

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

James Alger v. Ashford CM Partners LP et al.

Alger · No. 2:24-cv-06482-ODW (JCx) · Decided January 26, 2026

SUMMARY

The United States District Court for the Central District of California denied Ashford CM Partners LP and Ashford TRS CM LLC’s motion to dismiss James Alger’s ADA claim. The court held that a California small claims judgment did not preclude the ADA claim because the small claims court lacked jurisdiction to award the injunctive relief available under the ADA, and the Rooker-Feldman doctrine did not apply because the state-court judgment was entered after the federal action began. The court also ordered Ashford’s counsel to show cause why sanctions should not be imposed under Federal Rule of Civil Procedure 11(b)(2) for allegedly misrepresenting authority.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Otis D. Wright II
JURISDICTION	United States District Court for the Central District of California
DECIDED	January 26, 2026
DOCKET	2:24-cv-06482-ODW (JCx)
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss Plaintiff's remaining Americans with Disabilities Act claim, arguing that a prior California small claims judgment had preclusive effect and that the Rooker-Feldman doctrine barred the federal action. The court denied the motion and ordered defense counsel to show cause why sanctions should not be imposed under Rule 11(b)(2).
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true, construes them in the light most favorable to the plaintiff, and determines whether the complaint contains sufficient factual matter to state a plausible claim for relief. The court may also consider materials subject to judicial notice, including public records.
PRECEDENTIAL VALUE	unknown

TOPICS

motions to dismiss

res judicata

subject matter jurisdiction

sanctions

ada / disability

PRACTICE AREAS

civil procedure

disability rights

Americans with Disabilities Act

sanctions

QUESTIONS PRESENTED

1. Whether the California small claims judgment precluded Alger's federal ADA claim under claim or issue preclusion.
2. Whether the California small claims court was a court of competent jurisdiction for purposes of precluding an ADA claim seeking injunctive relief.
3. Whether the Rooker-Feldman doctrine barred the federal action because of the state small claims judgment.
4. Whether defense counsel should be ordered to show cause under Federal Rule of Civil Procedure 11(b) (2) for allegedly misrepresenting the holding of *Guerrero v. Department of Corrections and Rehabilitation*.

HOLDINGS

1. Issue preclusion did not apply because California courts generally do not apply issue preclusion to small claims actions, and in any event the conclusory small claims judgment did not adequately reflect the issues actually litigated and decided.
2. The small claims judgment did not preclude Alger's ADA claim because the small claims court was not a court of competent jurisdiction to adjudicate the ADA claim and grant the only relief available to a private ADA plaintiff: injunctive relief.
3. The Rooker-Feldman doctrine did not apply because the state small claims judgment was entered after the federal action commenced.
4. Defense counsel was ordered to show cause why sanctions should not be imposed for allegedly misrepresenting Guerrero's holding by presenting language from *Mattson v. City of Costa Mesa* as though it were Guerrero's holding.

KEY QUOTATIONS

"Thus, had Alger attempted to bring his ADA claim in small claims court, that court would have been jurisdictionally foreclosed from granting Alger the only possible relief available under the ADA." (at 5)

"Thus, the Court finds that California small claims court lacks competent jurisdiction to hear an ADA claim." (at 7)

"Under the Rooker-Feldman doctrine, a federal district court lacks subject matter jurisdiction to review state court decisions." (at 8)

FACTUAL BACKGROUND

Alger has a physical disability causing severe difficulty walking and impaired fine motor skills. He alleged that he encountered multiple accessibility barriers during several stays at Ashford-operated Hilton Orange County Costa Mesa, preventing full and equal access to the hotel's services, and alleged an intent to return. After filing this federal ADA action, Alger brought a separate California small claims action asserting state-law disability claims; the small claims court found that Ashford did not owe him money.

PROCEDURAL HISTORY

Alger initially filed federal claims under the ADA, the California Unruh Civil Rights Act, and the California Disabled Persons Act. The court declined supplemental jurisdiction over the state-law claims and dismissed them without prejudice, leaving the ADA claim. Alger later filed a separate state small claims action concerning the same hotel, and the small claims court entered judgment for Ashford. Ashford then moved to dismiss the federal ADA claim based on res judicata and Rooker-Feldman.

DISPOSITION

other

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Lee v. City of Los Angeles, 250 F.3d 668, 679, 688-89 (9th Cir. 2001)
- Balistreri v. Pacifica Police Dep't, 901 F.2d 696, 699 (9th Cir. 1990)
- Porter v. Jones, 319 F.3d 483, 494 (9th Cir. 2003)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Sprewell v. Golden State Warriors, 266 F.3d 979, 988 (9th Cir. 2001)
- White v. City of Pasadena, 671 F.3d 918, 926 (9th Cir. 2012)
- Migra v. Warren City Sch. Dist. Bd. of Educ., 465 U.S. 75, 81 (1984)
- DKN Holdings LLC v. Faerber, 61 Cal. 4th 813, 823 (2015)
- Sanders v. Walsh, 219 Cal. App. 4th 855, 865 (2013)
- Sanderson v. Niemann, 17 Cal. 2d 563, 573-75 (1941)
- Pitzen v. Superior Ct., 120 Cal. App. 4th 1374, 1381, 1384 (2004)
- Kopp v. Fair Pol. Pracs. Comm'n, 11 Cal. 4th 607, 620 (1995) (en banc)
- Guerrero v. Dep't of Corr. & Rehab., 28 Cal. App. 5th 1091, 1103, 1105-07 & n.16 (2018)
- Marrese v. Am. Acad. of Orthopaedic Surgeons, 470 U.S. 373, 382, 385 (1985)
- Chapman v. Pier 1 Imps. (U.S.) Inc., 631 F.3d 939, 946 (9th Cir. 2011)
- Henry v. Clifford, 32 Cal. App. 4th 315, 321 (1995)
- Mattson v. City of Costa Mesa, 106 Cal. App. 3d 441 (1980)
- D.C. Ct. of Appeals v. Feldman, 460 U.S. 462, 476 (1983)

- *Rooker v. Fidelity Trust Co.*, 263 U.S. 413, 416 (1923)
- *Exxon Mobil Corp. v. Saudi Basic Indus. Corp.*, 544 U.S. 280, 284, 293-94 (2005)
- *Pipe Trades Council of N. Cal. v. Underground Contractors Ass'n of N. Cal.*, 835 F.3d 1275, 1280 (9th Cir. 2016)

OPINION

1 O 2 3 4 5 6 7 United States District Court 8 Central District of California 9 10 11 JAMES
ALGER, Case № 2:24-cv-06482-ODW (JCx) 12 Plaintiff, 13 v. ORDER DENYING
DEFENDANTS' MOTION TO DISMISS [69] 14 ASHFORD CM PARTNERS LP et al., 15
Defendants. 16 17 I. INTRODUCTION 18 Plaintiff James Alger brings this action against
Defendants Ashford CM Partners 19 LP and Ashford TRS CM LLC (together, "Ashford"),
alleging violations of the 20 Americans with Disabilities Act ("ADA").

(Second Am. Compl. ("SAC"), Dkt. 21 No. 68.) Ashford now moves to dismiss the Second
Amended Complaint. (Mot. 22 Dismiss ("Motion" or "Mot."), Dkt. No. 69.) For the reasons
discussed below, the 23 Court DENIES Ashford's Motion and ORDERS Ashford's counsel to
SHOW 24 CAUSE why the Court should not sanction him under Federal Rule of Civil Procedure
25 ("Rule") 11(b)(2).¹ 26 27 28 1 Having carefully considered the papers filed in connection with
the Motion, the Court deemed the matter appropriate for decision without oral argument.

Fed. R. Civ. P. 78; C.D. Cal. L.R. 7-15. 1 II. BACKGROUND² 2 Alger has a physical disability
resulting in severe difficulty with walking and fine 3 motor skills. (SAC ¶ 6.) Ashford owns and
operates the Hilton Orange County Costa 4 Mesa hotel ("Hilton OC"). (Id. ¶¶ 1, 7.)

In January 2024, Alger allegedly encountered 5 multiple barriers while staying at Hilton OC
which, due to his disability, prevented his 6 full and equal access to the services of Hilton OC. (Id.
¶¶ 21–33.) In subsequent 7 months, Alger stayed at Hilton OC several more times and continued to
encounter 8 access barriers. (Id. ¶¶ 38–45, 48–49, 50–53.) Alger intends to return to Hilton OC 9
during his planned future visit to the area.

(Id. ¶ 54.) 10 On July 31, 2024, Alger brought this action against Ashford for violations of the 11
ADA, California's Unruh Civil Rights Act, and California's Disabled Persons Act 12 ("CDPA").
(Compl. ¶¶ 55–83, Dkt. No. 1.)

On October 11, 2024, the Court declined 13 to exercise supplemental jurisdiction over Alger's
state law claims. (Min. Order, Dkt. 14 No. 22.) Accordingly, the Court dismissed Alger's state
claims without prejudice, 15 leaving only Alger's ADA claim in this federal action. (Id.) 16 On
December 11, 2024, Alger brought a separate case against Ashford in the 17 Small Claims
Division of the Superior Court of California, County of Orange ("Small 18 Claims Action").

(See generally Req. Judicial Notice ISO Mot. Ex. 1 ("Small Claims 19 Complaint"), Dkt. No. 69-
2.) Alger asserted violations of the Unruh Act and the CDPA. 20 (Id. at 6.3) On May 8, 2025, after

a one-day trial, a small claims court found against 21 Alger and ruled that Ashford “does not owe James Alger any money on [Alger’s] 22 Claim.” (Req. Judicial Notice ISO Mot.

Ex. 2 (“Small Claims Judgment”) 20, Dkt. 23 No. 69-2.) Ashford now moves to dismiss, arguing that the Small Claims Judgment 24 precludes Alger’s ADA claim here. (Mot.) 25 2 Alger’s well-pleaded factual allegations are accepted as true for purposes of resolving the Motion. 26 See *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

The Court also considers materials properly subject to judicial notice, including “matters of public record.” *Lee v. City of Los Angeles*, 250 F.3d 668, 688– 27 89 (9th Cir. 2001); Fed. R. Evid. 201. 28 3 When citing to the exhibits to the Request for Judicial Notice, including the Small Claims Complaint and the Small Claims Judgment, the Court cites to the CM/ECF pagination.

1 III. LEGAL STANDARD 2 A court may dismiss a complaint under Rule 12(b)(6) for lack of a cognizable 3 theory or insufficient facts pleaded to support an otherwise cognizable theory. 4 *Balistreri v. Pacifica Police Dep’t*, 901 F.2d 696, 699 (9th Cir. 1988).

To survive a 5 motion to dismiss, a complaint need only satisfy the minimal notice pleading 6 requirements of Rule 8(a)(2)—a short and plain statement of the claim. *Porter v. Jones*, 7 319 F.3d 483, 494 (9th Cir. 2003).

The factual allegations in the complaint “must be 8 enough to raise a right to relief above the speculative level.” *Bell Atl. Corp. v. Twombly*, 9 550 U.S. 544, 555 (2007). Stated differently, the complaint must “contain sufficient 10 factual matter, accepted as true, to state a claim to relief that is plausible on its face.” 11 *Iqbal*, 556 U.S. at 678 (internal quotation marks omitted).

12 Determining whether a complaint states a claim for relief is a “context-specific 13 task that requires the reviewing court to draw on its judicial experience and common 14 sense.” *Id.* at 679. Generally, a court limits its review to the pleadings and must 15 construe all factual allegations in the complaint “as true and... in the light most 16 favorable” to the plaintiff.

Lee, 250 F.3d at 679. However, a court need not blindly 17 accept conclusory allegations, unwarranted deductions of fact, or unreasonable 18 inferences. *Spewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001). 19 IV. DISCUSSION 20 Ashford argues the Small Claims Judgment forecloses further proceedings in this 21 action. Ashford seems to offer two theories: (1) *res judicata*; and (2) the *Rooker-* 22 *Feldman* doctrine.

(Mot. 5–14.) Neither argument is persuasive. 23 A. *Res Judicata* 24 Ashford’s principal argument is that, under the principle of *res judicata*, the Small 25 Claims Judgment now bars Alger from litigating his ADA claim in this action.

As a 26 California small claims court issued the Small Claims Judgment, the Court looks to 27 California *res judicata* law. *White v. City of Pasadena*, 671 F.3d 918, 926 (9th Cir. 28 2012)

(quoting *Migra v. Warren City Sch. Dist. Bd. of Educ.*, 465 U.S. 75, 81 (1984)). 1 Under California law, “res judicata” is often used as “an umbrella term encompassing 2 both claim preclusion and issue preclusion.” *DKN Holdings LLC v. Faerber*, 61 Cal. 3d 813, 823 (2015).

4 As a preliminary matter, Ashford merges the two doctrines—claim preclusion 5 and issue preclusion—into a single, undifferentiated argument. (Mot. 7–13.) It is not 6 clear that either applies here. First, courts generally hold that issue preclusion “does 7 not apply to a small claims action.” *Sanders v. Walsh*, 219 Cal. App. 4th 855, 865 8 (2013) (citing *Sanderson v. Niemann*, 17 Cal. 2d 563, 573–75 (1941)).

And even the 9 courts holding otherwise and applying issue preclusion to small claims judgments 10 nevertheless require that “the record in the [small claims action] adequately reflects the 11 issues actually litigated and decided in that proceeding.” *Pitzen v. Superior Ct.*, 12 120 Cal. App. 4th 1374, 1384 (2004).

Here, the small claims court’s conclusory 13 holding—that Ashford “does not owe [Alger] any money on [Alger’s] claim—does not 14 satisfy the standard in *Pitzen* because it provides the Court with no detail about what 15 issues the small claims court actually considered. (Small Claims Judgment 20.)

Thus, 16 the Court finds that issue preclusion cannot apply and proceeds only on the issue of 17 claim preclusion. 18 It is “well established that the claim preclusion aspect of the doctrine of res 19 judicata applies to small claims judgments.” *Pitzen*, 120 Cal. App. 4th at 1381. Claim 20 preclusion “precludes parties or their privies from relitigating a cause of action that has 21 been finally determined by a court of competent jurisdiction.” *Kopp v. Fair Pol.*

Pracs. 22 Comm’n, 11 Cal. 4th 607, 620 (1995) (en banc). As a threshold matter, Alger argues 23 that the small claims court was not a “court of competent jurisdiction,” meaning that 24 Ashford’s invocation of claim preclusion must fail. (Opp’n 4–6, Dkt. No. 70.)

The 25 Court agrees. 26 Alger’s argument raises the “jurisdictional competency exception.” *Guerrero v. 27 Dep’t of Corr. & Rehab.*, 28 Cal. App. 5th 1091, 1103 (2018). Under the Restatement 28 (Second) of Judgments section 26, which the Supreme Court favorably cited in *Marrese 1 v. American Academy of Orthopaedic Surgeons*, 470 U.S. 373, 382 (1985), claim 2 preclusion does not apply when the “plaintiff was unable to... seek a certain remedy 3 or form of relief in the first action because of the limitations on the subject matter 4 jurisdiction of the courts,” and the “plaintiff desires in the second action to... seek that 5 remedy or form of relief.” 6 Here, the small claims court was not a “court of competent jurisdiction” for 7 purposes of claim preclusion because it cannot adequately adjudicate an ADA claim.

8 Small claims courts in California are courts of limited jurisdiction and may only grant 9 injunctive or equitable relief “when a statute expressly authorizes a small claims court 10 to award

that relief.” Cal. Civ. Proc. Code § 116.220(a)(5).

In this case, Alger seeks only injunctive relief under the ADA. See *Chapman v. Pier 1 Imps. (U.S.) Inc.*, 12 F.3d 939, 946 (9th Cir. 2011) (noting that injunctive relief is “the only relief available to private plaintiffs under the ADA”).

However, Ashford does not identify any statutory authorization giving the small claims court authority to grant injunctive relief under the ADA. Thus, had Alger attempted to bring his ADA claim in small claims court, that court would have been jurisdictionally foreclosed from granting Alger the only possible relief available under the ADA.

As such, under the jurisdictional competency exception, Alger’s inability to bring an ADA claim in small claims court means that the Small Claims Judgment cannot preclude his ADA claim in this action. Ashford argues that Alger’s choice of small claims court means he “voluntarily waived the right to seek injunctive relief.” (Reply 2, Dkt. No. 71.)

However, the Court finds no support for the proposition that a plaintiff’s choice of forum is at all relevant to a claim preclusion analysis. Nor would such an exception square with how courts apply claim preclusion in practice. See *Marrese*, 470 U.S. at 385 (declining to “fashion claim preclusion rules that would require a plaintiff to bring suit initially in the forum of most general jurisdiction, thereby resolving as many issues as possible in one proceeding”).

The Restatement’s illustration is illuminating: if a party loses a state antitrust action in state court but later brings a federal action upon the same facts, charging violations of federal antitrust laws of which federal courts have exclusive jurisdiction, that federal action is not barred. Restatement (Second) of Judgments § 26 cmt. c, illus. 2 (2024).

Ashford’s reasoning would require the plaintiff to bring both antitrust claims initially in federal court, which would have been able to concurrently hear the state and federal antitrust claims. This is not the law. *Marrese*, 470 U.S. at 385. Ashford also argues that Alger “quibbles about the availability of injunctive relief in federal court.” (Reply 2.)

Ashford cites two cases, but its reliance on each is misplaced. (Reply 2–3.) The first, *Henry v. Clifford*, holds that causes of action in two separate cases may be the same for purposes of res judicata even where a plaintiff pleads different forms of remedy. 32 Cal. App. 4th 315, 321 (1995).

However, Ashford conflates the res judicata doctrine’s “same cause of action” element, *id.*, with the doctrine’s threshold requirement that the preclusive judgment come from a “court of competent jurisdiction,” *Kopp*, 11 Cal. 4th at 620. Courts addressing the former need not consider which form of remedy the plaintiff pleaded, *Henry*, 32 Cal. App. 4th at 321, but courts

considering the latter must consider whether the remedy was even 16 available to the plaintiff in the first action's forum, *Guerrero*, 28 Cal. App.

5th at 1103. 17 Second, Ashford relies on *Guerrero* but egregiously misrepresents that case. 18 (Reply 3.) Ashford quotes a paragraph from *Guerrero* that seems to stand for the 19 proposition that, when a federal court declines to exercise pendent jurisdiction over state 20 claims, the plaintiff is forced to either proceed with the remaining federal claims or 21 dismiss and re-file all claims in state court.

(Id.) However, *Guerrero* was itself quoting 22 from *Mattson v. City of Costa Mesa*, 106 Cal. App. 3d 441 (1980), a thirty-five-year- 23 old decision that the *Guerrero* court ultimately declined to follow. *Guerrero*, 28 Cal. 24 App. 5th at 1107 n.16 (rejecting *Mattson* as outdated in light of case law adopting the 25 more recent, "widely endorsed pronouncement of the law" reflected in the Second 26 Restatement).

Moreover, even assuming California courts consistently found *Mattson* 27 persuasive, it still does not address the threshold requirement of jurisdictional 28 competency. 1 For these reasons, the Court finds that California small claims court lacks 2 competent jurisdiction to hear an ADA claim.

Thus, the Small Claims Judgment has 3 no preclusive effect on the ADA claim in the instant action. 4 B. Rooker-Feldman Doctrine 5 Ashford also argues that this action represents an improper attempt to appeal the 6 Small Claims Action, as prohibited by the Rooker-Feldman doctrine. (Mot. 13–14.) 7 Under the Rooker-Feldman doctrine, a federal district court lacks subject matter 8 jurisdiction to review state court decisions.

See *D.C. Ct. of Appeals v. Feldman*, 9 460 U.S. 462, 476 (1983); *Rooker v. Fidelity Trust Co.*, 263 U.S. 413, 416 (1923). After 10 several courts attempted to expand the doctrine, the Supreme Court held that the 11 doctrine is "confined" to "cases brought by state-court losers complaining of injuries 12 caused by state-court judgments rendered before the district court proceedings 13 commenced and inviting district court review and rejection of those judgments." *Exxon 14 Mobil Corp. v. Saudi Basic Indus.*

Corp., 544 U.S. 280, 284 (2005). Under this 15 framework, Ashford's argument fails for the simple reason that the small claims court 16 here issued its judgment after proceedings commenced here, not before. See *id.* at 293– 17 94 (finding the Rooker-Feldman doctrine does not apply where plaintiff filed suit "well 18 before any judgment in state court").

Thus, the Court finds that the Rooker-Feldman 19 doctrine is inapplicable and does not bar this action. 20 C. Order to Show Cause 21 Rule 11 provides in relevant part that, by presenting a signed filing to a court, an 22 attorney "certifies" that the filing's "legal contentions are warranted

by existing law or 23 by a nonfrivolous argument for extending, modifying, or reversing existing law or for 24 establishing new law.” Fed.

R. Civ. P. 11(b)(2). When a party or attorney violates 25 Rule 11(b), courts may impose an “appropriate sanction,” including a monetary 26 sanction, “after notice and a reasonable opportunity to respond.” Fed. R. Civ. P. 11(c). 27 Sanctions for Rule 11 violations are mandatory. *Pipe Trades Council of N. Cal. v. 28 Underground Contractors Ass’n of N. Cal.*, 835 F.3d 1275, 1280 (9th Cir.

1987). 1 In his reply brief, Ashford’s counsel cites two paragraphs from Guerrero, the 2 latter of which he appears to represent as Guerrero’s holding. (Reply 4.) However, as 3 the Court notes above, the paragraph that Ashford’s counsel cites was from Mattson, a 4 decision the Guerrero court stated it disagreed with. Guerrero, 28 Cal. App. 5th 5 at 1105–07.

The Guerrero court took great pains to analyze what it believed to be the 6 Mattson court’s analytical gaps, finding that the Mattson court failed to consider 7 relevant sections of the Restatement (Second) of Judgments. *Id.* at 1107 n.16.

The 8 Guerrero court also stated that the general claim splitting rule—which Ashford’s 9 counsel relies on—“dovetails with the jurisdictional competency exception” and “limits 10 the preclusive effect” of judgments where, as in Guerrero, the first court dismissed 11 claims because it found it could not hear them. *Id.* (finding that plaintiff’s claims, 12 initially brought in federal court, had no preclusive effect because the first court 13 dismissed “on Eleventh Amendment grounds, which was not a discretionary 14 disposition”).

15 As the Guerrero court clearly states that it does not agree with the Mattson court’s 16 analysis, Ashford’s counsel’s attempt to pass off a passage from Mattson as Guerrero’s 17 holding is arguably frivolous. Therefore, the Court ORDERS Ashford’s counsel to 18 SHOW CAUSE why the Court should not sanction him for misrepresenting the holding 19 in Guerrero to this Court.

See Fed. R. Civ. P. 11(b)(2). 20 21 22 23 24 25 26 27 28 1 Vv. CONCLUSION 2 For the reasons discussed above, the Court DENIES Ashford’s Motion. (Dkt. 3 || No. 69.) Ashford’s counsel is also ORDERED to SHOW CAUSE, in writing, no later 4|| than FEBRUARY 6, 2026, why the Court should not sanction him for misrepresenting 5 || authority to this Court. 6 7 IT IS SO ORDERED.

8 9 January 26, 2026 N. 10 ae 2 OTIS D. HT, II 3 UNITED STATES DISTRICT JUDGE 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28