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9 **UNITED STATES BANKRUPTCY COURT**
10 **SOUTHERN DISTRICT OF CALIFORNIA**

11 In re

12 **BORREGO COMMUNITY
HEALTH FOUNDATION,**

13 Debtor and Debtor In
14 Possession.

Case No. 22-02384-11

Chapter 11 Case

Judge: Honorable Laura S. Taylor

**APPLICATION REQUESTING STATUS
CONFERENCE RE DEBTOR'S
MOTION FOR THE ENTRY OF (I) AN
ORDER (1) APPROVING FORM OF
ASSET PURCHASE AGREEMENT; (2)
APPROVING AUCTION SALE
FORMAT AND BIDDING
PROCEDURES, (3) APPROVING
PROCESS FOR DISCRETIONARY
SELECTION OF STALKING HORSE
BIDDER AND BID PROTECTIONS; (4)
APPROVING FORM OF NOTICE TO
BE PROVIDED TO INTERESTED
PARTIES; (5) SCHEDULING A COURT
HEARING TO CONSIDER APPROVAL
OF THE SALE TO THE HIGHEST AND
BEST BIDDER; AND (6) APPROVING
PROCEDURES RELATED TO THE
ASSUMPTION OF CERTAIN
EXECUTORY CONTRACTS AND
UNEXPIRED LEASES; AND (II) AN
ORDER AUTHORIZING THE SALE OF
PROPERTY FREE AND CLEAR OF
ALL CLAIMS, LIENS AND
ENCUMBRANCES**

[RELATES TO DOCKET NOS. 161, 321,
418, 438, 443]

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APPLICATION REQUESTING STATUS CONFERENCE

I. INTRODUCTION

Borrego Community Health Foundation, the debtor and debtor in possession (the “Debtor”) in the above-captioned chapter 11 bankruptcy case by and through its undersigned counsel, hereby files this *Application Requesting Status Conference* (the “Application”) seeking a status conference (the “Status Conference”) on the afternoon of February 15, 2023, or as otherwise convenient for the Court, relating to status of the Debtor’s sale efforts and the deadlines in the order (the “Bidding Procedures Order”) [Docket No. 321] granting the *Debtor’s Motion For The Entry of (I) An Order (1) Approving Form Of Asset Purchase Agreement; (2) Approving Auction Sale Format and Bidding Procedures, (3) Approving Process For Discretionary Selection Of Stalking Horse Bidder And Bid Protections; (4) Approving Form Of Notice To Be Provided To Interested Parties; (5) Scheduling A Court Hearing To Consider Approval Of The Sale To The Highest And Best Bidder; And (6) Approving Procedures Related To The Assumption Of Certain Executory Contracts And Unexpired Leases; And (II) An Order Authorizing The Sale Of Property Free And Clear Of All Claims, Liens And Encumbrances* [Docket No. 161] (the “Motion”).¹ In support of the Application, the Debtor respectfully submits as follows:

II. REQUEST

On February 9, 2023, the Debtor filed the *Notice of Adjourned Auction* [Docket No. 438] informing the Court and interested parties that the Debtor adjourned the Auction to receive further instructions from the Debtor’s Board of Trustees and to best promote the goals of the bidding process. The Debtor further requested final highest and best bids by February 10, 2023, at 12:00 p.m. PST (the “Final Bids”). The Debtor has received the Final Bids and is in the process of reviewing the Final

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bid Procedures.

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1 Bids. The Debtor anticipates filing a notice of Winning Bidder prior to the requested
2 Status Conference.

3 Given that the notice of auction results had not yet been filed, on February 10,
4 2023, the Court entered its *Order Vacating Deadline for Objections to Sale* [Docket
5 No. 443] vacating the deadline set by the Bidding Procedures Order to file objections
6 to the Sale due to the adjourned Auction. The Debtor, in consultation with the
7 Official Committee of Unsecured Creditors, requests that Court schedule a Status
8 Conference to discuss the current deadlines and hearing date. The Debtor anticipates
9 only a slight delay from its original timeline and remains committed to an expedient
10 sale process due to (i) the Sale’s contingency on HRSA approval of the Winning
11 Bidder—which may take up to six months—and (ii) the Debtor’s liquidity concerns.
12 Accordingly, a Status Conference will facilitate the goals of an expedited sale
13 process.

14 **III. CONCLUSION**

15 Wherefore, based on the foregoing, the Debtor respectfully requests that the
16 Court enter an order (i) granting this Application, (ii) scheduling a Status Conference
17 on February 15, 2023, after 1:00 p.m. PST; and (iii) granting such other and further
18 relief as is just and proper under the circumstances.

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20 Dated: February 13, 2023

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