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12 Attorneys for
 13 Wells Fargo Bank, National Association, as Indenture Trustee

14 **UNITED STATES BANKRUPTCY COURT**
 15 **EASTERN DISTRICT OF CALIFORNIA**
 16 **SACRAMENTO DIVISION**

17 In re:
 18 CITY OF STOCKTON, CALIFORNIA,
 19 Debtor.

Case No. 12-32118
 DC No. ML-3
 Chapter 9

20 **ORDER APPROVING SECOND**
 21 **STIPULATION BETWEEN THE CITY OF**
 22 **STOCKTON AND WELLS FARGO BANK,**
 23 **NATIONAL ASSOCIATION, AS INDENTURE**
 24 **TRUSTEE FOR RELIEF FROM THE**
 25 **AUTOMATIC STAY WITH RESPECT TO**
 26 **FUNDS HELD BY RECEIVER**

27 Date: N/A
 Time: N/A
 Place: United States Courthouse
 501 I Street, Courtroom 35
 Sacramento, CA 95814
 28 Judge: Christopher M. Klein

RECEIVED

August 15, 2013

CLERK, U.S. BANKRUPTCY COURT
 EASTERN DISTRICT OF CALIFORNIA
 0004923564

1 The Court having considered the *Second Stipulation Between the City of Stockton and*
2 *Wells Fargo Bank, National Association, as Indenture Trustee for Relief from the Automatic Stay*
3 *with Respect to Funds Held by Receiver* (the “Motion”), and good cause appearing therefor,,

4 **IT IS HEREBY ORDERED** that:

5 1. The Motion is granted.

6 2. The *Second Stipulation Between the City of Stockton and Wells Fargo Bank,*
7 *National Association, as Indenture Trustee for Relief from the Automatic Stay with Respect to*
8 *Funds Held by Receiver* (the “Second Stipulation”), which Second Stipulation is attached to this
9 Order as **Exhibit A**, is approved.

10 3. The Trustee and the Receiver are granted relief from the automatic stay under
11 11 U.S.C. §§ 362(a) and 922(a) to the extent provided for in the Stipulation.

12 4. The fourteen-day stay provided by Federal Rule of Bankruptcy Procedure
13 4001(a)(3) does not apply and the Receiver may immediately take any actions authorized by this
14 Order.

15 5. This Court shall retain jurisdiction to interpret and enforce this Order.

16
17 **Dated: August 26, 2013**


18
19
20 
21 _____
22 United States Bankruptcy Judge
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EXHIBIT A

1 William W. Kannel (*admitted pro hac vice*)
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14 **UNITED STATES BANKRUPTCY COURT**
 15 **EASTERN DISTRICT OF CALIFORNIA**
 16 **SACRAMENTO DIVISION**

17 In re:
 18 CITY OF STOCKTON, CALIFORNIA,
 19 Debtor.

Case No. 12-32118
 DC No. ML-3
 Chapter 9

**SECOND STIPULATION BETWEEN THE
 CITY OF STOCKTON AND WELLS
 FARGO BANK, NATIONAL
 ASSOCIATION, AS INDENTURE
 TRUSTEE FOR RELIEF FROM THE
 AUTOMATIC STAY WITH RESPECT TO
 FUNDS HELD BY RECEIVER**

25
 26 Wells Fargo Bank, National Association, as Indenture Trustee (the “Trustee”) with respect
 27 to the Stockton Public Financing Authority Lease Revenue Bonds, Series 2004 (Parking and
 28

1 Capital Projects), in the original principal amount of \$32,785,000 (the “Bonds”)¹ and the City of
2 Stockton, the debtor in the above-captioned case (the “City”; together with the Trustee, the
3 “Parties”), hereby enter into this *Second Stipulation Between the City of Stockton and Wells Fargo*
4 *Bank, National Association, as Indenture Trustee for Relief from the Automatic Stay with Respect*
5 *to Funds Held by Receiver* (the “Second Stipulation”) and stipulate as follows:

6 **RECITALS**

7 1. The Bonds were issued in accordance with that certain Indenture of Trust (the
8 “Indenture”) dated as of June 1, 2004, between the Stockton Public Financing Authority and the
9 Trustee.

10 2. As of June 28, 2012 (the “Petition Date”), the aggregate amount due on the Bonds
11 was \$32,942,312.49, composed of \$31,640,000 in principal and \$1,302,312.49 in interest.
12 Payments on the Bonds are due on March 1 and September 1 of each year through September 1,
13 2034.

14 3. The City failed to make the lease payment on the Bonds due on February 27, 2012
15 and the Trustee commenced an unlawful detainer suit against the City in the California Superior
16 Court for the County of San Joaquin (the “Superior Court”), case number 39-2012-00277662-CU-
17 UD-STK, to obtain possession of the Edmund S. Coy Parking Garage, the Market Street Parking
18 Garage and the Arena Parking Garage in Stockton, California (the “Garages”). On April 19, 2012,
19 the Superior Court entered a Judgment of Possession after Unlawful Detainer which found that the
20 City was guilty of unlawful detainer and awarded the Trustee possession of the Garages. That
21 same day, the Superior Court entered an Order Appointing Receiver (the “Receivership Order”),
22 which appointed Kevin Whelan as post-judgment receiver of the Garages (the “Receiver”).
23 Pursuant to the Receivership Order, the Receiver is authorized to operate the Garages and collect
24 the revenues from such operations.

25
26
27 ¹ Wells Fargo enters into this Second Stipulation in its capacity as Indenture Trustee of the Bonds. Wells Fargo also
28 serves as Indenture Trustee for a number of other bonds for which the City is obligated, which are not subject to the
terms of this Second Stipulation.

1 the rights of the Parties to seek any relief (or to oppose any such relief) to exercise any of their
2 rights and remedies under the Bankruptcy Code at any time. Without limiting the foregoing,
3 nothing herein shall preclude the Trustee or the Receiver from seeking any other relief that either
4 of them may deem appropriate, including, without limitation, additional relief from the automatic
5 stay.

6 IN WITNESS WHEREOF, the Parties have caused this Second Stipulation to be duly
7 executed on the date set forth below.

8
9 Dated: August 14, 2013

/s/ Jeffrey A. Davis
William W. Kannel
Jeffrey A. Davis
**MINTZ LEVIN COHN FERRIS GLOVSKY AND POPEO
P.C.**
Attorneys for Wells Fargo Bank, National
Association, as Indenture Trustee

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13
14 Dated: August 14, 2013

/s/ Patrick B. Bocash
Marc A. Levinson
Patrick B. Bocash
ORRICK HERRINGTON & SUTCLIFFE LLP
Attorneys for City of Stockton, Debtor