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GEORGE O.J. BAKER and
THE INTERFAITH COUNCIL OF SAN JOAQUIN

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

In re:
CITY OF STOCKTON, CALIFORNIA,
Debtor.

CASE NO. 12-32118
DC No. PH-1
Chapter 9

**NOTICE OF CONTINUED HEARING
ON MOTION FOR RELIEF FROM
AUTOMATIC STAY**

Date: September 10, 2013
Time: 9:30 a.m.
Judge: Hon. Christopher M. Klein
Dept.: 501 I Street, 6th Floor
Dept. C; Courtroom No. 35
Sacramento, CA 95814

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**NOTICE OF CONTINUED HEARING ON MOTION FOR
RELIEF FROM AUTOMATIC STAY**

TO THE UNITED STATES TRUSTEE, ALL PARTIES AND THEIR COUNSEL OF RECORD:

On November 29, 2012, George O.J. Baker and the Interfaith Council of San Joaquin filed their Notice of Motion, Motion, Memorandum of Points and Authorities, and supporting papers on behalf of the Price Judgment Creditors seeking an order granting relief from the automatic stay imposed by these bankruptcy proceedings to allow Movants to seek enforcement of a stipulated judgment entered by the United States District Court for the Eastern District of California in the case of *Price, et al. v. City of Stockton, California, et al.*, Case No. CV S-02-0065 LKK KJM (“Price Judgment”). The hearing on the Motion was scheduled to take place January 8, 2013, at 9:30 a.m., before the Honorable Christopher M. Klein at the courthouse identified in the caption above. By agreement, the hearing was continued to April 9, 2013, then to May 21, 2013, and after that to July 16, 2013 to accommodate the parties’ mediation schedules.

PLEASE TAKE NOTICE that George O.J. Baker and the Interfaith Council of San Joaquin, pursuant to their further agreement with the Debtor, City of Stockton, California, hereby continue the hearing on their Motion For Relief From Automatic Stay from July 16, 2013 to September 10, 2013 at 9:30 a.m., before the Honorable Christopher M. Klein at the courthouse identified in the caption above. In accordance with the parties’ agreement, the continuance of the hearing on the Motion For Relief From Automatic Stay filed by George O.J. Baker and the Interfaith Council of San Joaquin on behalf of the Price Judgment Creditors is without prejudice of any kind whatsoever to any of Movants’ rights in connection with their Motion.

PLEASE TAKE FURTHER NOTICE that any written opposition, objection, or response to the Motion should be filed with the Court pursuant to all applicable Federal Rules of Bankruptcy Procedure and Local Rules of Practice for the United States Bankruptcy Court for the Eastern District of California, and served upon all appropriate parties including, but not limited to, counsel for the parties, counsel for the Price Judgment Creditors (via ECF or at the address stated in the above caption), and Trustee’s counsel. The timeframes for the filing of any such

1 written opposition, objection, or response to the Motion shall be calculated in accordance with the
2 continued hearing date of July 16, 2013.

3 As demonstrated in Movants' previously-filed Memorandum Of Points And Authorities,
4 and as summarized below, cause exists to order relief from the automatic bankruptcy stay to
5 enforce the *Price* Judgment before Judge Karlton in the United States District Court for the
6 Eastern District of California for at least three reasons. First, the *Price* Judgment requires the
7 construction of 340 lower income housing units to replace residences demolished as a result of
8 redevelopment. Only 161 of the replacement units have in fact been completed to date and, under
9 federal law, these are outstanding equitable obligations – not monetary debts – and are
10 accordingly not dischargeable in a bankruptcy proceeding. Second, the *Price* Judgment required
11 the creation of a \$1.45 million fund to be paid to eligible claimants for relocation assistance.
12 After five years, and well prior to the City's bankruptcy filing, the remaining balance (which is
13 over \$1 million) was required to be set aside in a restricted fund of the Stockton Redevelopment
14 Agency, to be used only for construction of extremely low income housing. When California's
15 redevelopment agencies were dissolved, the City of Stockton as "successor agency" – a legal
16 entity separate from the City itself – elected to assume the former relocation agency's obligations.
17 The obligations in the *Price* Judgment regarding the relocation assistance fund are thus not
18 obligations of the City at all but, rather, of the City in its capacity as the "successor agency" and
19 are accordingly not properly included within this bankruptcy estate. Finally, any analysis of the
20 various factors that Courts consider in evaluating whether to grant relief from stay favors the
21 *Price* Judgment Creditors and their efforts to enforce the long-overdue obligations in the *Price*
22 Judgment.

23 Pursuant to Section 362 of the Bankruptcy Code, the *Price* Judgment Creditors
24 respectfully request that the Court enter an order granting relief from the automatic bankruptcy
25 stay to permit judicial enforcement of the *Price* Judgment.
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