check box, add fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
Postage \$
Total Postage \$
Sent To
Street and
City, State,
Zip+4

Postmark
Mercy Housing

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**MERCY HOUSING
CALWEST**
1600 Broadway, Ste. #2000
Denver, CO 80202

SENDER: COMPLETE THIS SECTION

☒ Complete items 1, 2, and 3.
☐ Print your name and address on the reverse

**MERCY HOUSING
CALWEST**
1600 Broadway, Ste. #2000
Denver, CO 80202

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

2. Article Number (Transfer from service label)
7021 1970 0001 9028 2512

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Registered Mail
☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$ 3.50

Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hardcopy)

☐ Return Receipt (electronic)

☐ Certified

☐ Adult Sig.

☐ Adult Sig.

Postage

\$ 1.50

Total Postage

\$ 5.00

Sent To

Street and

City, State,

**MERCY HOUSING
CALIFORNIA
SPECIAL NEEDS**
1600 Broadway, Ste. #2000
Denver, CO 80202

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions



1552 9206 1000 0461 1202
1552 9206 1000 0461 1202

7530-02-000-9047

SENDER: COMPLETE THIS SECTION

- ☒ Complete items 1, 2, and 3.
☒ Print your name and address on the reverse

**MERCY HOUSING
CALIFORNIA
SPECIAL NEEDS**
1600 Broadway, Ste. #2000
Denver, CO 80202

2. Article Number (transfer from service label)

9590 9402 7420 2055 5431 40

7021 1970 0001 9028 2551

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

- ☒ Signature
☐ Agent
☐ Address

Received by (Printed Name)

C. Date of Delivery

Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Certified Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

**MERCY HOUSING
CALIFORNIA
SPECIAL NEEDS**
1600 Broadway, Ste. #2000
Denver, CO 80202

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
\$
Certified Mail Services & Fees (check box, add fee as appropriate)
☒ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified
☐ Adult Signature
☐ Adult Signature
Postage \$
Total Postage \$
Sent To
Street and
City, State

Teixeira v. Mercy Housing

**MERCY HOUSING
CALIFORNIA
FAMILY PROPERTIES**
1600 Broadway, Suite #2000
Denver, CO 80202

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



5252 9206 1000 046T 1204
5252 9206 1000 046T 1204

**MERCY HOUSING
CALIFORNIA
FAMILY PROPERTIES**
1600 Broadway, Suite #2000
Denver, CO 80202

SENDER: COMPLETE THIS SECTION

☒ Complete items 1, 2, and 3.
☒ Print your name and address on the reverse

**MERCY HOUSING
CALIFORNIA
FAMILY PROPERTIES**
1600 Broadway, Suite #2000
Denver, CO 80202

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
B. Received by (Printed Name) ☐ Address
C. Date of Delivery ☐ Yes
D. Is delivery address different from item 17? ☐ No
If YES, enter delivery address below:

3. Service Type
☐ Adult Signature Restricted Delivery
☐ Registered Mail
☐ Certified Mail Restricted Delivery
☐ Signature Confirmation
☐ Collect on Delivery
☐ Restricted Delivery

2. Article Number (Transfer from service label)
9590 9402 7420 2055 5431 26
7021 1970 0001 9028 2575

Domestic Return Receipt

PS Form 3811, July 2020 PSN 7530-02-000-9053

CAPSTONE LAW, APC
1875 Century Park East
Suite #1000
Los Angeles, CA 90067

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee \$
Extra Services & Fees (check box, add fee as appropriate)
Return Receipt (hardcopy) \$
Return Receipt (electronic) \$
Certified ☒
Restricted ☐
Adult Sign ☐
Postage \$
Total Postage \$
Sent To
Street and A
City, State, ZIP+4®

*Take care v.
Mercy Housing*

**AFFORDABLE HOUSING
INITIATIVES
OF MERCY HOUSING**
1600 Broadway, Suite #2000
Denver, CO 80202

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



2552 9206 1000 0661 1202
2552 9206 1000 0661 1202

SENDER: COMPLETE THIS SECTION

1. Complete items 1, 2, and 3.
2. Print your name and address on the reverse

**AFFORDABLE HOUSING
INITIATIVES
OF MERCY HOUSING**
1600 Broadway, Suite #2000
Denver, CO 80202

3. Service Type
a. Adult Signature Restricted Delivery ☐
b. Registered Mail™ ☐
c. Registered Mail™ Restricted Delivery ☐
d. Certified Mail Restricted Delivery ☐
e. Signature Confirmation™ ☐
f. Signature Confirmation™ Restricted Delivery ☐
g. Collect on Delivery Restricted Delivery ☐
h. Restricted Delivery ☒

2. Article Number (Transfer from service label)
9590 9402 7420 2055 5431 19
7021 1970 0001 9024 2562

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

1. Signature
2. Agent ☐
3. Addressee ☐
Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

**AFFORDABLE HOUSING
INITIATIVES
OF MERCY HOUSING**
1600 Broadway, Suite #2000
Denver, CO 80202

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
☒ Complete items 1, 2, and 3. ☒ Print your name and address on the reverse		A. Signature ☒ <i>Carmeltha Carter</i> ☐ Agent ☐ Addressee	
AFFORDABLE HOUSING INITIATIVES OF MERCY HOUSING 1600 Broadway, Suite #2000 Denver, CO 80202		B. Received by (Printed Name) <i>Carmeltha Carter</i> C. Date of Delivery	
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No			
 9590 9402 7420 2055 5431 19		3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery	
2. Article Number (Transfer from service label) 7021 1970 0001 9028 2582			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
☒ Complete items 1, 2, and 3. ☒ Print your name and address on the reverse		A. Signature ☒ <i>Cherice E. Horns</i> ☐ Agent ☐ Addressee	
MERCY HOUSING CALIFORNIA FAMILY PROPERTIES 1600 Broadway, Suite #2000 Denver, CO 80202		B. Received by (Printed Name) <i>Cherice E. Horns</i> C. Date of Delivery <i>10-29-24</i>	
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No			
 9590 9402 7420 2055 5431 26		3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery	
2. Article Number (Transfer from service label) 7021 1970 0001 9028 2575			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
☒ Complete items 1, 2, and 3. ☒ Print your name and address on the reverse		A. Signature ☒ <i>Carmeltha Carter</i> ☐ Agent ☐ Addressee	
MERCY HOUSING CALIFORNIA SENIOR PROPERTIES 1600 Broadway, Ste. #2000 Denver, CO 80202		B. Received by (Printed Name) <i>Carmeltha Carter</i> C. Date of Delivery	
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No			
 9590 9402 7420 2055 5431 33		3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery	
2. Article Number (Transfer from service label) 7021 1970 0001 9028 2568			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
☒ Complete items 1, 2, and 3. ☒ Print your name and address on the reverse so that we can return the card to you.		A. Signature ☒ <i>Carmeltha Carter</i> ☐ Agent ☐ Addressee	
NEBRASKA MERCY HOUSING, INC. 1600 Broadway Ste. #2000 Denver, CO 80202		B. Received by (Printed Name) <i>Carmeltha Carter</i> C. Date of Delivery	
D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No			
 9590 9402 7575 2098 7288 00		3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Restricted Delivery	
2. Article Number (Transfer from service label) 7021 1970 0001 9028 3381			
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.

**MERCY HOUSING
MANAGEMENT GROUP,
INC.**
1600 Broadway, Ste. #2000
Denver, CO 80202



9590 9402 7575 2098 7288 17

2. Article Number (Transfer from service label)

7021 1970 0001 9028 3374

PS Form 3811, July 2020 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Cherice Harris

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Cherice Harris

C. Date of Delivery

11/4/24

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☒ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Full Restricted Delivery
0)

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse

**MERCY HOUSING
CALWEST**
1600 Broadway, Ste. #2000
Denver, CO 80202



9590 9402 7420 2055 5431 57

2. Article Number (Transfer from service label)

7021 1970 0001 9028 2612

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Cherie E. Harris*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

Cherie E. Harris

C. Date of Delivery

11-4-24

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt