

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:)	Jointly Administered at:
)	Bankruptcy No. 17-22222-JAD
PITTSBURGH ATHLETIC ASSOCIATION,)	
<i>et al</i> ,)	Bankruptcy Nos:
)	17-22222-JAD and
Debtors.)	17-22223-JAD
)	
)	Chapter 11
)	
)	Related to Document Nos. <u>587, 594 & 638</u>
)	
)	Hearing Date/Time: April 24, 2018 at 10:00 a.m.
)	
)	Response Deadline: April 17, 2018

**OBJECTION TO AMENDED JOINT PLAN OF REORGANIZATION
DATED MARCH 13, 2018, AS AMENDED ON MARCH 16, 2018**

Oakland Fifth Avenue Hotel Associates LP (“OFAHA”), a creditor and party-in-interest of Pittsburgh Athletic Association Land Company (“PAALC”), files this Objection (“Objection”) to Pittsburgh Athletic Association’s (“PAA” together with PAALC, the “Debtors”) and PAALC’s Amended Joint Plan of Reorganization dated March 13, 2018, as Amended on March 16, 2018, as follows:

INTRODUCTION/PROCEDURAL HISTORY

1. On May 30, 2017 (“Petition Date”), the Debtors filed voluntary petitions for protection under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. § 101, et. seq. (the “Code”).
2. The Debtors are debtors-in-possession.
3. Both PAALC and PAA filed motions for joint administration of the captioned bankruptcy cases before this Court.

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 Office of the United States Trustee has also appointed an official committee of unsecured creditors for the Debtors.

5. On December 22, 2017, the Debtors filed a Joint Plan of Reorganization dated December 22, 2017, which was amended by the filing of an Amended Joint Chapter 11 Plan of Reorganization on March 13, 2018 and a Revised Amended Joint Plan on March 16, 2018 (the "Amended Joint Plan").

6. On April 2, 2018, the Court re-issued an Order conditionally approving the Debtors' Amended Joint Disclosure Statement, setting April 17, 2018 as the date by which Objections to the Amended Joint Plan must be filed and scheduled a hearing on Objections and Confirmation of the Amended Joint Plan for April 24, 2018 at 10:00 a.m.

7. In addition to filing an Impaired Class Joint Amended Disclosure Statement to Accompany Amended Plan of Reorganization, on April 15, 2018, the Debtors filed a Second Revised Amended Joint Plan of Reorganization (the "Second Revised Amended Joint Plan").

8. By Order dated April 16, 2018, the Court scheduled Hearing on Debtors' Expedited Motion for Order seeking, among other things, to continue the April 24, 2018 Confirmation Hearing to May 8, 2018, with no change to the Objection or Hearing dates set forth in the Court's April 2, 2018 Order.

OBJECTIONS TO AMENDED JOINT PLAN

9. In Article III, Section 3.1, OFAHA's treatment is described as "Not Impaired". Due to a settlement not yet documented or approved by the Court, OFAHA's Claim is impaired and known to be impaired by the Debtors.

10. In Article IV, Section 4.2, OFAHA's treatment is described as "Not Impaired". Due to a settlement not yet documented or approved by the Court, OFAHA's Claim is impaired and known to be impaired by the Debtors.

11. In Article IV, Section 4.9, the Debtors describe General Unsecured Claims in Class 9 as “Not Impaired”, to receive payment equal to the Allowed amount of their Claim, without final approval of a settlement of the National Retirement Fund’s substantial claim, which is not scheduled to be paid in full.

12. In Article VII, Section 7.2, the Debtors describe a process for payment and/or escrow of amounts sufficient to address and resolve potential if not likely obligations due from sale of the Debtors’ assets to the Internal Revenue Service and the Pennsylvania Department of Revenue, without any settlement or other agreements (or Court approval thereof) with the Internal Revenue Service and the Pennsylvania Department of Revenue.

13. In Article VII, Section 7.8, the Debtors describe an Adversary Complaint against OFAHA, which, among other things, seeks to avoid the identified Ground Lease, the effect of which would cause the Plan to fail by rendering the Debtors unable to meet a condition to closing with Walnut PAA, that is to transfer the Ground Lease to Walnut PAA on or after the Closing.

14. In the Debtors’ most recently filed Impaired Class Amended Disclosure Statement, Section X, Paragraph C, the Debtors state that “Unless the OFAHA Complaint is resolved prior to the confirmation of the Amended Plan, the Ground Lease will be rejected on confirmation.” The effect of the same would cause the Plan to fail by rendering the Debtors unable to meet a condition to closing with Walnut PAA, that is to transfer the Ground Lease to Walnut PAA on or after the Closing.

15. Absent a court approved settlement, the Debtors’ Plan must fail for not providing payment in full of OFAHA’s secured claim before paying claims of lesser priority in full.

16. Because of the matters set forth in Paragraphs 9 through 12 above, the Debtors’ Amended Joint Plan provides inadequate information or misinformation regarding treatment of material claims, rendering satisfaction of the burden of proving feasibility of the Plan in question.

17. Because of the matter set forth in Paragraphs 11 and 12, it is uncertain that the Debtors' will have adequate means to pay all proposed Administrative Claims, Secured Claims Allowed Claims and the Reserve for potential taxes, failing which the Court must deny Plan confirmation as infeasible.

18. Because of the matters set forth in Paragraphs 13 and 14, it is likely that the Debtors' Plan will fail because the Debtors will be unable to meet a condition to closing with Walnut PAA, that is to transfer the Ground Lease to Walnut PAA on or after the Closing.

19. Given that the Debtors filed yet another Amended Joint Plan of Reorganization and an Impaired Class Joint Amended Disclosure Statement to accompany the Joint Plan of Reorganization on April 15, 2018, OFAHA reserves the right to file and present further Objections to Plan Confirmation should the Court extend or amend the time for Objections to the same.

WHEREFORE, Oakland Fifth Avenue Hotel Associates LP requests that this Court deny confirmation of the Debtors' Amended Joint Plan of Organization dated March 13, 2018, as amended on March 16, 2018.

METZ LEWIS BRODMAN MUST O'KEEFE LLC

By: /s/ John R. O'Keefe, Jr.

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