

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

WOODBIDGE GROUP OF COMPANIES, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 17-12560 (KJC)

(Jointly Administered)

Ref. Doc. No. 1886,1479

**ORDER, PURSUANT TO SECTION 105(a) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 9019, APPROVING  
THE SETTLEMENT AGREEMENT BY AND BETWEEN DEBTOR SAGEBROOK  
INVESTMENTS, LLC AND THE CITY OF BEVERLY HILLS**

Upon the *Debtors' Motion for Entry of an Order, Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, Approving the Settlement Agreement By and Between Debtor Sagebrook Investments, LLC and the City of Beverly Hills* (the "Motion")<sup>2</sup> filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"); and this Court having found that it has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and it appearing that notice of the

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<sup>1</sup> The last four digits of Woodbridge Group of Companies, LLC's federal tax identification number are 3603. The mailing address for Woodbridge Group of Companies, LLC is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423. Due to the large number of debtors in these cases, which are being jointly administered for procedural purposes only, a complete list of the Debtors, the last four digits of their federal tax identification numbers, and their addresses are not provided herein. A complete list of this information may be obtained on the website of the Debtors' noticing and claims agent at [www.gardencitygroup.com/cases/WGC](http://www.gardencitygroup.com/cases/WGC), or by contacting the undersigned counsel for the Debtors.

<sup>2</sup> Capitalized terms used, but not otherwise defined herein, have the meaning given to them in the Motion.

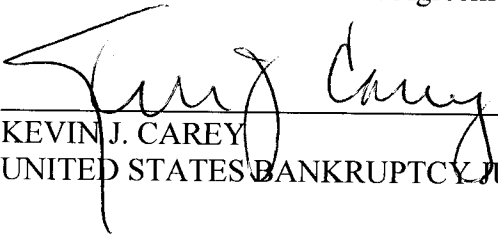
Motion has been given as set forth in the Motion and that such notice is adequate and no other or further notice need be given; and this Court having found and determined that the relief sought in the Motion is in the best interest of the Debtors, their estates, and their creditors; and that the legal and factual bases set forth in the Motion, the *Declaration of Bradley D. Sharp in Support of the Debtors' Motion for Entry of an Order, Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, Approving the Settlement Agreement By and Between Debtor Sagebrook Investments, LLC and the City of Beverly Hills*, and that the record of the Chapter 11 Cases establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.
2. Pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, the Settlement Agreement, attached hereto as Exhibit 1, is approved, and the terms and conditions of the Settlement Agreement (including, without limitation, the mutual releases set forth therein) are incorporated into this Order as if fully set forth herein.
3. The Debtors and City of Beverly Hills, as applicable, are authorized and empowered to take any and all actions necessary or appropriate to consummate, carry out, effectuate, or otherwise enforce the terms, conditions, and provisions of the Settlement Agreement.
4. The Settlement Agreement shall be binding upon and shall inure to the benefit of the parties thereto and their respective successors and assigns.

5. The Court shall retain jurisdiction and power over any and all matters arising from or related to the interpretation or implementation of this Order or the Settlement Agreement.

Dated: June 19, 2018  
Wilmington, Delaware

  
\_\_\_\_\_  
KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT 1**

**Settlement Agreement**

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is made by and between petitioner Sagebrook Investments, LLC ("Petitioner") and respondent City of Beverly Hills ("City") (together, the "Parties" and individually, the "Party").

### RECITALS

A. On September 29, 2017, Petitioner filed a lawsuit in Los Angeles County Superior Court entitled *Sagebrook Investments, LLC v. City of Beverly Hills*, Case No. BS171101 (the "Action"). The Action includes two causes of action for alleged violations of the Public Records Act (Gov't Code § 6250, *et seq.*) and for declaratory relief, both related to the City's response to Petitioner's prior Public Records Act request to the City dated July 28, 2017 ("July 28, 2017 Request").

B. Petitioner and the City now wish to avoid the risk and expense of litigation, and desire fully and finally to resolve any and all claims by and between them related to the Action and the issues giving rise to the Action, including the July 28, 2017 Request, as set forth below.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the following consideration, provisions, mutual promises, and agreements contained herein, the Parties agree to the following terms:

1. Affidavit Regarding Public Records on Personal Devices. The City agrees that within thirty (30) days following the Effective Date, the City will provide to Petitioner, through its counsel of record, affidavits in the form attached as Exhibit 1 (which is incorporated as a material part of this Agreement) that have been executed by the five (5) members of the Beverly Hills Planning Commission and the five (5) members of the Beverly Hills City Council. In completing the affidavits, the signatories to the affidavit shall make a good faith effort to refresh their recollection as to the existence of any responsive records as specified in the affidavit, and shall produce any responsive, non-privileged documents, should they exist, that have not previously been produced by the City.

2. Petitioner's Representation and Warranty. In connection with the July 28, 2017 Request, the City produced responsive, non-privileged documents, including electronic communications. Since the filing of the Action, the City has produced additional documents. As a result of these productions, Petitioner represents and warrants that, as of the execution of this Agreement, it does not have knowledge of any further or additional responsive, non-privileged documents or electronic communications that have not already been produced by the City in response to the July 28, 2017 Request. As a result of this representation and warranty, Petitioner shall be precluded from introducing, in any proceeding, respecting (1) the July 28, 2017 Request, or (2) this Agreement, any evidence in its possession or known to Petitioner as of the date of this Agreement concerning any documents not produced by the City responsive to the July 28, 2017 Request.

3. Attorneys' Fees and Costs: Within fourteen (14) days following the Effective Date, the City will pay Petitioner, through its counsel of record, the sum of fifty two thousand, four hundred fourteen dollars and no cents (\$52,414.00) in attorneys' fees and the sum of one thousand, eight hundred fifty two dollars and seventy four cents (\$1,852.74) in costs, for a total of \$54,266.74. Payment shall be transmitted to Petitioner's attorneys of record, as follows:

Matthew D. Hinks, Esq. and Daniel F. Freedman, Esq.  
Jeffer Mangels Butler & Mitchell LLP  
1900 Avenue of the Stars, 7th Floor  
Los Angeles, CA 90067

Upon payment of this amount, the City shall have no further obligation to Petitioner for any attorneys' fees or costs incurred by Petitioner in connection with the Action or the July 28, 2017 Request.

4. Dismissal of Action: Within five (5) days following the Effective Date, Petitioner shall provide the City, through its counsel of record, with an executed dismissal with prejudice of the Action, for the City to file with the court upon payment of the fees set forth above in paragraph 3.

5. Resolution of Dispute Without Admission of Fault or Liability: The Parties agree and understand that this Agreement resolves any and all disputes between them related to the Action and that the terms of this Agreement shall in no way be construed to be an admission of fault or liability, whatsoever.

6. Release and Discharge: In consideration of these mutually dependent promises and representations, and except for the obligations created by this Agreement, the Parties hereby fully release and forever discharge each other and each other's respective successors, assigns, employees, agents, representatives, and attorneys from and against any and all claims, demands, actions, causes of action, proceedings, obligations, liabilities, damages, losses, costs, and expenses of any nature whatsoever, in law or in equity, known or unknown, foreseen or unforeseen, contingent or non-contingent, that the Parties now have based upon or in any way arising out of or in connection with the matters set forth in the Action. This release and discharge shall not extend to nor affect in any way the claims and matters alleged in the lawsuit entitled *Sagebrook Investments, LLC v. City of Beverly Hills*, Los Angeles Superior Court Case No. BS 172241.

7. Successors and Assigns: This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective employees, agents, attorneys, successors, devisees, executors, administrators, assigns, and insurance carriers.

8. Entire Agreement: This Agreement constitutes the entire agreement between the Parties hereto and it is expressly understood and agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect except by a writing duly executed and authorized by each of the Parties.

9. Interpretation: The provisions of this Agreement shall be liberally construed to effectuate its purpose. The title headings of the respective paragraphs of this Agreement are

inserted for convenience only, and shall not be deemed to be part of this Agreement or considered in construing this Agreement. In the event of any dispute concerning this Agreement, the prevailing party shall be entitled to recover its court costs and attorneys' fees.

10. California Law: This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

11. Legal Representation: Each Party acknowledges that he or she has been represented by counsel, or has had counsel available to him or her, throughout the pendency of the negotiations of this Agreement. The Parties each agree that they are to be considered mutual authors of this Agreement.

12. Authority to Execute: Each individual executing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement and that it is binding in accordance with its terms. Each of the Parties warrants that they are the true holders of all rights and remedies which they purport to release, and that they have not assigned or transferred any of those rights or remedies to any other individuals and/or entities.

13. Good Faith and Further Assurances. The Parties agree that they will act in good faith in abiding by the terms of this Agreement, and in carrying out the obligations of each Party set forth herein. So long as authorized by applicable laws to do so, each of the Parties to this Agreement will do such further acts and execute, acknowledge, and deliver all further documents as may be necessary to fully effectuate the provisions of this Agreement.

14. Execution: This Agreement may be executed in counterparts which, when taken together, shall constitute one original agreement. An electronic or facsimile signature shall be deemed the same as, and valid as if it were, an original signature.


15. Effectiveness of Agreement. This Agreement shall become effective upon the date on which the later of the following two events has occurred (the "Effective Date"): (a) the Agreement has been fully executed by the parties hereto and (b) the entry of a Final Order (as defined below) by the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure approving this Agreement and authorizing the parties to implement and consummate it. "Final Order" shall mean an order of the Bankruptcy Court: (i) which is not subject to a stay of effectiveness and (ii) as to which (A) the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no timely appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending; or (B) if a timely appeal, writ of certiorari, reargument or rehearing thereof has been sought, which shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari, or move for modification of such order, or move for reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or other rules governing procedure in cases

before the Bankruptcy Court may be filed with respect to such order shall not cause such order not to be a Final Order.

[SIGNATURES BEGIN ON NEXT PAGE]

DATED: May 21, 2018

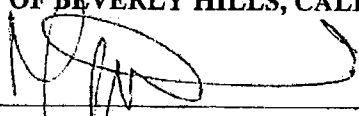
**SAGEBROOK INVESTMENTS, LLC**

By:   
Name: Bradley D. Sharp  
Title: CRO

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATED: May 17, 2018

**CITY OF BEVERLY HILLS, CALIFORNIA**

By:   
Name: Mahdi Aluzri  
Title: City Manager

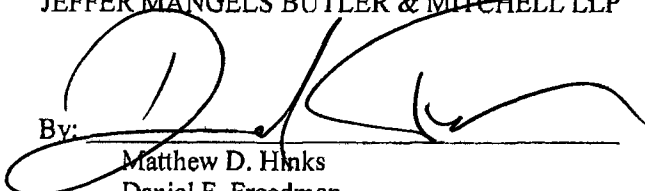
[SIGNATURES CONTINUE NEXT PAGE]



**APPROVED AS TO FORM**

DATED: May 23, 2018

JEFFER MANGELS BUTLER & MITCHELL LLP

By: 

Matthew D. Hinks  
Daniel F. Freedman  
Attorneys for Petitioner  
SAGEBROOK INVESTMENTS, LLC

DATED: May 15, 2018

RICHARDS, WATSON & GERSHON  
A Professional Corporation

By: 

Ginetta L. Giovinco  
Attorneys for Respondent  
CITY OF BEVERLY HILLS

**EXHIBIT 1**  
**AFFIDAVIT REGARDING**  
**PUBLIC RECORDS ON PERSONAL DEVICES**

I, \_\_\_\_\_; declare, to the best of my knowledge and recollection, as follows:

- 1. I am the/a \_\_\_\_\_ for the City of Beverly Hills.
- 2. I reviewed my e-mails, text messages and other communications or documentation in my personal files, private accounts, text messages and private electronic devices (e.g., Iphone, android device)(collectively, "Private Accounts") for the records requested in the public records act request attached as Exhibit A to this Affidavit (the "Responsive Records").

3. Check/explain the applicable items below:

— I have never maintained or possessed any Responsive Records in my private files, private accounts and private electronic devices.

— I provided all Responsive Records to the City Clerk's office for release to the requester.

— I have reviewed the records of communications in my Private Accounts to and/or from the individuals listed below, and have provided Responsive Records regarding the 1260 Lago Vista matter from those communications to the City Clerk's office for release to the requester.

**Individuals:** Ronald Richards, Peter Ostroff, Ann Ostroff, Debbie Wiess, Toby Emmerich, Julie Glucksman.

— I previously maintained Responsive Records in my Private Accounts, *which have not been previously released*, that were deleted or destroyed. Please describe those Responsive Records that were deleted or destroyed:

— I currently maintain Responsive Records in my Private Accounts, but I am not releasing records because: (explain below if Responsive Records are being withheld)

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this affidavit is executed on \_\_\_\_\_ (date), in \_\_\_\_\_ (location), California.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

# EXHIBIT A



Office of the City Clerk  
City of Beverly Hills  
455 N. Rexford Drive, Room 290  
Beverly Hills, CA 90210  
Office: (310) 285-2400  
Fax: (310) 385-0862

**REQUEST FOR PUBLIC RECORDS**

In accordance with the California Public Records Act ("Act"), Government Code Section 6250 et. seq., the City of Beverly Hills provides access to public records, except those exempt from disclosure by law. Pursuant to the Act, the City has ten (10) days from receipt of the request to determine whether the request, in whole or in part, seeks copies of disclosable public records in the City's possession and to notify the requestor of that determination. In unusual circumstances, the 10-day time limit may be extended by written notice to the requestor, setting forth the reason for the time extension as required by the Act. If the City determines there are disclosable public records, the records will be made available as promptly as is reasonably practicable. A request for a copy of an identifiable public record must be accompanied by payment of fees to cover the direct costs of duplication before copies are released. The City's copying cost is \$2.00 for the first page of each document and \$0.22 for each additional page. Checks should be made payable to: City of Beverly Hills.

**Requestor Information:**

Name Daniel F. Freedman  
Company (if applicable) JMBM  
Address 1900 Avenue of the Stars, 7th Flr, Los Angeles, CA 90067  
Phone # (310) 203-8080 Fax # \_\_\_\_\_  
E-mail address DFF@JMBM.COM

**Record or document requested.** *Please be as specific and detailed as possible to enable City staff to identify and locate the documents requested. If known, please indicate in which department(s) the records reside. Also please provide case number, location/address of property, date range or time period, and other information if known.*

Location/Address of property SEE ATTACHED  
Case # (if any) \_\_\_\_\_  
Date Range or Time Period \_\_\_\_\_  
Other Details: \_\_\_\_\_

SEE ATTACHED

I agree to pay for all applicable fees and charges for copies of records I have requested.

/s/ Daniel F. Freedman  
Signature

July 28, 2017  
Date



Daniel Freedman  
Direct: 310-785-5391  
DFF@JMBM.COM

1900 Avenue of the Stars, 7th Floor  
Los Angeles, California 90067-4308  
(310) 203-8080 (310) 203-0587 Fax  
www.jmbm.com

July 28, 2017

VIA E-MAIL (cityclerk@beverlyhills.org)

Mr. Byron Pope, City Clerk  
City Clerk's Office  
City of Beverly Hills  
455 N. Rexford Drive, Room 290  
Beverly Hills, CA 90210

Re: Request to Inspect and Copy Public Records  
Records regarding 1258 and 1260 Lago Vista Drive & Basement  
Interpretation Memorandum.

To whom it may concern:

Pursuant to the California Public Records Act (Government Code §6250 et seq.), please accept this letter as a formal request to access, inspect, and receive copies of, certain records in the possession of the City of Beverly Hills ("City"). Specifically, we are seeking to inspect City records, documents, correspondence, agreements and/or plans relating to:

- (a) 1258 and 1260 Lago Vista Drive (the "Property"), Hillside R-1 Permit Application No. PL1626743, and any building permits applied for, plan checked, issued, or requested for the Property, and
- (b) the Basement Definition/Interpretation Policy & Procedure Memorandum issued by the Community Development Department on July 13, 2017 (collectively, the "1260 Lago Vista Matter").

The Records<sup>1</sup> being requested include the following:

<sup>1</sup> For the purposes of this request, the term "Records" shall mean any and all documents, including all written, graphic, or typed matter of every kind or description, however, produced or reproduced, whether draft or final, original or reproduction signed or unsigned, and regardless of whether approved, signed, sent, received, redrafted, or executed, including but not limited to: written communications, letters, correspondence, facsimiles, e-mail, memoranda, minutes, notes, films, recordings, of any type, transcripts, contracts, agreements, memoranda of telephone conversations, interoffice communications, reports, studies, bills, receipts, checks, invoices, text message communications from any device, requisitions or material similar to any of the foregoing however denominated, by whomever prepared, and to whomever addressed, which are in your possession, custody or control or to which you have had or can obtain access.

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- Any and all Records in the City's possession documenting or referencing the 1260 Lago Vista Matter.
- Any and all Records of communications received or sent by any City employee, Commissioner, or City Council Member concerning or referencing the 1260 Lago Vista Matter.
- Any and all Records in the City's possession documenting building permits issued to single-family homes in the City, with basements, based on the Beverly Hills Municipal Code ("BHMC") "basement definition" in effect before July 13, 2017, which do not comply with the new interpretation.
- Any and all Records in the City's possession documenting the basement configuration for, and BHMC basement interpretation applied in connection with the permitting of the single family-homes developed at 1251 Shadow Hill Way, 1201 Laurel Way, 1122 La Altura Road, 1161 Shadow Hill Way, and 1143 Summit Drive.
- Any and all Records documenting or referencing the properties and/or pending building permit applications impacted by the July 13, 2017 Basement Definition/Interpretation Memorandum.
- Any and all Records in the City's possession documenting *other* instances where the Community Development Department has issued "Policy and Procedure" memorandums with interpretations of the Beverly Hills Municipal Code.
- Any and all Records documenting or referencing the Community Development Department's procedures, standards, and/or authority for preparing and issuing "Policy and Procedure" memorandums.
- Any and all Records documenting or referencing any City interpretations of Beverly Hills Municipal Code § 10-3-100.

If you are unable to comply with this request, or believe this request is not sufficiently detailed or descriptive to allow for the City to respond, please advise as soon as possible. Should no further information be required in order to respond to this request, please provide a response confirming that the requested records will be made available no later than 10 days from your receipt of this letter as mandated by Gov. Code, § 6253(c).

If any public record requested above is to be withheld and not made available for inspection, please state in writing the specific ground(s) for withholding the record. As to each record withheld, if any, please also provide the name and title of the official who made the decision to withhold the record and the name, title and address of the person or body, if any, to whom we may appeal the decision to withhold the record. In addition, please provide

Public Records Act Request

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information sufficient to identify the record(s), if any, withheld, including the title of the record, the nature of the record (e.g., letter), the number of pages in the record (original or copy), to whom the record was addressed, shown or circulated, the location of the record, and a statement of the subject matter sufficient to enable me and, if necessary, a court, to evaluate the basis for the decision to withhold the record from public inspection.

Finally, we recognize that the City may charge reasonable costs for copies. Should you expect costs to exceed \$250.00, please provide a detailed fee estimate for my review before incurring such costs.

Thank you in advance for your assistance with this matter, and please do not hesitate to contact me should you have any questions concerning this letter.

Sincerely

A handwritten signature in black ink, appearing to read 'D.F.F.', is written over a circular stamp or seal.

DANIEL F. FREEDMAN of  
Jeffer Mangels Butler & Mitchell LLP