Wednesday, January 17, 2024

**Hearing Room** 

1539

10:00 AM 2:00-00000

Chapter

#0.00

All hearings scheduled for today are now simultaneously 1) In person in Courtroom 1539; 2) Via ZoomGov Video; 3) Via ZoomGov Audio. Parties are free to choose any of these options, unless otherwise ordered by the Court. Parties electing to appear in person shall comply with all requirements regarding social distancing, use of face masks, etc. that are in effect at the time of the hearing.

Parties in interest may connect to the video and audio feeds, free of charge, using the connection information provided below. MEMBERS OF THE PUBLIC MAY ONLY CONNECT TO THE AUDIO FEED USING THE TELEPHONE NUMBERS PROVIDED BELOW AND ARE NOT PERMITTED TO CONNECT TO THE VIDEO FEED.

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**Chambers SBluebond@cacb.uscourts.gov 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, "Phone/Video Appearances."

**Hearing conducted by ZOOMGov.** 

Video/audio web address: <a href="https://cacb.zoomgov.com/j/16161090855">https://cacb.zoomgov.com/j/16161090855</a>

ZoomGov meeting number: 161 6109 0855

Password: 148508

**Telephone conference lines:** 1 (669) 254 5252 or 1 (646) 828 7666

Wednesday, January 17, 2024

**Hearing Room** 

1539

10:00 AM **CONT...** 

Chapter

(when prompted, enter meeting number and password shown above)

Judge Bluebond seeks to maintain a courtroom environment (both online and in person) in which all persons are treated with dignity and respect, irrespective of their gender identity, expression or preference. To that end, individuals appearing before the Court are invited to identify their preferred pronouns (e.g., he, she, they, etc.) and their preferred honorific (e.g., Mr., Miss, Ms., Mrs., Mx, M, etc.). Individuals may do so by advising the Courtroom Deputy or Judge prior to any appearance and/or, in the case of remote hearings, by providing this information in the person's screen name in ZoomGov.

Docket 0

**Courtroom Deputy:** 

- NONE LISTED -

**Tentative Ruling:** 

- NONE LISTED -

Wednesday, January 17, 2024

**Hearing Room** 

1539

11:00 AM

2:22-14165 Treetop Development, LLC

Chapter 11

Adv#: 2:23-01515 Treetop Development, LLC v. City of Los Angeles

#100.00

Order To Show Cause Why The Court Should Not Issue Preliminary Injunction To Preserve Status Quo While Court Adjudicates Motion For Partial Summary Adjudication

Docket 5

#### **Courtroom Deputy:**

- NONE LISTED -

#### **Tentative Ruling:**

Court finds that the debtor is more likely than not to succeed on the merits of at least its "vested rights" theory in light of the conduct of the City throughout the pendency of this case. Court also finds that the debtor is likely to suffer irreparable injury unless the status quo is maintained while the Court resolves the parties' dispute as to the validity of the debtor's permits. In light of the current uncertainty, the debtor cannot obtain the funds necessary to continue construction to avoid any argument that it has abandoned the project. And, even if it could obtain such funds, it cannot be determined at this juncture whether it would be a wise use of estate resources to expend additional monies on the project. If the debtor indeed has a vested right to complete the project in accordance with its plans, and that right is lost while the debtor attempts to vindicate its rights, it will never be able to complete the project in accordance with these plans and would be required to construct an entirely different, smaller and far less valuable project instead.

The balance of the hardships tips in the debtor's favor as well. It is difficult to see how any hardship would result to the City from merely maintaining the status quo. And, although some members of the public would prefer that this project not be completed, Court agrees that, on balance, the public interest weighs in favor of preventing the City from unilaterally pulling the rug out from under a property owner while a Court decides whether or not the property owner has a right to build on its property in accordance with the permits that it previously obtained. (For the reasons outlined in the debtor's memorandum, the Court does not agree that the debtor has a duty to exhaust its

Wednesday, January 17, 2024

**Hearing Room** 

1539

11:00 AM

## **CONT...** Treetop Development, LLC

Chapter 11

administrative remedies here. And, even if it did have such a duty, it would be necessary to maintain the status quo while the debtor took the steps necessary to exhaust those remedies, but there can be no dispute here that such efforts would prove fruitless.)

The City has requested that additional language be included in the preliminary injunction, prohibiting the debtor from commencing or continuing construction authorized by the Permits or from requesting LADBS perform any regulatory Plan Check or processing activity for the permits while the preliminary injunction remains in effect. The debtor has objected to this language. Court recognizes that the City has not sought injunctive relief, but the purpose of this preliminary injunction is to maintain the status quo -- on both sides -- and this language would appear to do that. Moreover, the debtor concedes that it does not have the money to do this kind of work in any event and that, even if it did have the money to do this, it would refrain from doing so until it new whether there was a point to this additional expenditure. Therefore, on the balance, the Court sees no problem with the inclusion of this additional language.

Accordingly, enter preliminary injunction in the form attached as an exhibit to the City's comments [docket no. 6], subject to the following additional modification. Paragraph 4 of the City's proposed order (which is the same as paragraph 3 of the debtor's proposed order) should read as follows: "The provisions of this order shall be effective as of the date on which the debtor sought the issuance of an order to show cause why the City should not be held in contempt for violating the automatic stay, namely, December 29, 2023, and shall remain in effect until the earlier of (a) the effective date of an order resolving the merits of the Summary Adjudication Request and (b) the entry of a later order of this Court terminating the effectiveness of this Order."

#### **Party Information**

#### **Debtor(s):**

Treetop Development, LLC

Represented By
Lewis R Landau
David J Williams
Sharon Z. Weiss
Thomas M Geher

# United States Bankruptcy Court Central District of California Los Angeles

Sheri Bluebond, Presiding Courtroom 1539 Calendar

Wednesday, January 17, 2024

**Hearing Room** 

1539

11:00 AM

**CONT...** Treetop Development, LLC

**Chapter 11** 

**Defendant(s):** 

City of Los Angeles

Pro Se

**Plaintiff(s):** 

Treetop Development, LLC

Represented By Sharon Z. Weiss