

**United States Bankruptcy Court
Central District of California
Los Angeles
Sheri Bluebond, Presiding
Courtroom 1539 Calendar**

Wednesday, June 10, 2026

Hearing Room 1539

1:00 PM
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.

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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: <https://cacb.zoomgov.com/j/16161090855>

ZoomGov meeting number: 161 6109 0855

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(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 -

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2:26-12552 Damien Ben Hamel

Chapter 7

#100.00 ORDER to show cause re dismissal for failure to comply with rule 1006(B) - installments; Debtor failed to pay Second Installment Payment due 4/17/2026. Third Installment Payment due by 5/18/2026 and Final Installment will be due 6/17/2026

Docket 13

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

Debtor made first payment of \$20 and no payments thereafter. Dismiss case.

Party Information

Debtor(s):

Damien Ben Hamel

Pro Se

Trustee(s):

John J Menchaca (TR)

Pro Se

**United States Bankruptcy Court
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2:18-20151 Verity Health System of California, Inc.

Chapter 11

#101.00 Motion for Authority to Use Restricted Funds

fr: 1-8-25; 1-29-25; 2-5-25; 2-12-25; 3-5-25; 3-26-25; 6-25-25; 7-30-25; 8-20-25,
10-1-25; 10-29-25; 1-14-26; 1-28-26; 2-11-26; 3-4-26; 3-18-26; 4-15-26; 5-13-26

Docket 6817

***** VACATED *** REASON: CONTINUED TO 7-8-26 AT 1PM**

Courtroom Deputy:

- NONE LISTED -

Tentative Ruling:

12/20/2024 -- Court approved stipulation continuing hearing to January 29, 2025 at **2:00 p.m.** OFF CALENDAR FOR JANUARY 8, 2025.

1/13/2025 -- Court approved stipulation continuing hearing to February 5, 2025 at 10:00 a.m. and extended the deadline for the AG to respond to the motion from January 15, 2025 to January 22, 2025. OFF CALENDAR FOR JANUARY 29, 2025.

1/21/2025 -- Court approved stipulation continuing hearing to February 12, 2025 at 1:00 p.m. and extended the deadline for the AG to respond to the motion from January 22, 2025 to January 29, 2025. OFF CALENDAR FOR FEBRUARY 5, 2025.

2/5/2025 -- Court approved stipulation continuing hearing to March 5, 2025 at 10:00 a.m. and extended the deadline for the AG to respond to the motion from January 29, 2025 to February 26, 2025. OFF CALENDAR FOR FEBRUARY 12, 2025.

2/21/2025 -- Court approved stipulation continuing hearing to March 26, 2025 at 10:00 a.m. and extended the deadline for the AG to respond to the motion from February 26, 2025 to March 19, 2025. OFF CALENDAR FOR MARCH 5, 2025.

3/18/2025 -- Court approved stipulation continuing hearing to June 25, 2025

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CONT... Verity Health System of California, Inc.

Chapter 11

at 10:00 a.m. and extended the deadline for the AG to respond to the motion from March 19, 2025 to June 18, 2025. OFF CALENDAR FOR MARCH 26, 2025.

5/21/2025 -- Court approved stipulation continuing hearing to July 30, 2025 at 10:00 a.m. and extended the deadline for the AG to respond to the motion from June 18, 2025 to July 18, 2025. OFF CALENDAR FOR JUNE 25, 2025.

7/17/2025 -- Court approved stipulation continuing hearing to August 20, 2025 at **1:00 p.m.** and extended the deadline for the AG to respond to the motion from July 18, 2025 to August 20, 2025. OFF CALENDAR FOR JULY 30, 2025.

8/16/2025 -- Court approved stipulation continuing hearing to October 1, 2025 at **11:00 a.m.** and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR AUGUST 20, 2025.

9/24/2025 -- Court approved stipulation continuing hearing to October 29, 2025 at 10:00 a.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR OCTOBER 1, 2025.

Tentative Ruling for October 29, 2025:

This hearing has been continued to January 14, 2026 at 1:00 p.m. in accordance with the *Shutdown Plan*, which was adopted by the Court pursuant to Volume 13, Chapter 2, Section 230.50 of the *Guide to Judiciary Policy* and the Office of General Counsel's memorandum dated October 13, 2023, to address a lapse in appropriations for the Judiciary. This hearing may be continued further, from time to time, in accordance with the *Shutdown Plan*. Pursuant to the Anti-Deficiency Act, certain work may continue during a lapse of appropriations if it involves an "emergenc[y] involving the safety of human life or the protection of property." If you believe that this matter constitutes such an emergency, you may file a written application to be heard by the Court sooner than the specified continuation date.

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OFF CALENDAR FOR OCTOBER 29, 2025.

Chapter 11

12/16/2025 -- Court approved stipulation continuing hearing to January 28, 2026 at at 10:00 a.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR JANUARY 14, 2026.

1/21/2026 -- Court approved stipulation continuing hearing to February 11, 2026 at at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR JANUARY 28, 2026.

2/4/2026 -- Court approved stipulation continuing hearing to March 4, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR FEBRUARY 11, 2026.

2/25/2026 -- Court approved stipulation continuing hearing to March 18, 2026 at 10:00 a.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR MARCH 4, 2026.

3/9/2026 -- Court approved stipulation continuing hearing to April 15, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR MARCH 18, 2026.

4/9/2026 -- Court approved stipulation continuing hearing to May 13, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR APRIL 15, 2026.

5/8/2026 -- Court approved stipulation continuing hearing to June 10, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR MAY 13, 2026.

6/3/2026 -- Court approved stipulation continuing hearing to July 8, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR JUNE 10, 2026.

Party Information

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CONT... Verity Health System of California, Inc.

Chapter 11

Debtor(s):

Verity Health System of California,

Represented By

Samuel R Maizel

John A Moe II

Tania M Moyron

Claude D Montgomery

Sam J Alberts

Shirley Cho

Patrick Maxcy

Steven J Kahn

Kerry L Duffy

Brigette G McGrath

Gary D Underdahl

Nicholas C Brown

Anna Kordas

Mary H Haas

Robert E Richards

Lawrence B Gill

Richard Reding

Stephen J O'brien

Roger Kent Heidenreich

Movant(s):

Howard Grobstein

Represented By

Gary D Underdahl

Tania M Moyron

Trustee(s):

Howard Grobstein Liquidating

Represented By

James Cornell Behrens

Howard Grobstein

Represented By

Gary D Underdahl

Tania M Moyron

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2:18-20151 Verity Health System of California, Inc.

Chapter 11

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

fr: 10-18-23; 10-16-23; 4-17-24; 10-16-24; 4-16-25; 10-15-25; 4-15-26; 5-13-26

Docket 1

***** VACATED *** REASON: CONTINUED TO 7-8-26 AT 1PM.**

Courtroom Deputy:

Tentative Ruling:

Tentative Ruling from April 17, 2024:

Court has reviewed the status report filed by the Post Effective Date Debtors and the Liquidating Trustee. Continue post-confirmation status conference to October 16, 2024 at 11:00 a.m. Post Effective Date Debtors and the Liquidating Trustee should file updated status report not later than October 4, 2024. APPEARANCES WAIVED ON APRIL 17, 2024.

Tentative Ruling for October 16, 2024:

Court has reviewed the status report filed by the Post Effective Date Debtors and the Liquidating Trustee. Continue post-confirmation status conference to April 16, 2025 at 11:00 a.m. Post Effective Date Debtors and the Liquidating Trustee should file updated status report not later than April 4, 2025. APPEARANCES WAIVED ON OCTOBER 16, 2024.

Tentative Ruling for April 16, 2025:

Court has reviewed the status report filed by the Post Effective Date Debtors and the Liquidating Trustee. Continue post-confirmation status conference to October 15, 2025 at 11:00 a.m. Post Effective Date Debtors and the Liquidating Trustee should file updated status report not later than October 3, 2025. APPEARANCES WAIVED ON APRIL 16, 2024.

Tentative Ruling for October 15, 2025:

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CONT... Verity Health System of California, Inc.

Chapter 11

Court has reviewed the status report filed by the Post Effective Date Debtors and the Liquidating Trustee. Continue post-confirmation status conference to April 15, 2026 at **1:00 p.m.** Post Effective Date Debtors and the Liquidating Trustee should file updated status report not later than April 3, 2026. APPEARANCES WAIVED ON OCTOBER 15, 2025.

4/9/2026 -- Court approved stipulation continuing case management conference to May 13, 2026 at 1:00 p.m. The Liquidation Trustee should file updated status report not later than May 1, 2026. APPEARANCES WAIVED ON APRIL 15, 2026.

Tentative Ruling for May 13, 2026:

In light of continuance of hearing on motion for authority to use restricted funds, continue case status conference to same date and time as continued hearing -- June 10, 2026 at 1:00 p.m. The Liquidation Trustee should file updated status report not later than June 1, 2026. OFF CALENDAR FOR MAY 13, 2026.

6/3/2026 -- Court approved stipulation continuing hearing to July 8, 2026 at 1:00 p.m. and extended the deadline for the AG to respond to the motion. See order for additional dates. OFF CALENDAR FOR JUNE 10, 2026.

Party Information

Debtor(s):

Verity Health System of California,

Represented By

Samuel R Maizel

John A Moe II

Tania M Moyron

Claude D Montgomery

Sam J Alberts

Shirley Cho

Patrick Maxcy

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CONT... Verity Health System of California, Inc.

Chapter 11

Steven J Kahn
Kerry L Duffy
Brigette G McGrath
Gary D Underdahl
Nicholas C Brown
Anna Kordas
Mary H Haas
Robert E Richards
Lawrence B Gill
Richard Reding
Stephen J O'brien
Roger Kent Heidenreich

Trustee(s):

Howard Grobstein Liquidating

Represented By
James Cornell Behrens

Howard Grobstein

Represented By
Gary D Underdahl

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2:25-20834 Neely Motorsports, Inc.

Chapter 11

#103.00 Confirmation Hearing re: Amended Chapter 11 Small Business Plan Modified First Amended Plan

Docket 87

Courtroom Deputy:

ZoomGov Appearance by:

6/9/26 - Patrick Kane

6/9/26 - David Shevitz

Tentative Ruling:

This is a subchapter V case, so there is no absolute priority rule and the debtor does not need an impaired consenting class, but it is interesting that there is not a single vote in favor of confirmation of this plan. Only 1 creditor voted and that creditor voted to reject the plan. Debtor in subchapter V may retain ownership of company so long as the plan satisfies the best interest of creditors test and the debtor pays an amount that is not less than its projected disposable income over the term of the plan.

The objecting creditor is correct that we need more information about the status of the real property. How can the court ascertain whether the plan is feasible and fair and equitable without a clearer understanding of what is actually going on. Is there a foreclosure in process? And doesn't how and when the secured creditor forecloses have an impact on whether the debtor will owe a deficiency or not?

The "true up" process that the debtor provided makes no sense for distributions of this size. Subchapter V requires the debtor to make payments over a period of years that are no less than its **projected** disposable income, not its actual disposable income. Court does not want to have to conduct a financial analysis in order to ascertain whether or not the debtor has defaulted on its plan payments. Plan should obligate the debtor to pay an amount

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CONT... Neely Motorsports, Inc.

Chapter 11

certain each quarter. That amount can (and probably should) vary over the term of the plan, as, presumably, the projections show increased income over time, but these amounts should be fixed, not subject to adjustment upward or downward.

Party Information

Debtor(s):

Neely Motorsports, Inc.

Represented By
Michael G Spector
Vicki L Schennum

Movant(s):

Neely Motorsports, Inc.

Represented By
Michael G Spector
Michael G Spector
Michael G Spector
Michael G Spector
Vicki L Schennum
Vicki L Schennum
Vicki L Schennum
Vicki L Schennum

Trustee(s):

Gregory Kent Jones (TR)

Pro Se

**United States Bankruptcy Court
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2:25-20834 Neely Motorsports, Inc.

Chapter 11

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

fr: 1-28-26; 3-18-26; 4-14-26

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

6/9/26 - David Shevitz

Tentative Ruling:

Tentative Ruling for January 28, 2026:

Hold this matter until the 11:00 a.m. calendar to be heard concurrently with matter on calendar for that time.

Court is confused. According to the status report, the debtor is not currently using any property that any entity contends is cash collateral and has not used any cash collateral since the commencement of the case, yet the Court entered an interim order on December 10, 2025 (docket no. 18) authorizing the use of cash collateral. Was this order entered merely as a precaution without any creditors claiming that any of the debtor's cash constitutes cash collateral?

As this is a subchapter V case, court does not need to set a bar date and deadline has already been established for the filing of a plan (March 3, 2026). Continue case status conference to a date shortly after deadline for filing a plan so that the Court can review the plan and the included disclosures and set confirmation related deadlines.

Tentative Ruling for March 18, 2026:

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CONT... Neely Motorsports, Inc.

Chapter 11

The purpose of this status conference was for the court to review the plan and set plan related deadlines. Court's self-scheduling procedures do not permit the self-scheduling of confirmation hearings, even in subchapter V cases. Why has the debtor noticed a confirmation hearing for May 6 or set deadlines for voting on the plan? This will only serve to confuse parties in interest.

Court has a number of comments and corrections on the form of the plan that will be discussed on the record at the time of the status conference.

Final Ruling for March 18, 2026:

Continue hearing to April 14, 2026 at 2:00 p.m. Debtor should file clean and redlined drafts of amended plan not later than March 30, 2026. Debtor will send out a notice of errata explaining that a new notice with the correct dates will be sent once the court has set dates.

Tentative Ruling for April 14, 2026:

The court has a very small number of minor corrections to the amended plan that will be discussed on the record at the time of hearing. Set deadline for debtor to file further amended plan and confirmation-related deadlines. Continue case management conference to date of confirmation hearing.

4/21/2026 -- Court approved scheduling order setting following dates:

L/D to file amended plan -- April 20, 2026

L/D to serve plan, ballots and notice of hearing -- April 28, 2026

L/D to vote on or object to plan -- May 29, 2026

L/D to file confirmation brief and ballot tally -- June 3, 2026

Confirmation hearing -- June 10, 2026 at 1:00 p.m.

Tentative Ruling for June 10, 2026:

If court confirms plan, take case status conference off calendar and set date for post-confirmation status conference and deadline for filing post-confirmation status report.

Party Information

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CONT... Neely Motorsports, Inc.

Chapter 11

Debtor(s):

Neely Motorsports, Inc.

Represented By
Michael G Spector
Vicki L Schennum

Movant(s):

Neely Motorsports, Inc.

Represented By
Michael G Spector
Michael G Spector
Michael G Spector
Michael G Spector
Vicki L Schennum
Vicki L Schennum
Vicki L Schennum
Vicki L Schennum

Trustee(s):

Gregory Kent Jones (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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Wednesday, June 10, 2026

Hearing Room 1539

1:00 PM

2:25-21116 Howard's Appliances, Inc.

Chapter 11

#105.00 Motion to Enforce 11 U.S.C. § 365(d)(4)(A) and Compel Debtor to Immediately Surrender Non-Residential Real Property to Harvard Label LLC

fr: 5-6-26

Docket 184

***** VACATED *** REASON: CONTINUED TO 6-30-26 AT 10AM.
APPEARANCES WAIVED.**

Courtroom Deputy:

ZoomGov Appearance by:

6/8/26 - Katie Mason

6/8/26 - Thomas Shuck

6/9/26 - Marshall Hogan

Tentative Ruling:

Tentative Ruling for May 6, 2026:

Continue hearing on motion to a date after the conclusion of the court-approved sale of the debtor's assets. The debtor could not realistically vacate the premises now even if it wanted to do so. It needs to dispose of its personal property, which it will be doing as expeditiously as possible. The court has approved an auction sale and has required the debtor to include in the order approving that auction provisions that should enable the movant to receive compensation for the use of its premises during this process.

Final Ruling for May 6, 2026:

Continue hearing to June 10, 2026 at 1:00 p.m.

Tentative Ruling for June 10, 2026:

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CONT... Howard's Appliances, Inc.

Chapter 11

Continue hearing to June 30, 2026 at 10:00 a.m. to be heard concurrently
with case status conference, motion to abandon and surcharge motion.
APPEARANCES WAIVED ON JUNE 10, 2026.

Party Information

Debtor(s):

Howard's Appliances, Inc.

Represented By
David M Goodrich

Movant(s):

Harvard Label LLC

Represented By
Marshall J Hogan

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2:25-21725 AVFUND Capital Group, Inc.

Chapter 11

#106.00 Scheduling and Case Management Conference in a Chapter 11 Subchapter V Case

fr: 2-25-26; 4-14-26; 5-13-26

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

6/9/26 - Robert Altagen

6/9/26 - David Shevitz

Tentative Ruling:

Tentative Ruling for April 14, 2026:

Court has serious concerns with regard to both the form and substance of the plan that the debtor filed on March 30, 2026, which will be discussed on the record at the time of the status conference.

Continue status conference approximately two to three weeks and ask debtor to file amended plan, using a form -- either Official Form 425A or Judge Zurzolo's subchapter V plan.

Final Ruling for April 14, 2026:

Continue hearing to May 13, 2026 at 1:00 p.m. Debtor shall file and serve revised plan not later than May 5, 2026.

Tentative Ruling for May 13, 2026:

The current version of the plan is an improvement, but the Court still has a

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CONT... AVFUND Capital Group, Inc.

Chapter 11

number of comments and concerns that will be discussed on the record at the time of hearing.

Final Ruling for May 13, 2026:

Continue hearing to June 10, 2026 at 1:00 a.m. Debtor should file amended plan not later than June 3, 2026.

Tentative Ruling for June 10, 2026:

The Court has a few additional (minor) changes to the proposed plan. Set confirmation related deadlines and continue case status conference to date set for hearing on confirmation of plan.

Party Information

Debtor(s):

AVFUND Capital Group, Inc.

Represented By
Robert S Altagen
Daniel I Singer

Movant(s):

AVFUND Capital Group, Inc.

Represented By
Robert S Altagen
Daniel I Singer

Trustee(s):

Gregory Kent Jones (TR)

Pro Se

**United States Bankruptcy Court
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2:26-13636 Long Beach Property, LLC

Chapter 11

#107.00 Scheduling and Case Management Conference in a Chapter 11 Subchapter V Case

Docket 1

Courtroom Deputy:

ZoomGov Appearance by:

6/9/26 - David Shevitz

Tentative Ruling:

The Court has a number of questions based on the debtor's status report.
(NOTE: It would have been helpful if section 2 of the report had been broken into paragraphs.)

1. This is a subchapter V case and the debtor's property is single asset real estate. As discussed below, there already is a bar date. The debtor does not need to request and the court does not need to set one.
2. The debtor says that its property consists of "three rentable units." Are there more units within the building that are not rentable? If so, why aren't these additional units rentable?
3. Are there any other tenants in the property other than Mr. Schlarb? If not, why not?
4. Court assumes that, on line 17 of page 2, the debtor is trying to say that a default has been entered **but** no default judgment. Is that correct?
5. Are the only code violations the fact that the tenant did not obtain permits for the work, or is the work not up to code, or does the debtor not know yet which is the case?
6. It would have been helpful to have identified Mr. Duran as the managing

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CONT... Long Beach Property, LLC

Chapter 11

member the first time his name appears in the report so that the Court was not left wondering who he was/is.

7. Page 3, lines 9 through 12 of the report says, "Through the exchange of correspondence, counsel for Mr. Schlarb has finally agreed to turn over to counsel for the Debtor the Lease Documents, as property of the estate. . . . " Doesn't the debtor have a copy of its lease with Mr. Schlarb? What kind of "lease documents" does counsel need the tenant to turn over?

8. The discussion of lease rejection and termination is confused. If the lease was terminated prepetition by operation of law upon the filing of an unlawful detainer action, the debtor should NOT reject the lease. It should utilize its state law remedies to evict the tenant. Rejection of the lease would leave the tenant with rights under section 365(h), as the debtor is the lessor. There is no automatic stay of the unlawful detainer action, as the debtor is the plaintiff. The debtor should simply prosecute its unlawful detainer action. The report makes reference to a state court injunction prohibiting Mr. Duran from entering the property. What was that about? Why was such an injunction entered?

9. Who retained John Tamborelli prepetition? The report does not say.

10. What does paragraph 6 on page 4 mean? "At such time as Debtor has signed leases for the Real Property from which there will be generated rental income Debtor, through counsel, will engage counsel for the secured creditors to negotiate terms for the use of Cash Collateral." Why would the debtor be retaining counsel for the secured creditor?

11. As mentioned above, there is no need for the Court to set a bar date. One has already been set. See First Amended General Order 20-01 and Local Bankruptcy Rule 3003-1(a)(2):

In subchapter V cases, unless otherwise ordered, the claims bar date will be 70 days after, and for claims by governmental units 180 days after, the latest of: (1) the date of entry of the order for relief, (2) the date of conversion of the case to chapter 11, subchapter V, or (3) the date of the amendment of the petition to designate the case as a subchapter V case. In the case of

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CONT... Long Beach Property, LLC

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conversion or re-designation of a case to subchapter V, any previously-set bar date will govern, unless otherwise ordered.

See also LBR 3003-1(b)(2):

Unless otherwise ordered, in subchapter V cases, the debtor in possession or subchapter V trustee in possession, as applicable, must file and serve the bar date notice within 7 days of (1) the date of entry of the order for relief, (2) the date of conversion of the case to chapter 11, subchapter V, or (3) the date of the amendment of the petition to designate the case as a subchapter V case.

12. In paragraph 8 of the report, the debtor requests an extension of the 90-day deadline imposed by section 362(d)(3). Debtor will need to file a motion seeking such relief and establish **cause** for the requested relief. Moreover, any order granting such a motion needs to be entered within the 90-day period.

Continue case status conference approximately 90 days. (Court generally views debtor's plans in subchapter V cases at a case status conference to make sure that it includes sufficient disclosures.

Party Information

Debtor(s):

Long Beach Property, LLC

Represented By
Louis J Esbin

Movant(s):

Long Beach Property, LLC

Represented By
Louis J Esbin