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1 MARC A. LEVINSON (STATE BAR NO. 57613)  
 malevinson@orrick.com  
 2 NORMAN C. HILE (STATE BAR NO. 57299)  
 nhile@orrick.com  
 3 PATRICK B. BOCASH (STATE BAR NO. 262763)  
 pbocash@orrick.com  
 4 ORRICK, HERRINGTON & SUTCLIFFE LLP  
 400 Capitol Mall, Suite 3000  
 5 Sacramento, California 95814-4497  
 Telephone: +1-916-447-9200  
 6 Facsimile: +1-916-329-4900

7 Attorneys for Debtor  
 City of Stockton  
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9 UNITED STATES BANKRUPTCY COURT  
 10 EASTERN DISTRICT OF CALIFORNIA  
 11 SACRAMENTO DIVISION  
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13 In re:  
 14 CITY OF STOCKTON, CALIFORNIA,  
 15 Debtor.

Case No. 2012-32118  
 D.C. No. OHS-12  
 Chapter 9

**ORDER APPROVING STIPULATION  
 PURSUANT TO 11 U.S.C. § 365(d)(4)  
 FURTHER EXTENDING TIME  
 WITHIN WHICH TO ASSUME OR  
 REJECT UNEXPIRED LEASES OF  
 NON-RESIDENTIAL REAL  
 PROPERTY**

Date: October 28, 2013  
 Time: 10:00 a.m.  
 Dept: Courtroom 35  
 Judge: Hon. Christopher M. Klein

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 October 14, 2013  
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 EASTERN DISTRICT OF CALIFORNIA  
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ORDER APPROVING STIPULATION  
 PURSUANT TO 11 U.S.C. § 365(d)(4)

1 Based on the City Of Stockton’s Motion For Order Approving Stipulation Pursuant To  
2 11 U.S.C. § 365(d)(4) Extending Time Within Which To Assume Or Reject Unexpired Leases Of  
3 Non-Residential Real Property (the “Motion”), and good cause appearing therefor:

4 **IT IS HEREBY ORDERED** that the period within which the City must assume or reject  
5 the following five leases of non-residential real property (collectively, the “Leases”) is extended  
6 by 120 days through and including February 25, 2014:

7 1. Lease Agreement, dated as of June 1, 2003, by and between the Stockton Public  
8 Financing Authority (the “Authority”), as sublessor, and the City, as sublessee, relating to  
9 Certificates of Participation (Redevelopment Housing Projects), Series 2003A and Taxable Series  
10 2003B;

11 2. Lease Agreement, dated as of March 1, 2004, by and between the Redevelopment  
12 Agency of the City of Stockton (the “Agency”), as lessor, and the City, as lessee, relating to  
13 Redevelopment Agency of the City of Stockton Revenue Bonds, Series 2004 (Stockton Events  
14 Center–Arena Project) as amended;

15 3. Lease Agreement, dated as of June 1, 2004, by and between the Authority, as  
16 lessor, and the City, as lessee, relating to Stockton Public Financing Authority Lease Revenue  
17 Bonds, Series 2004 (Parking and Capital Projects);

18 4. Lease Agreement, dated as of March 1, 2006, by and between the Authority, as  
19 lessor, and the City, as lessee, relating to Stockton Public Financing Authority 2006 Lease  
20 Revenue Refunding Bonds, Series A;

21 5. Lease Agreement, dated as of November 1, 2007, by and between the Authority, as  
22 lessor, and the City, as lessee, relating to Stockton Public Financing Authority Variable Rate  
23 Demand Lease Revenue Bonds, 2007 Series A (Building Acquisition Financing Project) and  
24 Taxable Variable Rate Demand Lease Revenue Bonds, 2007 Series B (Building Acquisition  
25 Financing Project); and

26 **IT IS FURTHER ORDERED** that the consent of the parties to the Stipulation satisfies  
27 Bankruptcy Code § 365(d)(4)(B)(ii) with regard to the Leases; and

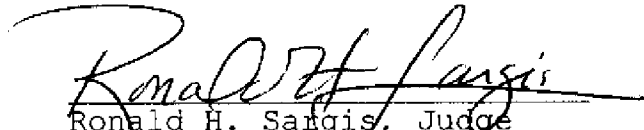
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**IT IS FURTHER ORDERED** that all parties in interest reserve all rights, defenses and arguments other than those solely with respect to the 120-day extension of the time within which the City must assume or reject the Leases. The rights reserved by the parties include, but are not limited to, the following: (1) all rights, defenses and arguments as to whether the Leases are “leases” within the meaning of section 365 of the Bankruptcy Code; and (2) all rights, defenses and arguments with respect to the unlawful detainer suits against the City in the California Superior Court for the County of San Joaquin, case numbers 39-2012-00277622-CU-UD-STK and 39-2012-280741-CU-UD-STK. Moreover, no party in interest waives any rights, defenses and arguments by virtue of any failure to seek payment under the Leases during the periods prior to the assumption or rejection of the Leases, and there shall be no implication drawn from or prejudice resulting from any party’s failure to seek such payment.

Dated: October 16, 2013

By the Court

  
Ronald H. Sargis, Judge  
United States Bankruptcy Court