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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

In re
CITY OF STOCKTON, CALIFORNIA,
Debtor.

Case No. 12-32118
DC No.: JDE-04
Chapter Number: 9

**JOINDER OF AD HOC
TAXPAYERS WORKING GROUP
TO DEAN ANDAL'S MOTION FOR
ORDER SHORTENING TIME TO
HEAR MOTION FOR RELIEF
FROM STAY**

The Ad Hoc Taxpayers Working Group (the "Working Group"), by and through their undersigned attorneys, hereby submits this joinder ("Joinder") to Dean Andal's Motion for Order Shortening Time to Hear Motion for Relief From Stay [Dkt. No. 1040] ("Motion for Order Shortening Time") and respectfully submits as follows:

Background

1. The Working Group was formed after an initial meeting of seven taxpayers, held on June 5, 2013. The Working Group has retained Schiff Hardin LLP ("Schiff") to provide

1 counsel in this case, and Schiff filed a Verified Statement pursuant to Federal Rule of Bankruptcy
2 2019.

3 2. The Working Group has identified three initial objectives: (1) to analyze and
4 review on behalf of taxpayers the proposed tax increase that the City Manager has advised
5 constitutes part of the Debtor's anticipated plan of adjustment; (2) to work with the Debtor and
6 creditors to ensure the Debtor's proposed plan provides the taxpaying residents a sufficient and
7 reasonably acceptable level of health, safety and welfare services as the City Manager
8 acknowledges is necessary; and (3) to work with the Debtor and all of the constituencies to ensure
9 the plan of adjustment is feasible in terms of providing an appropriate level of services to
10 taxpayers and fiscally sustainable for the reasonably foreseeable future.

11 3. The Debtor, through its duly elected City Council, held a Special City Council
12 Meeting on July 9, 2013. At the Special City Council Meeting, the City Council approved
13 proposed ballot language for a *general* tax increase that is to be on the November 5, 2013 ballot.

14 4. On August 2, 2013, Dean Andal ("Mr. Andal") filed Dean Andal's Motion for
15 Relief From Automatic Stay Under 11 U.S.C. Section 362(d)(1) and 28 U.S.C. 1334(c) [Dkt. No.
16 1035] ("Motion for Relief From Stay"), in order to bring a writ of mandate in the Superior Court
17 for the County of San Joaquin against the Debtor, pursuant to California Elections Code § 9295.
18 Mr. Andal seeks to challenge the impartiality of the proposed ballot language approved by the
19 Debtor's City Council through this writ of mandate.

20 5. The Motion for Relief From Stay is initially scheduled for a hearing on August 20,
21 2013.

22 6. Concurrently, Mr. Andal filed Dean Andal's Motion for Order Shortening Time to
23 Hear Motion for Relief From Stay [Dkt. No. 1040] ("Motion to Shorten Time"). Through the
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1 Motion to Shorten Time, Mr. Andal seeks an Order from this Court allowing the hearing on Dean
2 Andal's Motion for Relief From Stay to be held on August 6, 2013.

3 **The Working Group's Joinder to Mr. Andal's Motion for Relief From Stay**

4 7. The Working Group joins the arguments made in Mr. Andal's Motion to Shorten
5 Time.

6 8. The Working Group believes that the best way for its initial objectives to be
7 accomplished is for the City to establish new levels of transparency with its taxpayers who are
8 being asked to shoulder an additional tax burden to fund the City's as of yet unfiled plan of
9 adjustment.
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11 9. Because of issues with the legality of the Debtor's proposed ballot language, it
12 benefits all parties for state court judicial review of the proposed ballot language to occur now.

13 10. Due to the strict requirements of California Elections Code § 9295, the window to
14 challenge the legality of the proposed ballot language is narrow. Mr. Andal's Motion for Relief
15 From Stay should be heard on an expedited basis.
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WHEREFORE, the Working Group respectfully requests that any relief granted by this Court be in conformity with Mr. Andal's Motion to Shorten Time and the form of the Proposed Order attached thereto and grant such other and further relief as this Court deems appropriate.

Dated: August 5, 2013

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