



CASE NO: A-24-892316-B
Department 31

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14 **DISTRICT COURT**
15 **CLARK COUNTY, NEVADA**

16 FAME OPERATING CO., INC., a Nevada
17 corporation; KOVAL LANE
18 HOSPITALITY, LLC, a Nevada limited
19 liability company; GARY ELLIS
20 ENTERPRISES, INC., a Nevada
21 corporation,

22 Plaintiffs,

23 vs.

24 LAS VEGAS GRAND PRIX, INC., a
25 Delaware corporation; COUNTY OF
26 CLARK, a political subdivision of the State
27 of Nevada; DOES 1 through 10, inclusive;
28 ROE ENTITIES 1 through 10, inclusive,

Defendants.

Case No.:

Dept. No.:

**COMPLAINT AND DEMAND
FOR JURY TRIAL**

Exempt from Arbitration: (1) Amount in
Controversy Exceeds \$50,000; and (2) Action
Seeking Declaratory Relief

Business Court Requested: EDCR 1.61
(Enhanced Case Management)

Plaintiffs, Fame Operating Co., Inc., Koval Lane Hospitality, LLC, and Gary Ellis
Enterprises, Inc., by and through their attorneys of record, the law firm of Kemp Jones, LLP,
hereby allege as follows:

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I.

NATURE OF THIS ACTION

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3 1. This case is about property rights associated with Ellis Island Casino (“Ellis
4 Island”), a family-run casino and hotel owned by Plaintiffs, located one block east of the Las
5 Vegas Strip in the Resort Corridor.

6 2. Plaintiffs’ reasonable and justified business expectations were substantially
7 interfered with, compromised, and adversely impacted when Defendants herein transformed the
8 public rights of way abutting and/or adjacent to the Las Vegas Strip into a 3.8-mile race track,
9 and apparently entered into contractual agreements to continue to do so for up to an additional
10 nine (9) years into the future.

11 3. As set forth herein, Defendants’ acts and omissions in this regard have, among
12 other things, resulted in an unlawful interference with, and taking of, Ellis Island’s property and
13 property rights for which Plaintiffs are entitled to compensation.

II.

THE PARTIES, JURISDICTION, AND VENUE

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16 4. Plaintiff Fame Operating Co., Inc., is a Nevada corporation authorized to do
17 business in the State of Nevada.

18 5. Plaintiff Koval Lane Hospitality, LLC, is a Nevada limited-liability company
19 authorized to do business in the State of Nevada.

20 6. Plaintiff Gary Ellis Enterprises, Inc., is a Nevada corporation authorized to do
21 business in the State of Nevada.

22 7. Plaintiffs Fame Operating Co., Inc., Koval Lane Hospitality, LLC, and Gary Ellis
23 Enterprises, Inc. (collectively “Plaintiffs”) own and operate Ellis Island Casino (“Ellis Island”),
24 the hotel and casino that is the subject of this action.

25 8. Defendant Las Vegas Grand Prix, Inc. (“F1”) is a Delaware corporation licensed
26 to do business in the State of Nevada.

27 9. Defendant County of Clark (“Clark County”) is a political subdivision of the State
28 of Nevada.

1 10. The true names and capacities, whether individual, corporate, association, or
2 otherwise of the Defendants DOES 1 through 10 and/or ROE ENTITIES 1 through 10, are
3 unknown to Plaintiffs, who therefore sue said Defendants by fictitious names. Plaintiffs are
4 informed and believe, and thereupon allege, that each of the Defendants designated herein as
5 DOES and/or ROE ENTITIES is responsible in the same manner for the events and happenings
6 herein referred to, and in some manner caused the injuries and damages to Plaintiffs alleged
7 herein. Plaintiffs will ask leave of the court to amend this Complaint to insert the true names and
8 capacities of said Defendants when the same have been ascertained by Plaintiffs, together with
9 the appropriate charging allegations, and to join such Defendants in this action.

10 11. Jurisdiction and venue are proper with this Court because Plaintiffs are Nevada
11 entities conducting business within Clark County, Nevada, the events in dispute took place in
12 Clark County, Nevada, and the amount in dispute exceeds this Court’s jurisdictional threshold of
13 fifteen thousand dollars (\$15,000.00), exclusive of attorneys’ fees, costs, and interest.

14 **III.**
15 **GENERAL ALLEGATIONS**

16 12. Ellis Island is a family-owned casino and hotel located one block east of the Las
17 Vegas Strip.

18 13. Ellis Island is accessible by one of a handful of entrances off of two public rights
19 of way, Koval Lane (“Koval”) and East Rochelle Avenue (“Rochelle”) (collectively referred to
20 herein as the “Public Rights of Way”).

21 14. Ellis Island’s ability to attract customers, and provide them with ingress and egress
22 through the Public Rights of Way, and otherwise operate its establishment are contingent upon
23 these Public Rights of Way being unobstructed and otherwise accessible to the public.

24 15. Ellis Island’s ability to conduct business with its vendors and other third-parties,
25 and provide them with ingress and egress through the Public Rights of Away, are also contingent
26 upon these Public Rights of Way being unobstructed and otherwise accessible to the public.

1 16. Plaintiffs’ reasonable and justified business expectations were substantially
2 interfered with, compromised, and adversely impacted as a result of the acts and omissions of F1
3 and Clark County, as demonstrated herein.

4 **LVCVA Purports to Bind Clark County to a Multi-Year Obligation to Host, Facilitate, and**
5 **Effectuate a Formula 1 Race on the Las Vegas Strip, Spanning the Resort Corridor.**

6 17. On March 28, 2022, the Las Vegas Convention and Visitor’s Authority
7 (“LVCVA”) executed a confidential letter of intent (“LOI”) prepared by Liberty Dice, Inc.
8 (“Liberty Dice”), the promoter of what would become the annual F1 Grand Prix race event that
9 is the subject of this action.

10 18. The LOI states: “Promoter seeks to promote an annual F1 Grand Prix event, in Las
11 Vegas” and “LVCVA will work with Promoter in order to facilitate the Event taking place
12 annually throughout the 2023-2027 period (inclusive),” and would “enter into [a] Formal
13 Agreement which will be subject to approval by the LCVCA Board of Directors and [Liberty
14 Dice’s] executive board of directors.”

15 19. Among the LOI’s purportedly binding terms is a confidentiality provision,
16 requiring non-disclosure of “the existence of this LOI or the details of their collaboration” without
17 both parties’ prior written consent.

18 20. LVCVA’s stated intent was to “support the bringing of the Event to the State of
19 Nevada, Clark County, Nevada and the Las Vegas Strip by” performing various tasks, including
20 LVCVA’s designation of “a suitably senior and empowered representative as the relationship
21 manager for the project to work with [Liberty Dice’s] assigned relationship manager.”

22 21. Among other things, the LOI obligates the LVCVA to: establish an Event
23 Committee to “maintain regular communication on the planning, management,” by “bring[ing]
24 all relevant Stakeholders together to contribute to the Event execution,” and assist F1 in
25 “obtaining all land use and any other required regulatory permissions and approvals to secure
26 construction of and use of the approved circuit (the Circuit) for each Event for the duration of the
27 Event,” which was represented to last for “a 10-day period,” and to introduce Liberty Dice to,
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1 and/or lead or facilitate discussions with third parties to obtain “all necessary governmental and
2 non-governmental consents, clearances and permits.”

3 22. The LOI also included the intent to provide “access/egress scheduling allowing
4 for the local community to operate as usual with minimal disruption.”

5 23. Further, the LOI contains LVCVA’s promise to hold a post-event meeting with
6 stakeholders within 45 days of the race.

7 24. The LOI was executed by Steve Hill, LVCVA’s CEO and President, and Renee
8 Wilm, Liberty’s Dice’s Executive Vice President.

9 25. On May 10, 2022, the LVCVA unanimously approved a measure to authorize its
10 CEO and President, Steve Hill, to execute a three-year sponsorship agreement with F1 to host an
11 annual Las Vegas Grand Prix race (the “Grand Prix Race”) on the Las Vegas Strip, to run from
12 2023 through 2025, for which LVCVA would pay F1 in an amount not to exceed \$19,500,000.

13 26. The LVCVA agreed to provide assistance to F1 with “the operational project
14 management necessary to ensure successful Grand Prix races.” LVCVA promised to provide
15 operational planning assistance in the forms of “assistance in obtaining land use and regulatory
16 approval; facilitation of discussions related to circuit construction and maintenance; support with
17 utilities, technology, and communications coordination; assistance with transportation and traffic
18 management” among other things.

19 **F1 Seeks Approval for Constructing a “Racetrack” under the Guise of Obtaining**
20 **Conditional Use-Permits Associated with Constructing Grand Prix’s Paddock Site.**

21 27. On September 18, 2022, LV Diamond Property 1, LLC (“LV Diamond”), as owner
22 of certain real property upon which the Defendants or their affiliated or related entities wished to
23 construct a facility in connection with the Grand Prix Race (the “Paddock”), and Liberty Media
24 Corporation (“Liberty”), (collectively “Applicants”) submitted an application, UC-22-0556 (the
25 “Application”), for use permits, waiver of developmental standards, and design review associated
26 with the Grand Prix Race.

27 28. F1’s application materials, submitted by Kaempfer Crowell, LLP, not only sought
28 various approvals associated with its construction of the “hub” of the Grand Prix Race, F1’s Grand

1 Prix Paddock Site, but also purported to obtain approvals pertaining to its construction of a
2 “racetrack.”

3 29. During the pendency of its Application, F1 unambiguously referred to UC-22-
4 0556’s project type as “Racetrack,” not only in the context of its Application, but also in oral
5 representations before the Clark County Town Advisory Board/Citizen Advisory Council, in a
6 September 27, 2022 justification letter authored by Kaempfer Cromwell on F1’s behalf, and in
7 oral presentations to the Clark County Board of Commissioners.

8 30. Notwithstanding F1 and the County’s understanding that UC-22-0556
9 unambiguously contemplated the construction of a racetrack, the County’s consideration of UC-
10 22-0556 proceeded as an application for simple conditional use permits.

11 31. Under the Clark County Code of Ordinances (“CCC”), a special use permit is
12 required for construction of a “racetrack.” A conditional use permit is insufficient to allow for
13 the construction of a racetrack.

14 32. Among other things, obtaining a special use permit would have triggered: (i) a
15 significantly greater notification radius to adjacent property owners; (ii) public hearing
16 procedures; and (iii) satisfaction of comparatively rigorous approval standards, including a
17 showing that the use will not cause “a substantial or undue adverse effect on adjacent properties,
18 character of the neighborhood, traffic conditions, parking, public improvements, public sites or
19 rights-of-way, or other matters affecting the public health, safety, and general welfare.”

20 33. When presented to the Board of County Commissioners, despite being identified
21 as a “racetrack” project, and the Application requesting a conditional use permit when a special
22 use permit was required, the Board approved UC-22-0556 as a conditional use.

23 34. Among other things, the Board conditionally waived certain development
24 standards subject to F1 obtaining a “special event permit to address pedestrian and vehicular
25 traffic on the site and on the streets in the area.”

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1 **Public Works Successfully Seeks a County Resolution Waiving Certain Requirements for**
2 **F1’s Purportedly Impending Special Event Permit for a Five-Day Period in November.**

3 35. On January 25, 2023, Denis Cederburg, Director of Public Works for Clark
4 County, submitted a resolution recognizing the Grand Prix Race as an annual event beneficial to
5 Clark County, and recognizing Formula 1 as a street circuit on both private and public rights-of-
6 way.

7 36. The resolution states that the F1 race would take place on public roads owned by
8 Clark County, including Las Vegas Boulevard, Harmon Avenue, Koval Lane, and Sands Avenue.

9 37. The resolution also provided for a waiver of Clark County Code Title 16, Section
10 16.06.060, which limits the streets and times available for special events. The proposed waiver
11 was drafted to “take place a few hours a day for five days beginning each Wednesday through
12 Sunday the week prior to Thanksgiving in November in the years 2023 through 2032.” The
13 waiver is expressly contingent upon it being applied to this 5-day timeframe.

14 38. Thus, for the 2023 race, the resolution purports to limit the waiver of Section
15 16.06.060 to the timeframe of November 15, 2023, through November 19, 2023, and for a few
16 hours each day.

17 39. The resolution also granted a waiver of time limitations in Section 16.06.040 for
18 applying for a special event permit, which would otherwise require applications be submitted
19 between 30 and 120 days before the date of the proposed event.

20 40. A hearing on the resolution took place on February 7, 2023, during which F1
21 testified in support through its project manager, Terry Miller of Miller Project Management.

22 41. Miller represented that the resolution was about putting the track on County
23 roadways and for which F1 had already received “great assistance” from Clark County staff, the
24 Department of Public Works, Building Department, and Comprehensive Planning with respect to
25 “moving this forward in terms of the regulatory authorization to do so.”

26 42. Miller further stated the track would be located in the heart of the Resort Corridor,
27 and “on both private and public land.” He continued: “[E]verything we are building in a
28

1 temporary spectator facility or in a permanent track facility is on private parcels. The track itself
2 will be on County right-of-way and on private parcels.”

3 43. Miller also announced that F1 would soon begin construction on an anticipated F1
4 Grand Prix flag facility (“Grand Prix Plaza”), to be located adjacent to Ellis Island, across
5 Rochelle and alongside Koval.

6 44. Miller represented that F1 had been working with “the community, the neighbors
7 to make sure that they are all [] knowledgeable about what we’re doing, when we’re doing it,
8 how we’re doing it” with respect to its construction-related activities associated with the Grand
9 Prix and Grand Prix Plaza.

10 45. The Board unanimously adopted the resolution, recognizing the Grand Prix Race
11 as an annual event beneficial to Clark County and waiving Section 16.06.060’s limitations on
12 special events permitting, applicable to “each Wednesday through Sunday the week prior to
13 Thanksgiving in November in the years 2023 through 2032.”

14 46. Starting in April 2023, F1 began its construction of race infrastructure, and
15 continued its construction of Grand Prix Plaza, both causing restrictions on egress and ingress
16 into Ellis Island.

17 47. F1, with County assistance, would ultimately complete the 4-story, 300,000-
18 square-foot Grand Prix Plaza building in just 18 months.

19 48. Every phase of the construction of Grand Prix Plaza, which had been underway
20 since the middle of 2022, started prior to F1 obtaining necessary permits for the same.

21 **The County Unlawfully Approves a Resolution Authorizing the County’s Partnership with**
22 **F1 for Construction of a “Transportation Facility.”**

23 49. On June 6, 2023, the Board considered a resolution from Kevin Schiller, County
24 Manager, to accept F1’s “proposal for a public-private partnership, finding the circuit serves a
25 public purpose and authoriz[ing] the County Manager or his designee to negotiate an agreement.”

26 50. The resolution was brought pursuant to NRS 338.159, and was intended to allow
27 the County Manager, or his designee, to negotiate a public-private partnership with F1 under NRS
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1 338.1592, “which will be presented to the Board of County Commissioners for its consideration
2 at a subsequent public meeting.”

3 51. NRS 338.159 allows submission of requests to a public body to design, finance,
4 expand, construct, and develop, among other things, a transportation facility.

5 52. Submissions under NRS 338.159(d) require a statement by the person submitting
6 the request proposing “the method . . . to secure all property interest required for the transportation
7 facility” which “must include . . . the current owners of any property needed” for the facility, the
8 “nature of the property interests to be acquired” and “[a]ny property that the person submitting
9 the request proposes that the public condemn.”

10 53. Such submissions further require, among other things, a “list of all permits and
11 approvals required” and “a projected schedule for obtaining those permits and approvals.” NRS
12 338.159(e).

13 54. Neither Schiller/Public Works nor any proponent of the submission submitted the
14 statement or list as required under NRS 338.159(d) and (e), respectively.

15 55. In discussing the purpose for the resolution, Commissioner Gibson admitted that
16 LVCVA had no experience in administering the deal it made with F1 for a three-year contract to
17 host the Grand Prix Race.

18 56. Commissioner Gibson candidly acknowledged that “in the very beginning of this
19 negotiation . . . it didn’t occur to anyone that there were things that . . . have to be addressed.” He
20 also stated, “We had a responsibility that we didn’t know how to carry at the time when this item
21 came forward. And there’s no one at the LVCVA that had ever had this experience before.”

22 57. Commissioner Gibson explained that the purpose for the resolution before the
23 Board was to “try and figure out how might we do it should this body agree that there are some
24 things that are to be legitimately undertaken by the County” and what that mechanism might be.

25 58. Commissioner Gibson also noted that, “Even if we decided that we wanted to
26 upgrade our roadway system, we would have to go through the process, which means we’d have
27 to have a design, we’d have to have a series of bids submitted, and then selection, and then a
28 schedule, and the rest of it. The part that we’re not able to do is speed any of that up in a way that

1 is meaningful. And so, we worked with the LVCVA, or our legal department worked with the
2 LVCVA to bring something forward that would enable participation.”

3 59. Lisa Logsdon, Deputy District Attorney, represented that the resolution would not
4 obligate the County to do anything. Instead, it “authorizes the next step in the process, which
5 would be to negotiate an agreement.” She stated, “[I]f this Board takes this first step, then staff
6 will go back and negotiate an agreement with [F1]. And then that agreement would come back
7 for your approval.”

8 60. Commissioner Jones questioned F1 about the work presently being done on the
9 roads and whether that work was pursuant to a contract.

10 61. F1, through Miller, stated the work then-being done was by F1 and under a permit
11 issued by Public Works, Comprehensive Planning, and the Building Department. Miller stated
12 that the work being considered under the subject resolution “is the work that is being performed
13 on County rights-of-way only.”

14 62. Another representative of F1 characterized the resolution as serving as F1’s
15 “formal request to ask the County to sit at a table with us.”

16 63. Commissioner McCurdy noted that “the toothpaste is out of the tube” given that
17 F1 is already making improvements on public rights-of-way. McCurdy stated, “Clearly there’s a
18 timeline in place because, you know, shovels are on the grounds right now and dirt is being moved
19 around.”

20 64. The Board passed the resolution 4 to 3.

21 65. Despite purporting to only authorize prospective approvals that will be
22 conditioned on Board approval, the Board’s resolution purports to approve “a public-private
23 partnership proposal for the initial infrastructure investment of the Circuit,” which, at that time,
24 had already been months under way.

25 **F1 Presents Incomplete and Ever-Changing Information Pertaining to its Construction and**
26 **Resultant Traffic Disruptions.**

27 66. In a July 2023 F1 presentation, F1 represented its anticipated schedule for “initial
28 track paving,” on the East half of Koval Lane would take place July 16th through the 28th, and

1 on the West half of Koval Lane on August 28th through September 1st. “Final track paving” was
2 represented to take place between October 2nd through October 6th.

3 67. F1 also represented it would be constructing two temporary vehicular bridges, with
4 one being located on East Flamingo crossing Koval Lane, leading to Ellis Island, which would be
5 “installed in October ahead of the race in November.”

6 68. Between June and September 2023, F1 and its agents inconsistently timed their
7 road paving schedules, leading to road closures on a daily basis with no notice to Plaintiffs.

8 69. Plaintiffs were forced to pay for road flaggers to work between 12 and 14 hours a
9 day to minimize (if not prevent) the resulting traffic build-up from blocking entrances to Ellis
10 Island.

11 70. At an F1 stakeholders meeting on August 2, 2023, Terry Miller announced the
12 initial paving almost complete, which he stated was the most significant disruption to County
13 rights-of-way.

14 71. F1 announced that Koval would be closed between Harmon and Rochelle for a full
15 two weeks. This contradicted F1’s prior representation to Plaintiffs and other stakeholders that
16 the track under construction “would be open to pedestrian driving when not in use.”

17 72. Miller notified Plaintiffs on August 25, 2023, that F1 would be having Las Vegas
18 Paving (“LV Paving”) excavating, grading, and paving the west half of Koval from Sunday,
19 August 28, 2023, at midnight until Friday, September 1, 2023, at 8:00 a.m. Miller represented
20 that F1’s contractor, LV Paving, would be employing its six week-to-week flaggers to direct
21 traffic, as well as two additional flaggers to accommodate traffic based on need.

22 73. On August 30, 2023, Plaintiffs notified F1 and Miller that the right-turn lane
23 northbound on Koval is very short and should be extended to enable more vehicles to turn right
24 into Ellis Island, which would also benefit traffic coming into Grand Prix Plaza.

25 74. On September 5, 2023, or 75 days before the Grand Prix Race, F1 gave another
26 update to the Board. F1 represented that the closures during the race would “occur within the
27 timing of [F1’s] special event permit.”
28

1 75. Miller represented to the Board that “when we are not racing, the roads are open
2 for public use,” despite being constrained.

3 76. Miller stated that F1’s temporary facilities, such as track lighting, pedestrian
4 bridges, barrier, and fences would only require a rolling lane closure, and not any complete road
5 closure as those temporary structures were erected.

6 77. Miller represented that F1’s construction of one of the two bridges on Flamingo,
7 which he acknowledged “would be a significant disruption as we move this forward in the next
8 couple of months,” would cause a 5-day closure at some yet-to-be-decided point between October
9 15 and 25, 2023.

10 78. On September 12, 2023, Miller emailed Plaintiffs to make them aware of LV
11 Paving’s road-work schedule from Sunday night (September 17) through Thursday mid-day
12 (September 21). Miller represented that “[t]he entrances/exits for Ellis Island will not be
13 impacted during construction.” This representation turned out to be false.

14 79. In an October 11, 2023 presentation, F1 represented that Koval Lane, from
15 Harmon to Rochelle, would be closed for a full two weeks, from Saturday, November 11, 2023,
16 to Saturday, November 25, 2023.

17 80. F1’s announced construction schedule, inclusive of paving and constructing the
18 Flamingo bridge, would continue to fluctuate with no advance notice to Plaintiffs, with each
19 construction event impeding and interfering with Plaintiffs’ customers’ ingress and egress, as well
20 as the ingress and egress of Plaintiffs’ vendors and other third-parties it conducts business with,
21 which caused disruption to those contracts and Plaintiffs’ business and business dealings.

22 **The County Unlawfully Deems F1 a “Special Event,” without Requiring that F1 Obtain the**
23 **Issuance of a Special Event Permit.**

24 81. On October 17, 2023, F1 had multiple items on the agenda before the County
25 Board of Commissioners.

26 82. The first was a licensure agreement between F1 and Clark County pursuant to NRS
27 484B.313(5)(d), which allows advertising on public rights of way for special events, provided the
28 event is “designated a special event by the public authority with jurisdiction over a highway and

1 *is issued a permit as a special event by that public authority.”* NRS 484B.313(7)(b)(2) (emphasis
2 added).

3 83. The Board unanimously passed the resolution without discussion, designating F1
4 as a “special event” within NRS 484B.313(5)(d)’s meaning and authorizing execution of the
5 advertising/licensing agreement.

6 84. At no time, however, did F1 obtain, or Clark County issue, the “special event”
7 permit required by 484B.313.

8 85. In an F1-related update to the Board later that same day, Cederburg on behalf of
9 the Clark County Department of Public Works, represented that F1’s special event permit was
10 “currently under review.”

11 86. Cederburg nevertheless explained that his F1 presentation that day was not aimed
12 at seeking the Board’s approval of the special event permit. Instead, the presentation was intended
13 to seek the Board’s consent to “the closure of public rights of way” and “roadways, **if** we issue
14 the special event permit.” (Emphasis added).

15 87. Notwithstanding F1’s lack of a special event permit, F1 proceeded with its
16 presentation of planned road closures.

17 88. Miller, on behalf of F1, told the Board: “We continue to provide updates in the
18 very specific time frames in which we are building, the specific time frames in which we have
19 closures. So this is communicated on a weekly basis directly to most of the properties and
20 businesses around the circuit, but also with the County; and with the County's effort
21 communicated out to the public.”

22 89. Miller represented to the Board that “Koval Lane, north of Rochelle, will be one
23 lane in each direction, which will provide access to the businesses on the east side of Koval Lane.”

24 90. Miller acknowledged that F1 had no specific plans for dismantling the racetrack
25 after the race, stating only it would likely be “mid-December,” and that F1 would work with the
26 community, business, and the Department of Public Works “in identifying exactly that schedule.”

27 91. F1 did not dismantle the Flamingo bridge until on or about February 11, 2024, or
28 roughly 3 months after completion of the Grand Prix Race.

1 **F1's Obstruction of Ellis Island's Egress and Ingress Continue Unabated.**

2 92. On October 18, 2023, F1 placed traffic cones in front of Ellis Island's main
3 entrance, completely blocking access for approximately three hours. F1 neither provided notice
4 of this to Plaintiffs, nor provided any personnel to serve as flaggers during this time period.

5 93. On October 23, 2023, F1 effected a complete closure of Rochelle, leaving no
6 access to the pedestrian bridge. F1 declined to disclose this to Plaintiffs until the time they started
7 constructing the barriers causing the closure, at which point Plaintiffs had no recourse but to live
8 with the consequences.

9 94. F1 would ultimately construct pillars for a pedestrian overpass, which caused a
10 complete closure of Rochelle.

11 95. At a meeting between Plaintiffs and F1 in October 2023, F1 advised Plaintiffs that
12 there would be no Uber/Lyft or ridesharing access to Ellis Island. Plaintiffs strenuously objected
13 to such plans, causing F1 to abandon them.

14 96. On November 7, 2023, F1 gave a final update to the Board about a week before
15 the Grand Prix race.

16 97. Miller announced that F1's set-up of operations "actually starts this Saturday
17 [November 11, 2023] as we close Koval Lane between Harmon and Rochelle. This allows us to
18 begin to set up our operations right on site."

19 98. Miller stated Koval Lane, between Harmon and Rochelle, would be reopened on
20 Saturday, November 25th, after Thanksgiving.

21 99. Miller noted that "all of this was presented a few weeks ago by Director Cederburg
22 and was accomplished with [Public Works'] support and their help in terms of managing the
23 whole program."

24 100. Miller said F1's intention was to begin dismantling the track on Sunday, the final
25 day of the race, but that F1 was still working with Public Works "to establish exactly what that
26 dismantling is going to be."

27 101. Miller represented that F1 will "have flaggers under the Flamingo Bridge keeping
28 people moving to where they need to get to Ellis Island . . ."

1 102. Commissioner Kirkpatrick expressed frustration at the ever-changing volume of
2 information F1 has been publicly presenting, stating “all I got is a whole bunch of maps and a
3 whole bunch of ‘we’re going to do our best.’”

4 103. Chairman Gibson concluded the F1 update by encouraging transparency on F1’s
5 part and acknowledging the Board’s lack of information. “We recognize that we have people
6 who don’t know as much as we know about it or none of us knows what you know and to the
7 extent we can get a complete data dump in this meeting enables them to know a little more. . . .
8 But we need you to help us and be forthcoming. That’s why you have been exposed to this.”

9 104. On November 11, 2023, at 9:42 a.m., Miller informed Plaintiffs that F1’s
10 employees and contractors were addressing congestion issues on Koval in front of Ellis Island.
11 By 11:40 a.m., Plaintiffs notified F1 that its installation of barricades on Koval north of Ellis
12 Island’s entrance completely cut off the establishment’s south entrance. F1 failed to remedy the
13 problem until 4:00 p.m. later that day.

14 105. During Koval’s closure on November 11 and 12, 2023, F1’s employees and agents
15 used Ellis Island’s drive thru and parking lot for egress and ingress to its adjacent property.
16 Plaintiffs were forced to close the south gate entrance to Ellis Island in response to this.

17 106. On November 15, 2023, at 12:00 a.m., access to Koval was shutdown to
18 accommodate F1’s “hot track” test. Plaintiffs’ graveyard shift team was informed by F1 or its
19 agents that “no one [is] allowed to come or go” from Ellis Island. F1 asked the Ellis Island team
20 to make an announcement on its casino floor stating that no one is allowed access to leave Ellis
21 Island until the “hot track” test was completed. Plaintiffs called Terry Miller and Bob Seliga to
22 report this sequence of events.

23 107. That same day, as of 7:30 a.m., it was apparent that the “hot track” test was behind
24 schedule. At approximately this time, F1’s flaggers were reported to have turned away scores of
25 customers, employees, and vendors of Ellis Island, stating to them that the entrance road to Ellis
26 Island is closed.

27 108. For example, when an Ellis Island employee attempted to drive into Ellis Island to
28 report for work, one of F1’s flaggers turned the employee away and dismissed the employee’s

1 complaint, stating “that is not my problem.” Another Ellis Island employee who was turned away
2 when trying to walk through the establishment’s entrance was told by F1 flaggers that there was
3 no access to Ellis Island for anyone.

4 109. On November 16, 2023, at 4:30 p.m., F1 commenced its “hot track” test early,
5 requiring access to Koval to be shut down completely, including the southbound access point to
6 Ellis Island. Plaintiffs made several calls and sent text messages to Miller and Parking and
7 Transportation Group Las Vegas (“PATG-LV”) to report this problem.

8 110. As of November 29, 2023, barriers and cones remained on County rights of way,
9 blocking everything except one lane from Harmon and Koval down to Flamingo, causing
10 unnecessary traffic congestion and delays.

11 111. During the timeframe from April to November 2023, F1’s construction-related
12 activities caused Plaintiffs’ losses of revenue and profits in the millions of dollars. And during
13 this timeframe, Plaintiffs had to expend hundreds of thousands of dollars to employ their own
14 flaggers to attempt to minimize the impact of F1’s construction on Ellis Island’s business.

15 112. The temporary bridge over Koval, which F1 represented would be taken down
16 after the Grand Prix Race’s completion, remained standing as of early February 2024, which
17 further adversely impacted Plaintiffs’ business and revenue.

18 **F1 Announces the Dates for the 2024 Race Prior to the County’s Issuing of its Promised**
19 **Debriefing Report on the 2023 Race.**

20 113. F1 recently announced that the 2024 Grand Prix is anticipated to take place on
21 November 21 through November 23, 2024.

22 114. On March 19, 2024, F1 gave its debriefing report to the Board of Commissioners.

23 115. Schiller, County Manager, commenced remarks by noting that although Las Vegas
24 is a “special events capital,” the F1 inaugural event came with “inherent unique challenges”
25 related to where the race was held.

26 116. Schiller stated that Public Works would have utilized a “pre-race approval
27 process” pertaining to road work, construction, and deconstruction of elements of the track, and
28

1 that “maintaining deadlines and approval processes” and presenting “finalized plans” was one of
2 the most significant regulatory challenges for the County.

3 117. The debriefing report also contained recommendations for creation of a “High-
4 Impact Special Events” working group to create 90-day plans with F1 to meet all deadlines and
5 requirements.

6 118. Among other challenges facing Public Works, the report acknowledged the
7 “transition from the cold track to the hot track did not start well . . . Traffic control plans were
8 improperly or untimely deployed, which led to delays” and “closures at Resort properties were
9 not coordinated efficiently.”

10 119. As to post-event challenges for Public Works, the report highlights “delays in
11 dismantling the race course,” “traffic signal adjustments,” and “roadway line striping.”

12 120. Among other things, the report’s recommended improvements based on these
13 Public Works challenges generally took F1, not Public Works, to task for failing to “keep track
14 of required deadlines to ensure compliance and timely approvals.”

15 121. The report also stated “LVGP should create opportunities to allow stakeholders in
16 the Resort Corridor to provide input,” such as “collaboration with the Nevada Resort
17 Association.” On this point, the report recommends that beginning in “early Spring 2024,”
18 meetings need to be “held regularly to understand the goals and objectives of the 2024 Race.”

19 122. Commissioner Naft questioned that, given F1’s failure to meet various deadlines,
20 whether Schiller believed there was any mechanism to hold F1 accountable for failing to meet
21 deadlines for permits and approvals.

22 123. Commissioner Segerblom noted that the County should have a mechanism in place
23 to provide compensation to those businesses for whom egress and ingress was impacted by
24 construction of pedestrian bridges. Segerblom explained, if they build a “bridge in front of your
25 office and you can’t do business”—which is “anticipated”—there ought to be some kind of
26 “structure” in place to compensate such “victims.”

27 124. Commissioner Kirkpatrick urged that the number one priority be traffic and
28 communicating traffic impacts to the public, noting that last year, the Board requested F1’s

1 construction-related plans by July 1, 2023, but it did not come until September 2023, at which
2 time the information was still incomplete.

3 125. Commissioner Kirkpatrick stated any new information from a created “High
4 Impact Special Events” working group should come to the Board by May 1, 2024, and would
5 oppose F1’s request to delay its presentation until May 16, 2024.

6 126. Schiller stated that the special event permit applications and associated traffic
7 plans constitute the work for which F1 would need additional time to present plans in the context
8 of a “High Impact Special Events” process.

9 127. The Board ended the presentation with a request that F1 come back and have a
10 traffic plan in place by May 1, 2024.

11 **IV.**

12 **CLAIMS FOR RELIEF**

13 **FIRST CAUSE OF ACTION**
14 **(Breach of NRS 41.800)**

15 128. Plaintiffs incorporate by this reference each and every allegation previously made
16 in this Complaint, as if fully set forth herein.

17 129. F1 intentionally obstructed the ingress and egress to Ellis Island during its 2023
18 Formula 1 race in violation of NRS 41.800.

19 130. More specifically, F1’s actions, both directly and indirectly through its agents,
20 obstructed and impeded the free and public passageways and rights of way for people or vehicles
21 lawfully seeking to enter and leave Ellis Island.

22 131. Plaintiffs are informed and believe that F1 intends to further obstruct and/or
23 impede the free and public passageways and rights of way into Plaintiffs’ property and business,
24 and Plaintiffs are entitled to injunctive relief and declaratory relief, enjoining F1 from any and all
25 acts, actions, activities or other conduct, either directly or through its agents, in violation of NRS
26 41.800.

27 132. Pursuant to NRS 41.800, *et seq.*, Plaintiffs are entitled to a statutory award of
28 actual damages arising from or related to F1’s violation of NRS 41.800.

1 133. Plaintiffs are further entitled to a statutory award of reasonable attorney’s fees and
2 costs, pursuant to NRS 41.800.

3 134. As a direct and proximate result of F1’s violation of NRS 41.800, Plaintiffs have
4 suffered damages, including attorney’s fees and costs, in an amount far in excess of Fifteen
5 Thousand Dollars (\$15,000.00).

6 **SECOND CAUSE OF ACTION**
7 **(Declaratory Relief)**

8 135. Plaintiffs incorporate by this reference each and every allegation previously made
9 in this Complaint, as if fully set forth herein.

10 136. Several justiciable controversies exist between Plaintiffs and Defendants.

11 137. Plaintiffs have a protectable interest in these controversies.

12 138. Plaintiffs’ interests and Defendants’ interests are adverse regarding these
13 controversies.

14 139. The controversies between Plaintiffs and Defendants are ripe for judicial
15 determination because harm has occurred absent this Court’s adjudication of the parties’ rights.

16 140. Plaintiffs are entitled to a declaration that F1 intentionally obstructed the ingress
17 and egress to Ellis Island during its 2023 Formula 1 race in violation of NRS 41.800.

18 141. Plaintiffs have been forced to retain the services of an attorney to prosecute this
19 action and are entitled to recover their reasonable attorney’s fees and costs pursuant to Nevada
20 law.

21 **THIRD CAUSE OF ACTION**
22 **(Intentional Interference with Contractual Relations)**

23 142. Plaintiffs incorporate by this reference each and every allegation previously made
24 in this Complaint, as if fully set forth herein.

25 143. At all relevant times, Plaintiffs had valid contracts with various vendors and third
26 parties in connection with their ownership and operation of Ellis Island.

1 144. F1 knew about Plaintiffs' contracts with various vendors and third parties at all
2 relevant times.

3 145. F1 committed intentional, willful acts, with the intent to disrupt Plaintiffs'
4 contracts with vendors and third parties.

5 146. F1's intentional, willful acts have caused actual disruption to Plaintiffs' contracts
6 with vendors and third parties.

7 147. As a direct and proximate result of F1's interference with Plaintiffs' contractual
8 relations, Plaintiffs have suffered damages in an amount far in excess of Fifteen Thousand Dollars
9 (\$15,000.00).

10 **FOURTH CAUSE OF ACTION**
11 **(Intentional Interference with Prospective Economic Advantage)**

12 148. Plaintiffs incorporate by this reference each and every allegation previously made
13 in this Complaint, as if fully set forth herein.

14 149. At all relevant times, F1 was aware that Plaintiffs operated gaming, restaurants,
15 and a hotel, and were generally in the hospitality business, relying on their customer and patron
16 base, goodwill, as well as their contracts with vendors and third parties, to generate income. In
17 that regard, in all of 2023, Plaintiffs had on-going and prospective contractual and customer
18 relationships with their customers and patrons in connection with Plaintiffs' ownership and
19 operation of Ellis Island, as well as relationships with its vendors and third parties.

20 150. F1 knew about these on-going and prospective contractual and customer
21 relationships at all relevant times.

22 151. F1's actions interfering with, obstructing and inhibiting Plaintiffs' customers,
23 patrons, vendors, and other third parties from accessing Plaintiffs' business was intentional,
24 willful, and wanton.

25 152. F1's intentional, willful, and wanton acts complained of herein are without
26 privilege or justification.

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28

1 153. As a direct and proximate result of F1's interference with Plaintiffs' prospective
2 economic advantage, Plaintiffs have suffered actual harm and damages in an amount far in excess
3 of Fifteen Thousand Dollars (\$15,000.00).

4 154. Plaintiffs are entitled to punitive and exemplary damages arising from F1's
5 intentional, willful, and wanton acts as described herein, far in excess of Fifteen Thousand Dollars
6 (\$15,000.00).

7
8 **FIFTH CAUSE OF ACTION**
(Penn Central Regulatory Taking)

9 155. Plaintiffs incorporate by this reference each and every allegation previously made
10 in this Complaint, as if fully set forth herein.

11 156. Clark County's wrongful and unlawful acts and omissions in connection with the
12 Grand Prix Race in facilitating the obstruction and interference of Plaintiffs' public rights of way
13 for ingress and egress to their properties and businesses, constitute a regulatory taking of
14 Plaintiffs' property and property rights thereby depriving Plaintiffs of the intended and expected
15 economic benefits to, and economic viability of, Plaintiffs' businesses.

16 157. In reliance on Clark County's regulatory acts in dedicating public rights of way
17 allowing for ingress and egress to Plaintiffs' businesses, Plaintiffs had reasonable investment-
18 backed expectations with respect to their ownership and operation of Ellis Island, including its
19 ability to attract and maintain customers, and customer goodwill, which requires ingress and
20 egress to Ellis Island through the dedicated public rights of way.

21 158. Clark County's subsequent illegal and wrongful regulatory actions in allowing F1
22 to shut down, obstruct, and otherwise interfere with Plaintiffs' rights of ingress and egress through
23 the public rights of way, have substantially interfered with Plaintiffs' investment-backed
24 expectations.

25 159. Given Clark County and F1's repeated assurances regarding efforts to minimize
26 disruptions to County rights-of-way and, assurances that properties abutting the racetrack would
27 remain accessible, Clark County's regulatory taking of Plaintiffs' property was unforeseeable.
28

1 160. Clark County’s regulatory actions are akin to a physical invasion of Plaintiffs’
2 property given that Clark County has appropriated said property for the exclusive benefit of F1.

3 161. Clark County’s taking of Plaintiffs’ property constitutes a taking by inverse
4 condemnation, which requires full and just compensation under Article 1, Section 8 of the Nevada
5 Constitution.

6 162. As a direct and proximate result of Clark County’s regulatory taking, Plaintiffs
7 have suffered damages in an amount far in excess of Fifteen Thousand Dollars (\$15,000.00).

8 163. As a further result of Clark County’s regulatory taking, Plaintiffs have been
9 required to retain legal counsel to prosecute this action and therefore are entitled to recover their
10 reasonable attorney’s fees and costs of suit incurred in this matter.

11 **SIXTH CAUSE OF ACTION**
12 **(Inverse Condemnation)**

13 164. Plaintiffs incorporate by this reference each and every allegation previously made
14 in this Complaint, as if fully set forth herein.

15 165. Clark County’s acts and omissions in connection with the Grand Prix Race have
16 resulted in a de facto taking of Plaintiffs’ property and periodic loss of all intended economic
17 benefits to Ellis Island, because Clark County and F1 have taken away access to Ellis Island and
18 have reserved Ellis Island’s frontage, as well as egress and ingress, for the exclusive benefit of
19 F1.

20 166. Clark County’s taking of Plaintiffs’ property for public use as a focal point for
21 construction of infrastructure associated with the Grand Prix Race constitutes a taking by inverse
22 condemnation, which mandates compensation under Article 1, Section 8 of the Nevada
23 Constitution, requiring Clark County to pay full and just compensation to Plaintiffs.

24 167. As a direct and proximate result of the County’s inverse condemnation, Plaintiffs
25 have suffered damages in an amount far in excess of Fifteen Thousand Dollars (\$15,000.00).

26 168. As a further result of Clark County’s regulatory taking, Plaintiffs have been
27 required to retain legal counsel to prosecute this action and therefore are entitled to recover their
28 reasonable attorney’s fees and costs of suit incurred in this matter.

1 **SEVENTH CAUSE OF ACTION**
2 **(Attorney's Fees for Inverse Condemnation)**

3 169. Plaintiffs incorporate by this reference each and every allegation previously made
4 in this Complaint, as if fully set forth herein.

5 170. Plaintiffs have been required to retain legal counsel to bring this action against
6 Clark County, and are entitled to reasonable attorney's fees under NRS 37.185.

7 **EIGHTH CAUSE OF ACTION**
8 **(Precondemnation Damages)**

9 171. Plaintiffs incorporate by this reference each and every allegation previously made
10 in this Complaint, as if fully set forth herein.

11 172. Clark County has taken official actions, or has taken steps to commence official
12 actions, which amount to an announcement of an intent to condemn ingress and egress to Ellis
13 Island over the next two (2) years at least, and potentially the next nine (9) years, by allowing F1
14 to continue to use the public right of way in front of Ellis Island as the F1 racetrack.

15 173. Clark County's acts and/or omissions have resulted in Plaintiffs suffering pre-
16 condemnation damages in an amount to be determined at trial, due to the massive delays and
17 corresponding anticipated obstruction of the public rights of way in front of Plaintiffs' businesses
18 for the exclusive benefit of F1.

19 174. The pre-condemnation taking of Plaintiffs' property mandates compensation
20 under Article I, Section 8 of the Nevada Constitution and requires Clark County to pay full and
21 just compensation to Plaintiffs in an amount to be determined at trial.

22 175. As a result of Clark County's wrongful conduct and actions as described herein,
23 Plaintiffs have suffered damages far in excess of Fifteen Thousand Dollars (\$15,000.00).

24 176. As a further result of Clark County's wrongful conduct, Plaintiffs have been
25 required to retain legal counsel to prosecute this action. Plaintiffs are therefore entitled to recover
26 their reasonable attorney's fees and costs of suit incurred in this action.

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V.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendants as follows:

1. For an award against Defendants in favor of Plaintiffs in an amount in excess of \$15,000.00;
 2. For an award against Defendants for Plaintiffs' pre-condemnation damages;
 3. For pre-judgment and post-judgment interest at the statutory rate of interest;
 4. For an award to Plaintiffs of their reasonable attorneys' fees and costs;
 5. For preliminary and permanent injunctive relief;
 6. For punitive damages against Defendants in an amount to be determined at trial;
- and
7. For such other and further relief that this Court deems just and proper.

DATED this 30th day of April, 2024.

Submitted by:

/s/ J. Randall Jones

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JURY DEMAND

Plaintiffs demand a trial by jury for all issues so triable.

DATED this 30th day of April, 2024.

Submitted by:

/s/ J. Randall Jones

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