

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

In re:

ALAMO DRAFTHOUSE CINEMAS
HOLDINGS, LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 21-10474 (MFW)

(Jointly Administered)

Hearing Date:

October 14, 2021 at 10:30 am (ET)

Objection Deadline:

September 10, 2021 at 4:00 pm (ET)

**DEBTORS' MOTION FOR ENTRY OF AN ORDER,
PURSUANT TO BANKRUPTCY RULES 9006 AND 9027,
FURTHER EXTENDING THE PERIOD WITHIN WHICH THE DEBTORS
MAY REMOVE ACTIONS PURSUANT TO 28 U.S.C. § 1452**

Alamo Drafthouse Cinemas Holdings, LLC and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”) submit this motion (this “**Motion**”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), pursuant to Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), extending the period within which the Debtors may remove actions pursuant to 28 U.S.C. § 1452 from the current deadline of August 30, 2021 (the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Alamo Drafthouse Cinemas Holdings, LLC (2205); Alamo Drafthouse Cinemas, LLC (5717); Alamo Vineland, LLC (1626); Alamo League Investments GP, LLC (1811); Alamo League Investments, Ltd. (7227); Alamo South Lamar GP, LLC (3632); Alamo South Lamar, LP (4563); Alamo Drafthouse Raleigh, LLC (5979); Alamo DH Anderson Lane, LLC (3642); Alamo Yonkers, LLC (4971); Alamo Mission, LLC (2284); Alamo Ritz, LLC (9465); Alamo Mueller, LLC (1221); Mondo Tees, LLC (6900); Alamo City Foundry, LLC (6092); Alamo Mainstreet, LLC (2052); Alamo City Point, LLC (3691); Alamo Liberty, LLC (5755); Alamo Satown, LLC (6197); Alamo Marketplace, LLC (7041); Alamo Stone Oak, LLC (8398); Alamo Westlakes, LLC (4931); Alamo Park North, LLC (1252); Alamo North SA, LLC (6623); Alamo Avenue B, LLC (8950); Alamo Slaughter Lane GP, LLC (6968); Alamo Slaughter Lane, Ltd. (5341); Alamo Cinema Group I GP, LLC (9537); Alamo Cinema Group I, LP (9656); Alamo Westminster, LLC (8906); Alamo Staten Island, LLC (7781); Alamo Aspen Grove, LLC (7786); Alamo Lakeline, LLC (5294); Alamo Sloans, LLC (9343). The location of the Debtors’ service address is: 3908 Avenue B, Austin, Texas 78751.

“Current Removal Deadline”) through and including November 29, 2021. In support of this Motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (this **“Court”**) has jurisdiction over this matter 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. The Debtors confirm their consent, pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the **“Local Rules”**), to the entry of a final order by this Court in connection with this Motion to the extent that it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The bases for the relief requested herein are Bankruptcy Rules 9006 and 9027.

BACKGROUND

4. On March 3, 2021 (the **“Petition Date”**), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the **“Chapter 11 Cases”**) with this Court. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On March 15, 2021, the Office of the United States Trustee for the District of Delaware (the **“U.S. Trustee”**) appointed an official committee of unsecured creditors (the **“Committee”**).

5. Additional information about the Debtors’ business and the events leading to the commencement of the Chapter 11 Cases can be found in the *Declaration of Matthew Vonderahe in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 11].

6. After the Petition Date, the Debtors initiated a Court-supervised bidding and sale process (the “**Sale Process**”) for substantially all of the Debtors’ assets (collectively, the “**Assets**”). The Sale Process culminated in the sale (the “**Sale**”) of the Assets to ALMO Holdings, LLC (the “**Purchaser**”), which was approved by the Court pursuant to an order entered on May 3, 2021 (the “**Sale Order**”)² and closed on May 28, 2021.

PRIOR EXTENSION REQUEST

7. The Court has previously granted one extension of the removal deadline [Docket No. 534], which extended the period during which the Debtors may remove actions pursuant to 28 U.S.C. § 1452 through and including August 30, 2021, without prejudice to the Debtors’ right to seek further extensions thereof.

RELIEF REQUESTED

8. By this Motion, the Debtors request entry of the Proposed Order, further extending the period within which the Debtors may remove actions and related proceedings by approximately ninety (90) days, through and including November 29, 2021,³ without prejudice to the rights of the Debtors and their estates to seek further extensions of the time within which to remove actions and related proceedings.

BASIS FOR RELIEF

9. Bankruptcy Rule 9027 and 28 U.S.C. § 1452 govern the removal of pending civil actions. Specifically, section 1452(a) provides that:

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Order [Docket No. 436].

³ Pursuant to Local Rule 9006-2, the filing of this Motion prior to the expiration of the Current Removal Deadline shall automatically extend the Current Removal Deadline until the Court acts on this Motion without the necessity for entry of a bridge order. Ninety (90) days from the Current Removal Deadline falls on Sunday November 28, 2021. Pursuant to Bankruptcy Rule 9006, the next business day for purposes of establishing the extended Removal Deadline is Monday, November 29, 2021.

[a] party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.

28 U.S.C. § 1452(a). Bankruptcy Rule 9027(a)(2) further provides, in pertinent part that:

[i]f the claim or cause of action in a civil action is pending when a case under the [Bankruptcy] Code is commenced, a notice of removal may be filed only within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

Fed. R. Bankr. P. 9027(a)(2).

10. Bankruptcy Rule 9006(b) provides that the Court may extend unexpired time periods, such as the Debtors' removal period, without notice:

[W]hen an act is required or allowed to be done at or within a specified period by [the Bankruptcy Rules] or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order.

Fed. R. Bankr. P. 9006(b)(1). Accordingly, the Court is authorized to grant the relief requested herein. *See Raff v. Gordon*, 58 B.R. 988, 991 (Bankr. E.D. Pa. 1986) (stating that the period within which to file a motion to remove may be expanded pursuant to Bankruptcy Rule 9006); *Jandous Elec. Constr. Corp. v. City of New York (In re Jandous Elec. Constr. Corp.)*, 106 B.R. 48, 50 (Bankr. S.D.N.Y. 1989) (same); *see also Doan v. Loomis (In re Fort Dodge Creamery Co.)*, 117 B.R. 438, 442–43 (Bankr. N.D. Iowa 1990) (implying that the time period within which a removal

motion may be filed may be extended pursuant to Bankruptcy Rule 9006); *In re Boyer*, 108 B.R. 19, 26 (Bankr. N.D.N.Y. 1988) (same).

11. The Debtors are parties to actions currently pending in the courts of certain states and federal districts (each, an “**Action**,” and collectively, the “**Actions**”), and believe that it is prudent to seek a further extension of the time established by Bankruptcy Rule 9027 to protect the rights of the Debtors and their estates to remove the Actions.

12. The Debtors submit that further extending the Current Removal Deadline is essential and in the best interests of the Debtors, their estates, and their creditors. Since the commencement of the Chapter 11 Cases, the Debtors’ management and professional advisors have devoted a significant amount of effort towards maximizing the value of their estates for the benefit of all stakeholders. Since the Court entered its order establishing the Current Removal Deadline, the Debtors have, among other things: (i) negotiated amendments to a number of Purchased Contracts in accordance with paragraph 24 of the Sale Order; (ii) obtained Court approval of the sale of the Debtors’ real estate situated in the shopping center commonly known as the La Cantera Crossing Shopping Center located in San Antonio, Texas (the “**La Cantera Property**”) [Docket No. 656], in full and final resolution of the limited objection to the Sale filed by the purchaser of the La Cantera Property [Docket No. 313], the Debtors’ motion to reject certain ancillary agreements [Docket No. 473], and the Purchaser’s joinder to the Debtors’ rejection motion [Docket No. 474]; (iii) obtained Court approval of resolutions of disputes over Cure Costs with a number of counterparties of the Purchased Contracts; (iv) negotiated resolutions to motions for relief from the automatic stay for creditors to pursue prepetition state court actions; (v) entered into a settlement agreement that the Court approved pursuant to Bankruptcy Rule 9019, resolving a dispute with certain of the Debtors’ franchisees in connection with the Sale; (vi) continued to

evaluate certain of the Debtors' executory contracts and unexpired leases, and, where appropriate, rejected, assumed, or assumed and assigned the same; and (vii) handled the various other tasks related to the administration of the Debtors' bankruptcy estates and these Chapter 11 Cases, including responding to various creditor inquiries and demands.

13. As a result of the foregoing efforts and various others, the Debtors have not had sufficient time to review the Actions to determine if any should be removed pursuant to Bankruptcy Rule 9027(a). Accordingly, the Debtors submit that extending the Current Removal Deadline is in the best interests of the Debtors, their estates, and creditors. The extension sought will afford the Debtors an opportunity to make more fully informed decisions concerning the removal of any Actions, and will assure that the Debtors and their estates do not forfeit the valuable rights afforded to them under 28 U.S.C. § 1452. Furthermore, the Debtors submit that granting the extension requested herein will not prejudice the rights of their adversaries in the Actions because, in many (if not all) circumstances, such parties may not prosecute such Actions absent relief from the automatic stay. In addition, nothing herein will prejudice any party to any Action that the Debtors may ultimately attempt to remove from seeking the remand of such Action under 28 U.S.C. § 1452(b) at the appropriate time.

14. For the reasons set forth above, the Debtors submit that extending the Current Removal Deadline through and including November 29, 2021 is necessary, prudent, and in the best interests of the Debtors, their estates, and creditors.

NOTICE

Notice of this Motion will be provided to: (a) the U.S. Trustee; (b) counsel to the Committee; (c) counsel to the Postpetition Lenders; (d) all known parties to the Actions and their counsel, if known; and (e) parties that have filed a notice of appearance and request for service of

papers pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

WHEREFORE, the Debtors respectfully request entry of the Proposed Order, further extending the period within which the Debtors may remove actions pursuant to 28 U.S.C. § 1452 through and including November 29, 2021, and grant such other and further relief as the Court may deem just and proper.

Dated: August 27, 2021
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Betsy L. Feldman

M. Blake Cleary (No. 3614) (mbcleary@ycst.com)
Matthew B. Lunn (No. 4119) (mlunn@ycst.com)
Kenneth J. Enos (No. 4544) (kenos@ycst.com)
Betsy L. Feldman (No. 6410) (bfeldman@ycst.com)
Jared W. Kochenash (No. 6557) (jkochenash@ycst.com)
1000 N. King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

Counsel to the Debtors and Debtors in Possession