

Item # 7B

**City of Carson City
Agenda Report**

Date Submitted: 3-25-08

Agenda Date Requested: 4-3-08
Time Requested: 15 minutes

To: Mayor and Board of Supervisors

From: District Attorney

Subject Title: Discussion and possible action to approve the Settlement Agreement between Carson City Nugget, Inc., Carson Nugget, Inc. and Carson City Regarding Abandonment of Streets.

Staff Summary: The City sought judicial review of its decision to charge for the abandonment of streets in that section of the City that encompassed the federal townsite. Capital City Entertainment joined in the suit seeking reimbursement. Following its decision to seek reimbursement, two other owners of property who had paid for the abandonment of streets also sought relief, one of which is the Carson City Nugget. The District Court held that the City should not have charged for the abandonments. The City appealed the decision to the Nevada Supreme Court, which upheld the District Court decision, but stated that there were some defenses to repayment of the purchase price of the streets. The City pursued some of the defenses in the Capital City Entertainment case and again lost in District Court. The case was appealed to the Nevada Supreme Court and was settled in the settlement program. This is the last abandonment case to be settled.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to approve the Settlement Agreement between Carson City Nugget, Inc., Carson Nugget, Inc. and Carson City Regarding Abandonment of Streets.

Explanation for Recommended Board Action: The City sought judicial review of its decision to charge for the abandonment of streets in that section of the City that encompassed the federal townsite. Capital City Entertainment joined in the suit seeking reimbursement. Following its decision to seek reimbursement, two other owners of property who had paid for the abandonment of streets also sought relief, one of which is the Carson City Nugget. The District Court held that the City should not have charged for the abandonments. The City appealed the decision to the Nevada Supreme Court, which upheld the District Court decision, but stated that there were some defenses to repayment of the purchase price of the streets. The City pursued some of the defenses in the Capital City Entertainment case and again lost in District