Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

2:15-28353	Alejandra	Araujo
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#1.00 Hrg re: Motion for relief from stay [RP]

GENESIS CONDOMINIUM ASSOC vs DEBTOR

Docket 48

Tentative Ruling:

ZoomGov Instructions for all matters on today's calendar:Meeting ID:160 335 8822Password:518582Meeting URL:https://cacb.zoomgov.com/j/1603358822Telephone:+1 669 254 5252 or +1 646 828 7666 or 833 568 8864 (Toll Free)Places connect at least 5 minutes before the start of your basing unit.

Please connect at least 5 minutes before the start of your hearing, and wait with your microphone muted until your matter is called. You do not need to call Chambers for advance approval. ZoomGov appearances are free.

<u>Time when these tentative rulings were first posted</u> (for purposes of determining when anyone contesting the tentative ruling must notify other parties of intent to do so, per the "Procedures of Judge Bason," posted at www.cacb.uscourts.gov): see the time stamp at the bottom of this page.

Tentative Ruling for In re Araujo [2:15-bk-28353-NB]:

Appearances required.

This Court has reviewed the motion of the homeowners association ("HOA") (dkt.48), Debtor's response (dkt. 61) and the HOA's reply (dkt. 62). The tentative ruling is to grant the motion in part and deny it in part as follows:

(A) <u>no relief from any automatic stay is required</u> because, once the accounting is corrected, the HOA is not attempting to collect a prepetition debt or doing any other act prohibited by 11 U.S.C. 362(a), but

(B) <u>no attorney fees are owed</u>, because the HOA's and/or its agents' own errors have caused the confusion and litigation over these issues.

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

CONT... Alejandra Araujo

Therefore, Debtor has a positive balance on her regular assessments. The parties are directed to address these issues and, if this Court adopts the tentative ruling as the final ruling, address how that positive balance in Debtor's current accounts should be applied.

Proposed order: The HOA is directed to lodge a proposed order via LOU within 7 days after the hearing date, and attach a copy of this tentative ruling, thereby incorporating it as this Court's final ruling, subject to any changes ordered at the hearing. *See* LBR 9021-1(b) (1)(B).

(1) Factual background

The HOA acknowleges that its own billing statements and records were confused, but now it believes that, if payments are properly applied:

(a) Prepetition arrears have been paid in full

Debtor's chapter 13 plan payments, through the Chapter 13 Trustee, have now paid in full the \$12,464.00 of arrears in assessments that were due as of the petition date. See Motion (dkt.48), p.16:10-13, & Ex.4, at PDF pp.56-57.

(b) <u>Postpetition regular assessments have a positive balance as of 12/10/20, or a slight negative balance *if* the HOA's attorney fees and costs are included</u>

In addition to her chapter 13 plan payments, Debtor made payments on the regular postpetition assessments, and in fact she **overpaid by \$4,626.66** (Motion (dkt.48), Ex.4, at PDF p.63, last line, penultimate column), <u>before</u> including legal fees and costs. Those fees are estimated to be approximately \$4,950.00 as of 12/10/20 (Motion (dkt.48), p.33:16-21), plus an anticiptated \$180.00 in costs and additional fees for preparing reply papers and appearing at the hearing. *Id.* **If these specific dollar amounts of fees and costs were included, Debtor would owe approximately \$503.34** as of 12/10/20 (\$4,950.00 + \$180.00 = \$5,130.00 - \$4,626.66 = \$503.34). (As noted above, additional fees would be due for the reply papers and hearing; but the tentative ruling is to deny these and the HOA's other demands for attorney fees and costs.)

(c) <u>The postpetition special assessment payments are current (as of 12/20)</u>

Postpetition, approximately 2/2016, the HOA levied a special

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

CONT... Alejandra Araujo

assessment to pay for repairs, in the amount of \$19,938.65 per unit. See Koochek Decl. (dkt.48), pp.30:10-31:3 & Ex.3 (at PDF pp.30-46). Homeowners could either pay that amount in a lump sum or pay over time with interest, in 180 payments of \$153.86 each. See Motion, Ex.3, Loan Amortization Schedule, at PDF pp. 35-38.

The HOA calculates that, if Debtor's payments are properly applied, she has a **positive balance of current payments, as of 12/20, of \$206.98** on account of the postpetition special assessment. See Motion (dkt.48), Ex.4, at PDF p.63 (last line, last column). The HOA calculates that Debtor has made 50 payments *(id.)*, and according to the Loan Amortization Schedule that leaves a **special assessment principal balance of \$15,705.18** as of 1/1/21, to be paid in monthly installments of \$153.86 for months 51 through 180. See Motion (dkt.48), Ex.3, Loan Amortization Schedule p.2 (at PDF p.36) (entries for payment nos. 50 & 51).

(2) Analysis

(a) <u>Tentative findings of fact</u>

Debtor does not raise any specific challenges to the HOA's corrected accounting included in the motion papers. Nor has this Court found any errors in that accounting.

The tentative ruling is to accept that accounting for purposes of determining how Debtor's payments should be applied. Therefore, as of 12/10/20, (a) Debtor owes nothing on account of her prepetition arrears, (b) Debtor has a positive balance of \$4,626.66 on account of postpetition regular assessments (not including the HOA's asserted attorney fees and costs), and (c) on the special assessment, Debtor has a positive <u>current</u> balance of \$206.98, with a remaining <u>principal</u> balance of \$15,705.18, to be paid in monthly installments of \$153.86 for months 51 through 180.

(b) <u>Tentative conclusions of law regarding the automatic stay</u>

The automatic stay prohibits any act "to collect, assess, or recover a claim against the debtor <u>that arose before the commencement of the case</u> under this title." 11 U.S.C. 362(a)(6) (emphasis added). But, based on the foregoing findings of fact, the HOA concedes that the prepetition arrears have been paid in full, so this provision of the automatic stay is not implicated.

The HOA also has statutory assessment liens. See Motion (dkt.48) p.15:3-20. The imposition of those liens potentially implicates the automatic stay's prohibition on "any act to create, perfect, or enforce any lien against

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

CONT... Alejandra Araujo

property of the estate" (11 U.S.C. 362(a)(4)) and "any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate." 11 U.S.C. 362(a)(3). In this judicial district, a chapter 13 debtor' property is not re-vested in the debtor upon confirmation, so the automatic stay continues to apply at all relevant times.

But the tentative ruling is that it would be too expansive to interpret the automatic stay as applying to the HOA's postpetition assessments made in the ordinary course of its business and financial affairs. To the contrary, as the HOA points out, postpetition assessments are nondischargeable under 11 U.S.C. 523(a)(16), and it would seem anomalous to make postpetition assessments violate the automatic stay while also making them nondischargeable. Similarly, under 28 U.S.C. 959(b), the bankruptcy estate is supposed to be managed consistent with nonbankruptcy law, and it appears more consistent with that obligation for postpetition assessments made in the ordinary course not to be construed as an affirmative act to obtain possession of, or create or enforce a lien against, estate property, or otherwise violate the cited provisions of the automatic stay. If that were so, chapter 13 debtors and anyone interacting with them could not engage in any of their ordinary transactions without constantly seeking relief from the automatic stay; and it does not seem that Congress could have intended that trap for the unwary and impractical result.

In sum, the tentative ruling is that if postpetition assessments are made in the ordinary course, they do not require relief from the automatic stay of 11 U.S.C. 362(a)(3), (4), or (6). Nor has any party suggested that any other provision of 11 U.S.C. 362(a) applies.

Alternatively, the tentative ruling is to grant retroactive relief by annulling the automatic stay for cause, under under 11 U.S.C. 362(d)(1). This relief appears to be appropriate given (x) the lack of clear law on whether the automatic stay applies in these circumstances, (y) the HOA's evidence about its changes in management and confusion regarding the proper application of payments, and (z) the HOA's apparent attempts to correct the accounting and resolve the parties' disputes once it discovered the misapplication of payments, followed quickly by its motion for relief from the automatic stay once the attempted consensual resolution fell apart. See generally In re Fjeldsted, 293 B.R. 12 (9th Cir. BAP 2003); and see also In re Williams, 323 B.R. 691, 697-702 (9th Cir. BAP 2005) (various issues involving

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

CONT... Alejandra Araujo

annulment, and application of *Fjeldsted*), *aff'd*, 204 Fed.Appx. 582 (9th Cir. 2006), *overruled on other issues, In re Perl*, 811 F.3d 1120 (9th Cir. 2016) (scope of automatic stay).

In sum, given the HOA's corrected accounting, it is not attempting to collect a prepetition debt, nor has it been shown to have engaged in any other act in violation of the automatic stay. Alternatively, annulment is appropriate.

(c) Tentative conclusions of law as to attorney fees

Under sections 6.04.1 and 6.04.2 of the HOA's Declaration of Covenants, Conditions and Restrictions ("CC&Rs"), attorney fees must be "reasonable" and otherwise allowable. Motion (dkt.48), Ex.2, pp.43-45 (PDF pp.23-25). The tentative ruling is that the HOA cannot charge Debtor for its attorney fees because its and/or its agents' own errors have caused the confusion and litigation over the foregoing issues.

(d) The parties' relations and accounting going forward

The parties are directed to address whether the positive balances in Debtor's current accounts for regular and special assessments, as of 12/10/20, should be applied to future monthly payments of regular assessments or the special assessment, or in a lump sum, or should be refunded to Debtor, or applied in some other way.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Alejandra Araujo

Represented By Jaime A Cuevas Jr.

Tuesday, January 5, 2021

10:00 AM CONT... Alejandra Araujo <u>Movant(s):</u>

Genesis Condominium Association

Trustee(s):

Kathy A Dockery (TR)

Pro Se

Represented By

Alyssa B Klausner

Hearing Room 1545

Chapter 13

12/31/2020 11:18:36 AM

Fuesday, January 5, 2021		Hearing Room	1545
<u>10:00 AM</u> 2:19-24336	Sarah VanDerBeets	Chap	oter 13
#2.00	Hrg re: Motion for relief from stay [RP]		

SUN-TECH TOWNHOMES HOA vs DEBTOR

- - - - -

Docket 65
*** VACATED *** REASON: APO

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Sarah VanDerBeets

Represented By Kateryna Bilenka

Represented By Neil B Katz

Movant(s):

SUN-TECH TOWNHOMES HOA

Trustee(s):

Kathy A Dockery (TR)

Tuesday, January 5, 2021		Hearing Room	1545
<u>10:00 AM</u> 2:20-12115	Reymond Ramirez and Elizabeth Ramirez	Char	oter 13
#3.00	Hrg re: Motion for relief from stay [RP]		
	WILMINGTON SAVINGS FUND SOCIETY vs DEBTOR		

Docket 60

Tentative Ruling:

<u>Appearances are not required</u>. Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. See LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. *See In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a) (3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter

Tuesday, January 5, 2021

Hearing Room 1545

<u>10:00 AM</u>

CONT... Reymond Ramirez and Elizabeth Ramirez

Chapter 13

by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Reymond Ramirez

Represented By Erika Luna

Represented By Erika Luna

Joint Debtor(s):

Elizabeth Ramirez

Movant(s):

Wilmington Savings Fund Society

Represented By Sean C Ferry Christopher Giacinto

Trustee(s):

Kathy A Dockery (TR)

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

2:20-13367	Michael Anthony John Nangano	
#4.00	Hrg re: Motion for relief from stay [RP]	
	U.S. BANK, N.A.	

vs DEBTOR

Docket 35

Tentative Ruling:

Appearances are not required.

Grant as set forth below.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. *See* LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. *See In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a) (3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances

Tuesday, January 5, 2021

Hearing Room 1545

10:00 AM

CONT... **Michael Anthony John Nangano**

Chapter 13 are required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, all appearances are via ZoomGov. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Michael Anthony John Nangano

Represented By Matthew D. Resnik

Movant(s):

U.S. Bank, N.A., successor trustee to

Trustee(s):

Kathy A Dockery (TR)

Robert P Zahradka

Represented By

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

10:00 AM 2:20-15990 Adrian T Bean #5.00 Hrg re: Motion for relief from stay [RP] MILL CITY MORTGAGE LOAN TRUST 2018-4 vs DEBTOR

Docket 34

Tentative Ruling:

Appearances required.

There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see the debtor's response, dkt. 44).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Adrian T Bean

Represented By Christopher J Langley

Tuesday, January 5, 2021		Hearing Room	1545
<u>10:00 AM</u> CONT Adrian T Bean <u>Movant(s):</u>		Cha	pter 13
Mill City Mortgage Loan Trust 2018	Represented By Sean C Ferry		
Trustoo(s).			

Pro Se

Trustee(s):

Kathy A Dockery (TR)

12/31/2020 11:18:36 AM

Tuesday, January 5, 2021

Hearing Room 1545

<u>10:00 AM</u>

2:20-20448	Elroy Jones, III	Chapter 7	
#6.00	.00 Hrg re: Motion for relief from stay [PP]		
	HONDA LEASE TRUST vs DEBTOR		

Docket 12

Tentative Ruling:

Appearances are not required.

Grant.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. *See* LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(2). To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. *See In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a) (3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances

Tuesday, January 5, 2021

Hearing Room 1545

10:00 AM

CONT... **Elroy Jones, III**

Chapter 7 are required, and you fail to appear without adequately resolving this matter

by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, all appearances are via ZoomGov. For ZoomGov instructions for all matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Elroy Jones III

Represented By Rory Vohwinkel

Movant(s):

Honda Lease Trust

Represented By Vincent V Frounjian

Trustee(s):

Jason M Rund (TR)

Tuesday, January 5, 2021

Hearing Room 1545

<u>10:00 AM</u>

Kelly L. Norris	Chapter 13
Hrg re: Motion for relief from stay [PP]	
WHEELS FINANCIAL GROUP, LLC vs DEBTOR	
Docket 25	
	Hrg re: Motion for relief from stay [PP] WHEELS FINANCIAL GROUP, LLC vs DEBTOR

Tentative Ruling:

Appearances are not required.

Grant.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. *See* LBR 9021-1(b)(1)(B).

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(2). To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. *See In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a) (3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay. If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 13

<u>10:00 AM</u>

CONT... Kelly L. Norris

by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Kelly L. Norris

Represented By James D. Hornbuckle

Movant(s):

WHEELS FINANCIAL GROUP,

Trustee(s):

Kathy A Dockery (TR)

Represented By Sheryl D Noel

Tuesday, January 5, 2021

Hearing Room 1545

10:00 AM 2:20-17525 Nicole R. Prause Chapter 7 #8.00 Hrg re: Motion for relief from stay [NA] DONALD L. HILTON, JR. vs DEBTOR

Docket 32

Tentative Ruling:

Continue to 2/9/21 at 10:00 a.m., to allow the parties to attempt to resolve their disputes via mediation. *See* dkt. 49. <u>Appearances are not required</u> on 1/5/21.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.,* page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Nicole R. Prause

Represented By Michael Jay Berger

Movant(s):

Donald L. Hilton, Jr.

Represented By Jeffrey J Hagen

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

10:00 AMCONT...Nicole R. PrauseTrustee(s):

Elissa Miller (TR)

Tuesday, Ja	nuary 5, 2021	Hearing Room	1545
<u>10:00 AM</u> 2:16-26291 Robert Frederick Caballero and Dilva Caballero		Chapte	pter 13
#9.00	Cont'd hrg re: Motion for relief from stay [RP] fr. 12/1/20		
	US BANK TRUST NATIONAL ASSOC vs DEBTOR		
	Docket 42 *** VACATED *** REASON: APO		

Tentative Ruling:

Party Information

Debtor(s):

Robert Frederick Caballero

Represented By Christine A Kingston

Joint Debtor(s):

Dilva Caballero

Movant(s):

US Bank Trust National Association,

Represented By Christine A Kingston

Represented By Arvind Nath Rawal Arnold L Graff Dane W Exnowski

Trustee(s):

Kathy A Dockery (TR)

Tuesday, January 5, 2021

Hearing Room 1545

<u>11:00 AM</u>

2:20-19262 Khevin P DeVaughn

Adv#: 2:20-01655 CYB, LLC, a California limited liability v. DeVaughn et al

Chapter 13

#1.00 Status Hearing

RE: [1] Adversary case 2:20-ap-01655. Complaint by CYB, LLC, a California limited liability against Dimitra S DeVaughn, Khevin P DeVaughn. false pretenses, false representation, actual fraud)),(67 (Dischargeability - 523(a)(4), fraud as fiduciary, embezzlement, larceny)),(68 (Dischargeability - 523(a)(6), willful and malicious injury)) (Nussbaum, Lane)

Represented By

Represented By

Represented By

Julie J Villalobos

Lane M Nussbaum

Pro Se

Pro Se

Julie J Villalobos

Docket 1 *** VACATED *** REASON: Another summons issued reset 1/12/21 at 11:00 a.m.

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Khevin P DeVaughn

Defendant(s):

Dimitra S DeVaughn

Khevin P DeVaughn

Joint Debtor(s):

Dimitra S DeVaughn

Plaintiff(s):

CYB, LLC, a California limited

Trustee(s):

Kathy A Dockery (TR)

Pro Se

12/31/2020 11:18:36 AM

Tuesday, January 5, 2021

Hearing Room 1545

<u>11:00 AM</u>

2:19-18202 Rolando A. Bonilla and Maria Bonilla

Chapter 7

#2.00 Hearing

RE: [58] Motion For Sale of Property of the Estate under Section 363(b) - No Fee Notice of Motion and Motion to Approve Assignment Agreement between the Trustee and Debtors for the Trustee's Conveyance of the Estate's Interest in (A) 2014 Mercedes-Benz E550 and (B) 2010 Mercedes-Benz GL450; Memorandum of Points and Authorities; Declaration of Peter J. Mastan; and Exhibits with Proof of Service (Mastan (TR), Peter)

Docket 58

Tentative Ruling:

Grant, subject to overbids at the hearing. Appearances required.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date, subject to any changes ordered at the hearing. *See* LBR 9021-1(b)(1)(B).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Rolando A. Bonilla

Represented By W. Derek May

Tuesday, January 5, 2021			Hearing Room	1545
<u>11:00 AM</u> CONT Joint Debt	Rolando A. Bonilla tor(s):	and Maria Bonilla	Ch	apter 7
Maria	Bonilla	Represented By W. Derek May		
<u>Trustee(s)</u>	<u>:</u>			

Peter J Mastan (TR)

Tuesday, Ja	nuary 5, 2021	Hearing Room	1545
<u>11:00 AM</u> 2:20-17675	Marlon Calderon Yap and Khristobelle Yap	Ch	apter 7
#2 00	Ura rey Chapter 7 Trustee's motion for order compolling		

#3.00 Hrg re: Chapter 7 Trustee's motion for order compelling turnover of estate property and documents

Docket 25

Tentative Ruling:

Grant. Appearances are not required.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date. *See* LBR 9021-1(b)(1)(B).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

Marlon Calderon Yap

Represented By Kelly L Casado

Joint Debtor(s):

Khristobelle Yap

Trustee(s):

John P Pringle (TR) 12/31/2020 11:18:36 AM Represented By Kelly L Casado

Represented By

Page 24 of 54

Tuesday, January 5, 2021		Hearing Room	1545
<u>11:00 AM</u> CONT	Marlon Calderon Yap and Khristobelle Yap Toan B Chung	Ch	apter 7

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u> 2:20-20909 VEEJ Corp

#1.00 Status Conference re: Chapter 11 Case

Docket 1

Tentative Ruling:

<u>Appearances required</u> by counsel for the debtor and by Debtor's principal.

(1) Current issues

This Court has reviewed Debtor's status reports (dkt. 20, 21) and the other filed documents and records in this case.

(a) Budget motion

Debtor's status report asserts (dkt.20, p.3, section "B.2.") that no budget motion is required. That is incorrect. Judge Bason requires a budget motion so as to confirm that debtors are not (i) overpaying insiders for alleged services, or (ii) otherwise engaged in transactions that fail the "ordinary course" test (11 U.S.C. 363(b)&(c)) or are otherwise impermissible.

The tentative ruling, unless Debtor's counsel can make a detailed offer of proof sufficient to establish that no budget motion is required, is to set a **deadline of 1/12/21** to file and serve a budget motion. To save costs, Debtor is encouraged to use the form available for individual debtors on the Court's website (www.cacb.uscourts.gov) with appropriate modification suitable for Debtor's business (*e.g.*, striking the word "individual").

(2) <u>Deadlines/dates</u>. This case was filed on 12/13/20. Debtor elected to proceed under Subchapter V.

- (a) <u>Bar date</u>: 2/22/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, *see* dkt.23).
- (b) Procedures order: dkt. 3 (timely served, dkt. 6).
- (c) <u>Plan/Disclosure Statement*</u>: file by 3/15/21 using the forms required by Judge Bason or, with prior permission, other forms (DO NOT SERVE yet, except on the U.S. Trustee - this Court will set a deadline and procedures at a later time).

<u>Note</u>: Although Subchapter V contemplates only a Plan, not a Disclosure Statement, the required form Plan has not yet

Tuesday, January 5, 2021

Hearing Room 1545

<u>1:00 PM</u>

CONT...

Chapter 11

VEEJ Corp Ch been updated to include the disclosures required by Subchapter V (11 U.S.C. 1190), so Judge Bason requires that the form Disclosure Statement be completed as well. 11 U.S.C. 1181(b).

(d) <u>Continued status conference</u>: 2/9/21 at 1:00 p.m., no written status report is required.

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

VEEJ Corp

Represented By Jeffrey S Shinbrot

Tuesday, Ja	nuary 5, 2021	Hearing Room 1545
<u>1:00 PM</u> 2:20-20260	33 Quincy Avenue LLC	Chapter 11
#2.00	Hrg re: Application for order auth employ general bankruptcy coun	5
	Docket 20)
Tentative	e Ruling:	
Pleas	se see the tenative ruling for the st	atus conference (Calendar No. 3,

1/5/21 at 1:00 p.m.).

Party Information

Debtor(s):

_

33 Quincy Avenue LLC

Represented By Michael Jay Berger

Trustee(s):

Susan K Seflin (TR)

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

2:20-20260	33 Quincy Avenue LLC
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#3.00 Cont'd status conference re: Chapter 11 case fr. 12/1/20

Docket 1

Tentative Ruling:

Tentative Ruling for 1/5/21:

Continue the Status Conference and grant the employment application as set forth below. <u>Appearances are not required</u> on 1/5/21.

(1) <u>Current issues</u>

(a) <u>Application to employ the Law Offices of Michael J. Berger (dkt. 20,</u> "<u>Application</u>"), <u>supplemental declarations of Michael Berger and Jon Udoff</u> (dkt. 30), order setting hearing & further briefing deadline (dkt. 32), further supplemental declarations (dkt.36)

Grant.

Proposed order: Movant is directed to lodge a proposed order via LOU within 7 days after the hearing date, subject to any changes ordered at the hearing. *See* LBR 9021-1(b)(1)(B).

- (2) <u>Deadlines/dates</u>. This case was filed on 11/16/20.
 - (a) <u>Bar date</u>: 1/25/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, *see* dkt.10).
 - (b) <u>Procedures order</u>: dkt. 6 (timely served, dkt. 12)
 - (c) <u>Plan/Disclosure Statement*</u>: TBD
 - (d) <u>Continued status conference</u>: 1/26/21 at 1:00 p.m., to be concurrent with the continued status conference in the related case of Debtor's 50% owner, Residence Group, Inc. (Case No. 2:20-bk-20261-NB).

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances"

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

CONT... 33 Quincy Avenue LLC

required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/1/20:

<u>Appearances required</u> by counsel for the debtor and by the debtor(s) themselves.

(1) Current issues

(a) <u>Reassignment</u>?

Debtor's 50% owner, Residence Group, Inc., has filed a bankruptcy petition (Case No. 2:20-bk-20261-BR). See dkt. 20 at PDF p.24 (disclosing 50% ownership interest and bankruptcy case). Ordinarily affiliated cases are assigned to the same bankruptcy judge (usually the judge presiding over the lower numbered case), but the bankruptcy petition in the Residence Group case failed to disclose Debtor's bankruptcy case. *See In re Residence Group, Inc.* (Case No. 2:20-bk-20261-BB), dkt.1, p.2, line 10.

Is there any reason why Judge Bason should not coordinate with Judge Russell about reassignment of one or the other case so that both are before the same judge? Are there any other affiliated bankruptcy cases?

(b) First-Day Motions

Based on this Court's review of Debtor's status reports (dkt. 11 & 13), the tentative ruling is to excuse the usual requirement to file a budget motion (see posted procedures available at www.cacb.uscourts.gov) and other first day motions.

(2) <u>Deadlines/dates</u>. This case was filed on 11/16/20.

(a) <u>Bar date</u>: 1/25/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

CONT... 33 Quincy Avenue LLC

- has already been sent, *see* dkt.10).
- (b) Procedures order: dkt. 6 (timely served, dkt. 12)
- (c) Plan/Disclosure Statement*: TBD
- (d) <u>Continued status conference</u>: 1/5/21 at 1:00 p.m. No written status report required.

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

33 Quincy Avenue LLC

Represented By Michael Jay Berger

<u>1:00 PM</u> 2:19-23303	Candelario Lora		Chapter 11
#4.00	Hrg re: Application for payment of: final fees and/or expenses		
	Docket	220	

Tentative Ruling:

Tuesday, January 5, 2021

Please see the tentative ruling for the status conference (Calendar No. 5, 1/5/21 at 1:00 p.m.).

Party Information

Debtor(s):

Candelario Lora

Represented By Onyinye N Anyama **Hearing Room**

1545

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

2:19-23303 Candelario Lora

#5.00 Status conference re: Post confirmation fr. 12/17/19, 1/14/20, 02/18/20, 03/31/20, 4/21/20, 5/5/20, 6/30/20, 7/28/20, 9/1/20, 9/15/20, 9/29/20, 11/12/20

Docket 1

Tentative Ruling:

Tentative Ruling for 1/5/21:

Continue the Status Conference and grant the Application as set forth below. <u>Appearances are not required</u> on 1/5/21.

(1) Current issues

(a) <u>Anyama Law Firm, APC ("Applicant") first and final fee application</u> (dkt. 220, 221, "Application"), no opposition is on file

The tentative ruling is to conditionally grant the Application approving fees of \$17,520.00 and \$1,514.75 in expenses for a total award of \$19,034.75.

The tentative ruling is also that this order is conditioned on Applicant's filing of a declaration which complies with the requirements of LBR 2016-1(a) (1)(J) no later than **January 12, 2021**.

<u>Proposed order</u>: Debtor is directed to lodge a proposed order on the foregoing application via LOU within 7 days after the hearing date, subject to any changes ordered at the hearing. See LBR 9021-1(b)(1)(B).

- (2) <u>Deadlines/dates</u>. This case was filed on 11/16/20.
 - (a) <u>Bar date</u>: 1/25/21 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, *see* dkt.10).
 - (b) <u>Procedures order</u>: dkt. 6 (timely served, dkt. 12)
 - (c) <u>Plan/Disclosure Statement*</u>: TBD
 - (d) <u>Continued status conference</u>: 3/2/21 at 1:00 p.m., to be concurrent with the post-confirmation status conference. No written status

Tuesday, January 5, 2021

Hearing Room 1545

<u>1:00 PM</u>

CONT...

Chapter 11

Candelario Lora C report is required. This status conference might be vacated, if an application for a final decree is filed and granted prior to that date.

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Candelario Lora

Represented By Onyinye N Anyama

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

2:20-11333 Edmund Lincoln Anderson
#6.00 Cont'd hrg re: Motion for relief from stay [RP] fr. 11/10/20, 12/1/20

> WILMINGTON SAVINGS FUND SOCIETY, FSB vs DEBTOR

> > Docket 225

Tentative Ruling:

Tentative Ruling for 1/5/21: Please see the tentative ruling for the status conference (Calendar No. 8, 1/5/21 at 1:00 p.m.).

Tentative Ruling for 12/1/20:

Appearances required.

There is no tentative ruling, but the parties should be prepared to discuss the status of the pending sale of the subject property at 6520-22 Brynhurst Avenue, Los Angeles, CA 90018 (see the stipulation by the parties, dkt. 241).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

12/31/2020 11:18:36 AM

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

1:00 PM CONT... Edmund Lincoln Anderson

Debtor(s):

Edmund Lincoln Anderson

Movant(s):

Wilmington Savings Fund Society,

Represented By Lior Katz

Represented By

Stella A Havkin

12/31/2020 11:18:36 AM

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

2:20-11333 Edmund Lincoln Anderson

 #7.00 Cont'd hrg re: Motion for Order Disallowing the 2014 Assessment for the Tax Year 2009 Set Forth in Proof of Claim Number 5 of the United States of America Internal Revenue Service Pursuant to FRBP 3001(c), 11 U.S.C. Section 502(b)(1) fr. 8/18/20, 11/03/20

Docket 155

Tentative Ruling:

Tentative Ruling for 1/5/21:

Please see the tentative ruling for the status conference (Calendar No. 8, 1/5/21 at 1:00 p.m.).

Party Information

Debtor(s):

Edmund Lincoln Anderson

Represented By Stella A Havkin

Movant(s):

Edmund Lincoln Anderson

Represented By Stella A Havkin

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

2:20-11333 Edmund Lincoln Anderson

#8.00 Cont'd Status Conference re: Chapter 11 Case fr. 3/3/20, 3/10/20, 4/7/20, 4/21/20, 6/2/20, 7/14/20, 7/28/20, 8/18/20, 9/1/20, 10/6/20, 10/27/20, 12/1/20

Docket

Tentative Ruling:

Tentative Ruling for 1/5/21: Appearances required.

(1) <u>Current issues</u>

(a) <u>Motion for Wilmington Savings Fund Society, FSB ("Wilmington")</u> for relief from automatic stay (dkt.225); Debtor opposition (dkt.240); Wilmington reply (dkt.259), Interim Order (dkt. 261)

1

There is no tentative ruling, but the parties are directed to address whether the sale of the subject property has closed and/or whether the mortgage payments provided for in this Court's Interim Order (dkt. 261) have been made.

(b) <u>Motion (Claim Objection) re 2009 taxes in Proof of Claim Number 5</u> (dkt. 155), Opposition of U.S./IRS (dkt. 268), Debtor's reply (dkt.269)

The tentative ruling is to continue this objection to be concurrent with the continued status conference (see below) and meanwhile direct the parties to meet and confer regarding discovery and a pretrial schedule in approximately the 180-day time frame suggested by the IRS (*see* Dkt.268, pp.5:27-6:5) and lodge either an agreed scheduling order or, if they cannot agree, separate proposed orders, which this Court will either issue prior to the continued hearing or address at the continued hearing.

(c) Monthly Operating Reports ("MORs") (dkt.267)

From this Court's brief review, it appears that all accounts are labeled "general account." Debtor is directed to address why the accounts are not labeled according to the property to which each one relates.

Debtor appears to show a modest overall growth in income in a single account, on the first page of the latest MORs (dkt.267, p.1). Debtor is

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>1:00 PM</u>

CONT... Edmund Lincoln Anderson

directed to address anticipated future revenues, and whether they are expected to be sufficient to fund a plan.

(d) <u>Amended plan (dkt.251) and Disclosure Statement ("D/S," dkt.250)</u> and blacklines (dkt.253, 252), and request for judicial notice ("RJN," dkt.254)

The tentative ruling is to defer setting a new deadline for any plan or disclosure statement, until Debtor's MORs either show an ability to fund a plan or this case is converted or dismissed.

(2) <u>Deadlines/dates</u>. This case was filed on 2/6/20.

(a) Bar date: 5/1/20 (dkt. 50; timely served, dkt. 55).

(b) Procedures order: dkt. 7 (timely served, dkt.8)

(c) Plan/Disclosure Statement (dkt. 251, 250)*: TBD.

(d) <u>Continued status conference</u>: 2/9/21 at 1:00 p.m. No written status report is required.

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Edmund Lincoln Anderson

Represented By Stella A Havkin

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

2:18-24302 GL Master Inc

 #1.00 Second Cont'd Evidentiary Hrg re: Order to Show Cause re: Civil Contempt and Directing (i) Debtor, (ii) Freda Wang, (iii) Thomas Polis, (iv) Lynn Chao, (v) The Law Offices of Lynn Chao to Appear and Show Cause Why This Court Should Not Find Them in Contempt and Impose Sanctions fr. 8/19/20, 9/17/20, 11/3/20, 12/1/20, 12/22/20

Docket 173

Tentative Ruling:

Tentative Ruling for 1/5/21:

Continue to 1/26/21 at 2:00 p.m. for issuance of a Memorandum Decision on the matters taken under submission. <u>Appearances are not required</u> on 1/5/21.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/22/20:

Continue to 1/5/21 at 2:00 p.m. for issuance of a Memorandum Decision on the matters taken under submission. <u>Appearances are not required</u> on 12/22/20.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

CONT... GL Master Inc

required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/1/20:

Continue to 12/22/20 at 2:00 p.m. for issuance of a Memorandum Decision on the matters taken under submission. <u>Appearances are not required</u> on 12/1/20.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Party Information

Debtor(s):

GL Master Inc

Represented By Thomas J Polis

Trustee(s):

Edward M Wolkowitz (TR)

Pro Se

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

2:18-24302 GL Master Inc

#2.00 Cont'd Order to Show Cause re: Civil Contempt Against Young Young Food LLC, and For Sanctions fr. 10/27/20, 12/1/20, 12/22/20

Docket 213

Tentative Ruling:

Tentative Ruling for 1/5/21:

Continue to 1/26/21 at 2:00 p.m. for issuance of a Memorandum Decision on the related matters taken under submission (see calendar no.1, 1/5/21 at 2:00 p.m.). <u>Appearances are not required</u> on 1/5/21.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/22/20:

This Court is very troubled by the reported state of discovery (*see, e.g.,* Alleged Employees' Reply, dkt. 264, filed 12/18/20). But this Court believes that the issues can be more productively addressed once this Court issues its Memorandum Decision on the related discovery disputes involving, *inter alia,* Debtor and its law firm, the Law Offices of Lynn Chao. Accordingly, the tentative ruling is to continue this hearing to 1/5/21 at 2:00 p.m. <u>Appearances are not required</u> on 12/22/20.

If appearances are <u>not</u> required at the start of this tentative ruling but you

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

CONT... GL Master Inc

wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 12/1/20:

Appearances required.

Current issues

(a) <u>Contempt order (dkt. 237)</u>

(i) <u>Compensatory sanctions</u>

This Court has reviewed the Alleged Employees' time records (dkt. 241). As of the preparation of this tentative ruling, YYF has not filed an opposition.

The tentative ruling is to award fees in the amount of \$12,100 and costs in the amount of \$59.85, for a total compensatory sanction against YYF in the amount of **\$12,159.58**, payable to the Alleged Employees as compensation for the fees and costs they were forced to incur to compel compliance.

(ii) Status of compliance

The parties should be prepared to advise this Court on whether (x) coercive sanctions are appropriate (*i.e.*, whether Young failed to produce all responsive documents by 11/20/20 at 5:00 p.m.); and (y) Young responded to the Alleged Employees' written interrogatories by the 11/25/20 at noon deadline.

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

CONT... GL Master Inc

<u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

Tentative Ruling for 10/27/20:

Appearances required.

Current issues

 Alleged employees' motion for issuance of order directing Young Young <u>Food LLC ("YYF") to appear for 2004 examination and production of</u> documents (dkt. 146, "2004 Motion"); Order granting 2004 Motion (dkt. 160, "2004 Order"); Alleged employees' motion for issuance of OSC re contempt (dkt. 202, "Motion for OSC"), Order setting hearing on Motion for OSC (dkt. 215, the "OSC"), YYF's opposition papers (dkt. 225, 226, 227), Alleged employees' reply papers (dkt. 228, 230)

The tentative ruling is to find YYF in contempt of court and impose sanctions in an amount to be determined at the hearing and subsequent proceedings, as set forth below.

(a) <u>The alleged employees have made a sufficient showing that YYF</u> violated this Court's 2004 Order and YYF has not responded with argument or evidence establishing that it was impossible to comply

The tentative ruling is to overrule YYF's opposition, grant the Sanctions Motion for the reasons stated in the Alleged Employees' reply papers (dkt. 228, 230), and find that YYF is in contempt of the 2004 Order.

In addition and alternatively, the tentative ruling is that on the merits this Court is not persuaded by YYF's arguments that the (i) 2004 Order is overbroad and (ii) seeks discovery that could and should have been sought in a pending nonbankruptcy proceeding for the same reasons stated in this Court's prior rulings and orders addressing those arguments. *See* Order (dkt. 173) at PDF p.12, para. "(b)"; Order (dkt. 117) at PDF p.5, para. "(c)"; *and* Order (dkt. 101) at PDF pp.6-7, para. "(3)."

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 7

<u>2:00 PM</u>

CONT...

GL Master Inc

(b) <u>Sanctions</u>

(i) <u>Compensatory</u>

The tentative ruling is to grant the Alleged Employees' request for compensatory sanctions to reimburse them for their costs incurred preparing and filing the Sanctions Motion, responding to the OSC, and appearing at this hearing. The tentative ruling is to set **a deadline of 11/5/20** for the Alleged Employees to file and serve a declaration setting forth their time records and expenses, **11/13/20 for any opposition**, **11/19/20 for any reply**, and **a hearing on 12/1/20 at 2:00 p.m.**

(ii) <u>Coercive</u>

The tentative ruling is to award coercive sanctions, in an escalating dollar amount to be addressed at the hearing.

(iii) Examination by written discovery

The tentative ruling is to grant the Alleged Employees' request to obtain written discovery of YYF, *in lieu* of any in person examination out of concerns presented by the risks of COVID-19, by propounding 20 interrogatories on YYF, without prejudice to any follow-up discovery. The parties should be prepared to address what deadlines, if any, this Court should set for serving and responding to the Alleged Employees' interrogatories (or if this Court should defer to the parties to act within the usual procedures).

Proposed order: Alleged Employees are directed to lodge a proposed order via LOU within 7 days after the hearing date, and attach a copy of this tentative ruling, thereby incorporating it as this Court's final ruling, subject to any changes ordered at the hearing. *See* LBR 9021-1(b)(1)(B).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, all appearances are telephonic via CourtCall at (888) 882-6878.

Tuesday, January 5, 2021	H	Hearing Room	1545
2:00 PM CONT GL Master Inc		Ch	apter 7
	Party Information		
<u>Debtor(s):</u>			
GL Master Inc	Represented By Thomas J Polis		
<u>Trustee(s):</u>			
Edward M Wolkowitz (TR)	Pro Se		

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

2:19-18316 Ashley Susan Aarons

#3.00 Cont'd hrg re: U.S. Trustee's Motion to Dismiss or Convert Case fr. 10/15/19, 10/29/19, 12/10/19, 1/14/20, 03/31/20, 4/7/20, 4/21/20, 5/5/20, 6/16/20, 6/30/20, 8/4/20, 9/29/20, 10/14/20, 10/23/20, 11/12/20, 12/8/20, 12/22/20

Docket 65

Tentative Ruling:

Tentative Ruling for 1/5/21:

Please see the tentative ruling for the status conference (Calendar No. 6, 1/5/21 at 2:00 p.m.).

Tentative Ruling for 12/22/20:

Please see the tentative ruling for the status conference (Calendar No. 5, 12/22/20 at 2:00 p.m.).

Tentative Ruling for 12/8/20:

Please see the tentative ruling for the status conference (Calendar No. 11, 12/8/20 at 2:00 p.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By James C Bastian Jr Rika Kido

Movant(s):

United States Trustee (LA)

Represented By Dare Law Alvin Mar Ron Maroko

Tuesday, January 5, 2021		Hearing Room	1545
<u>2:00 PM</u> CONT Ashley Susan Aa	rons	Cha	pter 11
<u>Trustee(s):</u>			
John-Patrick McGinnis F	ritz (TR) Pro	Se	

12/31/2020 11:18:36 AM

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

2:19-18316 Ashley Susan Aarons

#4.00 Cont'd hrg re: Plan Confirmation and Related Deadlines fr. 9/29/20, 10/14/20, 10/23/20, 11/12/20, 12/8/20, 12/22/20

Docket 313

Tentative Ruling:

Tentative Ruling for 1/5/21:

Please see the tentative ruling for the status conference (Calendar No. 6, 1/5/21 at 2:00 p.m.).

Tentative Ruling for 12/22/20:

Please see the tentative ruling for the status conference (Calendar No. 5, 12/22/20 at 2:00 p.m.).

Tentative Ruling for 12/8/20:

Please see the tentative ruling for the status conference (Calendar No. 11, 12/8/20 at 2:00 p.m.).

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By James C Bastian Jr Rika Kido

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

2:19-18316 Ashley Susan Aarons

#5.00 Cont'd Status Conference re: Chapter 11 Case fr. 8/20/19, 9/24/19, 10/4/19, 10/15/19, 10/29/19, 11/12/19, 12/10/19, 1/14/20, 03/31/20, 4/7/20, 4/21/20, 5/5/20, 6/16/20, 6/30/20, 8/4/20, 9/29/20, 10/14/20, 10/22/20, 11/12/20, 12/8/20, 12/22/20

Docket 1

Tentative Ruling:

Tentative Ruling for 1/5/20 (substantially the same as for 10/6/20 [continued per dkt. 339],10/14/20, 10/22/20, 11/12/20, 12/8/20, 12/22/20 [continued with no change]):

Appearances required.

(1) <u>Current issues</u>

(a) <u>Motion of the U.S. Trustee ("UST") to dismiss (dkt. 65, "MTD"),</u> <u>Debtor's opposition (dkt. 86), UST's reply (dkt. 168, 170), Debtor's response</u> (dkt. 179), Debtor's status report (dkt. 180), stipulation and order re prepetition bank account (dkt. 212, 221)

The outcome of this motion may depend on whether this Court confirms Debtor's amended plan.

(b) <u>Debtor's Amended plan (dkt. 313) (see also Disclosure Statement,</u> <u>dkt. 311), order setting confirmation hearing (dkt. 317), proof of service of</u> <u>solicitation package (dkt. 324), Debtor's confirmation brief (dkt. 329), ballot</u> <u>summary (dkt. 330), objection of Post Acute Care Partners, Inc. ("Post") (dkt.</u> <u>332), objection of Shiv Raj & Saroj Gupta ("Guptas") (dkt. 333), Debtor's</u> <u>Reply (dkt. 335)</u>

This Court has reviewed Debtor's latest status report (dkt. 363) regarding the continued delays in obtaining any relief from the stay in the Florida Receivership case. The parties are directed to address whether they will consent to a further continuance.

Debtor is also directed to provide an update regarding any proposed resolutions with the Guptas and others, and any proposed refinancing.

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

CONT... Ashley Susan Aarons

(c) MOR (10/31/20, dkt.355)

Debtor is expending substantial sums described only as "marketing." Debtor is directed to address what is the actual nature of these expenses.

- (3) Deadlines/dates. This case was filed on 7/17/19.
 - (a) Bar date: 12/20/19, dkt. 116 (timely served, dkt. 120)
 - (b) <u>Procedures order</u>: dkt.9 (timely served, dkt.18)
 - (c) <u>AmPlan/AmDisclosure Statement*</u>: See above.
 - (d) <u>Continued status conference</u>: If there are unresolved confirmation issues, this Court anticipates setting either a continued hearing/status conference on 1/26/20 at 2:00 p.m. and/or a further evidentiary hearing (at a date and time to be determined).

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at <u>www.cacb.uscourts.gov</u>) then search for "tentative rulings." If appearances <u>are</u> required, and you fail to appear without adequately resolving this matter by consent, then you may waive your right to be heard on matters that are appropriate for disposition at this hearing. Pursuant to Judge Bason's COVID-19 procedures, **all appearances are via ZoomGov**. For ZoomGov instructions for <u>all</u> matters on calendar, please see the tentative ruling for the first matter on today's calendar (*i.e.*, page 1 of the posted tentative rulings). Unless otherwise stated, appearances via CourtCall are no longer permitted.

[INTERIM TENTATIVE RULINGS OMITTED]

Tentative Ruling for 9/29/20:

Appearances required.

(1) <u>Current issues</u>
 (a) <u>Motion of the U.S. Trustee ("UST") to dismiss (dkt. 65, "MTD"),</u>

Tuesday, January 5, 2021

Hearing Room 1545

2:00 PM

CONT... **Ashley Susan Aarons**

Chapter 11 debtor's opposition (dkt. 86), UST's reply (dkt. 168, 170), debtor's response (dkt. 179), debtor's status report (dkt. 180), stipulation and order re prepetition bank account (dkt. 212, 221)

There is no tentative ruling. The outcome of this motion may depend on whether this Court confirms Debtor's amended plan.

(c) Debtor's Amended plan (dkt. 313) (see also Disclosure Statement, dkt. 311), order setting confirmation hearing (dkt. 317), proof of service of solicitation package (dkt. 324), Debtor's confirmation brief (dkt. 329), ballot summary (dkt. 330), objection of Post Acute Care Partners, Inc. ("Post") (dkt. 332), objection of Shiv Raj & Saroj Gupta ("Guptas") (dkt. 333), Debtor's Reply (dkt. 335)

The tentative ruling is that (x) Debtor has adequately addressed Post's objection; (y) Debtor has adequately addressed the non-materiality of her proposed minor modifications to the Plan (*i.e.*, re-balloting is not required); and (z) Debtor has provided sufficient arguments and evidence to overrule most of the Guptas' objections. The Guptas' objections that Debtor has not yet sufficiently addressed are explained below.

(A) Best Interest Test (11 U.S.C. 1129(a)(7)): Debtor's calculations require an adjustment, but even with an adjustment the Guptas have not rebutted Debtor's showing that the Plan satisfies the best interest test

The tentative ruling is that Debtor's alternative liquidation analysis (dkt.335, pp.11-12) should be adjusted to account for the possibility that the secured claim asserted by Patch Of Land ("Patch" or "POL") might be reduced to some extent, based on objections to default interest and other claims by the bankruptcy estate. But the tentative ruling - based on this Court's familiarity with numerous disputes in other cases regarding default rates of interest and other charges - is that the possibility of such reduction. discounted to present value, is less than shortfall in funds that would be availabe in any hypothetical chapter 7 case. See Debtor's Reply (dkt.335), p.12. See generally, e.g., East-West Bank v. Altadena Lincoln Crossing, LLC, 598 B.R. 633 (C.D. Cal. 2019)

The tentative ruling is that a precise dollar estimate is not required because the shortfall is hundreds of thousands of dollars; the discount to Patch's claim would not be greater than that. In other words, even with the adjustment to Patch's claim as described above, there would be \$-0- for

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

CONT... Ashley Susan Aarons

general unsecured creditors in a hypothetical chapter 7 case.

Alternatively, assuming for the sake of discussion that any adjustments to Debtor's liquidation analysis would be enough to provide <u>any</u> projected recovery for nonpriority unsecured creditors, that in itself does not establish that liquidation would be in the best interests of creditors. Rather, the issue would require further evidence because any such projected chapter 7 recovery still would have to exceed the projected recovery under Debtor's proposed Plan, and the latter requires more evidence (as noted below).

(B) <u>Adequate means for implementation (11 U.S.C. 1123(a)(5))</u> and feasibility (11 U.S.C. 1129(a)(11))

Debtor is directed to address whether she has evidence of sufficient loan commitments and/or gift commitments from family and friends to make her proposed commitments in the Plan adequate and feasible. *See, e.g.,* Debtor's Reply (dkt.335), p.14:2-8. The parties are directed to address whether any evidentiary hearing will be necessary to address the sufficiency of such evidence, and the possible scheduling of any such evidentiary hearing and any related matters.

(2) <u>Deadlines/dates</u>. This case was filed on 7/17/19.

- (a) <u>Bar date</u>: 12/20/19, dkt. 116 (timely served, dkt. 120)
- (b) <u>Procedures order</u>: dkt.9 (timely served, dkt.18)
- (c) <u>AmPlan/AmDisclosure Statement*</u>: See above.
- (d) <u>Continued status conference</u>: If there are unresolved confirmation issues, this Court anticipates setting either a continued hearing/status conference on 10/6/20 at 2:00 p.m. and/or an evidentiary hearing (at a date and time to be determined). Alternatively, if the Plan were to be confirmed at today's hearing, the tentative ruling would be to set a post-confirmation status conference for 1/12/21 at 2:00 p.m.

*<u>Warning</u>: special procedures apply (*see* order setting initial status conference).

If appearances are <u>not</u> required at the start of this tentative ruling but you wish to dispute the tentative ruling, or for further explanation of "appearances required/are not required," please see Judge Bason's Procedures (posted at www.cacb.uscourts.gov) then search for "tentative rulings." If appearances

Tuesday, January 5, 2021

Hearing Room 1545

Chapter 11

<u>2:00 PM</u>

CONT... Ashley Susan Aarons

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[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By James C Bastian Jr Rika Kido

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se