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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**DEBTORS' PRELIMINARY
OPPOSITION TO MOTION FOR
RELIEF FROM THE AUTOMATIC
STAY**

In re

KS MATTSON PARTNERS, LP,

Debtor.

[Dkt. No. 1938]

Date: August 22, 2025

Time: 11:00 a.m.

Place: United States Bankruptcy Court
1300 Clay Street, Courtroom 215
Oakland, CA 94612

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

LeFever Mattson, a California corporation (“LeFever Mattson”), and certain of its affiliates that are debtors and debtors in possession (the “Debtors”) ¹ in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), hereby submit this preliminary opposition (the “Opposition”) to the *Notice of Motion and Motion for Relief from the Automatic Stay* [Dkt. No. 1938] (the “Motion”) filed by Mark Baker. In support of the Motion, the Debtors refer to the *Declaration of Gabrielle L. Albert in Support of Debtors’ Preliminary Opposition to Motion for Relief from the Automatic Stay* (the “Albert Declaration”) filed concurrently herewith.

I. BACKGROUND

Mr. Baker seeks relief from the automatic stay in order to continue litigation he commenced against Debtor RT Golden Hills, LP (“Golden Hills”) on July 10, 2025, in Solano County Superior Court, as case number CU25-06372 (the “State Court Litigation”). In the State Court Litigation, Mr. Baker makes various claims against Golden Hills and other named defendants under the Americans with Disabilities Act (the “ADA”) and California Unruh Civil Rights Act (the “Unruh Act”) related to the operation of a video surveillance system at The Shops at Golden Hills shopping center (“The Shops”) in Vacaville, California which is owned by Golden Hills.

One of the tenants at The Shops, Jack in the Box, installed a security camera in the parking lot that uses “high-intensity blue LED lights” which Mr. Baker alleges caused him harm. In addition to Golden Hills, Mr. Baker has filed lawsuits against Jack in the Box, Inc. (“Jack in the Box”), the Jack in the Box franchisee, Gogris Corporation, and the maker of the security camera, Liveview Technologies, Inc. (“LVT”). Prior to filing the complaints, Mr. Baker contacted each of the defendants threatening to sue them and offering to settle with them in exchange for a payment of \$4,000. Albert Decl. ¶ 3, Ex. A.

On June 16, 2025, after receiving notice from Mr. Baker of his intent to commence the State Court Litigation, the Debtors’ counsel sent Mr. Baker a letter via email advising him of the automatic stay in effect in the Chapter 11 Cases. Albert Decl. ¶ 4, Exs. A-B. When the Debtors learned that Mr. Baker had ignored their notice and filed the State Court Litigation, their counsel

¹ Unless otherwise indicated, “Debtors” as used herein excludes KS Mattson Partners, LP.

1 sent a second letter to Mr. Baker on July 16, 2025, providing notice of his violation of the automatic
2 stay and demanding that he withdraw the State Court Litigation as against Golden Hills. Albert
3 Decl. ¶ 5, Exs. C-D. Golden Hills also filed a notice of stay of proceedings in the State Court
4 Litigation on July 17, 2025. Albert Decl. ¶ 8, Ex. G. Thereafter, Mr. Baker acknowledged that
5 relief from stay was required to continue the State Court Litigation and filed this Motion. Albert
6 Decl. ¶ 6, Ex. E.

7 Despite the foregoing, Mr. Baker continues to knowingly violate the automatic stay by
8 repeatedly making demands for payment from the Debtors and threatening increased damages and
9 prolonged litigation, even though, at the Debtors' request, the blue LED lights have been turned
10 off and removed from The Shops. See Albert Decl. ¶¶ 7, 9-11, Exs. F, H-I. As a result of Mr.
11 Baker starting the State Court Litigation and making repeated payment demands after being
12 notified of the bankruptcy filing and the imposition of the stay, the Debtors' estate has been forced
13 to incur legal fees and expenses asserting their rights and defending against this Motion.

14 Accordingly, the Debtors respectfully request that the Court deny the Motion.

15 **II. ARGUMENT**

16 The Motion asserts that relief is warranted under section 362(d) of the Bankruptcy Code²
17 on the grounds that the claims in the State Court Litigation are nondischargeable in nature and can
18 be most expeditiously resolved in the nonbankruptcy forum. However, Mr. Baker has failed to
19 provide any support for his assertion that his State Court Litigation claims under the ADA or Unruh
20 Act are nondischargeable. And they are not. Such claims do not fall within one of the 20
21 enumerated nondischargeable actions described in section 523 of the Bankruptcy Code and,
22 therefore, relief from the automatic stay cannot be granted on the grounds that the State Court
23 Litigation involves nondischargeable claims. See 11 U.S.C. § 523(a). Even if Mr. Baker's claims
24 fell within one of the enumerated section 523 exceptions to discharge, those exceptions only apply
25 to "individual debtors," not to corporations and partnerships, like the Debtors. See 11 U.S.C. §
26 523(a); *Lafferty v. Off-Spec Sols., LLC (In re Off-Spec Sols., LLC)*, 651, B.R. 862, 867 (B.A.P. 9th

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28 ² 11 U.S.C § 101 *et seq.*

1 Cir. 2023); *In re Rtech Fabrications, LLC*, 635 B.R. 559, 566 (Bankr. D. Idaho 2021); *Glatzel v.*
2 *Gordon's Music & Sound, Inc. (In re Gordon's Music & Sound, Inc.)*, Nos. 11-28452-E-11, 11-
3 2483, 2012 Bankr. LEXIS 6133, at *2 (Bankr. E.D. Cal. Oct. 12, 2012). Moreover, the Debtors,
4 as stated in the *Global Settlement and Plan Term Sheet* filed on July 14, 2025 [Dkt. No. 1724], are
5 not seeking a discharge in these Chapter 11 Cases, rendering Mr. Baker's position not only
6 incorrect but also irrelevant.

7 Further, the Bankruptcy Code prohibits the commencement of any actions against the
8 Debtors that arose before the commencement of the Chapter 11 Cases, and there is no exception
9 made for actions brought by a private individual alleging noncompliance with government
10 regulations, such as the ADA or Unruh Act. *See* 11 U.S.C. § 362(a)-(b). Although section
11 362(b)(4) of the Bankruptcy Code does except from the automatic stay actions by a government
12 unit to enforce its police and regulatory power, “[c]ourts have consistently held that the automatic
13 stay applies to [*qui tam* actions], at least when the government has not intervened, because they do
14 not fall within the governmental unit exception.” *Porter v. Nabors Drilling USA, L.P.*, 854 F.3d
15 1057, 1062 (9th Cir. 2017) (identifying a claim asserted under California’s Private Attorney
16 General Act of 2004 as a *qui tam* action—an action in which a private citizen is authorized to sue
17 on behalf of the government—and holding that such an action is not excepted from the automatic
18 stay). Here, Mr. Baker’s State Court Litigation claims are based on the government regulations of
19 the ADA and Unruh Act; however, the government has not intervened with respect to Mr. Baker’s
20 claims and, therefore, such claims are not excepted from the automatic stay.

21 Finally, providing Mr. Baker with relief from stay to pursue the State Court Litigation
22 would distract and delay the Debtors from their current focus of proposing a confirmable plan and
23 the costs of litigation would drain the Debtors’ assets available to the greater creditor and investor
24 body. The automatic stay serves to assure creditors that a debtor’s other creditors are not racing
25 to various courthouses to pursue independent remedies that deplete the debtor’s assets and to afford
26 the debtor time to propose a reorganization plan. *Gruntz v. County of Los Angeles (In re Gruntz)*,
27 202 F.3d 1074, 1081 (9th Cir. 2000). Mr. Baker has not asserted any grounds for a different result
28 here. Further, the blue LED lights that are the basis of Mr. Baker’s claims have been turned off

1 and are no longer causing the harm alleged in the State Court Litigation. Mr. Baker failed to meet
2 his burden of establishing cause for relief from the automatic stay. Therefore, Mr. Baker's Motion
3 should be denied, and he should instead be required to dismiss the State Court Litigation as it was
4 filed in a willful violation of the automatic stay.

5 Further, the Debtors intend to pursue sanctions against Mr. Baker for filing the State Court
6 Litigation after having received notice from the Debtors of the automatic stay and for continuing
7 to make payment demands while his Motion is pending before the Court.

8 **III. CONCLUSION**

9 For the foregoing reasons, the Debtors respectfully request that the Court deny the Motion.

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11 Dated: August 20, 2025

KELLER BENVENUTTI KIM LLP

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13 By: /s/ Gabrielle L. Albert

14 Gabrielle L. Albert

15 *Attorneys for the Debtors and Debtors in*
16 *Possession*
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