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APRIL

UNITED STATES
BANKRUPTCY COURT
CENTRAL DISTRICT
OF CALIFORNIA

Court News



This Issue

Judge Thomas B. Donovan to Retire in March, Ninth Circuit Civics Contest P. 1

Judge Bason and Barash Present Loan Modification Management Pilot P. 2

Annual "Ask the Judges" Night Educates and Entertains (cont.) Students from Loyola Law School Visit P. 3

Top 20 Cases P. 4

Court News

is published by the United States Bankruptcy Court for the Central District of California as an informational service for the practitioners and public of our Court.

SHERI BLUEBOND
Chief Judge

KATHLEEN J. CAMPBELL Executive Officer/Clerk of Court

Suggestions and comments are always welcome.

Please email us at editor@ cacb.uscourts.gov.

This issue and back issues of the Court News are available on the Court's website at http://www.cacb.uscourts.gov/publications.

JUDGE THOMAS B. DONOVAN TO RETIRE IN MARCH; PENDING CASELOAD TO BE REASSIGNED

Judge Thomas B. Donovan will retire on March 24. He has been approved to serve as a recalled judge for the Central District of California.

With the exception of any previously reassigned cases, Judge Donovan's pending bankruptcy cases and related adversary proceedings will be reassigned to Los Angeles Division judges effective March 13. The cases will be reassigned according to the terminal digit of the case number. Cases designated by numbers ending in zero or one will be reassigned to Chief Judge Sheri Bluebond (BB); those ending in two or three will be reassigned to Judge Robert N. Kwan (RK); those ending in four or five will be reassigned to Judge Ernest M. Robles (ER); those ending in six or seven will be reassigned to Judge Barry Russell (BR); and those ending in eight or nine will be reassigned to Judge Deborah J. Saltzman (DS).

Please note the following exceptions. The case of John Jay Marshall will be reassigned to Judge Neil W. Bason, the case of Arshag J. Minelian to Judge Robert N. Kwan, and the cases of John R. D. Fremont and Noam Bouzaglou to Judge Deborah J. Saltzman.

NINTH CIRCUIT CIVICS CONTEST ACCEPTING VIDEOS AND ESSAYS ABOUT JAPANESE INTERNMENT

The United States District and Bankruptcy Courts for the Central District of California invite interested high school students to participate in an essay and video contest with cash prizes (District Contest). The theme of the District Contest is "Not to be Forgotten: Legal Lessons of the Japanese Internment."

The essay contest is open to individual students only. Individuals or teams of up to three students may participate in the video contest. Students may choose to participate in one or both contests. The top three finishers of the District Contest automatically move forward to compete with students in the nine western states, Guam, and the Northern Mariana Islands (Ninth Circuit Contest).

The District Contest began January 1, 2017, and ends April 16, 2017. Only high school students who live in the Central District are eligible to participate.

Winners of the District Contest in each category will receive the following prizes: First Place - \$1,000; Second Place - \$750; and Third Place - \$500. Cash prizes for the Ninth Circuit Contest, which are in addition to the prizes for winners of the District Contest, are as follows: First Place - \$2,000; Second Place - \$1,000; and Third Place - \$500.

Additional Recognition: First place winners of the District Contest and a parent/guardian will receive round-trip airfare and one night's lodging to attend the July 2017 Ninth Circuit Judicial Conference in San Francisco, California, where the Ninth Circuit Contest winners will be announced.

(continued on page 2)





Accessing Court Information by Twitter

The Court has tweeted over 3,300 times since 2011, and its Twitter account has over 700 followers. The Court tweets announcements, Notices of Sale, Public Notices, and other timely information. In March 2015, the Court began tweeting judicial opinions.

You do not need a Twitter account to view the Court's tweets—just click on the Twitter logo on the home page of the Court's website (www.cacb.uscourts.gov). The postings are arranged in chronological order, making it easy to quickly catch up with what is going on at the Court. If you have a Twitter account, follow @cacbnews.

WEBSITE FEEDBACK

The U.S. Bankruptcy Court for the Central District of California continues to enhance its website based on feedback from users. Please let us know your thoughts about what is working well and what could be improved at www.cacb.uscourts.gov/contact.

The Ninth Circuit is holding an essay and video contest open to high school students in the western United States and Pacific Islands. The theme of this year's contest is "Not to Be Forgotten: Legal Lessons of the Japanese Internment." The top three contestants in each category will win cash prizes, and the winners of the first-place awards will also receive travel and accommodations to attend the 2017 Ninth Circuit Judicial Conference in San Francisco.

For the contest rules, entry instructions, and more information, visit the <u>contest page</u> at the Ninth Circuit's website.

JUDGES BASON AND BARASH PRESENT LOAN MODIFICATION MANAGEMENT PILOT PROGRAM AT BROWN BAG LUNCH

On February 6, Judges Neil W. Bason and Martin R. Barash presented an overview of the Court's Loan Modification Management (LMM) pilot program during a well-attended brown bag lunch event at the Roybal Building. Together with Judges Catherine E. Bauer, Julia W. Brand, and Scott H. Yun, Judges Bason and Barash are piloting LMM in the Central District. LMM provides a forum for debtors and creditors to reach a consensual decision when a debtor's property is at risk of foreclosure. Learn more about the program's procedures and forms on the Court's website, and send your comments about the program to bkcomments@cacb.uscourts.gov.

JUDGES ZURZOLO, SALTZMAN, AND BRAND PILOT REQUEST FOR EXTENSION PROGRAM

At the Los Angeles Division, Judges Vincent P. Zurzolo, Deborah J. Saltzman, and Julia W. Brand have initiated the Request for Extension pilot program (REP), which provides *pro bono* support to *pro se* debtors who file a request for an extension to file schedules. *Pro se* debtors with cases assigned to one of these judges are required to attend a hearing if they request an extension to file schedules.

As monthly REP hearings are bundled on the same date along with the bundled reaffirmation agreement hearings, Public Counsel is available to advise REP debtors, schedule subsequent meetings to cure the deficiencies, and set a reasonable deadline for completion. The debtor then conveys this information at the hearing. Attorneys from the Office of the U.S. Trustee are also available for consultation.

At the first REP hearing, held by Judge Brand on January 9, one debtor attended, and the cases of three debtors who failed to appear were dismissed. A total of 13 cases were scheduled for the next REP hearing on Judge Saltzman's February 16 calendar. The REP judges developed the program in collaboration with Public Counsel and the Office of the U.S. Trustee.

ANNUAL "ASK THE JUDGES" NIGHT EDUCATES AND ENTERTAINS

On Tuesday, February 7, the Inland Empire Bankruptcy Forum held its annual "Ask the Judges" evening at the Marriott Riverside at the Convention Center. On this year's panel were Judges Meredith A. Jury, Scott C. Clarkson, Mark S. Wallace, Wayne Johnson, Mark D. Houle, and Scott H. Yun. The event gives attorneys, trustees, and others in the Inland Empire the opportunity to mingle with their counterparts and to ask the judges specific questions.



After dinner, Judge Jury swore in the newest members of the IEBF, and awards were presented, including a special award to outgoing IEBF President Arturo Cisneros. Judge Houle presented certificates of appreciation to attorneys who assisted with the Riverside *Pro Se Clinic during* 2016.

Through the IEBF moderator, attorneys asked the judges about how quickly cases are closed, potential upcoming judgeships, the judges' preferences as to hourly or flat-rate charges with fee applications, which calls should be



directed to the courtroom deputy or law clerk, and what pet peeves the judges might have, among other topics. The Riverside judges acknowledged Judge Jury for her diligence, her eloquence, and her dedication to the City of San Bernardino case, in which a Third Amended Plan, four and a half years in the making, had been confirmed earlier that day.

STUDENTS FROM LOYOLA LAW SCHOOL VISIT JUDGE KLEIN'S COURTROOM

On February 15, Judge Sandra R. Klein welcomed 50 first-year students from Loyola Law School to her courtroom. The Court's hearing calendar was packed with motions for relief from the automatic stay, motions for sanctions and contempt, and numerous chapter 11 matters. After concluding the hearings, Judge Klein spoke to the students and answered their questions about a range of issues, from basic bankruptcy procedure to specific issues raised by counsel during hearings.



INVITATION FOR PUBLIC COMMENT ON THE REAPPOINTMENT OF JUDGE MAUREEN A. TIGHE

Judge Maureen A. Tighe's current term is due to expire in November. The U.S. Court of Appeals for the Ninth Circuit is considering the reappointment of Judge Tighe to a new 14-year term of office. The Court invites comments from the bar and public about Judge Tighe's performance as a bankruptcy judge. The duties of a bankruptcy judge are specified by statute, and include conducting hearings and trials, making final determinations, and entering orders and judgments.

Members of the bar and public are invited to submit comments concerning Judge Tighe for consideration by the Court of Appeals in determining whether or not to reappoint her. Anonymous responses will not be accepted. However, respondents who do not wish to have their identities disclosed should so indicate in the response, and such requests will be honored.

Comments should be submitted no later than Friday, March 24, to the following address:

Office of the Circuit Executive P.O. Box 193939 San Francisco, CA 94119-3939

Attn: Reappointment of U.S. Bankruptcy Judge Tighe

Email: Personnel@ce9.uscourts.gov

CM/ECF TIPS

Utilizing the Search Feature in CM/ ECF

The "Search" feature located on the blue menu bar in CM/ECF is a helpful tool when searching for an event code. By clicking on "Search" and entering a keyword, such as "Relief" for Relief from stay, CM will list all of the areas where the word can be found. This is an excellent way to verify event codes prior to filing your documents.

Requests to Be Removed from Notice of Electronic Filing (NEF) or Courtesy NEF

How you file the Request to Be Removed from Notice of Electronic Filing (NEF) or Courtesy NEF depends on your association with the case.

- A.) If your party is Courtesy NEF only, you must use the form "Request to be Added or Removed from Courtesy Notification of Electronic Filing (NEF)." To file this document, please use event: BK Courtesy NEF > Request for Removal from Courtesy Notice of Electronic Filing (NEF).
 B.) If your party is a Creditor /Client,
- B.) If your party is a Creditor /Client, you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)." To file this pleading, please use: BK Notices > Notice, and in the modify text box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."
- C.) If your party is Courtesy NEF and Creditor/Client, you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)" and list all parties the attorney is listed as representing. To file this pleading, please use: BK Notices > Notice, and in the modify text box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."

Forgotten CM/ECF Password

To reset your CM/ECF password:

- Go to https://ecf.cacb.uscourts.gov.
- Click the link <u>Central District of California Document Filing</u>
 System.
- Click "here" in "If you forgot your CM/ECF password, you can request a password here."
- 4. Enter your ECF login ID at the prompt and click "Submit."

The CM/ECF program will send an email to the email address you have on record with the Court. If you need to verify the email address in CM/ECF is current, please call the ECF Help Desk for assistance at (213) 894-2365. The Help Desk is open Monday through Friday from 9 a.m. until 4 p.m.

Top 20 Cases of Interest*

Anzhey Barantsevich

SV-16-12073-MT, Chapter 11, Filed 07/18/16. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 7/12/17 at 9:30 a.m.

BioData Medical Laboratories, Inc.

RS-16-20446-MW, Chapter 11, Filed 11/28/2016. Assets \$1-10 million and Liabilities \$1-10 million. Notice of appointment of a patient care ombudsman filed 1/6/17. Acceptance of appointment as patient care ombudsman filed 1/9/17. Order setting bar date of 5/1/17 for filing proofs of claim and continuing status conference to 4/20/17 @ 9 a.m. Notice of bar date for filing proofs of claim in a chapter 11 case filed 2/15/17.

Cartel Management, Inc

LA-17-11179-DS, Chapter 11, Filed 01/03/17. Assets \$0.5-\$1 million and Liabilities \$1-10 million. Notice of hearing on application of debtors and debtors in possession to employ Levene, Neale, Bender, Yoo & Brill LLP as bankruptcy counsel pursuant to 11 U.S.C. § 327 and 330 was filed on 2/23/17 for hearing on 3/15/17 at 2 p.m.

Donmetz Home LLC,

SV-16-10317-VK, Chapter 11, Filed 02/02/16. Assets \$1-10 million and Liabilities \$1-10 million. Post confirmation and status conference hearing continued to 6/8/17 at 1 p.m. Order approving adequacy of first amended disclosure statement describing first amended chapter 11 plan of reorganization and setting dates for confirmation of first amended chapter 11 plan of reorganization entered on 12/12/16.

Dorothy Hannah Hamilburg aka Hannah Hamilburg

ND-15-10528-PC, Chapter 11, Filed 03/16/16. Assets \$1-50 million and Liabilities \$1-10 million. Continued hearing re: motion to reconsider memorandum of decision and order disallowing claim, motion for partial reconsideration of order granting debtor's motion objecting to Donato Errico's proof of claim no. 15 scheduled for 5/10/17 at 10 a.m. Continued hearing re: motion to disallow claim scheduled for 5/10/17 at 10 a.m. Continued hearing re: motion to file amended proof of claim of Donato Errico (claim no. 15) scheduled for 5/10/17 at 10 a.m. Continued ch. 11 disclosure statement scheduled for 5/10/17 at 10 a.m. Continued ch. 11 status conference scheduled for 5/10/2017 at 10 a.m. Continued hearing re: motion to appoint a chapter 11 trustee scheduled for 5/10/17 at 10 a.m. AP15-1024PC continued status conference re: notice of removal scheduled for 5/18/17 at 10 a.m.

Duane Daniel Martin & Tisha Michelle Martin. Aka: Tisha Campbell-Martine

SV-16-10045-VK, Chapter 7, Filed 01/07/16. Assets \$1 million and Liabilities \$10-50 million. Order granting motion for approval of cash disbursements by the trustee under LBR 2016-2 entered on 12/15/16. Order approving applications of (a) professionals for first interim approval of fees and reimbursement of expenses, and (b) trustee for first interim approval of fees entered on 12/22/16.

Early California Restaurants

SV-16-13386-MB, Chapter 11, Filed 11/29/16. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 4/11/17 at 1:30 p.m. Hearing regarding motion of landlord HPC Gaslamp Square, LLC to compel performance of post-petition lease obligations or other appropriate relief to be held on 2/21/17 at 1:30 p.m.

East Coast Foods, Inc.

LA-16-13852-BB, Chapter 11, Filed 03/25/16. Assets \$0-\$50 million and Liabilities \$10-50 million. Hearing set on 3/8/17 at 11 a.m. on motion to approve stipulation for use of cash collateral of Bank of Hope, a California Corporation, as Successor-In-Interest to Wilshire Bank AND stipulation for use of cash collateral of Internal Revenue Service.

Famoso Porterville LLC

SV-17-10291-VK, Chapter 7, Filed 02/03/17. Assets \$1-\$10 million and Liabilities \$1-10 million. Meeting of creditors 341(a) meeting to be held on 3/6/17 at 10:30 a.m.

Freedom Communications Inc. AKA: Orange County Register

SA-15-15318-MW, Chapter 11, Filed 11/01/15. Assets \$10 million and Liabilities \$10 million. Order continuing Status Conference to 4/19/17 at 9 a.m., objection to claim filed and hearing set 1/9/17 at 2 p.m. re objection seeking to modify amt. of fix claims, 1. Motion granted; 2. Exclusivity period to file joint chapter 11 plan is extended from 11/29/16 to and including 2/27/17 for debtor and the committee; 3. Extending the exclusivity period for debtor and the committee to solicit acceptance of their joint plan from 1/28/17 to and including 4/28/17; and 4. Extensions granted herein are without prejudice to the debtor's ability to seek further extensions of the exclusivity periods filed 12/22/16.

Gardens Regional Hospital and Medical Center, Inc.

LA-16-17463-ER, Chapter 11, Filed 06/06/16. Assets \$1-10 million and Liabilities \$1-50 million. Order entered on 2/10/17 approving the stipulation and agreement with Beckman Coulter, Inc.

K&A Global Management Company

SV-16-13295-MT, Chapter 11, Filed 11/17/16. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 8/16/17 at 9:30 a.m.

Majestic Air Inc

SV-16-11538-MT, Chapter 11, Filed 05/23/16. Assets \$1-10 million and Liabilities \$1-10 million. Status and case management conference continued to 2/21/17 at 10 a.m.

Menco Pacific Inc

SV-16-12791-MT, Chapter 11, Filed 09/26/16, Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 4/27/17 at 9:30 a.m. Hearing regarding motion to reject executory settlement agreement between the debtor and Jon Blumenthal continued to 2/21/17 at 9:30 a.m.

Mirada Park LLC

SV-16-13158-VK, Chapter 11, Filed 11/02/16. Assets \$1-10 million and Liabilities \$1-10 million. Order dismissing case entered on 1/13/17. Bankruptcy case closed on 2/3/17.

Mivagi Sushi, Inc

RS-16-16990-MJ, Chapter 11, Filed 08/07/16, Assets \$50-100 million and Liabilities \$500-1 million. Stipulation by UST resolving objection to first interim application for compensation and reimbursement of expenses of Yi & Madrosen counsel for debtor; Small business operating report for filing period of 12/1/16-12/30/16 filed 2/14/17.

Nasty Gal Inc.

LA-16-24862-BB, Chapter 11 Filed 11/09/16, Assets \$10-50 million and Liabilities \$10-50 million. Hearing set on 3/8/17 at 11 a.m. on debtor's motion (1) for authority to use estate property outside the ordinary course of business under 11 U.S.C. § 363(B); (2) approving the use of cash collateral.

Olin Virtual Academy

SV-16-11187-MB, Chapter 11, Filed 04/20/16. Assets \$1-10 million. Scheduling and case management conference continued to 2/21/17 at 1:30 p.m. Order entered on debtor's emergency motion for order authorizing closure of school outside the ordinary course of business pursuant to 11 USC 363(b) on 1/31/17.

Real Estate Short Sale, Inc.

SV-16-11387-MT Chapter 11, Filed 05/06/16, Assets \$1-10 million and Liabilities \$1-10 million. Status and case management conference continued to 1/17/17 at 10 a.m. Hearing regarding US Trustee motion to dismiss or convert case with an order directing payment of quarterly fees and for judgment thereon to be held on 1/17/17 at 10 a.m.

Stronghold Asset Management Corp.

SV-16-11961-MT, Chapter 11, Filed 07/06/16. Assets \$1-10 million and Liabilities \$1-10 million. Status and case management conference and hearing on approval of disclosure statement to be held on 4/27/17 at 9:30 a.m.

Tours Incorporated, Inc.

SV-17-10256-MT, Chapter 11, Filed 1/31/17. Assets \$1-10 million and Liabilities \$1-10 million. Meeting of creditors 341(a) meeting to be held on 3/2/2017 at 10:30 a.m. Scheduling and case management conference to be held on 3/22/17 at 9:30 a.m.

*Based on a combination of asset and liability levels, number of creditors, high activity, and/or name recognition.