

## Warriors' \$1B New Arena Survives Calif. Court Challenge

By **Suevon Lee**

*Law360, Los Angeles (July 19, 2016, 6:55 PM ET)* -- A California state judge on Monday rejected a group's bid to halt plans for a new \$1 billion arena for the NBA's Golden State Warriors in San Francisco's Mission Bay area, saying the city's environmental review process for the site was sound.

The ruling by San Francisco Superior Court Judge Garrett Wong nixes attempts by the Mission Bay Alliance to put a halt to the new arena and multiuse entertainment complex over concerns about traffic, air quality and noise given its location in the Mission Bay South Redevelopment Plan area near the new Mission Bay medical center of the University of California, San Francisco.

In a 60-page ruling, Judge Wong said the environmental review process conducted by the city and county Office of Community Investment and Infrastructure over the project passed muster.

Judge Wong said the Mission Bay Alliance failed to meet its burden to show why the OCII was out of bounds in its determination that the four secondary uses of the proposed arena, including nighttime entertainment and recreation, were reasonable.

"In sum, the court finds that each of OCII's four independent secondary use findings was within OCII's discretion," he wrote. "OCII's finding that the event center uses were consistent and in conformity with the plan was 'reasonable based on the evidence in the record.'"

The Warriors play at the Oracle Arena in Oakland. City leaders greenlighted the proposed Mission Bay site in December. The new development, to be known as the Chase Center, is scheduled to open in 2019.

The Warriors' president and chief operating officer, Rick Welts, praised Monday's ruling.

"This decision brings us a huge step closer to building a new state-of-the-art sports and entertainment venue, which will add needed vitality to the Mission Bay neighborhood and serve the entire Bay Area extremely well," he said in a statement. "We look forward to breaking ground soon."

Mission Bay Alliance, composed of UCSF stakeholders, donors and faculty, argued that the proposed arena and surrounding multiuse entertainment complex will cause havoc to the neighborhood, including traffic problems, and block emergency access to the hospital.

It filed the lawsuit in January, alleging the proposed stadium's environmental impact report violates the

California Environmental Quality Act for not properly considering alternative locations and and failing to adequately assess potential impacts on traffic, air quality and noise.

However, in his ruling, Judge Wong said the city properly considered alternatives and did not abuse its discretion by rejecting alternate sites proposed by the alliance. Without listing the reasons in specific detail, the judge said that "substantial evidence supports OCII's decisions" to reject these proposed alternatives.

As far as traffic impacts, he said there are "feasible mitigation" measures the agency considered, including additional transit services. He also shot down the group's challenge of other environmental factors, saying the city's environmental review of the new arena was compliant with California Natural Resources Agency guidelines.

The alliance's combined suits against the city comprise just one of two sets of cases challenging the arena. The Mission Bay Alliance is also challenging UCSF Chancellor Sam Hawgood's decision to sign off on the project.

Hawgood's legal counsel in that case told Law360 they were encouraged by Monday's ruling in the lawsuit against OCII.

"Judge Wong's decision makes clear that the challenges to this project are meritless and the wasteful litigation challenging it should be terminated," said Michael A. Kahn of Crowell & Moring LLP, who is representing Hawgood.

Tiffany Bohee, executive director of the Office of Community Investment and Infrastructure, told Law360 Tuesday the ruling marks "a critical step forward in bringing this important development to fruition."

"Under the mayor's leadership our office worked tirelessly with our fellow City departments, the University of California San Francisco, neighborhood stakeholders, and the broader community to make sure the approval process was thorough and comprehensive," she said. "We are extremely gratified to see that Judge Wong's ruling recognized the validity of that process."

Attorneys for Mission Bay didn't immediately respond to requests for comment Tuesday.

Mission Bay and SaveMuni are represented by Thomas N. Lippe of the Law Offices of Thomas N. Lippe, and Patrick M. Soluri and Osha R. Meserve of Soluri Meserve. Mission Bay is further represented by Susan Brandt-Hawley and Skyla Olds of Brandt-Hawley Law Group.

GSW Arena LLC is represented by Daniel M. Kolkey, Matthew S. Kahn, Eli M. Lazarus, Kirsten Galler and Theodore M. Kider of Gibson Dunn.

San Francisco is represented by City Attorney Dennis J. Herrera as well as James M. Emery and Brian F. Crossman of the Office of the City Attorney. The Office of Community Investment and Infrastructure is represented by Tina A. Thomas and Christopher J. Butcher of Thomas Law Group.

GSW Arena LLC is represented by Mary G. Murphy and Daniel M. Kolkey of Gibson Dunn.

The cases are Mission Bay Alliance v. Office of Community Investment and Infrastructure, case number

CPF16514892, and Mission Bay Alliance et al. v. City and County of San Francisco et al., case number CPF16514811, in the Superior Court of California, County of San Francisco.

--Additional reporting by Zachary Zagger. Editing by Aaron Pelc.

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