

Expanded Background Summary
City of Stockton v. Superior Court (Civic Partners Stockton, LLC,
Real Party in Interest) (S139237)

A developer sued the City of Stockton, claiming the city had breached contracts for the redevelopment of a hotel and the construction of a movie theater next door to the hotel. The city “demurred” to the complaint (that is a way of asking the court to dismiss a lawsuit because it cannot succeed). The city argued that it could not be sued because the developer had neglected to present a claim to the city.

Under a state law that has long been informally known as the “Tort Claims Act,” anyone who seeks “money or damages” from a governmental defendant must first notify the government of the claim, so that it can investigate it and decide whether to pay the claimant without going through a trial. The claim must be presented within a certain period of time, or else the claimant loses the right to sue the government.

Tort claims are not based on contract; they are brought for personal injuries or property damage. The developer in this case argued that the “Tort Claims Act” did not apply to its contract claims. The trial court agreed, and refused to dismiss the developer’s complaint. The Court of Appeal, however, decided that the claims act does apply to contract cases. The Court of Appeal then considered, and rejected, a series of excuses the developer offered for not presenting a claim. It ordered the trial court to rule in the city’s favor.

Some earlier Court of Appeal cases conclude that the claims act does not cover contract claims. The Supreme Court granted review of this case to settle the question of whether a contract claim must be presented to the government before a lawsuit is filed.