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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ESTATE OF JOE ANAYA III, by estate
representative Martha Anaya;
SAMANTHA ANAYA; J.A., a minor,
through his guardian ad litem, Pamela
Estrada; and M.A., a minor, through her
guardian ad litem, Vanessa Muhebes,
Plaintiffs,
v.
IMPERIAL COUNTY, et al.,
Defendants.

Case No.: 23cv1670-RSH-LR

**REPORT AND
RECOMMENDATION GRANTING
PLAINTIFFS' PETITION FOR
APPROVAL OF SETTLEMENT
INVOLVING MINORS**

[ECF No. 22]

Before the Court is Plaintiffs' unopposed Petition for Approval of Settlement Involving Minors filed by Plaintiffs Estate of Joe Anaya III, by and through estate representative Martha Anaya, Samantha Anaya, and minors J.A. and M.A., by and through their guardians ad litem, Pamela Estrada and Vanessa Muhebes, respectively. (ECF No. 22.) Pursuant to Rule 17(c) of the Federal Rules of Civil Procedure and Rule 17.1 of this District's Civil Local Rules, the Court has carefully reviewed and considered the terms of Plaintiffs' Petition as it relates to the settlement amounts for minors J.A. and M.A. Having

1 reviewed Plaintiffs’ Petition and supporting documents, and for the reasons discussed
2 below, the Court **RECOMMENDS** that the Petition be **GRANTED**.

3 **I. BACKGROUND**

4 On September 8, 2023, Plaintiffs commenced this action against Defendant Imperial
5 County. (ECF No. 1.) The action arises from the alleged wrongful death of Joe Anaya III,
6 who was in custody as a pretrial detainee at the Imperial County’s Regional Adult
7 Detention Facility (“RADF”) at the time of his death on August 2, 2022. (*Id.* at 4.) Plaintiffs
8 assert federal and state law claims against Defendant, including deliberate indifference (42
9 U.S.C. § 1983), deprivation of familial relationship (42 U.S.C. § 1983), wrongful death,
10 negligence (survival claim), and the Bane act (Cal. Civ. Code § 52.1). (*Id.* at 2-10.)

11 On May 24, 2024, the case settled at a settlement conference before Magistrate Judge
12 Lupe Rodriguez, Jr. (ECF No. 19.) On May 30, 2024, this Court was assigned to the case
13 for the sole purpose of considering the anticipated Petition. (ECF No. 22.) On July 12,
14 2024, Plaintiffs filed a Petition for Approval of Settlement Involving Minors. (ECF No.
15 22.) The Petition stated that a global settlement was reached as to all parties and claims,
16 and that due to pending probate proceedings, Plaintiffs would also have to get approval
17 from the Probate Court if the Court approved the settlement. (*Id.* at 6.) On August 7, 2024,
18 Plaintiffs filed a supplement to the Petition regarding the proposed distribution instructions
19 for the settlement proceeds. (ECF No. 24.)

20 **II. LEGAL STANDARD**

21 Local Civil Rule 17.1 addresses settlements involving minors:

22 **Order of Judgment Required.** No action by or on behalf of a minor or
23 incompetent, or in which a minor or incompetent has an interest, will be
24 settled, compromised, voluntarily discontinued, dismissed or terminated
25 without court order or judgment. All settlements and compromises must be
26 reviewed by a magistrate judge before any order of approval will issue. The
27 parties may, with district judge approval consent to magistrate judge
jurisdiction under 28 U.S.C. § 636(c) for entry of an order approving the entire
settlement or compromise.

28 S.D. Cal. Civ. R. 17.1(a).

1 “District courts have a special duty, derived from Federal Rule of Civil Procedure
2 17(c), to safeguard the interests of litigants who are minors.” *Robidoux v. Rosengren*, 638
3 F.3d 1177, 1181 (9th Cir. 2011). To carry out this duty, the court must “conduct its own
4 inquiry to determine whether the settlement serves the best interests of the minor.” *Id.*
5 (quoting *Dacanay v. Mendoza*, 573 F.2d 1075, 1080 (9th Cir. 1978)). In *Robidoux*, the
6 Ninth Circuit established that district courts reviewing the settlement of a minor’s federal
7 claim should “limit the scope of their review to the question whether the net amount
8 distributed to each minor plaintiff in the settlement is fair and reasonable, in light of the
9 facts of the case, the minor’s specific claim, and recovery in similar cases.” *Id.* at 1181-82.
10 District courts should “evaluate the fairness of each minor plaintiff’s net recovery without
11 regard to the proportion of the total settlement value designated for adult co-plaintiffs or
12 plaintiff’s counsel—whose interests the district court has no special duty to safeguard.” *Id.*
13 at 1182 (citing *Dacanay*, 573 F.2d at 1078). “So long as the net recovery to each minor
14 plaintiff is fair and reasonable in light of their claims and average recovery in similar cases,
15 the district court should approve the settlement as proposed by the parties.” *Id.*

16 The Ninth Circuit limited its holding in *Robidoux* “to cases involving the settlement
17 of a minor’s federal claims” and did “not express a view on the proper approach for a
18 federal court to use when sitting in diversity and approving the settlement of a minor’s state
19 law claims.” *Id.* at 1179 n.2. Under California law, the court is tasked with evaluating the
20 reasonableness of the settlement and determining whether the compromise is in the best
21 interest of the minor. *See A.M.L. v. Cernaianu*, No. LA CV12-06082 JAK (RZx), 2014 WL
22 12588992, at *3 (C.D. Cal. Apr. 1, 2014) (citations omitted). The California Probate Code
23 “bestows broad power on the court to authorize payment from the settlement—to say who
24 and what will be paid from the minor’s money—as well as direct certain individuals to pay
25 it.” *Goldberg v. Superior Court*, 23 Cal. App. 4th 1378, 1382, 28 Cal. Rptr. 2d 613 (Cal.
26 Ct. App. 1994) (analyzing Cal. Prob. Code § 3601). District courts are split on whether the
27 *Robidoux* standard applies to the evaluation of a minor’s compromise regarding state law
28 claims. *See DeRuyver v. Omni La Costa Resort & Spa, LLC*, Case No.: 3:17-cv-0516-H-

1 AGS, 2020 WL 563551, at *2 n.1 (S.D. Cal. Feb. 4, 2020) (citing cases). “[H]owever, it is
2 not necessary for the Court to resolve the question of whether *Robidoux* or state rules apply.
3 The outcome is the same.” *Castro v. United States*, Case No. 19-cv-02240-AJB-JLB, 2022
4 WL 594545, at *2 (S.D. Cal. Feb. 28, 2022) (collecting cases); *see also A.M.L.*, 2020 WL
5 7130506, at *2 (finding it unnecessary to resolve whether *Robidoux* or state rules applied
6 to the approval of a minor’s compromise where the proposed settlement would satisfy both
7 standards). Courts in this district exercising diversity jurisdiction over state law claims have
8 found *Robidoux* persuasive in providing a framework for evaluating the reasonableness
9 and fairness of the settlement. *See DeRuyver*, 2020 WL 563551, at *2; *see also Lobaton v.*
10 *City of San Diego*, Case No. 3:15-cv-1416-GPC-DHB, 2017 WL 2610038, at *2 (S.D. Cal.
11 June 16, 2017) (relying on *Robidoux* as a framework when exercising supplemental
12 jurisdiction over a state law claim).

13 III. DISCUSSION

14 The proposed settlement in this case is \$175,000, to be equally distributed among
15 the decedent’s three children as follows: (1) Samantha Anaya¹: \$58,333.32; (2) J.A.:
16 \$58,333.34; and (3) M.A.: \$58,333.34. (ECF No. 22.) The minor plaintiffs’ guardians
17 initially agreed to a 40% contingency fee under the attorney client agreement. (*Id.* at 10.)
18 However, as discussed below, Plaintiffs’ counsel now requests that the Court reduce the
19 contingency fee from 40% to 33%. (*Id.* at 12.) With this adjustment, the decedent’s three
20 children would each receive a net settlement amount of \$38,798.94². (*Id.* at 9.) If approved,
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23 ¹ The Court does not consider Samantha Anaya’s settlement in its analysis as she is not a
24 minor.

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Item	Amount
Gross Settlement for <i>Each</i> Plaintiff	\$58,333.34
Costs (1/3 of total costs)	\$424.47
Attorney’s Fees (33%)	\$19,109.93
Total to Each Plaintiff:	\$38,798.94

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1 the net settlement amounts for J.A. and M.A., totaling \$77,597.88, would be paid to Pacific
2 Life & Annuity Services, Inc. to fund future periodic payments for each minor. (ECF No.
3 24-1.) J.A. would receive \$20,000.00 as a lump sum on August 31, 2028, at age twenty,
4 followed by a lump sum of \$33,271.91 on August 31, 2033, at age twenty-five. (*Id.*) M.A.
5 would receive \$27,408.89 on September 23, 2021, and an additional lump sum of
6 \$27,408.89 on October 23, 2031. (*Id.*)

7 As Plaintiffs assert, there is a wide range of approved settlement values arising from
8 minors' compromises in wrongful death actions. (*See* ECF No. 22 at 7-8.) Plaintiffs
9 reference several cases with net settlement amounts ranging from \$9,441.50 to
10 \$4,464,753.45. (*Id.* at 9.) In *Clines*, the Court found a proposed net settlement amount of
11 less than \$10,000 to be reasonable because Plaintiffs' original theory of liability was later
12 found to be problematic as "the case required extensive legal and expert work to develop
13 and prove a second theory of liability." *Clines v. Cnty. of San Diego*, No. 20CV2504-
14 W(BLM), 2022 WL 16851818, at *3 (S.D. Cal. Nov. 10, 2022), *report and*
15 *recommendation adopted sub nom. K.C.A. by & through Purvis v. Cnty. of San Diego*, No.
16 20-CV-02504-W-BLM, 2022 WL 17097422 (S.D. Cal. Nov. 21, 2022). *Clines* illustrates
17 how challenges to establishing liability can justify a lower settlement amount. (*See id.*)
18 Here, Plaintiffs explain that, similar to *Clines*, the minors' settlement and net recovery are
19 reasonable because their original theory of liability, inadequate safety checks, was refuted
20 during the discovery process. (ECF No. 22 at 9.) As in *Clines*, Plaintiffs identified a second
21 theory of liability, a *Monell* claim, but Plaintiffs would "[f]ac[e] a very steep hill to any
22 finding of liability." (*Id.* at 9-10.) For instance, Plaintiffs state that they "lacked any legal
23 authority from the appellate courts applying [the *Monell*] theory to the present
24 circumstances[,] the *Inzunza* decision that they planned to use as legal authority from the
25 District of Arizona was an unpublished "pleading stage" decision, leave to amend the
26 complaint and to take additional discovery would be needed for the *Monell* theory of
27 liability, discovery would have increased costs, and at the summary judgment phase, the
28 Court would apply the "rigorous" deliberate indifference standard to the *Monell* claim,

1 which is the “sole potentially viable claim in the case.” (*Id.*) Considering the facts of this
2 case, Plaintiffs’ claims, and recoveries in similar actions, the Court finds the net settlement
3 amount of \$38,798.94 for *each* minor to be fair, reasonable, and in the minors’ best
4 interests.

5 In addition to assessing whether the settlement is fair and reasonable, the Court,
6 under California law, must approve the attorney’s fees and costs to be paid for
7 representation of a minor. *See* Cal. Prob. Code § 3601. Where counsel represents a minor
8 on a contingency fee basis, attorney’s fees are generally limited to 25% of the gross
9 recovery. *See Doe v. Lincoln Military Prop. Mgmt., LP*, Case No.: 3:20-cv-00224-GPC-
10 AHG, 2020 WL 5810168, at *3 (S.D. Cal. Sept. 30, 2020). Here, as previously mentioned,
11 the minor plaintiffs’ guardians agreed to a 40% contingency fee to be deducted from the
12 settlement. (ECF No. 22 at 10.) However, following the example of *Clines*, Plaintiffs’
13 counsel now requests that their contingency fee be reduced to 33%. (*Id.* at 10-12.) *See*
14 *Clines*, 2022 WL 16851818, at *4 (concluding that a reduction of attorneys’ fees to 33%
15 was appropriate despite the minor plaintiff’s guardian ad litem signing a retainer agreement
16 consenting to a 40% contingency fee).

17 In *Clines*, the court acknowledged that the general rule is a contingency rate of 25%,
18 but exceptions may be made based on “factors such as the time and labor required, whether
19 the minor’s representative consented to the fee, the amount of money involved, the result
20 obtained, and whether the fee is fixed, hourly, or contingent.” *Clines*, 2022 WL 16851818,
21 at *3. Here, the Court relies on the information provided in the Petition and notes that
22 counsel spent significant time on the case to obtain a favorable result for their clients,
23 including a shift in legal strategy after the original theory of liability was refuted.
24 Additionally, Plaintiffs’ guardians consented to a higher contingency rate, and counsel
25 assumed considerable risk in handling the case. Given these factors, the Court finds the
26 requested attorney’s fees to be reasonable. Additionally, the Court finds that the relatively
27 minimal costs incurred by Plaintiffs’ counsel are reasonable.

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IV. CONCLUSION

For the reasons set forth above, **IT IS HEREBY RECOMMENDED** that the District Court issue an Order: (1) adopting this Report and Recommendation; (2) **GRANTING** the Petition (ECF No. 22) subject to the probate court’s approval; and issuing the following orders:

1. The compromise and terms of the settlement as set forth in the Petition are in the best interests of J.A. and M.A. and are hereby approved.
2. Upon receipt of the gross proceeds for *each* minor of \$58,333.34, Plaintiffs’ counsel shall retain \$424.47 in costs and \$19,109.93 in attorney’s fees.
3. Within thirty days of the order adopting this Report and Recommendation, the minors’ net settlement proceeds are to be deposited to Pacific Life & Annuity Services, Inc. to fund the future periodic payments to the minors as outlined in this Order and Exhibit A of Plaintiffs’ supplement to the Petition (ECF No. 24).
4. A joint motion for dismissal of the instant case must be filed within seven days after Plaintiffs’ counsels’ receipt of the settlement check.

IT IS HEREBY ORDERED that any objections to this Report and Recommendation must be filed with the Court and served on all parties no later than **October 8, 2024**. If the parties wish to waive the objection period, they may file a joint stipulation to that effect to allow the Court to adopt this Report and Recommendation without delay.

IT IS SO ORDERED.

Dated: September 24, 2024



Hon. Steve B. Chu
United States Magistrate Judge