

Bond Case Briefs

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CONTRACTS - CALIFORNIA

Rand Resources, LLC v. City of Carson

Supreme Court of California - February 4, 2019 - P.3d - 2019 WL 418745 - 19 Cal. Daily Op. Serv. 1055

Stadium developer brought action against city, mayor, and developer's competitor, alleging tortious breach of an exclusive agency contract, promissory fraud, fraud, and intentional interference with contract and prospective economic advantage after city replaced developer with competitor as representative in negotiations with National Football League (NFL) regarding potential football franchise for city.

The Superior Court granted anti-SLAPP motion to strike. Developer appealed, and the Court of Appeal reversed and remanded. The Supreme Court granted review.

The Supreme Court of California held that:

- Mayor's alleged false statement that he did not know of competitor, and city attorney's alleged false statement that, so long as developer showed reasonable progress, exclusive agency agreement would be renewed, were not made "in connection with" an issue before the city council as required for anti-SLAPP motion;
- Alleged false statements misrepresented the identity of the city's agent and thus did not concern an issue of public interest as required for anti-SLAPP motion;
- City attorney's statement to developer that agreement would be extended so long as developer showed reasonable progress, followed by the city council's denial of an extension to the agreement, could not constitute a statement in connection with an issue "under consideration or review" within meaning of anti-SLAPP statute;
- City attorney's statement to stadium developer that agreement would be extended so long as developer showed reasonable progress did not constitute a statement "in connection with a public issue or an issue of public interest" within meaning of anti-SLAPP statute;
- City attorney's statement that agency agreement would not be renewed because city "did not need" developer anymore and have been "walking on eggshells" with developer's competitor could not provide basis for liability for promissory fraud;
- Intentional interference with contract and intentional interference with prospective economic advantage claims based on competitor's alleged meeting with city attorney regarding how to breach city's exclusive agency agreement with developer were subject to anti-SLAPP motion to strike; and
- Intentional interference with contract and intentional interference with prospective economic advantage claims based on competitor's alleged contact with NFL representatives were subject to anti-SLAPP motion to strike.