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8 **UNITED STATES BANKRUPTCY COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **SANTA ANA DIVISION**

11
12 In re
PALMDALE HILLS PROPERTY, LLC,
13 AND ITS RELATED DEBTORS,

Case No. 8:08-bk-17206-ES

14 Jointly Administered Debtors
and Debtors-in-Possession

Jointly Administered With Case Nos.
8:08-bk-17209-ES; 8:08-bk-17240-ES;
8:08-bk-17224-ES; 8:08-bk-17242-ES;
8:08-bk-17225-ES; 8:08-bk-17245-ES;
8:08-bk-17227-ES; 8:08-bk-17246-ES;
8:08-bk-17230-ES; 8:08-bk-17231-ES;
8:08-bk-17236-ES; 8:08-bk-17248-ES;
8:08-bk-17249-ES; 8:08-bk-17573-ES;
8:08-bk-17574-ES; 8:08-bk-17575-ES;
8:08-bk-17404-ES; 8:08-bk-17407-ES;
8:08-bk-17408-ES; 8:08-bk-17409-ES;
8:08-bk-17458-ES; 8:08-bk-17465-ES;
8:08-bk-17470-ES; 8:08-bk-17472-ES; and
8:08-bk-17588-ES

15 Affects:

- 16 All Debtors
17 Palmdale Hills Property, LLC
 SunCal Beaumont Heights, LLC
18 SCC/Palmdale, LLC
 SunCal Johannson Ranch, LLC
19 SunCal Summit Valley, LLC
 SunCal Emerald Meadows, LLC
20 SunCal Bickford Ranch, LLC
 Acton Estates, LLC
21 Seven Brothers, LLC
 SJD Partners, LTD
22 SJD Development Corp.
 Kirby Estates, LLC
23 SunCal Communities I, LLC
 SunCal Communities III, LLC
24 SCC Communities, LLC
 North Orange Del Rio Land, LLC
25 Tesoro SF, LLC

Chapter 11 Proceedings

**DECLARATION OF JAMES EDWARDS
IN SUPPORT OF OPPOSITION OF THE
CITY OF OAKLAND AND THE
REDEVELOPMENT AGENCY OF THE
CITY OF OAKLAND TO JOINT
MOTION OF LEHMAN LENDERS AND
CHAPTER 11 TRUSTEE FOR ORDER
APPROVING STIPULATION AND**

26 **DECLARATION OF JAMES EDWARDS IN SUPPORT OF OPPOSITION OF THE CITY OF OAKLAND AND THE REDEVELOPMENT
AGENCY OF THE CITY OF OAKLAND TO JOINT MOTION OF LEHMAN LENDERS AND CHAPTER 11 TRUSTEE FOR ORDER
APPROVING STIPULATION**

1 *Caption Continued on Next Page*

**AUTHORIZING USE OF CASH
COLLATERAL**

2 *Caption Continued from Previous Page*

- 3 LBL-SunCal Oak Valley, LLC
- 3 SunCal Heartland, LLC
- 4 LBL-Suncal Northlake, LLC
- 4 SunCal Marblehead, LLC
- 4 SunCal Century City, LLC
- 5 SunCal PSV, LLC
- 5 Delta Coves Venture, LLC
- 6 SunCal Torrance, LLC
- 6 SunCal Oak Knoll, LLC

Hearing:

Dated: October 15, 2009

Time: 2:00 p.m.

Place: Courtroom 5A

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9 I, James Edwards, declare:

10 1. I am the Deputy Chief for the City of Oakland Fire Department in Oakland, California. I
11 am trained in all aspects of fire prevention, control, and suppression. In the hierarchy of the Oakland
12 Fire Department, I report directly to Fire Chief Gerald Simon.

13 2. In the performance of my duties as Deputy Fire Chief, I have visited the property at 8550
14 Mountain Blvd., Oakland, California, on numerous occasions. This property is the former Naval
15 Hospital comprising approximately 167 acres on which approximately 100 dilapidated buildings are
16 situated (the "Oak Knoll Property").

17 3. Specifically, on September 30, 2009, I made an inspection of the Oak Knoll Property to
18 assess fire concerns relating to the lack of vegetation management and the presence of friable
19 asbestos. On that date, I observed the following conditions:

20 (a) The vegetation on the property, which is diffused throughout the entire property, has
21 become overgrown to the extent that certain roads are impassable; features of the
22 property such as former tennis courts are no longer discernable; and grass, bushes and
23 trees have overgrown onto, and over, abandoned structures.

24 (b) Piles of debris throughout the property constitute "fuel loading."

25 (c) Friable asbestos remains throughout the property as a result of the process by which

1 the Debtor began the demolition of the 100 or some abandoned structures on the
2 property.

3 (d) The empty buildings constitute a risk of fire and source of fire fuel, and constitute a
4 risk of release of friable asbestos.

5 These conditions pose an unacceptable risk to the public health and safety due to the possibilities of
6 wildfire and asbestos dissemination.

7 4. The Oak Knoll Property is located exactly nine (9) miles from the catastrophic Oakland
8 Hills Firestorm of 1991 which, until the San Diego fire of 2004, was generally considered the worst
9 residential fire disaster in the history of the United States in terms of lives lost and property damage.
10 The property damage from the Oakland Hills Firestorm has been estimated at \$35 billion dollars.

11 5. The Fall months present the period of greatest fire danger of the year. As I understand, the
12 Community and Economic Development Agency sent its Order to Abate in June, 2009, to seek the
13 abatement of the conditions described above, but no abatement work has occurred.

14 6. The photographs contained in Exhibit "C" accurately represent the condition of the Oak
15 Knoll Property on July 23, 2009, and the photographs contained in Ex. "D" accurately reflect the
16 condition of the Oak Knoll Property on September 23, 2009.

17 I have personal knowledge of the facts set forth herein and can competently testify thereto.

18 Executed at Oakland, California, on the 1st day of October, 2009.

19 I declare under penalty of perjury under the laws of the State of California that the foregoing
20 is true and correct.

21 /s/ James Edwards
22 James Edwards

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