

# **Bond Case Briefs**

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## **New Jersey Taps Former Bankruptcy Judge to Mediate Atlantic City Talks.**

(Reuters) – New Jersey has appointed Donald Steckroth to negotiate talks between Atlantic City and the groups involved in its restructuring process, the former bankruptcy judge said on Thursday.

Steckroth, who served a 14-year term with the U.S. Bankruptcy Court in New Jersey, is currently a member of Cole Schotz as a part of its bankruptcy and corporate restructuring practice, according to the law firm's website.

The Wall Street Journal reported the news earlier saying that Steckroth would be attempting to broker a deal between the city's turnaround team and business and union interests.

Atlantic City faces a budget gap of more than \$100 million this year, while four casino properties have closed since the start of 2014.

In January, New Jersey Governor Chris Christie had appointed an emergency management team for Atlantic City headed by Kevin Lavin. The team also includes former Detroit emergency manager Kevyn Orr.

In March, the team issued a report saying the struggling gambling hub had to consider cost cuts, layoffs and longer bond maturities, although it noted that bankruptcy was not yet on the cards.

Still, the appointment of the team has U.S. municipal bond investors and Wall Street credit rating agencies concerned that the move could signal a departure from the state's historically strong support of its financially distressed cities.

(Reporting by Narottam Medhora and Ankush Sharma in Bengaluru and Hilary Russ in New York; Editing by Diane Craft)

By REUTERS

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