

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

Slevin v. AB Hollywood, LLC

No. 3:23-cv-01404-YY (D. Or. Mar. 31, 2026) · No. 3:23-cv-01404-YY · Decided March 31, 2026

SUMMARY

The United States District Court for the District of Oregon considers sanctions arising from an ADA accessibility lawsuit brought by Connor Slevin against AB Hollywood, LLC. The court denies the defendant’s Rule 11 motion because the case had been dismissed before the motion was filed, but finds that plaintiff’s counsel acted in bad faith and imposes sanctions under the court’s inherent power, including recovery of the defendant’s defense fees.

CASE DETAILS

COURT	United States District Court for the District of Oregon
WRITING FOR THE COURT	Youlee Yim You
JURISDICTION	United States District Court for the District of Oregon
DECIDED	March 31, 2026
DOCKET	3:23-cv-01404-YY
DISPOSITION	other
PROCEDURAL POSTURE	The court considered defendant's renewed motion for sanctions under Federal Rule of Civil Procedure 11 and its own inherent authority after plaintiff's ADA action had been voluntarily dismissed. The court denied Rule 11 sanctions because the motion was served and filed after dismissal, but imposed compensatory sanctions under its inherent power against plaintiff's attorney and awarded defendant its reasonable defense fees.
STANDARD OF REVIEW	The court required an explicit finding of bad faith supported by clear and convincing evidence before imposing compensatory sanctions under its inherent authority. It also applied strict compliance with Rule 11's safe-harbor requirement and timing principles.
PRECEDENTIAL VALUE	unpublished district-court opinion; persuasive but nonprecedential

TOPICS

- sanctions
- attorney fees
- ada standing
- civil rights
- civil procedure

PRACTICE AREAS

Americans with Disabilities Act

federal civil procedure

attorney sanctions

legal ethics

attorney fees

QUESTIONS PRESENTED

1. Whether defendant could obtain Rule 11 sanctions when its motion was served and filed after the underlying action had been dismissed.
2. Whether the court could impose compensatory sanctions under its inherent authority based on counsel's bad-faith conduct in bringing and litigating the ADA action.
3. Whether defendant was entitled to recover all reasonable attorney fees incurred in defending the action.

HOLDINGS

1. Rule 11 sanctions were unavailable because defendant served and filed its sanctions motion after the action had been dismissed, depriving plaintiff and counsel of the Rule 11 safe-harbor opportunity to withdraw or correct the challenged pleading.
2. The court may impose compensatory sanctions under its inherent authority when an attorney acts in bad faith, including by bringing and maintaining a case for an improper purpose and abusing the judicial process.
3. Because the attorney's bad-faith conduct infected the action from its inception, defendant was entitled to recover the entire amount of reasonable attorney fees incurred in defending the case.

KEY QUOTATIONS

“Rule 11 sanctions are not available, however, “unless there is strict compliance with [the Rule’s] safe harbor provision.”” (Section II)

“Defendant’s Rule 11 Motion for Sanctions (ECF 38) is denied; however, attorney Jessica Molligan is sanctioned under the court’s inherent power for bringing and litigating this case in bad faith, and because this conduct permeated the entire case from the beginning, defendant is awarded the entire amount of reasonable fees incurred in defending it.” (Order)

FACTUAL BACKGROUND

Connor Slevin, who uses a wheelchair, visited defendant's strip-mall property in November 2022, entered both operating businesses, and made purchases. His attorney, Jessica Molligan, later sent a demand letter alleging multiple ADA violations and demanding \$13,000 in attorney fees, then filed suit alleging barriers and an intent to return that were not supported by plaintiff's actual experience or communications with counsel. After photographs and discovery undermined several allegations, Molligan sought to settle for attorney fees without consulting plaintiff, attempted to execute the settlement under a purported blanket power of attorney, and filed a dismissal under disputed circumstances.

PROCEDURAL HISTORY

Plaintiff filed an ADA action in September 2023 concerning alleged accessibility barriers at defendant's property. The complaint was amended twice, defendant moved to dismiss and later moved for summary judgment, and the court authorized a limited property inspection. Plaintiff's counsel then accepted a \$1,000 attorney-fee settlement without consulting plaintiff, attempted to sign for plaintiff under a purported power of attorney, and ultimately filed a stipulated dismissal in July 2024. Defendant later pursued sanctions. After an earlier sanctions opinion was withdrawn and reconsideration materials were considered, the court denied Rule 11 sanctions but imposed inherent-power sanctions.

DISPOSITION

other

CASES CITED

- Islamic Shura Council of S. California v. F.B.I., 757 F.3d 870, 872-73 (9th Cir. 2014)
- Retail Flooring Dealers of Am., Inc. v. Beaulieu of Am., LLC, 339 F.3d 1146, 1150 (9th Cir. 2003)
- Goodyear Tire & Rubber Co. v. Haeger, 581 U.S. 101, 107-10 (2017)
- Chambers v. NASCO, Inc., 501 U.S. 32, 44-50 (1991)
- Am. Unites for Kids v. Rousseau, 985 F.3d 1075, 1088-90 (9th Cir. 2021)
- Fink v. Gomez, 239 F.3d 989, 992-94 (9th Cir. 2001)
- Chapman v. Pier 1 Imports (U.S.) Inc., 631 F.3d 939, 944 (9th Cir. 2011)
- City of Los Angeles v. Lyons, 461 U.S. 95, 111 (1983)
- Feezor v. Sears, Roebuck & Co., 608 F. App'x 476, 477 (9th Cir. 2015)
- Lujan v. Defenders of Wildlife, 504 U.S. 555, 564 (1992)
- Mark Indus., Ltd. v. Sea Captain's Choice, Inc., 50 F.3d 730, 732 (9th Cir. 1995)
- United States v. Wunsch, 84 F.3d 1110, 1114 (9th Cir. 1996)
- Gas-A-Tron of Arizona v. Union Oil Co. of California, 534 F.2d 1322, 1324 (9th Cir. 1976)
- Vogel v. Tulaphorn, Inc., No. 2:13-cv-00464-PSG-PLA, 2013 WL 12166212, at *2, *6-*8 (C.D. Cal. Nov. 5, 2013), aff'd, 637 F. App'x 344 (9th Cir. 2016)