IN THE UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

Chapter 9

In re

Case No. 13-53846

CITY OF DETROIT, MICHIGAN,

Hon. Thomas J. Tucker

Debtor

DEBTOR'S TWELFTH OMNIBUS OBJECTION TO CERTAIN CLAIMS

(Late-Filed Claims)

THIS OBJECTION SEEKS TO DISALLOW AND EXPUNGE CERTAIN FILED PROOFS OF CLAIM. CLAIMANTS RECEIVING THIS OBJECTION SHOULD CAREFULLY REVIEW THIS OBJECTION AND LOCATE THEIR NAMES AND CLAIMS ON THE EXHIBIT ATTACHED TO THIS OBJECTION.

The Debtor, the City of Detroit (the "City"), by and through its undersigned counsel, for its objection to claims (the "Objection") and its request for an order disallowing and expunging certain late-filed claims, substantially in the form attached hereto as Exhibit 1, respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Objection pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND FACTS

2. On July 18, 2013 (the "Petition Date"), the City filed a petition for relief in this Court, thereby commencing the largest chapter 9 bankruptcy case in history.

- 3. Information regarding the City's economic challenges and the events leading up to the filing of this case can be found in the *Declaration of Kevyn D. Orr in Support of City of Detroit, Michigan's Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code* filed on July 18, 2013 (Docket No. 11).
- 4. On December 5, 2013, this Court held that the City was eligible for relief under chapter 9 of the Bankruptcy Code. *See Order for Relief Under Chapter 9 of the Bankruptcy Code* (Docket No. 1946).
- 5. On November 12, 2014, this Court entered an Order Confirming the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (Dkt. 8272) (the "Plan").
 - 6. The Plan became effective on December 10, 2014 (the "Effective Date").
- 7. On November 21, 2013, this Court issued its *Order, Pursuant to Sections 105*, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof (Docket No. 1782) (the "Bar Date Order") establishing deadlines to file certain proofs of claim in this case. The Bar Date Order set the deadline to file proofs of claim as February 21, 2014 at 4:00 p.m., Eastern Time (the "Bar Date").

RELIEF REQUESTED

8. The City files this Objection pursuant to the Bar Date Order, section 502(b)(9) of the Bankruptcy Code¹, and Rule 3007(d) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), seeking entry of an order disallowing and expunging the claims set forth in Exhibit 2 annexed hereto (the "Late-Filed Claims") because they were filed after the applicable Bar Date of February 21, 2014.

¹ Section 502 is made applicable to Chapter 9 proceedings through Section 901(a) of the Bankruptcy Code.

BASIS FOR RELIEF REQUESTED

- 9. The City has reviewed the Late-Filed Claims and confirmed that each Late-Filed Claim was filed after the Bar Date. Pursuant to the Bar Date Order, each holder of claims, with exceptions not applicable here, was required to file a proof of claim before the Court-imposed deadline of the Bar Date.
- 10. Furthermore, the claimants who filed the Late-Filed Claims each received notice of the Bar Date pursuant to the Bar Date Order, either directly or pursuant to notice publication. *See* Certificate of Service, dated December 27, 2013 [Dkt. No. 2337] (listing noticed parties); Bar Date Order ¶ 26 (permitting notice by publication).
 - 11. The Bar Date Order states, in pertinent part, that

any entity that is required to file a proof of claim in this case pursuant to the Bankruptcy Code, the Bankruptcy Rules, or this Order with respect to a particular claim against the City, but that fails to properly do so by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any claim against the City or property of the City that (i) is in an amount that exceeds the amount, if any, that is identified in the List of Claims on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature or a different classification or priority than any Scheduled Claim identified in the List of Claims on behalf of such entity (any such claim under subparagraph (a) of this paragraph being referred to herein as an "Unscheduled Claim"); (b) voting upon, or receiving distributions under any Chapter 9 Plan in this case in respect of an Unscheduled Claim; or (c) with respect to any 503(b)(9) Claim or administrative priority claim component of any Rejection Damages Claim, asserting any such priority claim against the City or property of the City.

(Bar Date Order ¶ 22.)

12. Furthermore, Bankruptcy Rule 3007(d) expressly allows the City to object to multiple claims in an omnibus objection if the objections are based on the grounds that the claims should be reclassified or disallowed, in whole or in part, because "they were not timely filed." Fed. R. Bankr. P. 3007(d)(4).

13. This Court has the authority to enter an order approving this Objection. Moreover, the streamlined process afforded by an omnibus objection (in lieu of individual objections to each Late Filed Claim), as well as the elimination of these Late Filed Claims will result in material costs savings that will inure to the benefit of the estate. Accordingly, the City believes that the relief sought by this Objection is in the best interests of the City and its creditors. Based upon the foregoing, the City seeks entry of an order, substantially in the form annexed hereto as Exhibit 1, disallowing claims which were not timely filed.

SEPARATE CONTESTED MATTERS

14. To the extent that a response is filed regarding any claim listed in this Objection and the City is unable to resolve the response, each one of such claims, and the objection by the City to each one of such claims asserted, shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in this Objection shall be deemed a separate order with respect to each claim.

RESERVATION OF RIGHTS

15. The City files this Objection without prejudice to or waiver of its rights pursuant to section 904 of the Bankruptcy Code, and nothing herein is intended to, shall constitute or shall be deemed to constitute the City's consent, pursuant to section 904 of the Bankruptcy Code, to this Court's interference with (a) any of the political or governmental powers of the City, (b) any of the property or revenues of the City or (c) the City's use or enjoyment of any income-producing property.

NOTICE

16. The City has provided notice of this Objection to each of the claimants identified in Exhibit 2 at each address set forth in Exhibit 2, and all other parties who have requested notice pursuant to Bankruptcy Rule 2002. Each address reflects the address set forth by each of the

claimants on its respective proof of claim. In light of the nature of the relief requested, the City respectfully submits that no other or further notice of the relief requested in this Objection need be given.

NO PRIOR REQUEST

17. No previous request for the relief requested herein has been made to this or any other court.

WHEREFORE, the City respectfully requests that this Court enter an order, substantially in the form annexed hereto as Exhibit 1, granting the relief requested herein and granting the City such other and further relief as this Court may deem just and proper.

Dated: March 27, 2015

FOLEY & LARDNER LLP

By: /s/ John A. Simon
John A. Simon (P61866)
Jeffrey S. Kopp (P59485)
Tamar N. Dolcourt (P73425)
Leah R. Imbrogno (P79384)
500 Woodward Ave., Ste. 2700
Detroit, MI 48226
313.234.7100
jsimon@foley.com
jkopp@foley.com
tdolcourt@foley.com
limbrogno@foley.com

Counsel for the Debtor, City of Detroit, Michigan

IN THE UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

	X	
	:	Chapter 9
In re	:	
	:	Case No. 13-53846
CITY OF DETROIT, MICHIGAN,	:	
	:	Hon. Steven W. Rhodes
Debtor	:	
	X	

NOTICE OF DEBTOR'S TWELFTH OMNIBUS OBJECTION TO CERTAIN CLAIMS

(Late-Filed Claims)

PLEASE CAREFULLY REVIEW THIS OBJECTION AND THE ATTACHMENTS HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS YOUR CLAIM(S).

PLEASE TAKE NOTICE THAT the City, by and through its undersigned counsel, has filed an objection to certain late-filed claims (the "<u>Twelfth Omnibus Objection</u>") and for an order disallowing and expunging such claims.

YOUR CLAIM MAY BE REDUCED, MODIFIED OR ELIMINATED.

PURSUANT TO FED. R. BANKR. P 3007(e)(1) AND PRIOR ORDERS OF THIS

COURT. YOU SHOULD REVIEW EXHIBIT 2 OF THE TWELFTH OMNIBUS

OBJECTION TO FIND YOUR NAME AND CLAIM. YOU SHOULD READ THESE

PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE.

4813-8818-2306.

If you do not want the court to eliminate or change your claim, or grant the relief request in the Twelfth Omnibus Objection, then on or before **April 22, 2015**, you or your lawyer must:

1. File with the court, at the address below, a written response to the objection. Unless a written response is filed and served by the date specified, the court may decide that you do not oppose the objection to your claim.

Clerk of the Court United States Bankruptcy Court 211 W. Fort Street, Suite 2100 Detroit, MI 48226

If you mail your response to the Court for filing, you must mail it early enough so that the Court will <u>receive</u> it on or before the date stated above. All attorneys are required to file pleadings electronically.

2. A copy of your response must also be mailed to counsel for the City:

John A. Simon
Jeffrey S. Kopp
Tamar N. Dolcourt
Foley & Lardner LLP
500 Woodward Ave., Ste. 2700
Detroit, MI 48226

3. You must also attend the hearing on the objection scheduled to be held on <u>April 29, 2015</u> at 1:30 p.m. in Courtroom 1925, 211 W. Fort Street, Detroit, MI 48226 unless your attendance is excused by mutual agreement between yourself and the objector's attorney.

If you or your attorney do not take these steps, the court may decide that you do not oppose the objection to your claim, in which event the hearing will be canceled and the objection sustained.

2 4813-8818-2306.

Date: March 27, 2015

FOLEY & LARDNER LLP

By: /s/ John A. Simon
John A. Simon (P61866)
Jeffrey S. Kopp (P59485)
Tamar N. Dolcourt (P73425)
Leah R. Imbrogno (P79384)
500 Woodward Ave., Ste. 2700
Detroit, MI 48226
313.234.7100
jsimon@foley.com
jkopp@foley.com
tdolcourt@foley.com
limbrogno@foley.com

Counsel for the Debtor, City of Detroit, Michigan

EXHIBIT 1: PROPOSED ORDER

IN THE UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

ORDER GRANTING DEBTOR'S TWELFTH OMNIBUS OBJECTION TO CERTAIN CLAIMS (Late-Filed Claims)

Upon the twelfth omnibus objection to claims, dated March 27, 2015 (the "Objection"),² of the Debtor, City of Detroit, Michigan, (the "City"), seeking entry of an order disallowing and expunging certain late-filed claims, and it appearing that this Court has jurisdiction over the Objection pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Objection in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Objection is in the best interests of the City, and its creditors; and due and proper notice of the Objection having been given as provided in the Objection; and it appearing that no other or further notice of the Objection need be given; and a hearing on the Objection having been held before the Court; and any objections to the Objection having been overruled or withdrawn; and the Court finding that the legal and factual bases set forth in the Objection and at the hearing

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Objection.

establish just cause for the relief granted; and after due deliberation and good and sufficient cause appearing therefore; it is hereby

ORDERED, DECREED AND ADJUDGED that:

- 1. The Objection is granted as set forth herein.
- 2. All of the proofs of claim listed on Exhibit 2 annexed hereto are hereby disallowed and expunged in their entirety, pursuant to section 502(b) of the Bankruptcy Code.
- 3. The City's claims agent is hereby authorized to update the claims register to reflect the relief granted in this Order.
- 4. The City is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Objection.
- 5. Each claim and the objections by the City to each claim as addressed in the Objection and set forth in Exhibit 2 constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim. Any stay of this Order shall apply only to the contested matter that involves such creditor and shall not act to stay the applicability or finality of this Order with respect to the other contested matters covered hereby, and further provided that the City shall have the right to submit a separate order with respect to contested matters or claims.
- 6. Notice of the Objection as provided therein is good and sufficient notice of such objection, and the requirements of Bankruptcy Rule 3007(a) and the local rules of the Court are satisfied by such notice.

EXHIBIT 2: LATE-FILED CLAIMS TO BE DISALLOWED

LATE-FILED CLAIMS

Claim No.	Creditor Name and Address	Claim Amount as State on Proof of Claim Form	Classification as Stated on Proof of Claim Form	Date Filed
3787	Estate of Lilian Joan Williams Guy Sohou, Esq. Sohou Law 615 Griswold, Suite 400 Detroit, MI 48226	Unliquidated	General Unsecured	08/01/2014
3796	Eric Kersh A. Vince Colella Moss & Colella PC 28411 Northwestern Hwy, Ste 1150 Southfield, MI 48034	Unliquidated	General Unsecured	10/22/2014
3798	Bridget Murriel 3324 Hogarth St. Detroit, MI 48206	Unliquidated	General Unsecured	12/03/2014
3799	Bridget Murriel 3324 Hogarth St. Detroit, MI 48206	Unliquidated	General Unsecured	12/03/2014
3497	Jackie's Transport, Inc. Yuliy Osipov 20700 Civil Center Dr., Suite 420 Southfield, MI 48076	\$53,725.50	General Unsecured	2/24/2014
3813	Bowin Place Assoc. Ltd. Div. H.A. Kurt Thornbladh Thornbladh Legal Group PLLC 7301 Shaefer Dearborn, MI 48126	\$25,000.00	General Unsecured	1/20/2015
3809	Cambridge Tower Assoc. DVD H.A. Kurt Thornbladh Thornbladh Legal Group PLLC 7301 Shaefer Dearborn, MI 48126	\$25,000.00	General Unsecured	1/20/2015
3810	Hyde Park Co-Operative Kurt Thornbladh Thornbladh Legal Group PLLC 7301 Shaefer Dearborn, MI 48126	\$25,000.00	General Unsecured	1/20/2015
3811	Millender Center Assoc. L.P.	\$25,000.00	General Unsecured	1/20/2015

	Kurt Thornbladh			
	Thornbladh Legal Group PLLC			
	7301 Shaefer			
	Dearborn, MI 48126			
3814	Plymouth Square Ltd. Housing	\$25,000.00	General Unsecured	1/20/2015
	Association			
	Kurt Thornbladh			
	Thornbladh Legal Group PLLC			
	7301 Shaefer			
	Dearborn, MI 48126			
3812	Village Center Assoc. DVD	\$25,000.00	General Unsecured	1/20/2015
	Housing Assoc.			
	Kurt Thornbladh			
	Thornbladh Legal Group PLLC			
	7301 Shaefer			
	Dearborn, MI 48126			
3815	Fenimore Limited DIV DVD	\$25,000.00	General Unsecured	1/22/2015
	H.A.			
	Kurt Thornbladh			
	Thornbladh Legal Group PLLC			
	7301 Shaefer			
	Dearborn, MI 48126			
3622	Ethel Darlage	Blank	General Unsecured	3/3/2014
	1665 Santa Barbara Drive			
	Dunedin, FL 34698			
3775	Arthur Marciano	Blank	General Unsecured	6/9/2014
	3701 Northwind Court			
	Jupiter, FL 33477			