Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM 2:00-0000

Chapter 0

#0.00 All hearings scheduled for today will be conducted remotely, using ZoomGov video and audio.

Parties in interest and members of the public may connect to the video and audio feeds, free of charge, using the connection information provided below.

Individuals may participate by ZoomGov video and audio using a personal computer (equipped with camera, microphone and speaker), or a handheld mobile device (such as an iPhone or Android phone). Individuals may opt to participate by audio only using a telephone (standard telephone charges may apply).

Neither a Zoom nor a ZoomGov account is necessary to participate and no preregistration is required **but you must still notify Chambers at**<u>Chambers SBluebond@cacb.uscourts.gov</u> of your appearance". The audio portion of each hearing will be recorded electronically by the Court and constitutes its official record.

For more information on appearing before Judge Bluebond by ZoomGov, please see the information on the Court's website at:

https://www.cacb.uscourts.gov/judges/honorable-sheri-bluebond under the tab, "Telephonic Instructions."

Hearing conducted by ZOOMGov.

Video/audio web address: https://cacb.zoomgov.com/j/16161090855

ZoomGov meeting number: 161 6109 0855

Password: 148508

Telephone conference lines: 1 (669) 254 5252 or 1 (646) 828 7666 (when prompted, enter meeting number and password shown above)

Docket 0

Courtroom Deputy:

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CONT...
- NONE LISTED -

Tentative Ruling:

- NONE LISTED -

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

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2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.00 Secured Creditor's Motion to Convert Debtor's Case to Chapter 7 Pursuant to 11 U.S.C. § 1112(b)

FR. 7-14-21

Docket 163

*** VACATED *** REASON: CONT'D. TO 8/11/21 @ 11AM

Courtroom Deputy:

6/29/21 - Notice to pay Court costs in the amount of \$350.00 was sent to Leslie Cohen, Debtor's Counsel and must be paid prior to this hearing.

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

7/2/21 -- Court approved stipulation continuing hearing to July 28, 2021 at 10:00 a.m. OFF CALENDAR FOR JULY 14, 2021.

7/12/21 -- Court approved stipulation continuing hearing to August 11, 2021 at 11:00 a.m. OFF CALENDAR FOR JULY 28, 2021.

Party Information

Debtor(s):

Rhino Bare Projects LLC

Represented By Leslie A Cohen Nathan D Meyer

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CONT... Rhino Bare Projects LLC

Chapter 11

Movant(s):

Knotting Hill, LLC Represented By

Ori S Blumenfeld

S Double, LLC Represented By

Ori S Blumenfeld

Sefox Investment, LLC Represented By

Ori S Blumenfeld

IJ Properties LLC Represented By

Ori S Blumenfeld

El Marino, LLC Represented By

Ori S Blumenfeld

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

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1539

10:00 AM

2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.10 Debtor's Motion to Approve Compromise Hakakian Parties Under Rule 9019

Docket 176

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Ori Blumenfeld, (818)705-2777

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Grant motion. Approve compromise.

Party Information

Debtor(s):

Rhino Bare Projects LLC Represented By

Leslie A Cohen Nathan D Meyer

Movant(s):

Rhino Bare Projects LLC Represented By

Leslie A Cohen Nathan D Meyer

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

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1539

10:00 AM

2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.20 Debtor's Motion to Approve Compromise with Canico Capital Group, LLC Under Rule 9019

fr. 7-7-21

Docket 152

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Ori Blumenfeld, (818)705-2777

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Tentative Ruling for July 7, 2021:

Pursuant to the proposed compromise, the debtor plans to relinquish its 59.933 percent interest in Canico in exchange for a payment of \$75,000 and releases for itself and its principal, Mike Galam. The objecting creditors assert secured liens against the debtor's interest in Canico. The motion contains no evidence or authority for the proposition that it is permissible for the debtor to dispose of an asset in which the secured creditors have interests over their objection. How is this any different from a sale of this asset under section 363? Therefore, the debtor should be required to demonstrate that one of the prongs of section 363(f) has been satisfied before the compromise could be approved.

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CONT... Rhino Bare Projects LLC

Chapter 11

Moreover, what consideration is Mike Galam providing in exchange for the releases that he is obtaining? Yes, he has an equity interest in the debtor, but there is no showing in the motion that this interest is actually worth anything. Moreover, this debtor in possession has a history of acting contrary to the interests of its bankruptcy estate. How can the court rely on the business judgment of such a debtor to make the findings necessary to approve this compromise? Perhaps the court should appoint a trustee so that it will have the benefit of input from a reliable fiduciary as to the bona fides of the compromise.

Deny motion for approval of compromise.

Final Ruling for July 7, 2021:

Debtor reports that it has negotiated a compromise with objecting parties, pursuant to which objection will be withdrawn if settlement is approved and payment is made. Over Canico's objection, court continued hearing to July 28, 2021 at 10:00 a.m. to be heard concurrently with motion for approval of compromise with objecting party.

Tentative Ruling for July 28, 2021:

If all objections are withdrawn, grant motion and approve compromise.

Party Information

Debtor(s):

Rhino Bare Projects LLC Represented By

Leslie A Cohen Nathan D Meyer

Movant(s):

Rhino Bare Projects LLC Represented By

Leslie A Cohen Nathan D Meyer

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

1	0	:	0	0	AM

2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.30 Canico Capital Group, LLC's Omnibus Objection to Claims:

Claim No.	<u>Claimant:</u>			
3.1	Bruce Cardenas \$70,000.00			
3.2	Craig Franze \$100,000.00			
3.3	Donald Dean \$610,000.00			
3.4	Galam Family Irrevocable Trust \$1,860,000.00			
3.5	Jeff Malinovitz \$500,000.00			
3.6	Quality Property Trust \$1,500,000.00.			
FR. 6-9-21, 6-16-21, 7-7-21				

Docket 134

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Ori Blumenfeld, (818)705-2777

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

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CONT... Rhino Bare Projects LLC

Chapter 11

6/7/21 -- Court approved stipulation to continue hearing to June 16, 2021 at 11:00 a.m. OFF CALENDAR FOR JUNE 9, 2021.

Tentative Ruling for June 16, 2021:

This is a chapter 11 case. The debtor in possession has a duty to examine and challenge claims that are unenforceable. Here, instead, the debtor is defending the claims. Continue hearing to give creditors a further opportunity to defend their claims. Notice served upon them should advise that, if they do not choose to do so, the objections will be sustained. Court notes that Canico's statute of limitations argument does not apply to claims evidenced by written promissory notes -- Franze, Cardenas and Malinovitz (if a written promissory note can be located for Malinovitz).

Tentative Ruling for July 7, 2021:

Tentative ruling from June 16, 2021 remains unchanged. (It does not appear from the docket that a supplemental notice of the kind referenced in the court's June 16, 2021 tentative ruling was ever served.)

Final Ruling for July 7, 2021:

Canico will serve supplemental notice. Continue hearing to July 28, 2021 at 10:00 a.m.

Tentative Ruling for July 28, 2021:

Claimants have been served with supplemental notice and have not opposed the claim objections. If court approves compromise with Canico and parties still want to proceed with claim objections, sustain objections and disallow claims in their entirety.

Party Information

Debtor(s):

Rhino Bare Projects LLC

Represented By Leslie A Cohen Nathan D Meyer

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2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.40 Canico Capital Group, LLC's Motion for Entry of Order:

- (1) Dismissing Bankruptcy Case Pursuant To 11 U.S.C. § 1112(B)(1), or, in the Alternative.
- (2) Granting Relief from the Automatic Stay

fr. 3-17-21, 4-21-21, 6-9-21, 6-16-21, 7-7-21

Docket 82

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Ori Blumenfeld, (818)705-2777

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Final Ruling from March 17, 2021:

Continue hearing to April 21, 2021 at 2:00 p.m. to be heard concurrently with hearing on debtor's disclosure statement. The court will have a better opportunity to examine whether the debtor is acting in good faith and proceeding diligently with a reorganization of its affairs in the context of evaluating its proposed plan and disclosure statement. No new briefing on this motion will be permitted. Additional briefing as to whether there is a

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Wednesday, July 28, 2021

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CONT... Rhino Bare Projects LLC

Chapter 11

reasonable likelihood of reorganization within a reasonable period should come in the context of the hearing on the debtor's disclosure statement.

Tentative Ruling for April 21, 2021:

Having reviewed and analyzed the debtor's proposed plan, the court is left with the distinct impression that, with limited exception, this case is a two-party dispute and that the purpose of the bankruptcy filing was for the debtor to obtain a more favorable forum for the litigation of any remaining disputes with Canico. Grant motion to dismiss as a bad faith filing.

6/7/21 -- Court approved stipulation to continue hearing to June 16, 2021 at 11:00 a.m. OFF CALENDAR FOR JUNE 9, 2021.

Tentative Ruling for June 16, 2021:

Parties reported that a settlement has been reached. What is the nature of the agreement? Hearing required.

Tentative Ruling for July 7, 2021:

Would Canico and the debtor be entitled to enter into the proposed compromise if this case weren't in bankruptcy? If so, perhaps the motion should be granted and the case dismissed. Discuss with the parties the remedies that would be available to other secured creditors if the case were dismissed. Hearing required.

Tentative Ruling for July 28, 2021:

If court approves compromises, should this motion be granted? Hearing required.

Party Information

Debtor(s):

Rhino Bare Projects LLC

Represented By Leslie A Cohen

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10:00 AM

CONT... Rhino Bare Projects LLC Chapter 11

Nathan D Meyer

Movant(s):

Canico Capital Group, LLC Represented By

Daniel J McCarthy

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Wednesday, July 28, 2021

Hearing Room

1539

1<u>0:00 AM</u>

2:20-16889 Rhino Bare Projects LLC

Chapter 11

#1.50 Scheduling and Case Management Conference in a Chapter 11 Case

fr. 9-30-20, 1-6-21, 3-3-21, 3-17-21, 4-21-21, 6-9-21, 6-16-21, 7-7-21

Docket 1

Courtroom Deputy:

6/29/21 - Notice to pay Court costs in the amount of \$350.00 was sent to Leslie Cohen, Debtor's Counsel and must be paid prior to this hearing.

ZoomGov Appearance by:

7/26/21 - Daniel McCarthy, (213)621-0802

7/26/21 - Abraham Assil

7/26/21 - George Eshaghian

7/27/21 - Ori Blumenfeld, (818)705-2777

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Set deadline for serving notice of bar date and bar date. Continue case status conference for approximately 90 days.

10/6/20 -- Court approved scheduling order with following dates:

L/D to serve notice of bar date -- October 7, 2020

Bar date -- December 7, 2020

L/D to file undated status report -- December 28, 2

L/D to file updated status report -- December 28, 2020

Cont'd status conference -- January 6, 2021 at 11:00 a.m.

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10:00 AM

CONT... Rhino Bare Projects LLC

Chapter 11

Tentative Ruling for January 6, 2021:

Where is the status report that should have been filed by December 28, 2020? Hearing required.

Update on January 4, 2021: Court has received status report filed December 29, 2020. Other than submitting to a 2004 examination and serving a notice of bar date, what if any steps toward reorganization have been accomplished since the last status conference and what has to happen before the debtor will be in a position to propose a plan? Hearing required.

Final Ruling for January 6, 2021:

Continue hearing to March 3, 2021 at 10:00 a.m. to coincide with hearing on creditor's motion to dismiss or in the alternative relief from stay. Waive requirement that new status report be filed for this continued conference.

Tentative Ruling for March 3, 2021:

Creditor noticed hearing on motion to dismiss or in the alternative for relief from stay for March 17, 2021 at 10:00 a.m. Continue case status conference to March 17, 2021 at 10:00 a.m. to coincide with that hearing. No new status report required. APPEARANCES WAIVED ON MARCH 3, 2021.

Tentative Ruling for March 17, 2021:

Continue case status conference to April 21, 2021 at 2:00 p.m. to be heard concurrently with motion to approve debtor's disclosure statement.

Tentative Ruling for April 21, 2021:

Revisit status of case after conclusion of related matters on calendar.

6/7/21 -- Court approved stipulation to continue hearing to June 16, 2021 at 11:00 a.m. OFF CALENDAR FOR JUNE 9, 2021.

Tentative Ruling for July 28, 2021:

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CONT... Rhino Bare Projects LLC

Chapter 11

Revisit status of case after conclusion of related matters on calendar.

Party Information

Debtor(s):

Rhino Bare Projects LLC

Represented By Leslie A Cohen Nathan D Meyer

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1539

10:00 AM

2:20-20876 Airport Van Rental, Inc., a California corporation

Chapter 11

#2.00 Debtor's Motion to Consolidate Lead Case 2:20-bk-20876BB with 2:20-bk-20877BB; 2:20-bk-20878BB; 2:20-bk-20882BB and 2:20-bk-20883BB

fr. 2-24-21, 3-17-21, 4-21-21, 6-16-21

Docket 165

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

2/12/21 -- Court approved stipulation continuing hearing to March 17, 2021 at 11:00 a.m. OFF CALENDAR FOR FEBRUARY 24, 2021.

3/5/21 -- Court approved stipulation continuing hearing to April 21, 2021 at 11:00 a.m. OFF CALENDAR FOR MARCH 17, 2021.

Tentative Ruling for April 21, 2021:

At debtors' request, continue hearing on motion to June 16, 2021 at 11:00 a.m.

6/11/21 -- Court approved stipulation continuing hearing to July 28, 2021 at 10:00 a.m. OFF CALENDAR FOR JUNE 16, 2021. (SEE ORDER FOR ADDITIONAL TERMS.)

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10:00 AM

CONT... Airport Van Rental, Inc., a California corporation

Chapter 11

Tentative Ruling for July 28, 2021:

Call matters nos. 3, 3.10, 3.20 and 3.30 first. If court authorizes maintenance of cash management system on a final basis with regard to AVR California and AVR Vanpool and authorizes the dismissal of AVR Georgia, AVR Nevada and AVR Texas on the ground that they have no assets, no employees, no operating business and no income, would any reason remain for the remaining debtors to prosecute this motion? It would serve only to bring the dismissed entities back into bankruptcy for the purpose of permitting any liabilities of these entities not already assumed by the remaining debtors to become claims against this bankruptcy estate. Do the equities of the circumstances require this result?

Party Information

Debtor(s):

Airport Van Rental, Inc., a California Represented By

Zev Shechtman John N Tedford IV Michael G D'Alba

Movant(s):

Airport Van Rental, Inc., a California Represented By

Zev Shechtman John N Tedford IV Michael G D'Alba

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

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10:00 AM

2:20-20876 Airport Van Rental, Inc., a California corporation

Chapter 11

#3.00 Debtor's Motion for Entry of Order Authorizing Debtors to Maintain Cash Management System and Certain Prepetition Bank Accounts, Granting Related Relief, and Waiving 14-Day Stay

fr. 12-17-20, 2-10-21, 3-17-21, 4-21-21, 6-16-21

Docket 9

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Tentative Ruling for December 17, 2020:

- 1. Why does the Bank of the West payroll account need to remain open?
- 2. Debtor needs to stop payment on any outstanding checks issued on accounts that remain open. To the extent that the Court authorizes the payment of prepetition amounts, new checks should be issued.
- 3. Merchant accounts should remain open for deposits only. Only disbursements the debtor should make from these accounts is to sweep amounts on deposit (net of any required reserves) to a DIP account.
- 4. There is a difference between the debtors' depositing all of their funds into, and paying all of their expenses from, a single concentration account and pooling funds in such a way as to permit receipts generated by one debtor to be used to pay expenses attributable to a different debtor. Absent substantive consolidation or an order approving a financing motion as between two or more debtor entities, one debtor's expenses should not be paid from

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CONT... Airport Van Rental, Inc., a California corporation revenues generated by a different debtor.

Chapter 11

Subject to the foregoing, provided debtor supplies adequate proof of service, grant motion.

Final Ruling for December 17, 2020:

Court granted motion on interim basis through February 12, 2021. Final hearing set for February 10, 2021 at 11:00 a.m. (See interim order for more information.)

Tentative Ruling for February 10, 2021:

Resolve motion on the following terms to which the debtors and the US Trustee have stipulated:

- 1. If the substantive consolidation motion currently set for hearing on February 24, 2021 is denied: (A) the Debtors will wind down their cash management system within 30 days after entry of the order denying the substantive consolidation motion; and (B) the authority to use the Debtors' Cash Management System should be extended to 30 days after entry of such order.
- 2. On or before February 8, 2021, the Debtors will amend the December MOR to include "to/from" accounting. Thereafter, the Debtors will provide "to/from" accounting in all MORs until the first month after the Court enters an order granting substantive consolidation.
- 3. The Debtors will continue to maintain its single non-DIP Comerica bank account, to be used solely to pay the Debtors' credit cards as authorized by the Court's Interim Cash Management Order. The Debtors will not carry on deposit at any given time more than \$100,000 in the non-DIP Comerica bank account. If the Debtors' balance on deposit in the non-DIP Comerica account exceeds the FDIC limit of \$250,000 at any given time, the Debtors will obtain a surety bond in favor of the United States to collateralize any excess over the FDIC limit in an amount no less than 115%, based on the highest average daily balance. The Debtors will close the Prepetition Merchant Accounts and Prepetition

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10:00 AM CONT... Airport Van Rental, Inc., a California corporation Chapter 11 Payroll Account, as those terms are defined in the Court's Interim Cash Management Order, in a manner consistent with the Court's Interim Cash Management Order. 3/5/21 -- Court approved stipulation continuing hearing to April 21, 2021 at 11:00 a.m. OFF CALENDAR FOR MARCH 17, 2021. Tentative Ruling for April 21, 2021: As to AVR California and AVR Vanpool only, grant motion on a final basis. As to AVR Georgia, AVR Nevada and AVR Texas, grant motion on an interim basis through and including June 18, 2021 and continue hearing to June 16, 2021 at 11:00 a.m. 6/11/21 -- Court approved stipulation continuing hearing to July 28, 2021 at 10:00 a.m. OFF CALENDAR FOR JUNE 16, 2021. (SEE ORDER FOR ADDITIONAL TERMS.) Tentative Ruling for July 28, 2021: Tentative ruling from April 21, 2021 remains unchanged.

Party Information

Debtor(s):

Airport Van Rental, Inc., a California

Represented By Zev Shechtman John N Tedford IV Michael G D'Alba

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

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10:00 AM

CONT... Airport Van Rental, Inc., a California corporation Movant(s):

Chapter 11

Airport Van Rental, Inc., a California

Represented By
Zev Shechtman
John N Tedford IV
Michael G D'Alba

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

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1539

10:00 AM

2:20-20877 Airport Van Rental, Inc., a Georgia corporation

Chapter 11

#3.10 Debtor's Motion to Dismiss Chapter 11 Bankruptcy Case of AVR Georgia

Docket 15

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Grant motion. Dismiss case.

Party Information

Debtor(s):

Airport Van Rental, Inc., a Georgia Represented By

Zev Shechtman Michael G D'Alba

Movant(s):

Airport Van Rental, Inc., a Georgia Represented By

Zev Shechtman Michael G D'Alba

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10:00 AM

2:20-20878 Airport Van Rental, Inc., a Nevada corporation

Chapter 11

#3.20 Debtor's Motion to Dismiss Chapter 11 Bankruptcy Case of AVR Nevada

Docket 16

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Grant motion. Dismiss case.

Party Information

Debtor(s):

Airport Van Rental, Inc., a Nevada Represented By

Zev Shechtman Michael G D'Alba

Movant(s):

Airport Van Rental, Inc., a Nevada Represented By

Zev Shechtman Michael G D'Alba

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

2:20-20882 Airport Van Rental, LLP., a Texas limited liabilit

Chapter 11

#3.30 Debtor's Motion to Dismiss Chapter 11 Bankruptcy Case of AVR Texas

Docket 19

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Grant motion. Dismiss case.

Party Information

Debtor(s):

Airport Van Rental, LLP., a Texas Represented By

Zev Shechtman Michael G D'Alba Lydia A Hewett

Movant(s):

Airport Van Rental, LLP., a Texas Represented By

Zev Shechtman Michael G D'Alba Lydia A Hewett

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

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1<u>0:00 AM</u>

2:20-20876 Airport Van Rental, Inc., a California corporation

Chapter 11

#3.40 Scheduling and Case Management Conference in a Chapter 11 Case

fr. 1-27-21, 4-7-21, 4-21-21, 7-14-21

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Roye Zur, (310)746-4495

7/27/21 - Zev Schectman, (310)903-6344

7/27/21 - Haleh C. Naimi, (310)734-2677

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

12/17/20 -- At hearing held this date, Court advised parties that this status conference would be called at 11:00 a.m. instead of 10:00 a.m.

Tentative Ruling for January 27, 2021:

Set deadline for service of notice of bar date and bar date. Continue case status conference for approximately 90 days.

2/1/21 -- Court approved scheduling order with following dates:

Cont'd status conference -- April 7, 2021 at 11:00 a.m. L/D to serve notice of bar date -- February 1, 2021 Bar date -- March 19, 2021 L/D to file updated status report -- March 26, 2021

3/26/21 -- Court approved stipulation continuing hearing to April 21, 2021 at 11:00 a.m. OFF CALENDAR FOR APRIL 7, 2021.

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10:00 AM

CONT... Airport Van Rental, Inc., a California corporation

Chapter 11

Tentative Ruling for April 21, 2021:

(Debtors need not continue answering the same questions in subsequent status reports. Debtors should include in its status report a general discussion of the status of the case and the debtors' efforts to reorganize their affairs.)

Now that a number of states have lifted or reduced restrictions and travel is increasing, has the debtors' business been improving? When are the debtors' projecting that their busines will have "normalized"? Hearing required.

Tentative Ruling for July 14, 2021:

Court has reviewed debtor in possession's status report. Continue case status conference (as a holding date) to July 28, 2021 at 10:00 a.m. to be heard concurrently with other matters on calendar for that date. No new status report required for July 28 hearing. APPEARANCES WAIVED ON JULY 14, 2021.

Tentative Ruling for July 28, 2021:

Revisit status of case after conclusion of related matters on calendar.

Party Information

Debtor(s):

Airport Van Rental, Inc., a California

Represented By Zev Shechtman John N Tedford IV Michael G D'Alba

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

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Hearing Room

1539

10:00 AM

2:21-11188 Glenroy Coachella, LLC

Chapter 11

#4.00

U.S. Real Estate Credit Holdings III-A, LP's Motion to Excuse State Court Receiver, Edwin Leslie, From Turnover of Assets Under 11 U.S.C. Section 543

fr. 3-10-21, 4-7-21, 5-5-21, 7-7-21

Docket 42

*** VACATED *** REASON: CONT'D. TO 8/18/21 @ 10AM

Courtroom Deputy:

ZoomGov Appearance by:

7/19/21 - Steven Berman, (813)227-2332

Tentative Ruling:

Tentative Ruling from March 10, 2021:

It is not the case that appointment of a trustee moots this motion. Debtor only owns a portion of the title to the affected real property as a tenant in common. There are three other owners who are not in bankruptcy. The receiver was not appointed for the debtor. The receiver was appointed to take charge of the property. It makes no sense to have the receiver controlling three of the undivided interests in the property and the debtor's trustee controlling the other. If there are concerns about the choice of Mr. Leslie as the receiver, the court will grant relief from stay to permit the trustee that the court will appoint in response to the motion on calendar as number 4 to litigate those concerns on behalf of the debtor, should he or she elect to do so.

Final Ruling from March 10, 2021:

Court appointed trustee in response to related motion. Court continued hearing on this motion to April 7, 2021 at 10:00 a.m. to give the trustee an opportunity to consider his/her position with regard to this motion. Order continuing hearing should clarify that receiver may remain in possession pending outcome of the hearing on this motion.

3/26/21 -- Court approved stipulation continuing hearing to May 5, 2021 at

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

CONT... Glenroy Coachella, LLC 10:00 a.m. OFF CALENDAR FOR APRIL 7, 2021.

Chapter 11

Tentative Ruling for May 5, 2021:

Trustee requests a continuance to July 7, 2021 at 10:00 a.m. and that the status quo be maintained in the interim. Grant trustee's request. Continue hearing to July 7, 2021 at 10:00 a.m. Authorize receiver to remain in possession in the interim. (Counsel for receiver should lodge order to this effect.)

Movant objects and claims that the trustee should abandon the estate's interest in the real property. But that is not the relief requested by this motion. If the movant would like the trustee to abandon the property and the trustee is not willing to do so, the lender should bring a motion to compel abandonment. The granting of a motion to permit the lender to remain in possession would not amount to the abandonment of the estate's interest in the property, nor would it result in termination of the automatic stay. It would simply permit the receiver to remain as the custodian of the property while the trustee continues to administer the estate.

NOTE: Movant complains that the co-tenants are demanding concessions in exchange for their willingness to convey their interests to the estate, but what obligation do they have to convey these interests to the estate? The trustee could no doubt file an adversary proceeding under section 363(h), but that would entail expense and delay.

6/28/21 -- Court approved stipulation continuing hearing to July 28, 2021 at 10:00 a.m. and excusing receiver from turnover in the interim. OFF CALENDAR FOR JULY 7, 2021.

7/16/21 -- Court approved stipulation continuing hearing to August 18, 2021 at 10:00 a.m. and excusing receiver from turnover in the interim. OFF CALENDAR FOR JULY 28, 2021.

Party Information

Debtor(s):

Glenroy Coachella, LLC

Represented By

7/28/2021 8:39:05 AM

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

CONT... Glenroy Coachella, LLC

Chapter 11

Daniel J Weintraub Crystle Jane Lindsey James R Selth

Movant(s):

U.S. Real Estate Credit Holdings III- Represented By

Marsha A Houston Christopher O Rivas

Trustee(s):

Richard A Marshack (TR)

Represented By

Chad V Haes D Edward Hays

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

2:21-11188 Glenroy Coachella, LLC Chapter 11

Scheduling and Case Management Conference in a Chapter 11 Case #4.10

fr. 4-7-21, 5-5-21, 7-7-21

Docket

*** VACATED *** REASON: CONT'D. TO 8/18/21 @ 10AM

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Continue status conference to July 28, 2021 at 10:00 a.m. (same date and time as hearing on motion to excuse receiver) as a holding date. No new status report is required for that status conference. Appearances waived on July 7, 2021.

7/16/21 -- Court approved stipulation continuing hearing to August 18, 2021 at 10:00 a.m. OFF CALENDAR FOR JULY 28, 2021.

Party Information

Debtor(s):

Glenroy Coachella, LLC Represented By

> Daniel J Weintraub Crystle Jane Lindsey James R Selth

Trustee(s):

Represented By Richard A Marshack (TR)

> Chad V Haes D Edward Hays

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

2:21-14449 Alex A. Khadavi

Chapter 11

#5.00 Scheduling and Case Management Conference in a Chapter 11 Case

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

7/15/21 - Michael Berger, (310)271-6223

7/20/21 - Thomas Geher, (310)712-6820

7/27/21 - Eryk Escobar, (202)934-4168

7/27/21 - Steven Berkowitz, (310)550-1220

7/27/21 - Richard Brunette, (213)617-4174

7/28/21 - Asa Hami, (213)617-5233

Tentative Ruling:

Is the Sarbonne Road property currently occupied by anyone? Did the debtor have the house constructed or remodeled? If so, when was the construction/remodeling completed? Did the debtor ever live in the property? If so, when did the debtor move out of the property?

Has there been any interest in the Sarbonne property? Are buyers touring the property? Status report states that property is listed at \$80,000,000, but Compass website, Zillow, etc. lists the property for sale at \$87,777.77. Why the difference?

Who is Allan Khadavi? Who is John Ebra?

Set bar date and deadline for serving notice of bar date.

Party Information

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021 Hearing Room 1539

10:00 AM

CONT... Alex A. Khadavi Chapter 11

Debtor(s):

Alex A. Khadavi Represented By

Michael Jay Berger

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

10:00 AM

2:20-11547 Gennady Moshkovich

Chapter 7

#6.00 Trustee's Motion for Order Authorizing the Trustee to Abandon Personal

Property of the Debtor

Docket 373

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - David Jacob, (213)293-5931

7/26/21 - Thomas Casey, (949)766-8787

Tentative Ruling:

What exactly is JWR requesting? Hearing required.

Party Information

Debtor(s):

Gennady Moshkovich Represented By

David R Haberbush

Trustee(s):

Heide Kurtz (TR) Represented By

Thomas H Casey

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:20-11547 Gennady Moshkovich

Chapter 7

#100.00

NVSI, Inc's. Motion for Order Approving Payment of Claim for Administrative Expenses (11 U.S.C. § 503(a), 11 U.S.C. § 503(b)(1)(A), 11 U.S.C. § 503 (b)(3), and 11 U.S.C. § 503(b)(4))

fr. 6-9-21

Docket 356

*** VACATED *** REASON: CONT'D. TO 8/11/21 @ 11AM

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

An attorney for a creditor who makes a substantial contribution to a chapter 11 case pursuant to section 503(b)(3)(D) may recover reasonable compensation for professional services rendered as an administrative expense under section 503(b)(4). In re Mortgages Ltd., 2010 Bankr. LEXIS 5093, 2010 WL 6259981, at *7 (9th Cir. BAP Aug. 4, 2010). The principal test of substantial contribution is "the extent of benefit to the estate." In re Cellular 101, Inc., 377 F.3d 1092, 1096-97 (9th Cir. 2004), citing In re Christian Life Ctr., 821 F.2d 1370, 1373 (9th Cir. 1987); Inc., 785 F.2d 1249, 1253 (5th Cir. 1986) (reaffirming that "services which substantially contribute to a case are those which foster and enhance, rather than retard or interrupt the progress of [f] reorganization"). As stated in In re Catalina Spa & R.V. Resort, Ltd., 97 B.R. 13, 21 (Bankr. S.D. Cal. 1989):

Compensation cannot be freely given to all creditors who take an active role in bankruptcy proceedings, rather, it must be preserved for those rare occasions when the creditor's involvement truly fosters and enhances the administration of the estate. The integrity of § 503(b) can only be maintained by strictly limiting compensation to extra ordinary [sic] creditor actions which lead directly to significant and tangible benefits to the creditors, debtor, [*9] or the estate. While § 503 was enacted to encourage meaningful creditor participation, it should not become a vehicle for reimbursing every creditor who elects to hire an attorney.

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Gennady Moshkovich

Chapter 7

<u>In re PG&E Corp.</u>, No. 19-30088-DM, 2021 Bankr. LEXIS 371, at *8-9 (Bankr. N.D. Cal. Feb. 17, 2021).

None of the subsections of section 503(b) are applicable on the facts of this case. NVSI cannot recover for the costs of negotiating or drafting the sale agreement. This was never within the contemplation of the parties. The debtor did not obtain a sale procedures order authorizing a cost reimbursement to the stalking horse, and NVSI was not the stalking horse. Had the sale closed, or if NSVI had been outbid at a sale, it would not have been able to recover these costs.

The costs that NVSI incurred were not the actual and necessary costs of preserving the estate within the meaning of section 503(b)(1)(A). This fact pattern bears no resemblance to the instances in which fees and expenses have been awarded under this section. And 503(b)(3) does not provide a basis for allowance of the claim here in that it is far from clear that NVSI is a creditor within the meaning of that section and this is not a chapter 9 or chapter 11 case.

Moreover, the Court cannot find on these facts that NVSI provided a substantial contribution to this case. If NVSI had not entered into an agreement to purchase the property by September 25, 2020, the Court would have converted the case to chapter 7 at that time, and the chapter 7 trustee would not have been under the time crunch imposed by the court and NVSI's demands that it close the sale as expeditiously as possible. The court is not ready to conclude that no other alternative would have been available other than a foreclosure by Bobs. And, in any event, that contribution, if there was one, would have been made during the course of the resulting chapter 7 case, not in the chapter 11.

However, the more difficult question is whether there is a basis for the allowance of an expense of administration under the reasoning of Reading Co. v. Brown, 391 U.S. 471 (1968). In that case, the Supreme Court held that damages resulting from the negligence of a receiver acting within the scope of his authority as receiver give rise to actual and necessary costs of a chapter XI arrangement even when there was no actual benefit to the estate.

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Gennady Moshkovich

Chapter 7

In <u>Reading</u>, the negligence of the receiver and/or a workman retained by the receiver resulted in a fire at the debtor's real property that spread to surrounding properties, causing 146 separate fire damage claims.

Reading can be read to support the proposition that it is appropriate to grant administrative status to fees arising out of post-petition transactions or contracts with a debtor in possession or a trustee when wrongful conduct on the part of the debtor in possession or trustee injures third parties. However, if there is no wrongful conduct on the part of the trustee, courts are unlikely to allow an administrative claim. See, e.g., Total Minatome Corp. v. Jack/Wade Drilling, Inc. (In re Jack/Wade Drilling, Inc.), 258 F.3d 385 (5th Cir. 2001) (although the trustee's conduct in bringing a breach of contract action that he eventually lost caused a third party to incur expense, as the trustee's conduct was not wrongful, no fee award was appropriate).

So how does this reasoning apply here? Did the debtor engage in wrongful conduct during the course of administering the estate that led NVSI to incur fees and expenses? He made optimistic representations to the court and the parties that it was unlikely that there would be significant capital gains liability if the sale were consummated. He failed to perform under the contract, causing the court to convert the case as a means to put a trustee in place promptly so that the contract could be performed. But is there any legal theory under which NVSI would be entitled to recover its attorneys' fees and expenses now that the orders approving the contract have been vacated? Could NVSI establish damages for fraud? Did the debtor *knowingly* make a false representation about the likelihood that there would be capital gains liability? Is there a contractual theory of recovery for attorneys' fees under the now-unenforceable contract in light of the fact that NVSI did not ultimately become the prevailing party?

In all the cases in which the holding of the Reading case has been used to grant administrative status to a claim asserted against the estate, there was an underlying tort or contract theory that entitled the party asserting the claim to recover. The question was whether or not the claim asserted should be treated as an administrative claim. What is the nonbankruptcy theory of recovery here? In the absence of a workable theory of liability, the Court would not be inclined to extend the holding of Reading to cover this fact

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Gennady Moshkovich

Chapter 7

pattern.

Hearing required.

6/23/21 -- Court approved stipulation continuing hearing to August 11, 2021 at 11:00 a.m. NO APPEARANCE REQUIRED ON JULY 28, 2021.

Party Information

Debtor(s):

Gennady Moshkovich Represented By

David R Haberbush

Movant(s):

NVSI, INC., its successors and/or Represented By

Joshua L Scheer Timothy J Silverman

Trustee(s):

Heide Kurtz (TR) Represented By

Thomas H Casey

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-12761 Advanced Environmental Group LLC

Chapter 11

#101.00 Status Conference re: Chapter 7 Involuntary Petition Against a Non-Individual

fr. 5-26-21

Docket 1

*** VACATED *** REASON: CASE CONVERTED TO CH. 11 AND S/C

SET FOR: 8/18/21 @ 10AM

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Set deadline for the debtor to file Rule 1003(b) statement. How much time do the parties need to conduct discovery in this matter? Hearing required.

7/2/21 -- Court approved stipulation entering order for relief and converting case to chapter 11. OFF CALENDAR. (CHAPTER 11 STATUS CONFERENCE SERT FOR AUGUST 18, 2021 AT 10:00 AM)

Party Information

Debtor(s):

Advanced Environmental Group Represented By

Leslie A Cohen

Trustee(s):

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-12761 Advanced Environmental Group LLC

Chapter 11

#101.10 Pacific6 Environment, LLC'S Motion For Order Appointing Chapter 11 Trustee

Docket 50

Courtroom Deputy:

ZoomGov Appearance by:

7/26/21 - Gregory Jones, (310)429-9581

7/27/21 - Richard Golubow, (949)720-4135

7/27/21 - Joseph Walsh, (562)317-3300

7/27/21 - Richard Munro, (949)910-6600

7/27/21 - Douglas Tabachnik (732)780-2760

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

Rulings on Evidentiary Objections

Objections to Munro Declaration [Docket #51] from AEG

Overrule general objections.

- 1. Overrule. Declarant has personal knowledge of what he did and what he produced after reviewing documents provided by the debtors.
- 2. Overrule as to first sentence. Sustain as to balance (lack of foundation).
- 3. Overrule as to first sentence (but court understands the testimony to mean that the bank statements provided only show receipts in these amounts). Sustain as to balance (lack of foundation).
- 4. Overrule.
- 5. Overrule.
- 6. Overrule.

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Advanced Environmental Group LLC

Chapter 11

- 7. Overrule.
- 8. Overrule.
- 9. Overrule.
- 10. Overrule.
- 11. Sustain. (Best evidence rule/lack of personal knowledge).
- 12. Overrule.
- 13. Overrule.
- 14. Overrule.
- 15. Sustain. (Hearsay, as it appears that these statements are being offered for the truth of the matters asserted.)
- 16. Sustain as to statements from insurance broker that premiums had finally been paid, as this appears to have been offered for the truth of the matter asserted. Sustain as to the absence of any lease payments based on lack of foundation. Overrule as to balance.

Objections to Munro Declaration [Docket #52] from ACTI

Overrule general objections.

Overrule specific objections.

Tentative Ruling on the Merits

Pacific6 filed motion to appoint trustee on July 7, 2021. Debtor elected to convert to subchapter V on July 8, 2021. Court will therefore construe motion for the appointment of a trustee under section 1104 as a motion to remove the debtor as a debtor in possession under section 1185(a). Both sections permit the court to replace the debtor in possession with a trustee when, within the discretion of the court, there is cause to do so, which includes "fraud, dishonesty, incompetence, or gross mismanagement of the affairs of the debtor, either before or after the date of commencement of the case." Election of subchapter V does not moot the motion as the role of a subchapter V trustee is very different from that of a chapter 11 trustee in a non-subchapter V case.

AEG is only permitted to operate its business (operating an AMECS unit) when it is in compliance with conditions imposed by the California Air Resources Board Executive Order AB-15-02 (CARB EO). AEG is not in compliance, resulting in a cease-and-desist order on November 5, 2020, from CARB, which precludes it from operating legally. ACTI's license to conduct

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Advanced Environmental Group LLC

Chapter 11

cleanup operations has been suspended by the California Contractor's State License board. So neither debtor is currently permitted to operate its business.

Debtor has asserted that it has made substantial progress toward having its ability to operate reinstated and has blamed many of its problems on Eleopoulos and former executives that tried to drive it out of business, but, according to the debtor's opposition, these individuals have been gone for years. Debtors have had time to remedy any problems allegedly created by these individuals, but has failed to do so.

Debtors claim to dispute that they owe various amounts to creditors, but the debtor cannot dispute that many monetary judgments have been entered against them. For ACTI, there are 19 judgment liens and six tax liens. AEG has 6 judgment liens against it.

Although it appears that the debtors have now paid for insurance to remain in effect, they cannot dispute that they failed to provide Pacific6 with proof of insurance in a timely manner. Moreover, their own bank records show limited receipts and suspicious transfers out of the company immediately upon receipt of PPP loan proceeds, and the multiple versions of creditor lists filed by the debtors do not provide any comfort as to the reliability of the debtor's records and/or the credibility of its principal. (Although AEG has interposed evidentiary objections to Munro's analysis of its bank statements, it admits that its only receipts during the period from February 1, 2021 through May 21, 2021 were \$151,290.48 from LBCT and a PPP loan of \$81,403. And the debtors themselves characterize the \$151,000 from LBCT as "prepetiton advances," not earned income. See Opposition, p. 6 at line 24.)

Court agrees with movants that, at a minimum, these facts demonstrate ongoing gross mismanagement of the debtors and constitute cause to remove the debtors in possession in these subchapter V cases and direct the subchapter V trustee to assume the additional obligations identified in section 1183(b)(5). Grant motions.

Party Information

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Advanced Environmental Group LLC

Chapter 11

Debtor(s):

Advanced Environmental Group Represented By

Leslie A Cohen

Movant(s):

Pacific6 Environmental, LLC Represented By

Richard H Golubow

Trustee(s):

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-12762 Advanced Cleanup Technologies, Inc.

Chapter 11

#102.00 Status Conference re: Chapter 7 Involuntary Petition Against a Non-Individual

fr. 5-26-21

Docket 1

*** VACATED *** REASON: CASE CONVERTED TO CH. 11 AND S/C

SET FOR: 8/18/21 @ 10AM

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Set deadline for the debtor to file Rule 1003(b) statement. How much time do the parties need to conduct discovery in this matter? Hearing required.

7/2/21 -- Court approved stipulation entering order for relief and converting case to chapter 11.

Party Information

Debtor(s):

Advanced Cleanup Technologies, Represented By

Leslie A Cohen

Trustee(s):

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-12762 Advanced Cleanup Technologies, Inc.

Chapter 11

#102.10 GOLO, LLC'S Motion For Order Appointing Chapter 11 Trustee

Docket 50

Courtroom Deputy:

ZoomGov Appearance by:

7/27/21 - Richard Golubow, (949)720-4135

7/27/21 - Richard Munro, (949)910-6600

7/27/21 - Leslie Cohen, (310)394-5900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

See tentative ruling for matter no. 101.10. Court has combined tentative rulings for two motions.

Party Information

Debtor(s):

Advanced Cleanup Technologies, Represented By

Leslie A Cohen

Movant(s):

GOLO, LLC Represented By

Richard H Golubow

Trustee(s):

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:15-20029 Ida Mae Woods

Chapter 11

#103.00 Post Confirmation Scheduling and Case Management Conference in a Chapter 11 Case

fr. 8-12-15, 9-24-15, 1-6-16, 2-10-16, 3-16-16, 4-27-16, 9-7-16, 3-8-17, 12-12-17, 6-27-18, 12-12-18, 4-10-19, 10-9-19, 10-16-19, 11-20-19, 1-15-20, 3-11-20, 5-6-20, 8-12-20, 11-18-20, 3-17-21

Docket

*** VACATED *** REASON: CONT'D. TO 12/1/21 @ 11AM

Courtroom Deputy:

ZoomGov Appearance by:

7/22/21 - Diane Weifenbach, (714)695-6637

Tentative Ruling:

Did debtor ever serve the original order setting status conference? Did debtor ever file the initial status report? If not, why not? Hearing required.

10/1/15 -- Court signed scheduling order setting following dates:

L/D to serve notice of bar date --- September 25, 2015
Bar date -- November 30, 2015
L/D to file plan and disclosure statement -- November 30, 2015
Cont'd status conference -- January 6, 2016 at 2:00 p.m.
Hearing on disclosure statement -- January 6, 2016 at 2:00 p.m.

Tentative Ruling for January 6, 2016:

Continue case status conference to date of continued hearing on disclosure statement.

Tentative Ruling for April 27, 2016:

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Ida Mae Woods

Chapter 11

If Court confirms plan, set post-confirmation status conference and deadline for reorganized debtor to file status report accompanied by declaration.

Tentative Ruling for September 7, 2016:

According to status report, debtor is behind on payments to her professionals but hopes to catch up from a workers compensation award that she expects to receive. Professionals have not agreed to this payment plan, but do they anticipate taking any action in an effort to enforce their claims under the plan? Hearing required.

Final Ruling for September 7, 2017:

Continue hearing to March 8 2017 at 11:00 a.m. Debtor should file and serve updated status report not later than February 24, 2017.

Tentative Ruling for March 8, 2017:

According to status report, debtor is current on the payments due both secured creditors and unsecured creditors under the plan and is only in default on payments due administrative claimants. Is this correct?

Hearing required.

Tentative Ruling for December 13, 2017:

Is debtor now current on all plan payments? Post confirmation status report is not accompanied by a declaration and makes no mention of administrative claimants. Hearing required.

Tentative Ruling for June 27, 2018:

Continue hearing to December 12, 2018 at 11:00 a.m. Debtor should file and serve updated status report accompanied by debtor's declaration not later than November 30, 2018.

Tentative Ruling for December 12, 2018:

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Ida Mae Woods

Chapter 11

How much does former counsel claim debtor owes for professional fees? Has debtor made any progress in resolving issues with Wells Fargo? Did debtor succeed in paying November payments to secured creditors and October payments to unsecured creditors? Is debtor now current on payments under the plan?

Tentative Ruling for April 9, 2019:

Has debtor now made any of the March payments due secured creditors or the February and March payments due unsecureds? When are the April payments due? What is the status of debtor's efforts to clarify amounts due Wells Fargo?

Hearing required.

Tentative Ruling for October 16, 2019:

The Court is confused by the entry on the debtor's report fro Wells Fargo (now Fay Servicing). Has the debtor paid the June 2019 payment? Has the debtor paid any of the payments due for August, September and October 2019 for this lender? The Court has the same questions with regard to the two Pennymac (now SN Servicing) unsecured claims.

Final Ruling for October 16, 2019:

Debtor owes plan payments for June, July, August, September and October. For Wells, she owes these payments plus April and May. Debtor is hoping to refinance, which should take 3 to 4 weeks. Continue case status conference to November 20, 2019 at 10:00 a.m. Debtor should file updated status report by November 15, 2019.

Tentative Ruling for November 20, 2019:

Reorganized debtor is now saying that it will take another 2 to 3 weeks to arrange financing. Continue case status conference to January 15, 2020 at 11:00 a.m. Debtor should file updated status report by January 3, 2020.

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Ida Mae Woods

Chapter 11

Debtor has been in default under her plan for an extended period. This cannot continue. Court will convert or dismiss case on January 15 if debtor has not cured arrearages under her plan by then.

Tentative Ruling for January 15, 2020:

According to the reorganized debtor's status report, the replacement loan will fund on January 12 and reorganized debtor will be able to pay off all amounts due unsecured creditors under her plan and cure any delinquencies on her secured claims. Has this occurred? Hearing required.

Tentative Ruling for March 11, 2020:

Debtor has now obtained financing and cured arrearages under plan. Continue case status conference to May 6, 2020 at 11:00 a.m. to give debtor an opportunity to move for and obtain final decree. APPEARANCES WAIVED ON MARCH 11, 2020.

Tentative Ruling for May 6, 2020:

Discuss with counsel debtor's game plan for dealing with various plan delinquencies and problems.

Final Ruling for May 6, 2020:

Continue status conference to August 12, 2020 at 11:00 a.m. Reorganized debtor should file updated status report by July 31, 2020.

Tentative Ruling for August 12, 2020:

Continue status conference to November 18, 2020 at 11:00 a.m. Reorganized debtor should file updated status report by November 6, 2020. APPEARANCES WAIVED ON AUGUST 12, 2020.

Tentative Ruling for November 18, 2020:

Court has reviewed reorganized debtor's status report. Continue status conference to

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Ida Mae Woods

Chapter 11

March 17, 2021 at 11:00 a.m. Debtor should file updated status report by March 5, 2021. APPEARANCES WAIVED ON NOVEMBER 18, 2020.

Tentative Ruling for March 17, 2021:

Court has reviewed reorganized debtor's status report. Continue status conference to July 28, 2021 at 11:00 a.m. Debtor should file updated status report by July 16, 2021. APPEARANCES WAIVED ON MARCH 17, 2021.

Tentative Ruling for July 28, 2021:

Court has reviewed reorganized debtor's status report. Continue status conference to December 1, 2021 at 11:00 a.m. Debtor should file updated status report by November 19, 2021. APPEARANCES WAIVED ON JULY 28, 2021.

Party Information

Debtor(s):

Ida Mae Woods

Represented By Giovanni Orantes Luis A Solorzano

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-11994 Clifford Passage, LLC Chapter 11

Scheduling and Case Management Conference in a Chapter 11 Case #104.00

fr. 4-28-21

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

(Debtor filed status report late.) Set bar date and deadline for serving notice of bar date. When does debtor anticipate that it will be filing application to employ counsel and real estate broker? Hearing required.

5/7/21 -- Court approved scheduling order with following dates:

L/D for debtor to serve notice of bar date -- May 7, 2021 Bar date -- July 9, 2021 Cont'd status conference -- July 28, 2021 at 11:00 a.m. L/D to file updated status report -- July 16, 2021

Tentative Ruling for July 28, 2021:

Where is the updated status report that should have been filed by July 16. 2021? The debtor's only asset is 143 acres of vacant land in Tehachapi. Debtor's initial status report asserted that its intention was to sell the property in order to pay its creditors. Why hasn't the debtor filed a motion to employ a real estate broker? Has any progress been made in this case since it was filed on March 12, 2021?

Issue OSC why case should not be dismissed or converted.

Party Information

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Clifford Passage, LLC

Chapter 11

Debtor(s):

Clifford Passage, LLC

Represented By
Matthew Abbasi

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

2:21-15342 Vitaly Ivanovich Smagin

Chapter 15

#105.00 Hearing re: Chapter 15 Petition for Recognition of Foreign Proceeding

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

7/20/21 - Reginald Sainvil (305)789-8900

7/20/21 - Nicholas Kennedy (305)789-8900

7/26/21 - Hamid Rafatjoo, (310)371-7589

7/26/21 - Carollynn H.G. Callari (908)240-3964

7/26/21 - David Forsh, (917)282-0203

7/27/21 - Alexander Burch, (305)789-8900

7/27/21 - Eryk Escobar, (202)934-4168

Tentative Ruling:

There is no need for a continuance, discovery or an evidentiary hearing here. The operative facts are not in dispute.

Mr. Smagin is an individual citizen of the Russian Federation residing in Moscow and is a debtor in an insolvency proceeding pending in Moscow. In such proceedings, notice is provided to all known creditors. Creditors are permitted to submit claims and to participate in the process. Russian insolvency law provides for the disposition of Mr. Smagin's assets (excluding certain assets exempt under applicable law) and for the distribution of the resulting proceeds in accordance with the priority scheme established by Russian insolvency law.

Creditors participating in his insolvency proceeding did not accept Mr.

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Vitaly Ivanovich Smagin

Chapter 15

Smagin's proposed restructing plan and therefore applied to the insolevency court in Moscow for the commencement of liquidation procedures. Mr. Ratnikov was appointed as the trustee/liquidation officer to accomplish that liquidation. The debtor contends that there are nefarious goings on and that Mr. Ratnikov should be removed, but he has already presented these arguments to the court in Moscow and they have been rejected by that court. Although the debtor may have appealed one or more decisions of the Moscow court, no one contends that there is anything equivalent to a stay pending appeal of Mr. Ratnikov's appointment. Therefore, unless and until the Moscow insolvency court or a higher court with jurisdiction over the insolvency proceeding removes Mr. Ratnikov, he is the duly-authorized foreign representative in Mr. Smagin's insolvency proceeding.

Mr. Smagin's center of main interest is Russia, and Mr. Smagin's insolvency proceeding qualifies as a "collective" proceeding within the meaning of chapter 15. Therefore, his Russian insolvency proceeding constitutes a foreign main proceeding. This court need not assess whether the Russian insolvency proceeding is in fact turning out in such a way as to yield a benefit to the debtor's creditors in order to assess whether or not the proceeding qualifies as a collective proceeding. The process is structured in such a way as to create a collective remedy for Mr. Smagin's creditors. Whether this is a collective proceeding is a legal issue that can be resolved in the affirmative based on the undisputed testimony provided by applicant as to how a Russian insolvency proceeding works, not a factual one that requires discovery or an evidentiary hearing as the debtor contends.

Grant petition, along with the limited additional relief requested in the petition necessary to permit the foreign representative to administer the debtor's assets in the United States. If and when Mr. Smagin succeeds in having someone other than Mr. Ratnikov appointed as the trustee/liquidating officer in his insolvency proceeding, the court will modify the authority granted in this chapter 15 case accordingly. However, until that occurs, the relief requested by Mr. Ratnikov is wholly appropriate. The debtor has not even identified any facts or circumstances that would, if proven, be sufficient to suggest that there is any public policy reason why this court should substitute its own judgment for that of the insolvency court in Moscow as to the propriety of permitting Mr. Ratnikov to serve in this capacity. (Court notes that there is no

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

11:00 AM

CONT... Vitaly Ivanovich Smagin

Chapter 15

requirement in chapter 15 that the foreign representative be "disinterested" or free from conflicts of interest. Whether or not Mr. Ratnikov is an appropriate representative is an issue for the Moscow insolvency court to decide, not this court.) And it would make no sense and serve no purpose whatsoever to recognize Mr. Ratnikov as the foreign representative but refuse to provide him with the authority and powers that he needs to take control over the debtor's assets within this jurisdiction.

Party Information

Debtor(s):

Vitaly Ivanovich Smagin

Represented By Hamid R Rafatjoo Nicholas O Kennedy

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

2:00 PM

2:19-10211 Lennon and Wolfe, Inc.

Chapter 7

#200.00 Trustee's Final Report and Applications for Compensation

Docket 67

*** VACATED *** REASON: APPROVED. APPEARANCES WAIVED.

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Approve trustee's final report in full. APPEARANCES WAIVED. TRUSTEE IS AUTHORIZED TO UPLOAD ORDER CONSISTENT WITH TENTATIVE.

Party Information

Debtor(s):

Lennon and Wolfe, Inc.

Represented By

Steven L Bryson

Trustee(s):

Timothy Yoo (TR) Represented By

Steven T Gubner Robyn B Sokol Jeffrey L Sumpter

Los Angeles
Shari Bluebond, Pres

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

2:00 PM

2:20-12833 Nathaniel Luis Anthony Fonnegra

Chapter 7

#201.00 Trustee's Final Report and Applications for Compensation

Docket 6

*** VACATED *** REASON: APPROVED. APPEARANCES WAIVED.

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Approve trustee's final report in full. APPEARANCES WAIVED. TRUSTEE IS AUTHORIZED TO UPLOAD ORDER CONSISTENT WITH TENTATIVE.

Party Information

Debtor(s):

Nathaniel Luis Anthony Fonnegra Represented By

Eric Bensamochan

Trustee(s):

David M Goodrich (TR) Pro Se

Los Angeles

Judge Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, July 28, 2021

Hearing Room

1539

2:00 PM

2:20-14348 Gardena Business Group LLC

Chapter 7

#202.00 Trustee's Final Report and Applications for Compensation

Docket

*** VACATED *** REASON: APPROVED. APPEARANCES WAIVED.

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Approve trustee's final report in full. APPEARANCES WAIVED. TRUSTEE IS AUTHORIZED TO UPLOAD ORDER CONSISTENT WITH TENTATIVE.

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Party Information

Debtor(s):

Gardena Business Group LLC Represented By

Richard L. Sturdevant

Trustee(s):

John J Menchaca (TR)

Represented By

Wesley H Avery