<u>Tentative Rulings for May 31, 2023</u> <u>Department 403</u>

For any matter where an oral argument is requested and any party to the hearing desires a remote appearance, such request must be timely submitted to and approved by the hearing judge. In this department, the remote appearance will be conducted through Zoom. If approved, please provide the department's clerk a correct email address. (CRC 3.672, Fresno Sup.C. Local Rule 1.1.19)

There are no tentative rulings for the following cases. The hearing will go forward on these matters. If a person is under a court order to appear, he/she must do so. Otherwise, parties should appear unless they have notified the court that they will submit the matter without an appearance. (See California Rules of Court, rule 3.1304(c).) The above rule also applies to cases listed in this "must appear" section.

20CECG01744	Cha v. Jackson et al. (Dept. 403)
22CECG00233	Hagy v. Myers, Attorney Withdrawal Motion (Dept. 403) [See also
	Tentative Ruling below, regarding prove-up hearing]
22CECG00993	Kassem v. United Health Care Centers of the San Joaquin Valley
	(Dept. 403

The court has continued the following cases. The deadlines for opposition and reply papers will remain the same as for the original hearing date.

18CECG00374	Smartmed, Inc. v. Firstchoice Medical Group, Inc. is continued to Thursday, June 15, 2023, at 3:30 p.m. in Department 403
21CECG00944	Claudia Cox v. Centene Corporation is continued to Thursday, july 13, 2023, at 3:30 p.m. in Department 403

(Tentative Rulings begin at the next page)

Tentative Rulings for Department 403

Begin at the next page

(03)

Tentative Ruling

Re: Hagy v. Myers

Superior Court Case No. 22CECG00233

Hearing Date: May 31, 2023 (Dept. 403)

Motion: Defendants/Cross-Complainants' Application for Default

Judgment

Tentative Ruling:

To deny the defendants/cross-complainants' application for default judgment against plaintiffs, without prejudice, for failure to provide sufficient evidence to support the requested damages, attorney's fees, and costs.

Explanation:

While defendants/cross-complainants have shown that they are entitled to a default judgment against plaintiffs/cross-complainants, they have failed to prove up all of their requested damages and attorney's fees and costs.

First, while defendants claim that plaintiffs owe them \$40,131 in past due rent based on 16 months of unpaid rent, according to the court's calculations plaintiffs owe less rent than defendants have claimed. Plaintiffs had agreed to pay \$3,185 per month under the terms of the lease. Defendants claim that plaintiffs missed payments from February of 2022 to May of 2023, which is 16 months. Therefore, plaintiffs owe \$50,960 (16 X 3,185 = \$50,960) in past due rent, minus a credit of \$15,925 for the money that they paid into the escrow account, for total unpaid rent of \$35,035. Defendants also charged late fees of \$5,040, so the grand total for unpaid rent should be \$40,075. This is slightly less than the \$40,131 sought by defendants.

Defendants have adequately proved up the amounts that they are claiming for property taxes and insurance payments, however.

On the other hand, defendants have not proved up the amounts that they seek for attorney's fees and costs. There is an attorney's fees clause in the lease contract, so defendants are entitled to their attorney's fees as the prevailing parties in the action. Defense counsel has submitted his declaration, in which he states that defendants incurred \$68,411.50 in attorney's fees, plus \$5,668.16 in costs. (Nicholson decl., ¶¶ 10-11.) However, he offers no other information to support the claimed fees and costs, such as his hourly billing rate, the hours incurred in litigating the case, or what tasks he performed. Also, he does not explain how he calculated the amount of court costs that he claims. Therefore, there is insufficient evidence for the court to conclude that the requested attorney's fees and costs are reasonable and should be awarded here. As a result, the court intends to deny the application for default judgment without prejudice.

Tentative Ruling				
Issued By:	JS	on	5/26/2023	
	(Judge's initials)		(Date)	

(38)

Tentative Ruling

Re: Guardian Angel's Adult Day Health Care, LLC v. Cha

Superior Court Case No. 22CECG00048

Hearing Date: May 31, 2023 (Dept. 403)

Motion: Cross-Defendants' Demurrer to the First Amended Cross-

Complaint

Tentative Ruling:

To sustain cross-defendant Ngia John Thao's demurrer to the sixth, seventh, eighth, and ninth causes of action, with leave to amend. To overrule on all other grounds.

To sustain cross-defendant Guardian Angel's Adult Day Health Care, LLC's demurrer to the second, eighth, and ninth causes of action, with leave to amend. To sustain cross-defendant Guardian Angel's Adult Day Health Care, LLC's demurrer to the fourth and fifth causes of action, without leave to amend. To overrule on all other grounds.

Cross-complainant shall serve and file her second amended cross-complaint within ten (10) days of the date of service of this order. All new allegations shall be in **boldface**

Explanation:

Cross-Complaint Generally

For a cross-complaint, claims against the plaintiff can be asserted regardless of the subject matter relationship; however, for claims against anyone else, the claims must relate to the subject matter or transaction alleged in the plaintiff's complaint. (Code Civ. Proc., § 428.10, subd. (a), (b).) A cross-complaint is treated as independent and the issues raised in it are "completely severable" from the issues raised in the complaint and answer(s). (Ohio Casualty Ins. Group v. Superior Court (1994) 30 Cal.App.4th 444, 448-449.)

Demurrer Generally

The function of a demurrer is to test the sufficiency of a plaintiff's pleading by raising questions of law. (*Plumlee v. Poag* (1984) 150 Cal.App.3d 541, 545.) The test is whether plaintiff has succeeded in stating a cause of action; the court does not concern itself with the issue of plaintiff's possible difficulty or inability in proving the allegations of his complaint. (*Highlanders, Inc. v. Olsan* (1978) 77 Cal.App.3d 690, 697.) In assessing the sufficiency of the complaint against the demurrer, we treat the demurrer as admitting all material facts properly pleaded, bearing in mind the appellate courts' well established policy of liberality in reviewing a demurrer sustained without leave to amend, liberally

construing the allegations with a view to attaining substantial justice among the parties. (Glaire v. LaLanne-Paris Health Spa, Inc. (1974) 12 Cal.3d 915, 918.)

Cross-defendants Guardian Angel's Adult Day Health Care, LLC ("Guardian") and Ngia John Thao ("Thao") demur generally to all claims in the operative first amended cross-complainant ("FACC") of Dr. Konjey Connie Cha (Cha) on the ground of failure to state facts sufficient to constitute a cause of action. (Code Civ. Proc., § 430.10, subd. (e).) Cross-defendants also demur specially to the FACC's sixth and seventh causes of action for uncertainty. (Code Civ. Proc., § 430.10, subd. (f).)

Cross-defendant Thao's Demurrer

First, Second, Third, Fourth, and Fifth Causes of Action

The first five causes of action in the FACC are not alleged against cross-defendant Thao. Therefore, Thao's demurrer to these causes of action is overruled.

Sixth, Seventh, Eighth, and Ninth Causes of Action

The FACC names Thao, who is Guardian's Chief Operating Officer, as a defendant in the sixth cause of action (intentional interference with economic expectancy), seventh cause of action (negligent interference with economic expectancy), eighth cause of action (defamation) and ninth cause of action (defamation per se). Thao argues that these causes of action all fail to state facts sufficient to constitute a cause of action against him personally. As Thao correctly notes, "[d]irectors or officers of a corporation do not incur personal liability for torts of the corporation merely by reason of their official position..." (United States Liability Ins. Co. v. Haidinger-Hayes, Inc. (1970) 1 Cal.3d 586, 595.) The court agrees that all of the FACC's allegations against Thao are directed at him in is official capacity as the one who "owns and operates" Guardian. (FACC, ¶ 10.)

An allegation that a person owns all of the corporate stock and makes all of the management decisions is insufficient to cause the court to disregard the corporate entity. (Meadows v. Emett & Chandler (1950) 99 Cal.App.2d 496, 499.) Here, as Thao points out, there are no allegations in the FACC pertaining to Thao being the alter ego of Guardian or that adding Thao as a personal defendant is necessary to accomplish justice. In opposition, Cha does not contend otherwise. Indeed, Cha asserts that "there is no need to pierce the corporate veil." (Opposition at 3:17-19.) Cha offers no explanation for this assertion beyond stating that there exists a valid theory of liability whereby Thao "was acting individually, motivated by personal animosity he feels toward [Cha]." However, Cha points to no factual allegations in the FACC that support such a theory. The opposition is otherwise non-responsive to Thao's demurrer. Therefore, Thao's demurrer to the sixth, seventh, eighth, and ninth causes of action is sustained, with leave to amend.

Cross-defendant Guardian's Demurrer

First Cause of Action - Breach of Written Contract

Guardian contends that the first and second causes of action for breach of contract and breach of oral contract fail to state a claim because they are barred by the applicable statute of limitations,

An action for breach of written contract must be brought within four years. (Code Civ. Proc., § 337, subd. (a).) Guardian argues that the FACC alleges that Guardian breached the written contract on September 5, 2018 by failing to make a salary payment due to Cha on that day. Since Cha did not file her FACC until September 7, 2022, Guardian argues that it was filed two days too late and, therefore, is time-barred.

However, as Cha argues in opposition, the allegations in the FACC relate back to the date of the filing of the complaint on January 5, 2022. "[A] cross-complaint need only be subject—matter related to the plaintiff's complaint - i.e., arise out of the same occurrence ... – to relate back to the date of filing the complaint for statute of limitations purposes." (Sidney v. Superior Court (1988) 198 Cal.App.3d 710, 714.) Accordingly, the breach of written contract claim is not time barred, and Guardian's demurrer to the first cause of action is overruled.

Second Cause of Action – Breach of Oral Contract

An action for breach of an oral contract must be brought within two years. (Code Civ. Proc., § 333.) The second cause of action in the FACC alleges that Guardian breached the oral agreement by failing to make all required wage and severance payments. (FACC, ¶ 52.) Although these allegations relate back to the date of filing of the complaint, January 5, 2022, that date is well beyond the two years after the alleged breach. Accordingly, the breach of oral contact claim is time barred. Where the dates alleged in the pleading show the action is barred by the statute of limitations, a general demurrer lies. (See *Iverson, Yoakum, Papiano & Hatch v. Berwald* (1999) 76 Cal.App.4th 990, 995.) Guardian's demurrer to the second cause of action is sustained, with leave to amend.

Third Cause of Action – Unjust Enrichment

Unjust enrichment is generally not a standalone cause of action. (Melchior v. New Line Productions, Inc. (2003) 106 Cal.App.4th 779, 793; see also McKell v. Washington Mutual, Inc. (2006) 142 Cal.App.4th 1457, 1490.) " 'The phrase 'Unjust Enrichment' does not describe a theory of recovery, but an effect: the result of a failure to make restitution under circumstances where it is equitable to do so.' [Citation.]" (Melchior, supra, 106 Cal.App.4th at p. 793.)

Nevertheless, despite the label, if facts sufficient to justify restitution are alleged, a cause of action premised on unjust enrichment is proper. (See Professional Tax Appeal v. Kennedy-Wilson Holdings, Inc. (2018) 29 Cal.App.5th 230, 238-239; Melchior v. New Line Productions, Inc., supra, 106 Cal.App.4th at p. 793 [insufficient basis pled for restitution,

thus the plaintiff could not recover for unjust enrichment]; Astiana v. Hain Celestial Group, Inc. (9th Cir. 2015) 783 F.3d 753, 762 ["unjust enrichment and restitution are not irrelevant in California law."]; Western Pac. R. Corp. v. Western Pac. R. Co. (1953) 345 U.S. 247, 276 ["California certainly recognizes a cause of action based on unjust enrichment, whether it be treated as a common count [citation] or as a waiver of a tort and suit in assumpsit. [Citation.]"].)

In addition, "while restitution ordinarily connotes the return of something which one party has 'received' from another, the term may also refer to a broader obligation to pay." (Earhart v. William Low Co. (1979) 25 Cal.3d 503, 511, fn. 5.) In essence, "[t]he elements of a cause of action for unjust enrichment are simply stated as 'receipt of a benefit and unjust retention of the benefit at the expense of another.'" (Professional Tax Appeal v. Kennedy-Wilson Holdings, Inc., supra, 29 Cal.App.5th at p. 238.)

Here, Cha alleges that Guardian was enriched by her efforts and by use of her name on Medicare reimbursement forms and that Guardian unjustly retained such benefits by failing to make payments promised to Cha. Accordingly, the FACC alleges facts sufficient to state a cause of action based on unjust enrichment. Guardian's demurrer to the third cause of action is overruled.

Fourth and Fifth Causes of Action – Labor Code Violations

Cha's fourth and fifth causes of action seek redress for alleged failure to pay wages due and owing and for waiting time penalties pursuant to Labor Code section 203. Code of Civil Procedure section 338, subdivision (a) provides that an action upon a liability created by statute must be brought within three years. In opposition, Cha concedes that the "alleged unpaid wages did occur more than three years before the January 5, 2018 date..." Accordingly, these claims are time barred. Guardian's demurrer to the fourth and fifth causes of action is sustained, without leave to amend.¹

Sixth and Seventh Causes of Action – Interference with Economic Expectancy

The essential elements of a claim of intentional interference with prospective economic advantage are: (1) an economic relationship between the plaintiff and some third person containing the probability of future economic benefit to the plaintiff; (2) knowledge by the defendant of the existence of the relationship; (3) intentional acts on the part of the defendant designed to disrupt the relationship; (4) actual disruption of the relationship; and (5) damages to the plaintiff proximately caused by the acts of the defendant. (Blank v. Kirwan (1985) 39 Cal. 3d 311, 330.) The elements of intentional interference with a prospective economic advantage are largely identical to the elements of negligent interference with a prospective economic advantage. (See Crown Imports, LLC v. Superior Court (2014) 223 Cal. App. 4th 1395, 1404.)

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¹ In her opposition, Cha request leave to amend to add a cause of action for violation of the Unfair Competition Law. A request to add a new cause of action is properly made in a separate affirmative motion, and will not be considered in opposition to a demurrer.

To establish a claim for intentional or negligent interference with prospective economic advantage, a plaintiff must plead that the defendant engaged in an independently wrongful act. (Korea Supply Co. v. Lockheed Martin Corp (2003) 29 Cal.4th 1134, 1158.) The California Supreme Court has concluded "that an act is independently wrongful if it is unlawful, that is, if it is proscribed by some constitutional, statutory, regulatory, common law, or other determinable legal standard." (Id. at p. 1159.)

The sixth and seventh causes of action attempt to allege claims for interference with prospective economic advantage arising out of "false statements and threats" made by cross-defendants to other Adult Day Care centers. (FACC, \P 73.) The FACC alleges that Cha had an economic relationship with these other Adult Day Care centers, which cross-defendants were aware of. (Id., \P 72.) It further alleges that cross-defendants' statements were intended to harm Cha's contractual relationship with the other Adult Day care centers, the relationships were disrupted, and the disruptions resulted in economic harm to Cha. (Id., \P 74-76.)

Cross-defendants argue that the FACC fails to plead that any of the cross-defendants engaged in any independently wrongful acts. They appear to acknowledge that Thao "demanded payment" from two of Cha's former employers, but they argue that "[n] owhere in the FACC is it alleged what the basis for this alleged demand was and demanding payment from a competitor, for unknown reasons, is not illegal or unlawful under California law." (Cross-defendants' MPA at 9:9-11.) However, cross-defendants fail to acknowledge that the FACC alleges that the statements were defamatory and that Thao told the administrator or one of her former employers that Cha "belonged" to him and that Thao "stated that he would sue the non-profit if the non-profit did not pay him money. During the meeting [Thao] shouted and acted in a threatening manner. Soon after this meeting, [Cha] was terminated from the non-profit." (FACC, ¶ 38.)

The court finds that these allegations state facts sufficient to constitute causes of action for intentional and negligent interference with economic advantage. Accordingly, Guardian's demurrer to the sixth and seventh causes of action is overruled.

Eighth and Ninth Causes of Action – Defamation

An action for defamation must be brought within one years. (Code Civ. Proc., § 340, subd. (c).) The statute starts to run when the purportedly defamatory statement is first published. (See *Shively v. Bozanich* (2003) 31 Cal.4th 1230, 1245-1247.) Cross-defendants argue that the FACC alleges the allegedly defamatory statement was published in November 2019, and that these causes of action are therefore time-barred. (Cross-defendants' MPA at 9:19-20.) In opposition, Cha claims that the defamatory statements were made "on or around November 30, 2021" and cites to paragraphs 37 and 41 of the FACC. (Opposition at 7:5-7.) However, paragraph 37 makes no reference to a specific date, and although paragraph 41 does refer to "November 30, 2021", there is no reference therein to the any statement about Cha – whether defamatory or not. The only clear statement in the FACC as to when the alleged defamatory statement was made appears in paragraph 38, which alleges that "[s]ometime between September and November of 2019, [Thao] angrily threatened the administrator of the non-profit. [Thao] told the administrator that [Cha] "belonged" to him." (FACC, ¶ 38.)

Thus, as alleged in the FACC, the defamation claims are time-barred. Guardian's demurrer to the eighth and ninth causes of action is sustained, with leave to amend.

Prayer for Relief

As for the demurrer to the prayer for relief, prayers for relief are not subject to demurrer. (Venice Town Council, Inc. v. City of Los Angeles (1996) 47 Cal.App.4th 1547, 1562—Demurrer "tests the sufficiency of the factual allegations of the complaint rather than the relief suggested in the prayer of the complaint." A motion to strike, not a general demurrer, is the procedure to attack an improper claim for damages. Therefore, cross-defendants' demurrer to the prayer for relief is overruled.

Tentative Ruling				
Issued By:	JS	on	5/1/2023	
(.	Judge's initials)		(Date)	

(24)

Tentative Ruling

Re: Esquivel v. Esquivel

Superior Court Case No. 23CECG00813

Hearing Date: May 31, 2023 (Dept. 403)

Motion: Default Prove-Up

Tentative Ruling:

To continue to Thursday, June 22, 2023, at 3:30 p.m. in Department 403. Supplemental paperwork must be filed on or before June 12, 2023.

Explanation:

Under Code of Civil Procedure section 764.010,

The court shall examine into and determine the plaintiff's title against the claims of all the defendants. The court shall not enter judgment by default but shall in all cases require evidence of plaintiff's title and hear such evidence as may be offered respecting the claims of any of the defendants, other than claims the validity of which is admitted by the plaintiff in the complaint. The court shall render judgment in accordance with the evidence and the law. (Code Civ. Proc., § 764.010.)

"Section 764.010 requires the trial court to 'examine into and determine the plaintiff's title,' to 'require evidence of plaintiff's title,' and to 'hear such evidence as may be offered respecting the claims of any of the defendants.'" (Harbour Vista, LLC v. HSBC Mortg. Services Inc. (2011) 201 Cal.App.4th 1496, 1506.) This obligates the court to hold an evidentiary hearing in open court before adjudicating title. (Id. at p. 1504.) Furthermore, even defaulted defendants are able to attend the hearing and participate. (Id. [Referring to CCP §764.010, the court stated, "If a defendant shows up before judgment is entered, the court must 'hear such evidence' as this party may offer about its claims, even if the defendant is in default. We can see no other way of interpreting this statute."].)

A plaintiff in a quiet title action where the plaintiff who alleges that the deed to the defendant is void (as plaintiffs did here, based on defendant Rene Esquivel's fraud), is challenging legal title and is required to prove a right to title by a preponderance of the evidence. (Murray v. Murray (1994) 26 Cal.App.4th 1062, 1066.) The complaint requested that the grant deeds to Rene and Corinna Esquivel be voided under the declaratory relief causes of action. This would have had the effect of voiding the deeds of trust that resulted from loans Rene Esquivel took out (via Chure, LLC) which now encumber the property. This would have made the lenders of these loans adverse claimants, and thus necessary defendants. (See Code Civ. Proc., § 762.010.) However, it appears from the requested judgment that now plaintiffs are not seeking to void any

deed, since they request only that title be transferred to plaintiff Celia Esquivel, to enable her to obtain financing to "address the foreclosures and attempt to build a home base" for the family. To the extent the court has interpreted this intention correctly, it will not require the lenders to be named as necessary defendants.

The court has read the declarations and the memorandum submitted for this prove-up hearing, and there is insufficient information at this time to enter any judgment in favor of plaintiffs. First, the information makes it clear that the Esquivel family is "largely a Spanish speaking family" (Memo., p. 3:8-9), and yet all declarations are in English. If a declarant cannot read and write in English, then that person's declaration must be in Spanish, with a translation from a certified translator. If a declarant is able to sufficiently read and write in English in order to sign a declaration in English, this should be made clear in the new declarations submitted. Also, if plaintiffs intend to present oral testimony at the hearing, and the witness speaks only Spanish (or desires to testify in Spanish), they will need to bring a translator.

At this time, there is insufficient documentary evidence presented. The attempt to summarize the alleged changes in title presented at Exhibit B to the memorandum is insufficient, as this must be established by documentary evidence. All documents should be presented into evidence at the prove-up hearing, even if it was attached to the complaint. Furthermore, the information listed on Exhibit B is inconsistent with the exhibits attached to the verified complaint. The complaint's exhibits show (and fail to show), in comparison to Exhibit B to the memorandum:

- Re 13565 E. Young Avenue, Parlier, CA ("Property 1"):
 - o (<u>no</u> evidence of Grant Deed from Patricia Teresa Fuentes to Armando Esquivel Leon)
 - Grant Deed from Armando Esquivel Leon to Rene and Corinna Esquivel, husband and wife as joint tenants (Ex. A)
 - Grant Deed from Rene and Corinna Esquivel to Chure, LLC (Ex. E)
 - o (**no** evidence of a Deed of Trust recorded against the property)
 - Notice of Trustee's Sale regarding a loan "BA1016/CHURE, LLC" with the amount due of \$136,262.19 (Ex. D)
- Re 649 King Street, Parlier, CA ("Property 2"):
 - Grant Deed from Humberto Esquivel Leon to Rene and Corinna Esquivel, husband and wife as joint tenants (Ex. B)
 - (<u>no</u> evidence of a Grant Deed from Rene and Corinna Esquivel to Chure, LLC)
 - Deed of Trust for Ioan of \$150,000 from "JMC 2008 Estate Trust, J. Michael Carney trustee" and "Sharon S. Wright, Trustee of the Wright 2006 Family Trust dated December 27, 2006," each as to one-half of the Ioan.
 - o (**no** evidence regarding a Notice of Trustee's Sale)

So it appears there may be evidence showing that both properties were deeded to defendant Chure, LLC, and that Chure, LLC then encumbered each property with deeds of trust, and that each property is currently subject to foreclosure. But this has not been adequately established by the documentary evidence. No judgment can enter

until it is established that title to both properties is currently in the name of the only defaulted defendant, Chure, LLC.

Further, the court has taken judicial notice of the numerous court cases filed against Rene Esquivel, with one of them also involving Chure, LLC. Given the judgments that have been entered against Mr. Esquivel, plaintiffs must present a fuller picture of the state of title to each property, to ensure there are no other debts against the properties, including judgment liens. This can be accomplished by submitting either a title report regarding each property, or a litigation guarantee.

In addition to the supplemental documentation discussed above, plaintiffs must submit a proposed judgment.

Tentative Rulin	g			
Issued By:	JS	on	5/29/2023	
-	(Judge's initials)		(Date)	

(29)

<u>Tentative Ruling</u>

Re: In re: Landon Radugo

Superior Court Case No. 23CECG01763

Hearing Date: May 31, 2023 (Dept. 403)

Motion: Petition to Compromise Minor's Claim

Tentative Ruling:

To deny without prejudice. Petitioner must file an amended petition, with appropriate supporting papers and proposed orders.

Explanation:

Petitioner has marked item 8.a., indicating that Claimant has fully recovered from his injuries, however no physician's report showing this has been attached. Moreover, the petition shows at item 12 that there are no medical costs or liens, however the proposed order approving the compromise has item 7 marked, reserving jurisdiction to the court in order to determine a claim for the reduction of a Medi-Cal lien. It is therefore unclear whether there is or may be a lien against the settlement funds.

Tentative Ruling	g			
lssued By:	JS	on	5/30/2023	
-	(Judge's initials)		(Date)	