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San Diegans for Open Government v. Public Facilities Financing Authority of the City of San Diego

Court of Appeal, Fourth District, Division 1, California - November 9, 2017 - 2017 WL 5184916 - 17 Cal. Daily Op. Serv. 10, 78020 - 17 Daily Journal D.A.R. 10, 704

Nonprofit taxpayer organization filed complaint seeking declaratory judgment that municipal ordinance authorizing issuance of bonds to refund and refinance remaining amount owed by city on bonds issued for construction of professional baseball stadium violated conflict-of-interest statute.

The Superior Court granted city's motion to dismiss based on lack of standing. Organization appealed.

The Court of Appeal held that allegation of interest on behalf of taxpayer who was resident of city was sufficient to confer standing on organization to challenge ordinance under conflict-of-interest statutes.

Nonprofit taxpayer organization's alleged interest on behalf of taxpayer who was resident of city would be sufficient to maintain action for judgment restraining and preventing any illegal expenditure of city funds or action for reverse validation, and thus organization had standing under narrower provisions of conflict-of-interest statute to challenge validity of municipal ordinance authorizing issuance of bonds to refund and refinance remaining amount owed by city for construction of professional baseball stadium based on alleged financial interest in sale of bonds by member of financing team that participated in preparation of bonds.

"Any party," within meaning of statute providing that a contract made by a financially-interested public official in violation of the conflict-of-interest statute "may be avoided at the instance of any party except the officer interested therein," includes any litigant with an interest in the subject contract sufficient to support standing and is not limited to the parties to the contract.

A party's interest in having the laws executed and the duty in question enforced is sufficient to seek a writ of mandate, even absent a legal or special interest in the relief requested; this exception to the beneficial interest requirement protects citizens' opportunity to ensure that no governmental body impairs or defeats the purpose of legislation establishing a public right.

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