Court Blocks Opponents' Shot at Halting New Kings Arena

The court of appeal recently upheld legislation modifying several deadlines for CEQA review of a project that includes a proposed new arena for the Sacramento Kings, rejecting a claim the statute violates separation of powers. Saltonstall v. City of Sacramento, No. C077031 (3d Dist., Nov. 20, 2014).

In 2013, the National Basketball Association approved the sale of the Kings to a local group planning to build a new downtown Sacramento entertainment and sports center, including an arena for the team. Yet the NBA also reserved the right to acquire and relocate the franchise to another city if a new arena does not open in Sacramento by 2017.

In response, the Legislature amended CEQA, exclusively for the downtown arena project, to expedite the environmental review process. The City of Sacramento complied with the accelerated deadlines, certified an environmental impact report, approved the arena project, and promptly was sued by project opponents.

The court of appeal rejected the opponents' constitutional challenge to the CEQA legislation, holding that the amendment does not materially impair the core function of the courts, the legal standard for finding a separation of powers violation.

First, the statute does not infringe on the courts' power to issue injunctive relief. The court of appeal acknowledged that the legislation changes the standards for injunctive relief in connection with the arena project, but ruled that the Legislature has the prerogative to specify which interests should be weighed against the benefits of a new arena. Indeed, the court reasoned, the Legislature has the constitutional right to exempt the arena project entirely from CEQA review, so it follows that the Legislature may determine which interests must be considered in deciding whether to halt its construction.

Second, the legislation does not unconstitutionally impose impossibly short deadlines on the courts. One statutory provision requires the Judicial Council to adopt a rule to facilitate completion of judicial review of the project's CEQA compliance within 270 days. The court upheld the challenged provision, noting that it imposes no penalty for judicial review that exceeds the specified period and thus is "suggestive" only.

On more than one occasion in recent years, the Legislature has treated large-scale sports venues differently for CEQA purposes. This decision reaffirms the Legislature's authority to do so.

Authors



Alan Murphy

Partner <u>AMurphy@perkinscoie.com</u> 415.344.7126 Blog series

California Land Use & Development Law Report

California Land Use & Development Law Report offers insights into legal issues relating to development and use of land and federal, state and local permitting and approval processes.

View the blog