# DISTRICT COURT CIVIL COVER SHEET

XXX

Case No.

(Augmedby Clerk's Office)

County, Nevada

Plaimiff(s) (name/address/phone):		Defendant(s) (name/address/phone):	
Clark County, a political subdivision of the State of Nevada		Save Red Rock, Gypsum Resources, LLC; Does	
		I-X; DOE Partnerships I-X; ROE Corporations I-X	
Attorney (name/address/phone)		Aftorney (name/address/phose)	
Deputy District Attorney	, Robert T. Warhola		
District Attorney-	Civil Division		
500 Grand Central Pkwy., La	s Vegas, NV 89155-2215		
(702) 455	4761		
I. Nature of Controversy (please	eolort tha ano most annitroible bling no		
ivil Case Filing Types	seares in e one appa appachage same su	oe bestows	
Real Property		Terts	
Landiurd/Tenant	Negligence	Other Torts	
Unlassful Detainer	Auto	Product Liability	
Other Landlord/Tenant	Premises Liability	Intentional Misconduct	
Title to Property	Other Negligence	Employment Fort	
hudicial Foreclasure	Malpractice	Insurance fort	
Other Title to Property	Ntedical/Dental	Other Tort	
Other Real Property	Legal		
Condemnation/Eminent Domain	Accouning		
Other Real Property	Other Malpractice		
Probate	Construction Defect & Con		
Probate (select case type and estate value)	Construction Defect	Judicial Review	
Summary Administration	Chapter 40	Foreclosure Mediation Case	
Cieneral Administration	Other Construction Defect	Petition to Seal Records	
Special Administration	Contract Case	Mental Competency	
Set Aside	Uniform Commercial Code	Nevada State Agency Appeal	
Trust/Conservatorship	Building and Construction	Department of Motor Vehicle	
Other Probate	Insurance Carrier	Worker's Compensation	
Estate Value	Commercial Instrument	Other Nevada State Agency	
Civer \$200,000	Collection of Accounts	Appeal Other	
Between \$100,900 and \$200,000	Employment Contract	Appeal from Lower Court	
Under \$190,000 or Unknown	Other Contract	Other Judicial Review/Appeal	
Under \$2,500			
Civil Weit		Other Civil Filing	
Civil Writ		Other Civil Filing	
Writ of Habeas Corpus	West of Probabilion	Compromise of Minur's Claim	
Writ of Mandamus	Other Civil Writ	Foreign Judgmani	
Writ of Quo Warrant		Other Civil Manters	
Business C	ourt filings should be filed using th	e Business Court civil coversheet.	
12/9/2016		July Mary and	
Date	·······	Signature of initiating party or representative	
· · · · · · · · · · · · · · · · · · ·			

See other side for family-related case filings

# Electronically Filed 12/09/2016 11:34:24 AM

COMP Hun J. Lohn STEVEN B. WOLFSON District Attorney CIVIL DIVISION **CLERK OF THE COURT** State Bar No. 001565 By: ROBERT T. WARHOLA Deputy District Attorney State Bar No. 004410 500 South Grand Central Pkwy. P. O. Box 552215 Las Vegas, Nevada 89155-2215 (702)455-4761Fax (702) 382-5178 E-Mail: Robert Warhola@ClarkCountyDA.com Attorneys for Plaintiff Clark County 3 DISTRICT COURT 10 CLARK COUNTY, NEVADA 11 CLARK COUNTY, a political subdivision) 12 of the State of Nevada. Case No: A-16-747882-C 13 Dept No: Plaintiff, XXX14 Exempt From Arbitration: NAR 3(A),5 VS. 15 · Action for Declaratory Relief; and SAVE RED ROCK; GYPSUM RESOURCES, LLC; DOES I - X; DOE Action Presenting Significant Issue 16 PARTNERSHIPS I - X: ROE of Public Policy. CORPORATIONS I - X: 17 18 Defendants. 19 COMPLAINT 20 COMES NOW, the Plaintiff, CLARK COUNTY, a political subdivision of the State 21 of Nevada, by and through his attorneys, STEVEN B. WOLFSON, District Attorney, by, 22 ROBERT T. WARHOLA, Chief Deputy District Attorney, and states the following as its 23 complaint against the above-named defendants: 24 GENERAL ALLEGATIONS 25 Plaintiff CLARK COUNTY is a political subdivision of the State of Nevada. 1. 26 Defendant SAVE RED ROCK, ("SRR") is a Nevada non-profit corporation. 2 27 28

I of 13
PARTWMEMO3/Gypsum 2016/Declaratory Judgment/Declaratory Judgment final doc

- 3. Defendant GYPSUM RESOURCES, LLC, ("Gypsum") a Nevada Limited-Liability Company, is the applicant of the 2011 and 2016 Concept Plan, and a party to the 2010 Settlement Agreement, and thus a necessary party to this action.
- 4. Defendants DOES I through X, DOE PARTNERSHIPS I through X, ROE CORPORATIONS I through X are fictitious names. Plaintiff is ignorant of the true names of the individuals, corporations, partnerships, and associations so designated by said fictitious names, and when the true names are discovered, Plaintiff will ask leave to amend this Complaint and proceedings herein to substitute the true names of said Defendants.
- 5. The subject property is owned by Defendant Gypsum and consists of approximately 2,010 acres generally located on the north side of State Route 159, approximately 1.5 miles northwest of the intersection of State Route 160 (Blue Diamond Road) and State Route 159, on property generally known as the James Hardie Gypsum Mine or Blue Diamond Hill in Clark County, Nevada.
- 6. The subject property is not located within the Red Rock Canyon National Conservation Area ("RRCNCA"), nor is it intended to serve as a buffer to the RRCNCA under federal law.
- 7. In 2003, the State of Nevada and Clark County adopted laws that prohibited rezoning of land in certain areas adjacent to Red Rock Canyon National Conservation Area, including approximately 2,500 acres owned by Defendant Gypsum Resources, LLC.
- 8. In 2005, Gypsum filed an action entitled Gypsum Resources, LLC v. Masto, et al., Case No. CV-S-05-0583-RCJ-LRL in the United States District Court for the District of Nevada ("Federal Lawsuit") seeking to invalidate the State and County laws on numerous grounds.
- 9. Subsequent thereto, Gypsum, the County and the State filed motions for summary judgment in the Federal Lawsuit. On or about November 24, 2009, the Federal District Court issued an order granting in full the motion made by Gypsum as to the State, thereby voiding the State law. The Federal District Court also granted in part the County's motion on substantive due process grounds, but denied in part the County's motion on equal

protection grounds. The Federal District Court also denied the State's motion on equal protection and constitutional grounds and granted the State's motion as to substantive due process.

- 10. As a result of the Federal District Court's order, Gypsum's cause of action, for violation of equal protection remained to be tried. The County and Gypsum were ordered to mandatory settlement conferences by the Federal District Court which resulted in Gypsum and the County entering into a Stipulation and Settlement Agreement Pursuant to Court Ordered Settlement Conference in 2010 ("2010 Settlement Agreement").
- County acknowledged that Gypsum intended to submit a Major Project application for the development of a master planned community pursuant to Chapter 30.20 of the Clark County Code. Clark County agreed that it would process the Major Project Application "in good faith" subject to Gypsum's understanding that Clark County could not and did not commit to approval of any particular Major Project and/or any particular densities or uses. Another term of the 2010 Settlement Agreement allowed Gypsum to only take primary, permanent access to the Major Project from the east, most probably State Route 160, and expressly prohibited primary access to the Major Project from connecting to State Route 159.
- Court's decision to the Ninth Circuit Court of Appeals. In turn, the Ninth Circuit certified questions to the Nevada Supreme Court regarding the constitutionality of the State law prohibiting rezoning of Gypsum's property. *Masto v. Gypsum Res., LLC.* 294 P.3d 404 (2013). Ultimately, the Nevada Supreme Court ruled against the State and found the State law prohibiting rezoning on Gypsum's property violated Article 4, Sections 20 and 21 and Article 4, Section 25, of the Nevada Constitution. *Id.*
- 13. In 2011, Gypsum submitted an application to Clark County for a Concept Plan ("2011 Concept Plan") proposing 7,269 residential dwelling units along with commercial, tourist commercial, industrial and public facility land uses over a project area of 3,466 acres. The project area was mainly comprised of property owned by Gypsum, but included

approximately 992 acres of Bureau of Land Management ("BLM") land that Gypsum hoped to exchange for environmentally or visually sensitive land it owned.

- 14. The purpose of a concept plan is to analyze a plan and identify potential impacts that need further analysis. A concept plan is general and vague by design. Under the Major Projects process, matters identified for further analysis in a concept plan are to be studied in more detail at a later stage of the process, namely during the Specific Plan and Public Facilities Needs Assessment stage of the Major Projects process, where issues and concerns will be identified and attempted to be resolved.
- 15. Approval of the 2011 Concept Plan did not grant Gypsum an entitlement to develop the property. The approval only allowed Gypsum to move to the next step of the Major Project Process that is submittal of a specific plan and Public Facilities Needs analysis, where issues and concerns about the proposed project could be studied in detail.
- Defendant Save Red Rock appeared with many others in protest to Gypsum's
   Concept Plan.
- 17. In August of 2011, Clark County approved the 2011 Concept Plan application subject to multiple conditions, but denied the portion of the 2011 Concept Plan that included BLM lands.
- 18. The 2011 Concept Plan approval also required the removal of the tourist commercial and industrial land uses from the Plan.
- 19. Consistent with the 2010 Settlement Agreement, primary permanent access to the project for the 2011 Concept Plan was required to be made from the east, most likely by way of a connection to State Route 160, and a condition was imposed prohibiting primary access to State Route 159.
- 20. Another condition of approval limited the maximum average density of the 2011 Concept Plan to 2.5 dwelling units per acre, effectively reducing the overall residential density of the total number of dwelling units on the approved Concept Plan from 7,269 units to 5,026 units, a thirty percent reduction. A condition was also attached which limited density to 1 unit per 2 acres on the development edges.

- 21. The Notice of Final Action for the 2011 approval provided that the approval would expire in one year unless Gypsum "commence[d] the next step in the Major Projects Review Process."
- 22. Defendant Save Red Rock and other individuals and organizations appearing in protest to the 2011 Concept Plan did not seek judicial review of the 2011 Concept Plan approval and the 2011 Concept Plan approval became final.
- 23. In September of 2011, Gypsum commenced the next step in the Major Projects Review Process by preparing and submitting to Clark County the Gypsum Reclamation Specific Plan and the Gypsum Reclamation Public Facilities Needs Assessment.
- 24. Subsequently, Gypsum's Major Project review process was placed on hold in order to allow Gypsum time to pursue a land exchange with the BLM.
- 25. In January 2013, the Clark County Commission voted to approve a resolution supporting the exploration of a potential land exchange between Gypsum and the BLM.
- 26. In October 2014, the land exchange proposal was denied by the BLM and the BLM informed Gypsum that any potential for a land transfer or land exchange between the BLM and Gypsum was not a shared objective by the BLM and that it was not feasible.
- 27. In 2016, Gypsum submitted another application for a Concept Plan to Clark County (2016 Concept Plan).
- 28. The 2016 Concept Plan substantially conformed to the 2011 Concept Plan approval by incorporating the conditions attached to the 2011 Concept Plan approval into the 2016 Concept Plan application.
- 29. The 2016 Concept Plan limited the maximum average density to 2.5 dwelling units per acre on the Gypsum property, proposed an overall total number of dwelling units at 5,026 units, limited density on the development edges to one unit per every two acres, removed the BLM owned land, no longer proposed tourist commercial and industrial land uses in the plan and showed the primary, permanent access to the project coming from the east, connecting to State Route 160, with no primary access to the project being made from State Route 159, all in conformance with the 2011 Concept Plan approval.

30. This action arises out of Defendant Gypsum Resources, LLC, pending application seeking approval of the 2016 Concept Plan on the subject property.

#### FIRST CAUSE OF ACTION

(Declaratory Judgment)

- 31. Plaintiff, CLARK COUNTY, repeats and realleges Paragraphs 1 through 30 of its Complaint.
- 32. Chapter 30 of the NRS provides that courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed.
- 33. Declaratory judgements bring to the present a litigable controversy, which otherwise might only be tried in the future. Its purpose is to give the parties an early opportunity to adjudicate rights or obligations before the controversy has reached a more critical stage in order to avoid the threat of impending litigation.
- 34. Upon approval of the 2011 Concept Plan on August 17, 2011, Clark County attached a condition requiring Gypsum to commence the next step in the Major Projects Review Process within one year.
- 35. Title 30 of the Clark County Code provides that the next step in the Major Projects Review Process after concept plan approval is the submittal of a specific plan and public facilities needs assessment.
- 36. Thus Gypsum was required to commence the next step of the Major Projects Review Process by submitting a specific plan and public facilities needs assessment on or before August 17, 2012.
- 37. Gypsum submitted the Gypsum Reclamation Specific Plan and Gypsum Reclamation Public Facilities Needs Assessment to Clark County on September 28, 2011, thus satisfying the condition to commence the next step of the Process within one year of the 2011 Concept Plan approval.
  - 38. The 2011 Concept Plan approval has not expired.

- A justiciable controversy exists between Clark County on one side and the 39. SRR on the other side. Clark County contends that Gypsum satisfied the condition of the 2011 Concept Plan approval by commencing the next step of the Major Project Review Process by timely submitting a specific plan and public facilities need assessment to Clark County within one year of the 2011 Concept Plan approval. Clark County further contends that the 2011 Concept Plan approval has not expired and that Gypsum may proceed with the next step of the Major Project Review Process without obtaining approval of the 2016 Concept Plan application. SRR disagrees with Clark County and contends that the 2011 Concept Plan approval has expired, thus requiring Gypsum to proceed with the 2016 Concept Plan application before proceeding to the next step of the process.
- Clark County has a legal protectable interest in the controversy and the issue is 40, ripe for judicial determination. Such a declaration is necessary and appropriate at this time so that Clark County can determine its rights and obligations with respect to the proper application of Title 30 of the Clark County Code and in order to assure compliance with the 2010 Settlement Agreement in which Clark County agreed that it would process Gypsum's major project applications under the major projects process "in good faith." The question of how to proceed in the Major Projects Review Process relies on the resolution of the controversy: In the event the 2011 Concept Plan remains active as Clark County contends, the 2016 Concept Plan application approval will be rendered unnecessary and further proceedings regarding 2016 Concept Plan rendered moot. In contrast, in the event the 2011 Concept Plan has expired, Clark County would know its rights and duties regarding the further processing of the pending 2016 Concept Plan application as it relates to the 2010 Settlement Agreement.
- Resolution of the issue may end the controversy between the parties and could 41, save the parties from undergoing lengthy and expensive proceedings and subsequent litigation.

27

28

# SECOND CAUSE OF ACTION

- 42. Plaintiff, CLARK COUNTY, repeats and realleges Paragraphs 1 through 41 of its Complaint.
- 43. Chapter 30 of the NRS provides that courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed.
- 44. Declaratory judgements bring to the present a litigable controversy, which otherwise might only be tried in the future. Its purpose is to give the parties an early opportunity to adjudicate rights or obligations before the controversy has reached a more critical stage in order to avoid the threat of impending litigation.
- 45. The Doctrine of Administrative Res Judicata applies in Nevada. Thus an administrative decision can result in issue or claim preclusion as to a subsequent decision made by an agency. Further, as a form of res judicata, collateral estoppel may apply to administrative proceedings.
- 46. The issues decided by the Clark County Commission when it considered and approved Gypsum's 2011 Concept Plan application are substantially the same, if not identical, to the issues presented by Gypsum's 2016 Concept Plan application.
- 47. The 2011 Concept Plan approval became final because Clark County issued a Notice of Final Action for the 2011 Concept Plan approval on August 25, 2011 and no one sought judicial review of the approval.
- 48. SRR lobbied against and appeared at the public hearings in protest against the 2011 Concept Plan approval, but did not seek judicial review of the approval.
- 49. A justiciable controversy exists between Clark County on one side and the SRR on the other side. Clark County contends that the Doctrine of Administrative Res judicata applies thus barring SRR from raising issues in the pending 2016 Concept Plan application that were previously decided on their merits over SRR's objections during the 2011 Concept Plan hearing before the Clark County Commission. SRR contends otherwise

28

arguing that it may contest again the issues it protested against previously in 2011 and relitigate matters which have since become final.

- 50. Clark County has a legal protectable interest in the controversy and the issue is ripe for judicial determination. Such a declaration is necessary and appropriate at this time so that Clark County can determine its rights and obligations with respect to the proper application of Title 30 of the Clark County Code and in order to assure compliance with the 2010 Settlement Agreement in which Clark County agreed that it would process Gypsum's major project applications under the major projects process "in good faith."
- 51. Resolution of the issue may end the controversy between the parties and could save the parties from undergoing lengthy and expensive litigation.

## THIRD CAUSE OF ACTION

- 52. Plaintiff, CLARK COUNTY, repeats and realleges Paragraphs 1 through 51 of its Complaint.
- 53. Chapter 30 of the NRS provides that courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed.
- 54. Declaratory judgements bring to the present a litigable controversy, which otherwise might only be tried in the future. Its purpose is to give the parties an early opportunity to adjudicate rights or obligations before the controversy has reached a more critical stage in order to avoid the threat of impending litigation.
- 55. The issues decided by the Clark County Commission when it considered and approved Gypsum's 2011 Concept Plan application are substantially the same, if not identical, to the issues presented by Gypsum's 2016 Concept Plan application.
- 56. The 2011 Concept Plan approval became final because Clark County issued a Notice of Final Action for the 2011 Concept Plan approval on August 25, 2011 and no one sought judicial review of the approval.

- 57. A justiciable controversy exists between Clark County on one side and the SRR on the other side. Clark County contends that it cannot decide issues differently when considering the pending 2016 Concept Plan application than it previously decided on the merits on substantially the same, if not identical, set of facts during the 2011 Concept Plan hearing on the grounds that such actions may violate the good faith provision of the 2010 Settlement Agreement as well as long standing principles of administrative law. SRR contends otherwise that Clark County would not be acting in bad faith, or contrary to established law, should Clark County decide issues differently than it did in 2011 on substantially the same set of facts.
- 58. Clark County has a legal protectable interest in the controversy and the issue is ripe for judicial determination. Such a declaration is necessary and appropriate at this time so that Clark County can determine its rights and obligations with respect to the proper application of Title 30 of the Clark County Code and in order to assure compliance with the 2010 Settlement Agreement in which Clark County agreed that it would process Gypsum's major project applications under the major projects process "in good faith."
- 59. Resolution of the issue may end the controversy between the parties and could save the parties from undergoing lengthy and expensive litigation.

## FOURTH CAUSE OF ACTION

- 60. Plaintiff, CLARK COUNTY, repeats and realleges Paragraphs 1 through 59 of its Complaint.
- 61. Chapter 30 of the NRS provides that courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed.
- 62. Declaratory judgements bring to the present a litigable controversy, which otherwise might only be tried in the future. Its purpose is to give the parties an early opportunity to adjudicate rights or obligations before the controversy has reached a more critical stage in order to avoid the threat of impending litigation.

- 63. Title 30 of the Clark County Code states that "[a]ll parcels of land included within a single petition or application must be contiguous."
- 64. Under Title 30, for the purpose of land use application acceptance, two parcels are considered "contiguous" when they share a common corner.
- 65. In the 2010 Settlement Agreement, Clark County agreed that Gypsum's property was contiguous as evidenced by a map of the subject property showing two large portions of the subject property sharing a common corner.
- 66. Clark County's approval of the 2011 Concept Plan treated Gypsum's property as contiguous, an issue that became final after not being challenged by SRR.
- 67. A justiciable controversy exists between Clark County on one side and the SRR on the other side. Clark County contends two parcels of land which have only one common corner is considered "contiguous" under Title 30 of the Clark County Code; therefore, Gypsum's parcels are contiguous and Clark County may proceed to process Gypsum's 2016 Concept Plan as currently presented. SRR contends that two parcels of land which have only one common corner are not considered "contiguous" and that the 2016 Concept Plan may not proceed as currently presented. The question of how to proceed in the Major Projects Review Process relies on the resolution of the controversy: In the event the subject property is contiguous, the 2016 Concept Plan application approval may proceed as currently presented. If the parcels are not contiguous, the 2016 Concept Plan may not proceed as presented.
- 68. Clark County has a legal protectable interest in the controversy and the issue is ripe for judicial determination. Such a declaration is necessary and appropriate at this time so that Clark County can determine its rights and obligations with respect to the proper application of Title 30 of the Clark County Code and in order to assure compliance with the 2010 Settlement Agreement in which Clark County agreed that it would process Gypsum's major project applications under the major projects process "in good faith."
- 69. Resolution of the issue may end the controversy between the parties and could save the parties from undergoing lengthy and expensive litigation.

#### FIFTH CAUSE OF ACTION

- 70. Plaintiff, CLARK COUNTY, repeats and realleges Paragraphs 1 through 69 of its Complaint.
- 71. Chapter 30 of the NRS provides that courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed.
- 72. Declaratory judgements bring to the present a litigable controversy, which otherwise might only be tried in the future. Its purpose is to give the parties an early opportunity to adjudicate rights or obligations before the controversy has reached a more critical stage in order to avoid the threat of impending litigation.
- 73. Title 30 of the Clark County Code provides that an approved specific plan may be incorporated into the land use plan, thus replacing the land use designation on the property.
- 74. Title 30 provides that the Clark County Planning Commission is a recommending entity to the Clark County Commission.
- 75. The Clark County Planning Commission incorrectly recommended denial of the 2016 Concept Plan on the basis that it conflicted with the land use plan designations on the property.
- SRR on the other side. Clark County contends that a concept plan application may not be denied on the basis that it conflicts with the existing land use designation for a property because a concept plan is a preliminary step in the process for replacing the existing land use plan designation for the property. SRR erroneously contends that a concept plan may be denied on the basis that it is not consistent with the existing land use designation on a property. Resolution of the controversy is necessary before the 2016 Concept Plan application is heard by the Clark County Commission so that is may know whether to accept