

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA**

In re:

PITTSBURGH ATHLETIC ASSOCIATION,
*et al.*¹,

Debtors.

Jointly Administered at:
Bankruptcy No. 17-22222-JAD

Bankruptcy Nos:
17-22222-JAD, and
17-22223-JAD

Chapter 11

PITTSBURGH ATHLETIC ASSOCIATION,
et al.,

Movants,

v.

No Respondents.

Doc. No.

Hearing Date: September 18, 2017 at
10:00am

Response Deadline: September 11, 2017

**DEBTORS' MOTION TO EXTEND PLAN EXCLUSIVITY PURSUANT TO 11 U.S.C.
§1121(d)**

The Pittsburgh Athletic Association (“**PAA**”) and the Pittsburgh Athletic Association Land Company (“**PAA-LC**”; together with the PAA, the “**Debtors**”) file this Motion (the “**Motion**”), pursuant to 11 U.S.C. §1121(d), stating as follows:

JURISDICTION AND VENUE

1. The Bankruptcy Court has jurisdiction over this Motion pursuant to the provisions of 28 U.S.C. §157 and §1334.
2. Venue is proper for this proceeding pursuant to the provisions of 28 U.S.C. §1409.
3. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2).

¹ The Debtors have the following cases pending Pittsburgh Athletic Association, Bankruptcy No. 17-22222-JAD and the Pittsburgh Athletic Association Land Company, Bankruptcy No. 17-22223-JAD, both cases are being jointly administered under Case No. 17-22222-JAD.

4. The statutory predicate for relief is 11 U.S.C. §1121.

BACKGROUND

5. On May 30, 2017 (the “**Petition Date**”), the Debtors each filed voluntary petitions under Chapter 11 of the Bankruptcy Code.

6. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors-in-possession pursuant to Section 1107(a) and Section 1108 of the Bankruptcy Code.

7. Debtor, PAA-LC, owns certain real property located at 4215 Fifth Avenue, Pittsburgh, Pennsylvania 15213, bearing tax parcel identification number 27-R-1358, and containing approximately 33,136 square feet of land (the “**Club Parcel**”).

8. In addition to the Club Parcel, Debtor, PAA-LC, also owns property located between Bigelow Boulevard and Lytton Avenue, Pittsburgh Pennsylvania, with a street address of Bigelow Boulevard, Pittsburgh, Pennsylvania 15213, bearing a tax parcel identification number of 27-R-110, and containing approximately 23,685 square feet of land (the “**Premises**”, collectively with the Club Parcel, the “**Property**”).

9. No trustee or examiner has been appointed in these chapter 11 cases.

10. On June 8, 2017, the Office of the United States Trustee formed the Official Committee of Unsecured Creditors (the “**Committee**”).

11. The 341 Meeting of Creditors was held on August 22, 2017.

12. The Proof of Claim deadline is currently set for November 20, 2017 and the Government Proof of Claim deadline as November 27, 2017.

REQUESTED RELIEF

13. Pursuant to Section 1121(b) of the Bankruptcy Code, a debtor has the exclusive right to file a chapter 11 plan in the first 120 days following the commencement of a chapter 11 case. If a debtor files a plan during this exclusive filing period, Section 1121(c)(3) of the Bankruptcy Code grants an additional sixty (60) days during which the debtor may solicit and obtain acceptances of that plan and where no other party in interest is permitted to file a competing plan.

14. Section 1121(d) of the Bankruptcy Code provides that “[o]n request of a party in interest...and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section.” 11 U.S.C. §1121(d)(1). Section 1121(d)(2) provides a limitation that the 120-day period “may not be extended beyond a date that is 18 months after the [petition] date” and the 180-day period “may not be extended beyond a date that is 20 months after the [petition] date.”

15. The circumstances which constitute good cause for granting an extension of plan exclusivity is not defined narrowly and the traditional factors to consider include the size of the debtor and the viability of formulating a plan of reorganization. *In re Sharon Steel Corp.*, 78 B.R. 762, 765 (Bankr. W.D.Pa. 1987); *See also, e.g., In re Nicolet, Inc.*, 80 B.R. 733, 741 (Bankr. E.D.Pa. 1987)(internal citations omitted). Additionally, Courts have permitted extensions of the exclusivity period in cases where the debtor demonstrates progress in formulating a plan despite facing creditor recalcitrance or unusual procedural and or substantive difficulties. *See, In re Swatara Coal Co.*, 49 B.R. 898 (Bankr. E.D.Pa. 1985); and *In re Pine Trust, Inc.*, 67 B.R. 432, 434-35 (Bankr. E.D. Pa. 1986).

16. Pursuant to Section 1121, the Debtors have the exclusive right to file a chapter 11 plan until September 27, 2017. Furthermore, Debtors have the exclusive right to obtain acceptances of any plan until November 27, 2017.

17. Debtors have demonstrated the viability of filing a plan of reorganization and have proceeded in good faith towards reorganization.

18. This is the Debtors' first request for an extension of the exclusivity deadlines provided for under Section 1121 of the Bankruptcy Code.

19. Debtors are in the process of redeveloping the Property and choosing a redeveloping company. Debtors will file the letter of intent associated with the highest and best offer under seal for this Court to review on or before September 18, 2017, prior to the next scheduled status conference in these cases scheduled for September 19, 2017 at 10:00am.

20. Debtors intend to file a consensual plan of reorganization and redevelopment of the Property is integral to Debtors' reorganization.

21. Debtors now request an extension of the exclusivity deadlines to file and confirm a Chapter 11 Plan and believe a 120 day extension is reasonable under the circumstances.

22. The 120 day extension will provide Debtors with time to finalize the redevelopment of the Property, as well as to prepare and file a consensual plan of reorganization.

23. In light of the foregoing circumstances, good cause exists for Debtors' requested extension of the exclusivity period to file and confirm a chapter 11 plan and to seek approval of said plan.

24. While Debtors intend to file a plan within the extended exclusive period, but without prejudice to request an additional extension of time should circumstances arise that make an additional extension necessary and appropriate.

WHEREFORE the Debtors respectfully request that this Honorable Court enter the Order attached to this Motion and grant any and such further relief that is just and proper.

TUCKER ARENSBERG, P.C.

DATED: August 25, 2017

/s/ Jordan S. Blask
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Docket No.

ORDER

AND NOW, upon consideration of Debtors' Motion to Extend Plan Exclusivity (the "**Motion**") and after notice and hearing, it is hereby ORDERED, ADJUDGED and DECREED that the Motion is Granted.

It is further ORDERED that the Debtors' exclusive right to file a Plan of Reorganization is extended to January 25, 2018, and the Debtors' exclusive right to obtain acceptances to said Plan is extended to March 26, 2018. This order is without prejudice to the Debtors' rights to request further extensions of time if necessary and appropriate.

Dated: September ____, 2017

Jeffery A. Deller
Chief Judge, United States Bankruptcy Court

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