

EXHIBIT 1



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 7 Facilities District No. 1

8 UNITED STATES BANKRUPTCY COURT
 9 EASTERN DISTRICT OF CALIFORNIA

11 In re

12 DIABLO GRANDE COMMUNITY
 13 FACILITIES DISTRICT NO. 1,

14 Debtor.

Case No. 25-26635-A-9

DCN BWS-1

**NOTICE OF COMMENCEMENT OF
 CHAPTER 9 CASE**

16 **NOTICE OF COMMENCEMENT OF CHAPTER 9 CASE**

17 **TO ALL CREDITORS OF DIABLO GRANDE COMMUNITY FACILITIES DISTRICT**
 18 **NO. 1, AND TO PARTIES IN INTEREST, PLEASE TAKE NOTICE THAT:**

19 **COMMENCEMENT OF CHAPTER 9 CASE.** On November 25, 2025, Diablo Grande
 20 Community Facilities District No. 1 (the "**Debtor**") commenced a case under chapter 9 of title 11
 21 of the United States Code ("Bankruptcy Code") in the United States Bankruptcy Court for the
 22 Eastern District of California, Sacramento Division ("Court"). The chapter 9 case is pending
 23 before the Honorable Jennifer E. Niemann, United States Bankruptcy Judge. All documents filed
 24 with the Court are available for inspection via the PACER system, which may be accessed on a
 25 subscription basis at the following internet address: www.caeb.uscourts.gov. In addition, a website
 26 has been created with Verita Global, <https://www.veritaglobal.net/diablograndecfd1>, which
 27 contains, among other things, key pleadings filed in the bankruptcy case.

28 **AUTOMATIC STAY.** Pursuant to sections 362 and 922 of the Bankruptcy Code, 11

1 U.S.C. sections 362 and 922, the filing of the Debtor's chapter 9 petition operates as an automatic
2 stay of actions against the Debtor, including, among other things, the enforcement of any
3 judgment, any act to obtain property from the Debtor, any act to create, perfect, or enforce any lien
4 against property of the Debtor, any act to collect, assess or recover a claim against the Debtor, and
5 the commencement or continuation of any judicial, administrative, or any other action or
6 proceeding against the Debtor.

7 **PURPOSE OF THE CHAPTER 9 FILING.** Chapter 9 of the Bankruptcy Code provides
8 a means for a municipality, such as the Debtor, that has encountered financial difficulty to work
9 with its creditors to adjust its debts. The primary purpose of chapter 9 is to allow the municipality
10 to continue its operations while it adjusts or restructures creditor obligations. In a chapter 9 case,
11 the jurisdiction and powers of the bankruptcy court are limited such that the court may not
12 interfere with any of the political or governmental powers of the Debtor. The Debtor intends to
13 propose a plan for the adjustment of its debts after the order for relief is entered. Future notice
14 concerning such a plan will be provided to all known creditors. During the bankruptcy case, the
15 Debtor will remain in possession and control of its property and will maintain its operations for
16 the benefit of the public.

17 **DEADLINE FOR OBJECTIONS TO PETITION AND ENTRY OF AN ORDER**
18 **FOR RELIEF.** Objections to the chapter 9 petition may be filed by a creditor or party in interest
19 by no later than 5:00 p.m. Pacific time on April 3, 2026. If you are an authorized user of the
20 Court's CM/ECF system, any such objection shall be filed via the Court's CM/ECF system. If you
21 are not an authorized user of the Court's CM/ECF system, a written objection must be sent by
22 means calculated to reach the Court no later than 5:00 p.m. on April 3, 2026, at the following
23 address: Clerk of the United States Bankruptcy Court for the Eastern District of California, 501 I
24 Street, Sacramento, California 95814. Any objection shall state the facts and legal authorities
25 relied upon in support thereof and shall be served on or before the same date on the following
26 parties: (1) the United States Trustee; (2) the Debtor; (3) the Debtor's chapter 9 counsel; and (4)
27 any other party who has filed a request for special notice with the Court.

28 **HEARING ON OBJECTIONS.** If no objection is timely filed, the filing of the petition

1 shall be deemed an order for relief under chapter 9 of the Bankruptcy Code, and this notice shall
 2 be deemed notice of such order for relief. If a timely objection is filed and served, the Court has
 3 set a status conference for April 15, 2026, at 9:30 a.m. Pacific time at the United States
 4 Bankruptcy Court for the Eastern District of California, Dept. A, Ctrm 11, 2500 Tulare Street,
 5 Fresno, California 93721. At such time, the Court will consider setting other dates.

6 **FAILURE TO FILE A TIMELY WRITTEN OPPOSITION WILL RESULT IN**
 7 **THE ORDER FOR RELIEF BEING ENTERED.**

8 Dated: February 5, 2026

BURKE, WILLIAMS & SORENSEN, LLP

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By: /s/ Joseph P. Buchman
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