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9 UNITED STATES BANKRUPTCY COURT
 10 EASTERN DISTRICT OF CALIFORNIA
 11 SACRAMENTO DIVISION
 12

13 In re:
 14 CITY OF STOCKTON, CALIFORNIA,
 15 Debtor.

Case No. 2012-32118
 D.C. No. OHS-25
 Chapter 9

**MOTION TO ASSUME LEASES WITH
 STEPHENS MARINE AND
 STOCKTON SAILING CLUB
 NOTWITHSTANDING
 CONFIRMATION ORDER**

Date: February 25, 2015
 Time: 10:00 a.m.
 Dept: Courtroom 35
 Judge: Hon. Christopher M. Klein

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1 By this motion, the City of Stockton, California (the “City”), seeks the Court’s approval
 2 pursuant to 11 U.S.C. § 365(a) of the assumption of two real property leases (together, the
 3 “Leases”) between the City and (1) Stephens Marine, Inc. (“Stephens Marine”) and (2) Stockton
 4 Sailing Club (the “Club”), respectively. The Leases are as follows:

- 5 • Lease, dated as of June 21, 1988, between the City, as lessor, and Stockton Sailing
 6 Club, a California corporation, as lessee, as amended by the First Amendment to
 7 Lease, dated as of August 22, 1994. The leased premises include open berths for
 8 sail boats, a club house, and a building for boat storage, repair, and sales.
- 9 • Lease, dated as of December 27, 1974, between the City, as lessor, and Stephens
 10 Marine, Inc., a California corporation, as lessee, as amended. The leased premises
 11 include covered boat berths, a recreational vehicle campground, and boat storage
 12 buildings.

13 On August 8, 2014, the City filed an amended version of its plan of adjustment.¹ The
 14 Plan was confirmed by entry of the Confirmation Order entered on February 4, 2015 [Dkt. No.
 15 1875]. Section VI.C of the Plan provides that the City could seek to reject the Leases by way of a
 16 rejection motion, and listed the Leases among the leases and executory contracts the City could
 17 seek to reject. Paragraph 10 of the Confirmation Order approved the City’s rejection of the
 18 Leases and ordered that, upon the Effective Date, the Leases “shall be deemed rejected by the
 19 City.”

20 In preparing for the Effective Date, the City learned that it had not previously given either
 21 Stephens Marine or the Club notice of the Chapter 9 Case. The City believes that rejection of the
 22 Leases under the circumstances is inequitable. Moreover, upon further investigation, the City has
 23 determined that it would be in the City’s interest to assume the Leases.

24 The City is current in its obligations and is not otherwise in default on either of the
 25 Leases. Moreover, both Stephens Marine and the Club have consented to the assumption of the

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 28 ¹ First Amended Plan For The Adjustment Of Debts Of City Of Stockton, California, as Modified (August 8, 2014)
 [Dkt. No. 1645] (“**Plan**”). Capitalized terms not defined herein shall have the meaning provided in the Plan.

1 Leases by the City. The assumption of the Leases shall be effective immediately upon the entry
2 of an order granting this motion.

3 The City thus requests that the Court approve the assumption of the Leases.

4 Dated: February 11, 2015

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By: /s/ Marc A. Levinson
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City of Stockton