

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Wood Ranch Manhattan Beach, LP v. St. Paul Fire and Marine
Insurance Company

Wood Ranch Manhattan Beach · No. 2:25-cv-11675-SB-SSC · Decided December 18, 2025

SUMMARY

The United States District Court for the Central District of California ordered Plaintiff Wood Ranch Manhattan Beach, LP to show cause why the Court has subject-matter jurisdiction over its breach-of-contract action. The Court determined that the complaint inadequately alleged the citizenship of the plaintiff's LLC general partner and limited partners, and ordered Plaintiff to demonstrate complete diversity by January 5, 2026 or face dismissal.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Stanley Blumenfeld, Jr.
JURISDICTION	United States District Court for the Central District of California
DECIDED	December 18, 2025
DOCKET	2:25-cv-11675-SB-SSC
DISPOSITION	other
PROCEDURAL POSTURE	The district court, in an original diversity breach-of-contract action, sua sponte issued an order to show cause why the case should not be dismissed for lack of subject-matter jurisdiction.
STANDARD OF REVIEW	The district court independently assessed subject-matter jurisdiction sua sponte and may consider jurisdiction at any stage of the proceedings.
PRECEDENTIAL VALUE	Nonprecedential district court order; precedential status unknown.

TOPICS

- subject matter jurisdiction
- civil procedure
- pleadings
- breach of contract
- insurance

PRACTICE AREAS

- civil procedure
- commercial litigation
- insurance
- breach of contract

QUESTIONS PRESENTED

1. Whether the complaint adequately alleged the citizenship of all members and partners necessary to establish complete diversity of citizenship.
2. Whether the court should require plaintiff to show cause why the action should not be dismissed for lack of subject-matter jurisdiction.

HOLDINGS

1. The complaint did not adequately establish complete diversity because it failed to allege the citizenship of each member of the LLC general partner and failed to identify the legal form and citizenship of each limited partner.
2. The court had a duty to assess its subject-matter jurisdiction and could raise the issue sua sponte at any stage of the proceedings.

KEY QUOTATIONS

“Article III generally requires a federal court to satisfy itself of its jurisdiction over the subject matter before it considers the merits of a case”

FACTUAL BACKGROUND

Wood Ranch Manhattan Beach, LP sued St. Paul Fire and Marine Insurance Company for breach of contract and invoked diversity jurisdiction. The complaint alleged that the plaintiff had one LLC general partner and nineteen limited partners, but did not allege the citizenship of each LLC member or identify the legal form of each limited partner. The court therefore could not determine whether complete diversity existed.

PROCEDURAL HISTORY

Plaintiff filed the complaint on December 9, 2025, asserting diversity jurisdiction as the sole basis for federal jurisdiction. The court found that the complaint did not adequately establish the citizenship of the plaintiff's LLC general partner or identify the legal form and citizenship of each limited partner, and ordered plaintiff to demonstrate complete diversity by January 5, 2026.

DISPOSITION

other

CASES CITED

- Kokkonen v. Guardian Life Ins. Co., 511 U.S. 375, 377 (1994)
- Allstate Ins. Co. v. Hughes, 358 F.3d 1089, 1093 (9th Cir. 2004)
- Ruhrgas AG v. Marathon Oil Co., 526 U.S. 574, 583 (1999)
- Caterpillar Inc. v. Lewis, 519 U.S. 61, 68 (1996)
- Johnson v. Columbia Props. Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006)

OPINION

Wood Ranch Manhattan Beach, LP v. St. Paul Fire and Marine Insurance Company

PER CURIAM.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WOOD RANCH MANHATTAN Case No. 2:25-cv-11675-SB-SSC

BEACH, LP,

Plaintiff,

ORDER TO SHOW CAUSE RE

v. SUBJECT-MATTER

JURISDICTION

ST. PAUL FIRE AND MARINE

INSURANCE COMPANY,

Defendant. Plaintiff Wood Ranch Manhattan Beach, LP filed the complaint in this breach-of-contract case on December 9, 2025. Dkt. No. 1. Federal courts have subject matter jurisdiction only over matters authorized by the Constitution and Congress. *Kokkonen v. Guardian Life Ins. Co.*, 511 U.S. 375, 377 (1994). This Court has a duty to assess whether federal subject matter jurisdiction exists and may consider the issue sua sponte at any stage of the proceedings. *Allstate Ins. Co. v. Hughes*, 358 F.3d 1089, 1093 (9th Cir. 2004); see also *Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999) (recognizing that “Article III generally requires a federal court to satisfy itself of its jurisdiction over the subject matter before it considers the merits of a case”). A federal district court has original jurisdiction over a civil action when (1) a federal question is presented in an action “arising under the Constitution, laws, or treaties of the United States” or (2) there is complete diversity of citizenship between the parties and the amount in controversy exceeds \$75,000. 28 U.S.C. §§ 1331, 1332(a). Complete diversity means that each of the plaintiffs must be a citizen of a different state than each of the defendants. *Caterpillar Inc. v. Lewis*, 519 U.S. 61, 68 (1996). Plaintiff, a limited partnership, asserts diversity jurisdiction as the sole basis for federal jurisdiction. “[A] partnership is a citizen of all of the states of which its partners are citizens.” *Johnson v. Columbia Props. Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006). According to the complaint, Plaintiff has one general partner and 19 limited partners. The complaint alleges that the general partner, Wood Ranch Manhattan Beach, LLC, is “a citizen of California.” Dkt. No. 1 ¶ 1. But the citizenship of an LLC, like a partnership, is determined by the citizenship of each of its members. *Johnson*, 437 F.3d at 899. Because the complaint fails to allege the citizenship of each member of Manhattan Beach, LLC, Plaintiff’s citizenship is unknown. In addition, the complaint fails to identify each of the limited partners, conclusorily alleging only that: “Nine (9) limited partners are citizens of California, three (3) limited partners are citizens of Maryland, three (3) limited partners are citizens of North Carolina, and one (1) limited partner is a citizen of Florida.” Dkt. No. 1 ¶ 1. Because this allegation does not state whether limited partners

are individuals, corporations, partnerships, or some other form of entity, the Court cannot evaluate the citizenship of the limited partners. Plaintiff needs to show that diversity is complete as to all its members. Accordingly, Plaintiff is ORDERED to show cause, in writing, by no later than January 5, 2026, why the Court has jurisdiction over this case by demonstrating complete diversity of citizenship between the parties. Failure to timely comply will result in dismissal. Date: December 18, 2025 _____ Stanley Blumenfeld, Jr. United States District Judge

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