

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

De La Rosa v. Centennial Real Estate Management, LLC

No. 25-cv-02396-NC (N.D. Cal. Mar. 12, 2025) · No. 25-cv-02396-NC · Decided March 12, 2025

SUMMARY

The United States District Court for the Northern District of California ordered Centennial Real Estate Management, LLC to show cause why the case should not be remanded for lack of subject matter jurisdiction. The court found that the notice of removal inadequately alleged the citizenship of the LLC members and Northridge Mall, preventing the court from determining whether complete diversity existed.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Nathanael M. Cousins
JURISDICTION	United States District Court for the Northern District of California
DECIDED	March 12, 2025
DOCKET	25-cv-02396-NC
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed the action from state court and invoked diversity jurisdiction. The district court issued an order to show cause why the case should not be remanded for lack of subject matter jurisdiction.
STANDARD OF REVIEW	The removing party bears the burden of establishing that removal is proper, and the court independently assesses its subject matter jurisdiction.
PRECEDENTIAL VALUE	Unpublished district court order; limited persuasive value

TOPICS

- subject matter jurisdiction
- civil procedure
- federalism

PRACTICE AREAS

- Civil procedure
- Federal jurisdiction
- Removal and remand

QUESTIONS PRESENTED

1. Whether the notice of removal adequately established federal diversity jurisdiction.
2. Whether the citizenship allegations for Centennial and Windsor Fashions Holdings LLC were sufficient when the citizenship of their owners or members was not alleged.
3. Whether the allegation that Northridge Mall was not listed on the California Secretary of State website adequately alleged that party's citizenship.

HOLDINGS

1. The removing party must establish that removal is proper, including the facts necessary to demonstrate complete diversity and the required amount in controversy.
2. A limited liability company is a citizen of every state of which its owners or members are citizens; allegations that omit the citizenship of an LLC's owners or members are insufficient to establish complete diversity.
3. A party invoking diversity jurisdiction must affirmatively allege the actual citizenship of the relevant parties; alleging only that an entity is not listed on a state Secretary of State website is insufficient.

KEY QUOTATIONS

“Federal courts are courts of limited jurisdiction.” (at 1)

“[F]or the purposes of diversity ... an LLC is a citizen of every state of which its owners/members are citizens.” (at 1-2)

FACTUAL BACKGROUND

Centennial alleged diversity jurisdiction based on the parties' citizenship. It identified Centennial and Windsor Fashions Holdings LLC as limited liability companies but did not allege the citizenship of their owners or members. It also alleged only that Northridge Mall was not listed on the California Secretary of State website, rather than affirmatively alleging Northridge Mall's actual citizenship.

PROCEDURAL HISTORY

The action was removed to the Northern District of California. The court determined that the notice of removal did not adequately allege the citizenship of the defendant limited liability companies' members or the citizenship of Northridge Mall, preventing assessment of complete diversity. The court ordered Centennial to show cause in writing by March 25, 2025, why the case should not be remanded.

DISPOSITION

other

REMAND INSTRUCTIONS

Centennial must show cause in writing by March 25, 2025, why the case should not be remanded to state court for lack of subject matter jurisdiction.

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- Lindley Contours LLC v. AAAB Fitness Holdings, Inc., 414 F. App'x 62, 64 (9th Cir. 2011)
- Johnson v. Columbia Props. Anchorage, LP, 437 F.3d 894, 899 (9th Cir. 2006)
- Kanter v. Warner-Lambert Co., 265 F.3d 853, 857 (9th Cir. 2001)

OPINION

1 2 3 4 5 6 7 UNITED STATES DISTRICT COURT 8 NORTHERN DISTRICT OF
CALIFORNIA 9 10 GLORIA DE LA ROSA, Case No. 25-cv-02396-NC 11 Plaintiff, ORDER TO
SHOW CAUSE WHY 12 CASE SHOULD NOT BE v. REMANDED TO STATE COURT 13
FOR LACK OF SUBJECT CENTENNIAL REAL ESTATE MATTER JURISDICTION 14
MANAGEMENT, LLC, et al., Re: ECF 1 15 Defendants. 16 17 This Court orders Defendant
Centennial Real Estate Management, LLC (hereinafter 18 Centennial) to show cause why this case
should not be remanded back to state court for 19 lack of subject matter jurisdiction.

20 Federal courts are courts of limited jurisdiction. Kokkonen v. Guardian Life Ins. 21 Co. of Am.,
511 U.S. 375, 377 (1994). District courts have subject matter jurisdiction 22 through federal
question or diversity jurisdiction. 28 U.S.C. §§ 1331, 1332. Diversity 23 jurisdiction requires
complete diversity of citizenship and an amount in controversy greater 24 than \$75,000.

28 U.S.C. § 1332(a). The removing party has the burden of establishing 25 that removal is proper.
Lindley Contours LLC v. AAAB Fitness Holdings, Inc., 414 F. 26 App'x 62, 64 (9th Cir. 2011). 27
Here, Centennial alleges that this Court has diversity jurisdiction because Plaintiff is 1 || Defendant
Windsor Fashions Holdings LLC is a Delaware limited liability company, and 2 || Defendant
Northridge Mall is not listed in the California Secretary of State website.

ECF 3 || 1995, 7-8. These allegations are deficient for two reasons. 4 First, Centennial failed to
allege the citizenship of the owners/members of 5 || Centennial and Windsor, which are both
LLCs. “[F]or the purposes of diversity □ □ □ an 6 || LLC isa citizen of every state of which its
owners/members are citizens.” Johnson v. 7 Columbia Props. Anchorage, LP, 437 F.3d 894, 899
(9th Cir.

2006). Second, Centennial 8 || failed to properly allege Northridge Mall’s citizenship when it
merely alleged that 9 || Northridge Mall was not listed on the California Secretary of State website.
See Kanter v. 10 || Warner-Lambert Co., 265 F.3d 853, 857 (9th Cir. 2001) (finding that a party
seeking to 11 || invoke diversity jurisdiction should be able to allege affirmatively the actual
citizenship of 12 || the relevant parties).

Without information on the citizenship of Centennial and Windsor's 13 || owners/members or the citizenship of Northridge Mall, this Court cannot assess whether 14 || complete diversity exists. 15 Accordingly, Defendant Centennial must show cause in writing by March 25, 2025, 16 || why this case should not be remanded back to state court for lack of subject matter 5 17 || jurisdiction.

1g Zz 19 IT IS SO ORDERED. 20 21 || Dated: March 12, 2025 h_=_———— _ NATHANAEL M. COUSINS 22 United States Magistrate Judge 23 24 25 26 27 28