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

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In re : Chapter 9

CITY OF DETROIT, MICHIGAN, : Case No. 13-53846

Debtor. : Hon. Steven W. Rhodes

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## DEBTOR'S OBJECTION AND BRIEF IN OPPOSITION TO MOTION TO EXTEND TIME TO FILE CLASS CLAIMANTS' PROOF OF CLAIM

The City of Detroit ("<u>City</u>") files this Objection and Brief in Opposition to Motion to Extend Time to File Class Claimants' Proof of Claim ("<u>Motion</u>") filed by LaSalle Town Houses Cooperative Association, Nicolet Town Houses Cooperative Association, Lafayette Town Houses, Inc., Joliet Town Houses Cooperative Association, and St. James Cooperative, on behalf of themselves and the purported class ("<u>Movants</u>"). In support of this Objection, the City respectfully represents as follows:

1. As the Movants already filed a class proof of claim, the requested relief is moot. In addition, the Movants obtained an order certifying the requested

class on March 3, 2014, by Judge Drain in the District Court action for which relief from stay was granted by this Court. Consequently, the Motion should be denied.<sup>1</sup>

2. If, on the other hand, the Court were to consider the requested relief, it would find that no cause exists to extend the deadline to file a proof of claim. The Movants have been active in the City's bankruptcy case since at least October 10, 2013, when they filed their motion for relief from stay. [Doc. No. 1137].<sup>2</sup> Further, the Movants do not allege that they failed to receive adequate notice of the deadline to file a proof of claim. The Movants, however, chose to wait until three days prior to the bar date to file the Motion and the related request for an expedited hearing.<sup>3</sup> The Movants' request of an extension until May 21, 2014,<sup>4</sup> is unreasonable given the deadlines the Court recently ordered with respect to the City's plan and disclosure statement. If the Movants' request was granted, they

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<sup>&</sup>lt;sup>1</sup> The Movants attached the proof of claim to the Corrected Class Claimants' Motion for Application of Fed. R. Bankr. P. 7023 and for Related Relief [Doc. No. 2739 at p. 4, section III-A, and at p. 17].

<sup>&</sup>lt;sup>2</sup> The Movants also participated in a hearing on their request for relief from stay and on November 26, filed the Objection to Debtor's Motion for Order Approving Alternative Dispute Resolution Procedures [Doc. No. 1828].

<sup>&</sup>lt;sup>3</sup> The Court denied this request stating that "good cause has not been shown which would warrant the granting of the motion." [Doc. No. 2693].

<sup>&</sup>lt;sup>4</sup> The Movants ask that they be allowed to file a proof of claim until the earlier of May 21, 2014 or ten days after the entry of a final, nonappealable order regarding certification. Although an order was entered in the underlying district court action on March 3, 2014, granting class certification, it may be months, if not years, until the order is final and nonappealable. *See In re Am. Med. Sys., Inc.*, 75 F.3d 1069, 1085-86 (6th Cir. 1996).

would be allowed to file a proof of claim over a month after the April 18, 2014,

deadline for the filing of a final disclosure statement resolving any objections that

the Court has sustained.

3. The Movants' delay should not be excused or potentially slow down

the disclosure statement approval and plan confirmation process. It is essential to

conclude this chapter 9 case as soon as possible so that the City can return to a

condition that its citizens have a right to expect.

Dated: March 7, 2014 Respectfully submitted,

By: /s/Timothy A. Fusco

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## ATTORNEYS FOR THE CITY OF DETROIT

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the forgoing *DEBTOR'S* OBJECTION AND BRIEF IN OPPOSITION TO MOTION TO EXTEND TIME TO FILE CLASS CLAIMANTS' PROOF OF CLAIM was served upon counsel as listed below, via electronic mail and First Class United States Mail:

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Dated: March 7, 2014