IN THE SUPREME COURT OF THE STATE OF NEVADA

Case No. 78792

CITY OF LAS VEGAS, a political subdivision of the State of New 2019 02:56 p.m. Petitioner Elizabeth A. Brown Clerk of Supreme Court

v.

EIGHTH JUDICIAL DISTRICT COURT of the State of Nevada, in and for the County of Clark, and the Honorable Timothy C. Williams, District Judge,

Respondents

and

180 LAND CO, LLC, a Nevada limited-liability company,

Real Party in Interest

District Court Case No.: A-17-758528-J Eighth Judicial District Court of Nevada

EMERGENCY MOTION UNDER NRAP 27(e) FOR STAY PENDING WRIT PETITION (immediate relief requested)

McDONALD CARANO LLP George F. Ogilvie III (#3552) Debbie Leonard (#8260) Amanda C. Yen (#9726) Christopher Molina (#14092) 2300 W. Sahara Ave, Suite 1200 Las Vegas, NV 89102 Phone: 702.873.4100 Fax: 702.873.9966 gogilvie@mcdonaldcarano.com dleonard@mcdonaldcarano.com ayen@mcdonaldcarano.com LAS VEGAS CITY ATTORNEY'S OFFICE Bradford R. Jerbic (#1056) Philip R. Byrnes (#166) Seth T. Floyd (#11959) 495 S. Main Street, 6th Floor Las Vegas, NV 89101 Phone: 702.229.6629 Fax: 702.386.1749 bjerbic@lasvegasnevada.gov pbyrnes@lasvegasnevada.gov

Attorneys for Petitioner

INTRODUCTION

The City of Las Vegas files this emergency motion pursuant to NRAP 8 and 27(e) to stay all district court proceedings pending the disposition of its petition for writ of mandamus, or in the alternative, writ of prohibition (the "Writ Petition"). Immediate action by the Court is needed because the district court denied the City's motion to stay, the City will be irreparably and seriously harmed, and the purpose of its Writ Petition defeated, should a stay not be granted.

A stay is warranted because the district court denied the City's motion for judgment on the pleadings on Real Party-in-Interest 180 Land Company, LLC's ("the Developer") inverse condemnation claims, notwithstanding two independent legal grounds for dismissing them. First, the district court's November 21, 2018 Order denying the Developer's petition for judicial review (the "PJR") established that the City lawfully exercised its discretion to deny the Developer's applications to redevelop the Badlands golf course, and as a matter of law, the Developer lacked any vested rights to have its redevelopment applications approved. 1(216-222).¹ As a result, there can be no regulatory taking. Allowing the Developer's inverse condemnation claims to proceed in the absence of vested rights is directly contrary to this Court's precedents, exposes the City to a flood litigation from the Developer

¹ References are to the Petitioner's Appendix, filed with the Writ Petition, volume number followed by pages numbers in parentheses.

and others for its discretionary land use decisions, and is disruptive to the City's exercise of its public service functions.

Second, the November 21, 2018 Order determined that an Order issued by the Honorable James Crockett in *Jack B. Binion, et al. v. The City of Las Vegas, et al.*, A-17-752344-J ("Judge Crockett's Decision") requiring a major modification of the Peccole Ranch Master Plan before the Developer may redevelop the golf course has preclusive effect. 1(77-90); 1(223-225). The district court made the finding that the Developer withdrew the only major modification application it submitted. 1(208-209). Since the Developer's inverse condemnation claims cannot be ripe under Judge Crockett's Decision until the Developer receives a final decision from the City Council on at least one meaningful major modification application, , the district court is acting outside the bounds of its jurisdiction.

The City should not be forced to bear the burden of defending against the Developer's inverse condemnation claims under these circumstances. The Developer's litigation over the Badlands golf course in this case and numerous others is placing significant demands on government resources, both financial and with personnel being diverted from their usual tasks to address broad discovery requests. The tax dollars consumed and the lost productivity of City employees will likely never be recovered. All of this is contrary to the public interest. Because the legal issues presented in the Writ Petition have statewide importance, will affect all

land use and planning authorities in Nevada, and have the potential to flood the courts with a multitude of inverse condemnation claims arising from discretionary land use decisions, a stay is warranted.

The City first sought a stay in the district court on the same grounds asserted here, which was denied on May 15, 2019. 5(902). The district court even denied the City's request for a temporary stay pending a request to this Court, prompting the City to bring this motion on an emergency basis. In its minute order, the district court did not state its reasons for denying the City's motion for stay but stated at the hearing that it believed the factors in *Hansen v. Eighth Jud. Dist. Ct.*, 116 Nev. 650, 657, 6 P.3d 982, 986 (2000) were not satisfied. 5(902).

LEGAL ARGUMENT

A. Standard For A Stay

Under NRAP 8(c), the following factors are considered for a motion to stay: (1) whether the object of the appeal or writ petition will be defeated if the stay is denied; (2) whether appellant/petitioner will suffer irreparable or serious injury if the stay is denied; (3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and (4) whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition. *Hansen*, 116 Nev. at 657, 6 P.3d at 986. A motion for stay is appropriate pending the Court's disposition of a writ petition. *See id*. The authority of an appellate court to grant a stay "has historically been justified by the perceived need 'to prevent irreparable injury to the parties or to the public" pending review. *Nken v. Holder*, 556 U.S. 418, 432 (2009), *quoting Scripps-Howard Radio v. F.C.C.*, 316 U.S. 4, 9 (1942). By entering a stay, the appellate court can "save the public interest from injury or destruction" during its review and fulfill its "task of safeguarding the public interest." *Scripps-Howard*, 316 U.S. at 15.

B. Allowing the Case to Proceed Defeats the Purpose of the Writ Petition

One purpose of the Writ Petition is to compel the district court to act within the confines of its jurisdiction and dismiss the Developer's inverse condemnation claims, as required by its own conclusions of law. The law is settled that ripeness is a jurisdictional requirement in inverse condemnation actions. *S. Pac. Transp. Co. v. City of Los Angeles*, 922 F.2d 498, 502 (9th Cir. 1990) ("Ripeness is more than a mere procedural question; it is determinative of jurisdiction.").

The ripeness of an as-applied claim for inverse condemnation "depends upon the landowner's first having followed reasonable and necessary steps to allow regulatory agencies to exercise their full discretion in consideration development plans for the property, *including the opportunity to grant variances or waivers allowed by law*." *Palazzolo v. Rhode Island*, 533 U.S. 606, 620–21 (2001) (emphasis added). "As a general rule, until these ordinary processes have been followed the extent of the restriction on property is not known and a regulatory taking has not yet been established." *Id.* at 621 (emphasis added).

Another object of the Writ Petition is to avoid subjecting the City to inverse condemnation claims in the absence of vested rights and based on the lawful exercise of authority granted pursuant to NRS 278.250 and 278.260. The Writ Petition is necessary to prevent a barrage of takings litigation over every discretionary land use application that the City may deny and seeks to stem the loss of additional public resources in defending a suit over which there is no jurisdiction.

If a Government official is to devote time to his or her duties, and to the formulation of sound and responsible policies, it is counterproductive to require the substantial diversion that is attendant to participating in litigation and making informed decisions as to how it should proceed. Litigation, though necessary to ensure that officials comply with the law, exacts heavy costs in terms of efficiency and expenditure of valuable time and resources that might otherwise be directed to the proper execution of the work of the Government.

Ashcroft v. Iqbal, 556 U.S. 662, 685 (2009) (discussing qualified immunity).

The City has invested a tremendous amount of time in this and at least ten other cases involving the Developer's attempts to convert the Badlands golf course to residential development.² In addition to its reams of motions, countermotions,

² See Jack B. Binion, et al. v. Fore Stars, Ltd., City of Las Vegas, et al., 8JDC Case No. A-15-729053-C, NSC Case No. 73813; Jack B. Binion, et al. v. City of Las Vegas, et al., 8JDC Case No. A-17-752344-J, NSC Case No. 75481; 180 Land Company, LLC v. City of Las Vegas, 8JDC Case No. A-17-758528-J, NSC Case No. 77771; Frank A. Schreck v. City of Las Vegas and 180 Land Co., LLC, 8JDC Case No. A-18-768490-J; 180 Land Co LLC v. City of Las Vegas, 8JDC Case No. A-18-

oppositions, replies, appendices and other filings, the Developer has served extensive discovery requests on the City, which the district court has allowed to proceed. 4(726-760). The City's Planning Department is currently searching its records to respond, which involves a review of multiple land use application files. Many of the requests will cause staff to search for and retrieve numerous files from the 1980s and 1990s. This must be done manually and is quite time consuming, thereby taking staff away from their normal duties of serving the public.

Each request also contains language that will cause the City to retrieve the City Council and Planning Commission records that correspond with each planning file. This requires the resources of both the City Clerk and the Planning Department, plus the City Attorney's Office and outside counsel. Moreover, it appears that the Developer intends to use discovery into its inverse condemnation claims to launch a collateral attack on the district court's November 21, 2018 Order denying its petition for judicial review and to contend that the City intentionally delayed consideration of its applications. 1(200-227); 4(636). No amount of discovery will change the fact

⁷⁷¹³⁸⁹⁻C; 180 Land Co LLC, et al. v. City of Las Vegas, James R. Coffin, Steven G. Seroka; USDC Case No. 2:18-cv-0547-JCM-CWH; Fore Stars, Ltd., et al. v. City of Las Vegas, et al.; 8JDC Case No. A-18-773268-C; 180 Land Company, LLC v. City of Las Vegas, 8JDC Case No. A-18-775804-J; 180 Land Company, LLC, et al. v. City of Las Vegas, 8JDC Case No. A-18-780184-C; Laborers' Int'l Union N. Am., Local 872 v. City of Las Vegas, James Robert Coffin, and Steve Seroka, USDC Case No. 2:19-cv-00322-GMN-NJK.

that the Developer has not filed a major modification application so any delay is its own doing. 1(208-209).

If the City is forced to go through discovery and trial on the Developer's inverse condemnation claims only to have this Court simply apply its precedents that the Developer lacks vested rights and the district court lacks jurisdiction, the purpose of the Writ Petition will be defeated. The City has no plain and speedy remedy.

C. The City Will Suffer Irreparable or Serious Harm Without a Stay

Allowing the case to proceed will cause irreparable harm to the City and, in turn, the taxpayers funding the City's staff and this litigation. As the district court acknowledged during the hearing on the Rule 12(c) Motion, "we could waste a year" allowing this case to proceed. 4(636). The loss of public resources occasioned by defending a meritless lawsuit is a harm that cannot be undone. There is more at stake here, however, than just time and money.

Every month, the City Council or Planning Commission considers and decides as many as 100 discretionary land use applications. Until the district court's order, such discretionary decisions have been protected from inverse condemnation claims under the authority of this Court's *Stratosphere* line of cases, which hold that rights to obtain land use approvals do not vest if they remain subject to governmental discretionary decision-making authority. *See Stratosphere Gaming Corp. v. City of Las Vegas*, 120 Nev. 523, 527-28, 96 P.3d 756, 759-60 (2004); Am. W. Dev., Inc. v. *City of Henderson*, 111 Nev. 804, 807, 898 P.2d 110, 112 (1995). This is consistent with federal takings law. *See Bd. of Regents v. Roth*, 408 U.S. 564, 577 (1972); *Landgraf v. USI Film Prod.*, 511 U.S. 244, 266 (1994). The current posture of this case establishes a dangerous precedent that would allow disappointed landowners to sue for inverse condemnation whenever a land use application has been denied, regardless of the reasons for the denial.

If the district court's conclusion that the City properly exercised its discretion to deny the 35-Acre Applications and this Court's precedents provide no assurances that the City will be protected against liability for inverse condemnation, the City's Planning Department and City Council (and every other municipality and planning authority) will be chilled from denying deficient land use proposals when such denial is permitted and warranted. These are serious and irreparable effects.

D. Staying This Case Results in No Prejudice to the Developer

Since the Developer is merely seeking compensation for an alleged taking, in the unlikely event that the Developer should ultimately prevail, any delay in the proceedings can be compensated for by prejudgment interest. Moreover, shortly before the City sought the instant stay, the Developer itself requested a stay of the case, a further indication that it will not be prejudiced should the proceedings be held in abeyance pending the Court's disposition of the Writ Petition. 2(229).

E. The City is Likely to Prevail on the Merits of the Writ Petition

1. The District Court Cannot Disregard its Own Conclusions of Law

The district court's conclusion of law that the Developer lacks vested rights to have its redevelopment applications approved is a legal bar to the inverse condemnation claims. 1(219-222). Constitutional guarantees are only triggered by a vested right. Landgraf v. USI Film Prod., 511 U.S. 244, 266 (1994); Nicholas v. State, 116 Nev. 40, 44, 992 P.2d 262, 265 (2000); Application of Filippini, 66 Nev. 17, 22, 202 P.2d 535, 537 (1949). Only a "legitimate claim of entitlement" under state law that derives from "existing rules or understandings" can give rise to a taking claim. Bd. of Regents v. Roth, 408 U.S. 564, 577 (1972). If a property interest is "contingent and uncertain," "speculative," "discretionary," "inchoate," or "does not provide a certain expectation," then it cannot be deemed a vested right that gives rise to a taking. Bowers v. Whitman, 671 F.3d 905, 913 (9th Cir. 2012); quoting Engquist v. Oregon Dep't of Agric., 478 F.3d 985, 1002-03 (9th Cir. 2007). "[A] mere unilateral expectation or an abstract need is not a property interest entitled to protection." Webb's Fabulous Pharms., Inc. v. Beckwith, 449 U.S. 155, 161 (1980).

The City is likely to prevail on the Writ Petition because: (a) the district court's November 21, 2018 Order conclusively establishes that the Developer does not have a vested right to have its redevelopment applications approved; (b) this Court's *Stratosphere* line of cases conclusively establishes that there can be no

vested right in a land use approval that is subject to the discretionary decisionmaking authority; and (c) an unapproved proposed new use of property is not "fixed and established." *Application of Filippini*, 66 Nev. at 22, 202 P.2d at 537; *Stratosphere Gaming*, 120 Nev. at 527-28, 96 P.3d at 759-60. 2(219-222).

2. The District Court Exceeded its Jurisdiction by Allowing Unripe Claims to Proceed

The district court concluded as a matter of law that Judge Crockett's Decision has preclusive effect in this case. 2(223-225). Judge Crockett's Decision requires the Developer to obtain a major modification of the Peccole Ranch Master Plan before any redevelopment of the golf course could occur, and the district court correctly found that the Developer withdrew the only major modification application it ever filed. 1(77-90); 2(208-210). Under these circumstances the Developer failed to satisfy the final decision requirement under *Williamson Cty. Reg'l Planning Comm'n* v. Hamilton Bank of Johnson City, 473 U.S. 172, 186 (1985). If a party's claims are not ripe for review, they are not justiciable, and the district court lacks subject matter jurisdiction to review them. Chandler v. State Farm Mut. Auto. Ins. Co., 598 F.3d 1115, 1122 (9th Cir. 2010); Resnick v. Nev. Gaming Comm'n, 104 Nev. 60, 65-66, 752 P.2d 229, 233 (1988). By allowing the Developer's unripe claims to proceed, the district court is acting without jurisdiction.

CONCLUSION

For the foregoing reasons, the City respectfully requests a stay of all further

proceedings in this action pending the Court's resolution of the City's Writ Petition.

DATED this 17th day of May, 2019.

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Attorneys for Petitioner City of Las Vegas

NRAP 27(e) CERTIFICATE and DECLARATION OF DEBBIE LEONARD

I, Debbie Leonard, do hereby swear under penalty of perjury that the assertions of this declaration are true and correct.

1. I am over the age of eighteen (18) years. I have personal knowledge of the facts stated within this declaration. If called as a witness, I would be competent to testify to these facts.

2. I am a partner with the law firm of McDonald Carano LLP, which represents the City of Las Vegas in the above-titled matter and am licensed to practice in the State of Nevada and in front of this Court.

3. This declaration is offered in support of the City's Emergency Motion for Stay Pending Appeal. The documents referenced in this Motion and the Writ Petition are found in the Appendix filed concurrently herewith.

4. The contact information for Real Party in Interest 180 Land Company's attorney is:

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5. The facts stated in the City's Writ Petition, Emergency Motion, and the supporting appendix thereto show the need for emergency relief in the form of a stay pending the City's Writ Petition.

On April 4, 2019, an early case conference was held pursuant to Rule
16.1(b) during which the district court bifurcated discovery into two phases for
liability and damages.

7. On April 15, 2019, the Developer served the following documents on the City: (i) Rule 16.1(a) initial disclosures; (ii) the Developer's first set of requests for admission; and (iii) the Developer's first set of requests for production of documents.

8. The Developer's initial disclosures indicate that the Developer will seek to depose City officials about matters dating back to 1986.

9. The Developer's requests for production of documents will require the City Clerk, Planning Department and City Attorney's Office to undertake a comprehensive review and produce several decades of voluminous records.

10. The City has invested a tremendous amount of time in this and at least ten other cases involving the Developer's attempts to convert the Badlands golf course to residential development.

11. The Developer has filed numerous and voluminous motions, countermotions, oppositions, replies, appendices and other filings in the district court

12. The City's Planning Department is currently searching its files for the requested records, which involves a review of numerous land use application files. Many of the Developer's requests will cause staff to search for and retrieve numerous files from the 1980s and 1990s. This must be done manually and is quite time consuming, thereby taking staff away from their normal duties.

13. Each of the Developer's requests also contains language that will cause the City to retrieve the City Council and Planning Commission records that correspond with each of the planning files. This requires the resources of both the City Clerk and the Planning Department, plus the City Attorney's Office and outside counsel.

14. The public's interest is not served in allowing this case to proceed and requiring the City to expend taxpayer dollars and other public resources defending inverse condemnation claims based on the City's lawful exercise of its discretionary

authority over land use matters and when the district court lacks subject matter jurisdiction.

15. Every month, the City Council or Planning Commission considers and decides as many as 100 discretionary land use applications. Allowing inverse condemnation cases to proceed in the absence of vested rights exposes the City of Las Vegas and every other land use authority in the State to liability for inverse condemnation even in instances in which the governing body properly exercises its discretion to deny a land use application and when the applicant lacks vested rights to have the application approved. This could chill the City's Planning Department and City Council (and every other municipality and planning authority) from denying deficient land use proposals when such denial is permitted and warranted.

16. On April 3, 2019, the City Council voted to approve the filing of a writ petition to challenge the district court's denial of the City's motion for judgment on the pleadings.

17. On April 23, 2019, the City moved the district court for a stay of proceedings on an order shortening time. The district court did not hear the City's motion until May 15, 2019. At that hearing, the district court concluded that the requirements of NRAP 8(c) had not been satisfied. Counsel for the City asked the district court to enter a temporary stay to give the City time to seek a stay in this Court. The district court would not do so. The district court entered a minute order

denying the City's motion for stay on May 15, 2019. I have ordered a transcript of the May 15, 2019 hearing and will supplement the appendix with it once it is received.

18. The City's responses to the Developer's discovery requests were due on May 15, 2019. When the district court denied the City's stay request, the City asked the Developer for a 60-day extension of time to respond to the discovery requests. As of the time of this filing, no response has been received.

19. On May 17, 2019, I emailed counsel for the Developer to advise them that the City was seeking an emergency motion for stay in this Court. Concurrent with this filing, I will email them a copy of the Motion and Writ Petition.

20. Prior to filing this emergency motion, I made every practicable effort to notify the Supreme Court clerk and opposing counsel and caused to be served notice of the writ petition on the district court and real party in interest, with courtesy copy by email.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct.

DATED: May 17, 2019.

/s/ *Debbie Leonard* Debbie Leonard (#8260)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of McDonald Carano, LLP,

and that on this 17th day of May, 2019, a copy of the foregoing EMERGENCY

MOTION UNDER NRAP 27(e) FOR STAY PENDING WRIT PETITION

was electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (E-Flex). Participants in the case who are registered with E-Flex as users will be served by the EFlex system and others not registered will be served via U.S. mail as follows:

The Honorable Timothy C. Williams District Court Department XVI Regional Justice Center 200 Lewis Avenue, Las Vegas, Nevada 89155 <u>dept161c@clarkcountycourts.us</u> *Respondent*

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> /s/ Pamela Miller An employee of McDonald Carano, LLP

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