

Bond Case Briefs

Municipal Finance Law Since 1971

ZONING & PLANNING - CALIFORNIA

Travis v. Brand

Court of Appeal, Second District, Division 8, California - March 19, 2021 - Cal.Rptr.3d - 2021 WL 1049863 - 21 Cal. Daily Op. Serv. 2591

City residents brought action alleging that political candidates controlled political action committee created to oppose redevelopment of municipal waterfront, in violation of Political Reform Act.

The Superior Court entered judgment in defendants' favor and awarded attorney fees. Plaintiffs appealed and appeals were consolidated.

The Court of Appeal held that:

- Nonparties that funded action had standing to appeal fee award;
- Substantial evidence supported trial court's finding that committee was general purpose committee;
- Substantial evidence supported trial court's finding that committee was not controlled committee;
- Trial court acted beyond its authority by issuing judgment holding nonparties liable for defendants' attorney fees; and
- Trial court had authority under Political Reform Act to award attorney fees to defendants.

Nonparties that funded action alleging that political candidates improperly controlled political action committee that had opposed their municipal beachfront redevelopment project had standing to appeal trial court's order awarding candidates and committee attorney fees and costs incurred in action, where court found nonparties "were the true entity and persons behind the lawsuit," and ordered its judgment to be entered against them.

Substantial evidence supported trial court's that finding political action committee that opposed municipal waterfront redevelopment project was general purpose committee, and thus did not need to reclassify itself as primarily formed committee, in light of evidence that committee's founders created it to support and oppose more than one candidate or ballot measure, that it was not involved in running principal campaign against project, that it was involved in many different activities, and that its political expenditures did not meet threshold for primarily formed committees.

Substantial evidence supported trial court's finding that political action committee that opposed municipal waterfront redevelopment project was not controlled committee, even though political candidates supported committee's efforts to stop project, and committee had fundraiser with candidates, in light of evidence that candidates did not direct or control committee, work on committee's efforts to pass ballot measure opposing project, strategize with committee, have significant influence over committee, share office space with committee, or act jointly with committee.

Trial court acted beyond its authority by issuing judgment holding nonparties who funded action against political candidates and political action committee that opposed municipal waterfront redevelopment project liable for defendants' attorney fees, even though nonparties had notice that

case was ongoing, where they had no notice that judgment could include them.

Trial court had authority under Political Reform Act to award attorney fees to political candidates and political action committee that prevailed in action alleging that candidates violated Act by controlling committee, regardless of whether action was frivolous, unreasonable, or without foundation.