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DRP Holdings, LLC, Inland Valley
7 Investments, LLC, Premier Healthcare
Management, Inc., and
8 Promenade Square, LLC

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

12 In re

13 **BORREGO COMMUNITY**
14 **HEALTH FOUNDATION,**

15 Debtor and Debtor in
16 Possession.

Case No. 22-02384-11

Chapter 11 Case
Honorable Laura S. Taylor

**CREDITORS DRP HOLDINGS, LLC,
INLAND VALLEY INVESTMENTS,
LLC, PREMIER HEALTHCARE
MANAGEMENT, INC., AND
PROMENADE SQUARE, LLC'S
RESPONSE AND RESERVATION OF
RIGHTS TO THE JOINT MOTION OF
THE DEBTOR AND DEBTOR IN
POSSESSION, BORREGO
COMMUNITY HEALTH FOUNDATION
AND THE OFFICE COMMITTEE OF
UNSECURED CREDITORS FOR ENTRY
OF AN ORDER GRANTING INTERIM
APPROVAL OF THE ADEQUACY OF
DISCLOSURES IN THE COMBINED
JOINT DISCLOSURE STATEMENT
AND PLAN, APPROVING
SOLICITATION PACKAGE AND
PROCEDURES, APPROVING THE
FORMS OF BALLOTS, SETTING
RELATED DEADLINES, AND
GRANTING RELATED RELIEF
(DOC. 1092)**

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27 Date: December 6, 2023
Time: 9:30 a.m. Pacific Time
Location: Courtroom 3, Room 129



1 Creditors DRP Holdings, LLC, Inland Valley Investments, LLC, Premier
2 Healthcare Management, Inc., and Promenade Square, LLC (collectively, the
3 “Creditors”) hereby submit this Response and Reservation of Rights to the Joint
4 Motion of the Debtor and Debtor in Possession, Borrego Community Health
5 Foundation (“Debtor”), and the Office Committee of Unsecured Creditors
6 (“Committee”) for Entry of an Order (i) Granting Interim Approval of the Adequacy
7 of Disclosures in the Combined Joint Disclosure Statement and Plan (“Combined
8 Plan”); (ii) Approving Solicitation Packages and Procedures; (iii) Approving the
9 Forms of Ballots; (iv) Setting Related Deadlines; and (v) Granting Related Relief
10 (Doc. 1092, the “Joint Motion”).

11 **I. NEW PROPOSED DEADLINES**

12 The Creditors ask that the Court consider modifying the new deadlines
13 proposed in the Joint Motion. *See* Joint Motion, at 5-6.

14 The plan proponents ask to file the “Plan Supplement” on Friday, January 5,
15 only 1 business day before the voting deadline and the deadline to object to the
16 Combined Plan on Monday, January 8. The Plan Supplement provides material
17 information, including as to the proposed liquidating trust and the treatment of
18 creditors, and should be provided earlier in the process, particularly considering how
19 long the proponents have had to prepare a proposed plan. *See* Combined Plan, Section
20 3.107. While Debtor’s counsel did indicate they would be willing to discuss a short
21 extension of the objection deadline for the Creditors when counsel raised this issue
22 before making this filing, the Creditors ask that the Plan Supplement deadline be no
23 later than December 11 so that creditors have sufficient time to consider the Plan
24 Supplement before voting as well as before the Combined Plan objection deadline.

25 Additionally, the plan proponents propose a “Voting Objection Deadline” of
26 December 22 and a “Deadline for creditors to file Rule 3018 Motion” on the same
27 date, December 22. The Joint Motion goes on to explain that:

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1 if a creditor casts a Ballot and has timely filed a proof of claim (or has
2 otherwise had a proof of claim deemed timely filed by the Court under
3 applicable law), yet the creditor’s claim is the subject of an objection
4 (made by way of a Determination Motion or otherwise) filed no later
5 than the Voting Objection Deadline, the Movants request, in accordance
6 with Bankruptcy Rule 3018, that the creditor’s Ballot not be counted to
7 the extent it is challenged by the objection, unless such claim is
8 temporarily allowed by the Court for voting purposes pursuant to
9 Bankruptcy Rule 3018(a) after the creditor files a motion for such
10 temporary allowance (the “Rule 3018 Motion”).

11 Joint Motion, at 17.

12 The proposed procedure would appear to allow for a scenario where an
13 objection is not made to a claim until December 22, but the claimant would be
14 required to file a motion for temporary allowance for voting purposes on the same
15 day to avoid being disenfranchised. The Creditors ask that the deadlines in this
16 respect be clarified such that creditors are given a reasonable amount of time
17 following the objection deadline to file a motion for temporary allowance under Rule
18 3018.

19 **II. RESERVATION OF RIGHTS**

20 Creditors understand that the Joint Motion seeks only interim approval of the
21 adequacy of the disclosures solely to permit the Debtor to solicit the Combined Plan,
22 and as such, reserve all rights with respect to objecting to final approval of the
23 adequacy of disclosures and objecting to confirmation of the Combined Plan,
24 including, without limitation, with respect to the releases and injunctions proposed
25 therein.

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Respectfully submitted,

Dated: November 28, 2023

BARNES & THORNBURG LLP

By: /s/Allison M. Rego
Ali M. M. Mojdehi
Allison M. Rego

Attorneys for Creditors DRP Holdings,
LLC, Inland Valley Investments, LLC,
Premier Healthcare Management, Inc.,
and Promenade Square, LLC

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CERTIFICATE OF SERVICE

I, Allison M. Rego, hereby certify that the foregoing was filed and served via the CM/ECF System.

Dated: November 28, 2023

/s/ Allison M. Rego
Allison M. Rego