

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION

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|---|---|-----------------------------------|
| IN RE: |) | CHAPTER 11 |
| |) | |
| REGIONAL HOUSING & COMMUNITY SERVICES CORP., et al., |) | Jointly Administered Under |
| |) | CASE NO. 21-41034-pwb |
| |) | |
| Debtors. |) | |

**THIRD MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. § 1121(d)
EXTENDING THE EXCLUSIVE PERIODS IN WHICH DEBTORS MAY FILE AND
SOLICIT ACCEPTANCE OF ONE OR MORE CHAPTER 11 PLAN(S)**

COME NOW the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”),¹ in the above-styled jointly administered case (the “**Case**”), by and through the undersigned counsel, and hereby file this motion seeking entry of an order pursuant to Section 1121(d) of Title 11, U.S. Code (the “**Bankruptcy Code**”), for an extension of the exclusive periods within which they may file and solicit acceptances of one or more Chapter 11 plan(s) (the “**Motion**”). In support of the Motion, the Debtors show the Court as follows:

Jurisdiction and Venue

1.

This Court has jurisdiction of this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2). Venue of the Debtors’ Case and this Motion

¹ The Debtors in these chapter 11 cases include: Regional Housing & Community Services Corporation, RHCSC Columbus AL Holdings LLC, RHCSC Columbus Health Holdings LLC, RHCSC Douglas AL Holdings LLC, RHCSC Douglas Health Holdings LLC, RHCSC Gainesville AL Holdings LLC, RHCSC Gainesville Health Holdings LLC, RHCSC Montgomery I AL Holdings LLC, RHCSC Montgomery I Health Holdings LLC, RHCSC Montgomery II AL Holdings LLC, RHCSC Montgomery II Health Holdings LLC, RHCSC Rome AL Holdings LLC, RHCSC Rome Health Holdings LLC, RHCSC Savannah AL Holdings LLC, RHCSC Savannah Health Holdings LLC, RHCSC Social Circle AL Holdings LLC, and RHCSC Social Circle Health Holdings LLC.



in this District are proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein is Section 1121(d) of the Bankruptcy Code.

Background

2.

On August 26, 2021 (the “**Petition Date**”), the Debtors each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Northern District of Georgia, Rome Division (the “**Court**”). The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

3.

No committee, trustee or examiner has been requested or appointed in this Case.

4.

On or about October 15, 2021, the Court entered an *Order Granting Motion to Approve Release and Settlement Agreement By and Among the Debtors and Various Parties* [Dkt. No. 78] pursuant to which the Court approved a settlement agreement (the “**Settlement Agreement**”) by and among (1) the Debtors, (2) UMB Bank, N.A., as successor trustee (the “**Bond Trustee**”), (3) Ecofin Direct Municipal Opportunities Fund, LP (f/k/a Tortoise Direct Municipal Opportunities Fund, LP) and Ecofin Tax-Advantaged Social Impact Fund, Inc. (together, the “**Bondholders**”), and (4) ALG Senior, LLC (“**ALG**”). Among other terms, the Settlement Agreement provided that management of the Debtors’ facilities would be transitioned from ALG to a new manager acceptable to the Bond Trustee and the Bondholders no later than October 31, 2021.

5.

HMP Senior Solutions, LLC (“**HMP**”) was selected as the new manager.

6.

The Debtors, in consultation with the Bond Trustee, have determined that a sale of substantially all of their assets is in the best interest of the Debtors, their creditors and their estates.

7.

The Debtors retained SLIB II, Inc. d/b/a Senior Living Investment Brokerage (“**SLIB**”) to market the Debtors’ assets for sale [Dkt. No. 128]. The sale process is ongoing.

Relief Requested

8.

The Debtors respectfully request that the Court enter an order extending the exclusive periods within which they may file and solicit acceptances of one or more Chapter 11 plan(s) by 120 days.

Argument and Authority

9.

Pursuant to Section 1121 of the Bankruptcy Code, a debtor has the exclusive right to file a plan within the first 120 days after the date of entry of an order for relief and the exclusive right to solicit and obtain acceptances of said plan within 180 days. The statute further provides that any party in interest may request within that period an extension of the exclusive period for a debtor to file a plan and solicit acceptances thereof. After notice and hearing, the Court may, for cause, increase a debtor’s exclusive time within which it may file a plan and solicit acceptances.

10.

On or about November 30, 2021, the Debtors filed a motion seeking to extend the exclusive time within which it may file a plan through and including April 25, 2022 and solicit acceptances through and including June 24, 2022 [Dkt. No. 95]. The Court entered an order granting the motion on December 16, 2021 [Dkt. No. 101].

11.

On or about April 22, 2022, the Debtors filed a second motion seeking to extend the exclusive time within which it may file a plan through and including August 23, 2022 and solicit acceptances through and including October 24, 2022 [Dkt. No. 135]. The Court entered an order granting the motion on May 11, 2022 [Dkt. No. 144].

12.

The Debtors have determined that they will need additional time and this Motion is filed within the Debtors' exclusive period to file a plan, which expires August 23, 2022.

13.

Cause exists for granting the requested extension of the exclusive periods for filing one or more Chapter 11 plan(s) and soliciting acceptances thereto. Since the commencement of the Case, the Debtors have worked diligently to maintain continuity in the everyday operation of their businesses, while simultaneously working to preserve and build the value of their assets. As mentioned above, the Debtors have begun the process of marketing their assets for sale; however, that process is ongoing. Any Chapter 11 plan will be dependent upon the outcome of the sale process.

14.

Thus, cause exists to extend the deadlines for filing one or more Chapter 11 plan(s) and soliciting acceptances thereto for an additional 120 days, through and including December 27, 2022, and February 27, 2023, respectively.

WHEREFORE, Debtors request that the Court grant the Motion and enter an Order (a) extending the exclusive periods in which Debtors can file one or more Chapter 11 plan(s) through and including December 27, 2022, and, likewise extending the time to solicit acceptance thereto through and including February 27, 2023; and (b) granting such other relief as is just and appropriate.

This 17th day of August, 2022.

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CERTIFICATE OF SERVICE

This is to certify that on this date, a true and correct copy of the **Third Motion for Entry of an Order Pursuant to 11 U.S.C. § 1121(d) Extending the Exclusive Periods in Which Debtors May File and Solicit Acceptance of One or More Chapter 11 Plan(s)** was served by the Court's CM/ECF system on all counsel of record registered in this case through CM/ECF.

This 17th day of August, 2022.

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