

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
PLANO DIVISION

IN RE: §  
§ Chapter 11  
FOREST PARK MEDICAL CENTER §  
AT FRISCO, LLC, § Case No. 15-41684  
§  
Debtor. §

RESPONSE AND LIMITED COMMENTS TO (I) APPLICATION TO EMPLOY ARENT  
FOX LLP AND (II) APPLICATION TO EMPLOY LOCAL COUNSEL FOR  
UNSECURED CREDITORS COMMITTEE

Sabra Texas Holdings, L.P. (“*Sabra*”) submits this *Response and Limited Comments to (I) Application to Employ Arent Fox LLP and (II) Application to Employ Local Counsel for Unsecured Creditors Committee (“Response”)*. Sabra respectfully represents as follows in support thereof.

I. BACKGROUND

1. On September 22, 2015 (“*Petition Date*”), Forest Park Medical Center at Frisco, LLC (“*Debtor*”) filed its Voluntary Petition under Chapter 11 of Title 11 of the United States Code (“*Bankruptcy Code*”) and initiated the above-captioned bankruptcy case (“*Bankruptcy Case*”).

2. Sabra owns the real property and improvements located at 5500 Frisco Square Boulevard, Frisco, Texas (“*Premises*”). Debtor leases the Premises from Sabra pursuant to that certain *First Amendment to Lease Agreement* dated October 22, 2013 (together with that certain *Lease Agreement* executed by Debtor on or about December 6, 2010, the “*Lease*”).

3. In Sabra's capacity as Debtor's landlord and pursuant to the financial obligations owing by Debtor under the Lease, Sabra is one of the Debtor's largest unsecured creditors in this Bankruptcy Case.

4. Further, as authorized pursuant to this Court's orders, Sabra has and is currently providing debtor-in-possession financing.

5. On October 19, 2015, Arent Fox LLP ("**Arent Fox**") filed its *Application for an Order Authorizing the Employment and Retention of Arent Fox LLP as Co-Counsel for the Official Committee of Unsecured Creditors Nunc Pro Tunc to October 5, 2015* [Docket 155] ("**Arent Fox Application**").

6. On October 19, 2015, Eric A. Liepins, P.C. ("**Liepins**") filed its *Application for Authority to Employ Local Counsel for Unsecured Creditors Committee* [Docket 156] ("**Liepins Application**").

## II. COMMENTS

7. With respect to the relief sought in the Arent Fox Application and the Liepins Application Sabra notes the following.

8. This Bankruptcy Case is a local matter concerning a local hospital with local employees and local management. Debtor employed counsel located in Dallas, Texas. Sabra is located in Irvine, California and employed counsel located in Dallas, Texas. The members of the Committee, the Committee's constituency and the Committee's interests are locally based in North Texas.

9. The Arent Fox Application discloses Robert M. Hirsh and George P. Angelich as the attorneys primarily responsible for representing the Committee in this Bankruptcy Case. Mr.

Hirsch and Mr. Angelich are both partners located in the New York City, New York office of Arent Fox. The Arent Fox Application discloses the applicable billing rate range for partners representing the Committee in this Bankruptcy Case as \$570.00 - \$940.00. Although indirectly requesting approval of the same, the Arent Fox Application does not disclose the actual billing rates for Mr. Hirsch and Mr. Angelich in this Bankruptcy Case.

10. The rates disclosed in the Arent Fox Application are higher than the applicable rates assigned to the comparable local professionals retained in this Bankruptcy Case. The Liepins Application discloses the rate of \$275.00 for Liepins's representation of the Committee. Liepins's office is located in Dallas, Texas. In its *Application of Debtor in Possession for an Order Authorizing Approval for Retention of Lewis Brisbois, PLLC as Counsel for Debtor* [Docket 53] ("*Lewis Application*"), Debtor's counsel discloses the applicable rate of \$395.00 for Mr. William L. Medford and Ms. Vickie L. Driver as the primary attorneys at Lewis Brisbois, PLLC responsible for representing Debtor in this Bankruptcy Case. Mr. Medford and Ms. Driver are both partners located in the Dallas, Texas office of Lewis Brisbois, PLLC.

11. The Committee is asking to retain two law firms. Duplication of efforts should not be recoverable against the bankruptcy estate. Thus far, the Committee has been represented by two or three attorneys at each hearing. The amount of time, staffing and applicable billing rates, and specific services rendered to the Committee should benefit the bankruptcy estate in the most efficient manner possible.

12. It is currently unclear as to whether Arent Fox will be charging the estate for travel time and related expenses. The occasions in which Arent Fox attorneys are required to travel to Plano, Texas should be limited as Liepins has been engaged by the Committee for this

purpose. The bankruptcy estate should not be charged for unnecessary travel time and expenses.

13. It is burdensome to the bankruptcy estate to incur fees, costs and expenses in excess of the reasonable amount required to adequately represent the Committee's interests in this Bankruptcy Case. As one of the largest unsecured creditors, Sabra's interests are aligned with the Committee's interests. Every dollar paid to the estate's professionals equally reduces the distribution to unsecured creditors.

### **III. RESERVATION OF RIGHTS**

14. Sabra reserves all rights to object to the compensation or other relief sought by Arent Fox and/or Liepins through any of their respective interim and/or final applications for reimbursement of fees, costs and expenses.

*[Signature page follows]*

Dated: November 4, 2015

Respectfully submitted,

**GARDERE WYNNE SEWELL LLP**

/s/ Deirdre B. Ruckman

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**ATTORNEYS FOR SABRA TEXAS  
HOLDINGS, L.P.**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Notice of Appearance and Request for Service of Papers was served on November 4, 2015 via the Court's CM/ECF electronic service of process.

/s/ Thomas Scannell

Thomas Scannell