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22 WASHOE DEVELOPMENT CORPORATION

23 UNITED STATES DISTRICT COURT
24 DISTRICT OF NEVADA

25 WASHOE DEVELOPMENT
26 CORPORATION,

27 Plaintiff,

28 v.

CARSON VALLEY/TAHOE SELF
STORAGE, LLC; HOBO HOT SPRINGS,
LLC; AND DOES 1 TO 100, INCLUSIVE,

Defendants.

Case No.: 3:26-cv-00600

**COMPLAINT FOR DECLARATORY
RELIEF AND INJUNCTIVE RELIEF**

1 **I. INTRODUCTION**

2 1. Plaintiff Washoe Development Corporation (“WDC”), a federally chartered tribal
3 corporation and instrumentality of the Washoe Tribe of Nevada and California (“Tribe”), a federally
4 recognized sovereign Indian tribe, specially appearing herein while expressly preserving and
5 asserting its sovereign immunity from unconsented litigation, brings this action to restrain and
6 enjoin defendants Carson Valley/Tahoe Self Storage, LLC (“CVTSS”) and Hobo Hot Springs Self
7 Storage, LLC (d/b/a Hobo Hot Springs Self-Storage, LLC) (“HHSS”) (together, “Defendants”) from
8 prosecuting an arbitration proceeding against WDC in violation of WDC’s sovereign immunity.

9 2. WDC does not waive immunity as to affirmative counterclaims, damages, execution
10 against WDC property, or matters outside the controversy affirmatively placed before this Court.
11 Nothing in this action constitutes a waiver of the sovereign immunity of the Tribe or any other Tribal
12 entity.

13 3. Defendants have initiated a commercial arbitration before the American Arbitration
14 Association (“AAA”), AAA Case No. 01-26-0003-6759, demanding \$34,300,000 under the
15 purported purchase-option provisions of two ground leases of tribal trust land (Ground Lease B-206
16 and Ground B-224; together, “Ground Leases”) to which WDC is not a party and under which WDC
17 has made no agreement to arbitrate. A true and correct copy of Defendants’ Demand for Arbitration,
18 without exhibits, is attached as **Exhibit 1**.

19 4. WDC seeks declaratory and injunctive relief on three threshold grounds of federal
20 law: (1) WDC was not and is not a party to the Ground Leases, no BIA-approved amendment or
21 assignment assigning those leases to WDC was ever obtained, WDC therefore made no agreement
22 to arbitrate any dispute with Defendants, and the arbitration provisions of the Ground Leases are
23 independently unenforceable as a matter of contract formation because no tribal statute, code, or
24 ordinance recognizes agreements to arbitrate as valid or enforceable under the law governing the
25 Ground Leases; (2) this Court — not the AAA — has exclusive authority to determine the threshold
26 questions of arbitrability and sovereign immunity; and (3) WDC has not clearly, explicitly, or
27 unequivocally waived its sovereign immunity with respect to the claims asserted by Defendants,
28 and even if the arbitration clauses could constitute a conditional waiver of sovereign immunity —

1 which WDC expressly denies — Defendants failed to satisfy the mandatory conditions upon which
2 any such waiver was premised before filing the Demand.

3 5. As a federally chartered instrumentality of the Tribe organized under 25 U.S.C. §
4 5124 (formerly § 477) and wholly owned by the Tribe, WDC possesses the Tribe’s sovereign
5 immunity from unconsented suit in any court, forum, or tribunal to the same extent as the Tribe
6 itself, except as expressly limited by WDC’s federally approved Charter. The Tribe’s Sovereign
7 Immunity Code (Title 33) (“Code”) expressly provides that a tribal entity such as WDC possesses
8 all of the privileges, protections, and immunities of the Tribe, including immunity from suit in any
9 state, federal, or Tribal court, forum, or tribunal, except as specifically waived by such tribal entity
10 in accordance with its Charter. Neither Congress nor the Tribe has abrogated WDC’s sovereign
11 immunity with respect to Defendants’ claims.

12 6. By pursuing an arbitration against WDC over WDC’s objections, and in the absence
13 of any applicable waiver of sovereign immunity, Defendants threaten immediate and irreparable
14 harm to WDC’s federally protected sovereignty and its sovereign immunity in violation of federal
15 law.

16 7. Unless restrained and enjoined, Defendants’ continued pursuit of the arbitration will
17 irreparably harm WDC by forcing it to defend itself in an unauthorized forum and/or defend a
18 subsequent proceeding to enter judgment upon any arbitration award that might ultimately be
19 rendered either on the merits or by default.

20 **II. PARTIES**

21 8. Plaintiff WDC is a federally chartered corporation incorporated under 25 U.S.C. §
22 5124 and wholly owned by the Tribe. WDC is a separate legal entity whose activities, transactions,
23 obligations, and liabilities are distinct from those of the Tribe. WDC is at the same time an
24 instrumentality of the Tribe, entitled to all of the privileges and immunities of the Tribe, including
25 tribal sovereign immunity, except as specifically waived by WDC in accordance with its federally
26 approved Charter. WDC’s principal place of business is located on tribal trust land within the Tribe’s
27 territorial jurisdiction at 3264 S. Sunridge Drive, Minden, Nevada 89423.

1 9. Defendant CVTSS is a Nevada limited liability company with its principal place of
2 business in Nevada. CVTSS was the lessee under Ground Lease No. B-206, a lease of tribal trust
3 land approved by the BIA, originally entered with Washoe Development Enterprise (“WDE”), a
4 now-dissolved tribal enterprise.

5 10. Defendant HHSS is a Nevada limited liability company with its principal place of
6 business in Nevada. HHSS was the lessee under Ground Lease No. B-224, a lease of tribal trust land
7 approved by the BIA, also originally entered with WDE.

8 11. WDC is currently unaware of the true names and capacities of Does 1 through 100
9 and will seek leave to amend when their identities are ascertained.

10 **III. JURISDICTION AND VENUE**

11 12. This Court has subject matter jurisdiction over this action under 28 U.S.C. § 1331
12 because this action arises under and concerns the application of federal law to leases of tribal trust
13 lands, including (a) 25 U.S.C. § 415, which governs leases of Indian trust lands and requires BIA
14 approval for any such lease, amendment thereto or assignment thereof; (b) 25 U.S.C. § 81, which
15 governs contracts encumbering Indian land for seven or more years and requires Secretarial
16 approval; (c) 25 C.F.R. Part 162, the federal regulations governing leasing of tribal trust lands; and
17 (d) the federal common law of tribal sovereign immunity for WDC as an arm of the Tribe.

18 13. The at-issue Ground Leases are leases of land held in trust by the United States for
19 the benefit of the Tribe. The Ground Leases provide that if there is a dispute between the
20 interpretation or implementation of the lease and applicable regulations at 25 C.F.R. Part 162, the
21 federal regulations control.

22 14. This Court has authority under 28 U.S.C. §§ 2201–2202 to declare the rights, status,
23 and legal relations of the parties.

24 15. Venue is proper in the District of Nevada under 28 U.S.C. § 1391(b) because the
25 trust land subject to the Ground Leases is located in Douglas County, Nevada, Defendants are
26 Nevada limited liability companies conducting business in this District, and the events giving rise
27 to this action occurred in this District.

28

1 **IV. FACTUAL ALLEGATIONS**

2 **A. The Tribe and WDC**

3 16. The Tribe is a federally recognized Indian tribe possessing sovereign immunity from
4 unconsented suit as a matter of federal law. The Tribe is organized under its Constitution and Bylaws
5 adopted pursuant to the Indian Reorganization Act of June 18, 1934, approved by the Secretary of
6 the Interior on July 20, 1990.

7 17. Under Article VI of its Constitution, the Washoe Tribal Council (“Tribal Council”)
8 exercises enumerated powers including the power to approve or veto any sale, disposition, lease, or
9 encumbrance of tribal lands, interests in lands, or other tribal assets.

10 18. The Tribe’s Code provides that the sovereign immunity of the Tribe shall apply to
11 any lawsuit, action, claim, controversy, or process in any state, federal, or tribal court, forum, or
12 tribunal, unless such immunity is clearly, explicitly, and unequivocally waived in accordance with
13 that Code.

14 19. Under the Code, a tribal entity possesses all of the privileges, protections, and
15 immunities of the Tribe, except as specifically limited by the tribal entity’s Charter, including
16 sovereign immunity from lawsuit in any state, federal, or tribal court, forum, or tribunal.

17 20. The sovereign immunity of a tribal entity may be waived only by express resolution
18 of the Tribal Council or in accordance with the entity’s charter as approved by the Tribal Council.
19 In no case may a waiver be general; every waiver must be limited as to duration, grantee, transaction,
20 and property subject to it.

21 21. Unlike states that have adopted the Uniform Arbitration Act or similar legislation,
22 the Tribe has enacted no tribal statute, code, or ordinance recognizing agreements to arbitrate as
23 valid or enforceable. As a result, as a matter of tribal contract formation and governing tribal law
24 applicable to the Ground Leases, agreements to arbitrate are not valid or enforceable. The parties to
25 a contract governed exclusively by federal and tribal law cannot have mutually assented to
26 arbitration terms where no tribal law designates how agreements to arbitrate are made or enforced.

27 22. WDC is a federally chartered corporation organized under 25 U.S.C. § 5124, wholly
28 owned by the Tribe. When the Tribal Council acts with respect to WDC, it must do so in its capacity

1 as the sole shareholder, not in its governmental capacity. WDC's business affairs are managed
2 exclusively by its Board of Directors.

3 23. WDC's Charter permits WDC to waive its sovereign immunity only through a Board
4 resolution that: (a) identifies the parties who benefit from the waiver; (b) identifies the particular
5 transaction or contractual relationship to which the waiver applies; (c) identifies the corporate
6 property subject to execution; and (d) identifies the courts in which suit may be brought. Any such
7 waiver is limited to WDC's own property and income and does not create any liability on the part
8 of the Tribe or any other tribal instrumentality.

9 24. No Board of Directors resolution satisfying the WDC Charter's requirements has
10 been adopted with respect to either Ground Lease or any claim by Defendants.

11 25. Nothing in the WDC Charter and no waiver of WDC's sovereign immunity may be
12 construed as a waiver of the Tribe's sovereign immunity, nor does any waiver by WDC create
13 liability on the part of the Tribe for WDC's obligations.

14 **B. Washoe Development Enterprise and the Original Ground Leases**

15 26. Washoe Development Enterprise ("WDE") was a tribal enterprise — separate and
16 distinct from WDC — created by the Tribe under the Tribe's constitutional authority as an arm and
17 extension of the Tribal Government. WDE was formed on August 9, 1996 (with the Tribal Council's
18 adoption of its Charter) and was dissolved via Tribal Council Resolution on June 27, 2003.

19 27. Under the WDE Charter, any waiver of WDE's sovereign immunity required both
20 the WDE Board and the Tribal Council to approve a limited waiver by concurrent written resolution,
21 with a written instrument specifying the WDE assets subject to the waiver and confirming that
22 remaining assets of WDE and the Tribe were not subject thereto.

23 28. WDE entered into Ground Lease No. B-206 with CVTSS, LLC on August 28, 1996,
24 for the lease of tribal trust land located at 3253 Plymouth Drive, Carson City, Nevada, consisting of
25 approximately 14.1 acres, for the construction and operation of a self-storage facility ("B-206
26 Lease"). The BIA approved Lease No. B-206 on December 18, 1996, for a term of twenty (20)
27 years, expiring on December 17, 2016. A true and correct copy of the B-206 Lease is attached as

28 **Exhibit 2.**

1 29. WDE entered into Ground Lease No. B-224 with HHSS on September 30, 1999, for
2 the lease of tribal trust land located at 3130 Hobo Hot Springs Road, Minden, Nevada, consisting of
3 approximately 22.77 acres, for the construction, development, and operation of a self-storage and
4 RV storage facility (the “B-224 Lease”). The BIA approved the B-224 Lease on October 6, 1999,
5 for a term of fifteen (15) years, expiring October 5, 2014. A true and correct copy of the B-224
6 Lease is attached as **Exhibit 3**.

7 30. The Ground Leases expressly provide that if there is a dispute between the
8 interpretation or implementation of the lease and applicable regulations at 25 C.F.R. Part 162, the
9 federal regulations prevail. Neither Ground Lease includes an express choice-of-law or governing
10 law provision. As a result, any dispute arising under either Ground Lease is governed by federal law
11 and tribal law under 25 C.F.R. § 162.014(a), not by state law. State law may apply to an Indian trust
12 land lease only where the lease includes an express state law provision; neither Ground Lease does.
13 25 C.F.R. § 162.014(c).

14 31. Both Ground Leases contain an arbitration clause purporting to require arbitration
15 under AAA rules for controversies between the parties that are not resolved within 30 days after
16 written notice of a desire to arbitrate. The Ground Leases expressly provide that no modification of
17 their terms is valid unless made in writing and signed by both parties.

18 32. Critically, the arbitration clauses expressly prohibit the arbitrators from modifying
19 any lease provision and limit their jurisdiction accordingly. The Ground Leases also expressly
20 contemplate judicial — not arbitral — determination of whether any lease term is invalid, void, or
21 unenforceable.

22 33. Neither Ground Lease contains any choice-of-law clause designating a governing
23 state law or a specific forum for enforcement of any award.

24 34. Neither Ground Lease includes an explicit waiver of sovereign immunity meeting
25 the conditions of the Tribe’s Code.

26 35. Neither WDE’s Board nor the Tribal Council adopted a concurrent written resolution
27 waiving WDE’s sovereign immunity with respect to the arbitration clauses in the Ground Leases as
28 required by the WDE Charter. The execution of the Ground Leases containing arbitration clauses

1 — without the required dual-approval resolution — was not a valid waiver of WDE’s sovereign
2 immunity under either the WDE Charter or the Tribe’s Code.

3 36. WDC was not a signatory and did not execute either Ground Lease.

4 37. There is no resolution of the Board of WDC approving any waiver of sovereign
5 immunity by WDC with respect to either Ground Lease.

6 **C. Dissolution of WDE and the 2022 Resolution**

7 38. The Tribal Council dissolved WDE by resolution effective June 27, 2003, at which
8 point WDE ceased to exist as a legal entity.

9 39. At the time of WDE’s dissolution, WDC did not exist. The Tribal Council approved
10 the federal charter of incorporation for WDC on May 16, 2006, the BIA issued a Certificate of
11 Approval of the WDC Charter on November 29, 2006, subject to ratification by the Tribal Council,
12 and the Tribal Council ratified the WDC Charter on October 2, 2014.

13 40. No assignment, novation, or assumption agreement between WDE and WDC — or
14 between Defendants and WDC — was executed at the time of WDE’s dissolution or at any
15 subsequent time with respect to the Ground Leases.

16 41. In June 2022, the Tribal Council adopted a resolution acknowledging that WDE had
17 entered into the Ground Leases and that WDE had been dissolved in 2003, and appointing WDC as
18 successor in interest from WDE “to oversee” the Ground Leases (the “2022 Resolution”). A true
19 and correct copy of the 2022 Resolution is attached as **Exhibit 4**.

20 42. The 2022 Resolution does not purport to assign WDE’s contractual obligations to
21 WDC, does not reference the arbitration clauses, does not authorize WDC to waive its immunity
22 with respect to the Ground Leases, and does not constitute the Board resolution required under
23 WDC’s Charter for a valid immunity waiver. The WDC Charter does not designate WDC as the
24 successor to WDE or as having assumed any of WDE’s rights, obligations, or liabilities.

25 43. Any substitution of WDC as Lessor under either Ground Lease would constitute a
26 modification of a material term of that lease — the identity of the contracting party. As set forth in
27 paragraph 31 above, the Ground Leases themselves provide that no modification is valid unless
28 made in writing signed by both parties. Section 17.13 of the B-206 Lease and Section 16.13 of the

1 B-224 Lease each expressly so provide. The 2022 Tribal Council Resolution does not satisfy this
2 requirement — it is not a writing signed by both parties to either Ground Lease, and it does not
3 purport to be a formal lease amendment.

4 44. Even if a valid written modification signed by both parties existed, federal leasing
5 law independently required BIA approval before any such modification could take effect. 25 C.F.R.
6 § 162.445 (BIA approval required for lease amendments). The predecessor regulations in effect
7 when the leases were originally executed imposed the same requirement. *Id.* § 162.12 (1999). No
8 BIA-approved amendment or assignment or other federally approved contract identifies WDC as
9 party to either Ground Lease or reflects WDC's assumption of either Ground Lease.

10 45. Separately, any contract purporting to transfer the Lessor's interest in the Ground
11 Leases to WDC — leases running for terms of 15 and 20 years on Indian trust land — independently
12 required Secretarial approval under 25 U.S.C. § 81, which mandates approval for any contract
13 encumbering Indian land for a period of seven or more years. No such Secretarial approval was ever
14 obtained.

15 46. The WDC Charter contains no provision designating WDC as the successor to WDE
16 or as having assumed any of WDE's rights, obligations, or liabilities.

17 **D. The 2015 Lease Amendments**

18 47. In February and March 2015 — after the B-224 Lease had already expired in October
19 2014 — Defendants executed amendments to both Ground Leases (the “2015 Amendments”). The
20 2015 Amendments were countersigned by the Chairman of the Tribe (as successor in interest to
21 WDE). The 2015 Amendment to the B-206 Lease extended the lease term through October 5, 2026,
22 and provided for a lessee option to extend an additional twelve years under Section 2.02. The
23 Amendment to the B-224 Lease extended the lease term through October 5, 2026, on the same 12-
24 year extension option terms. A true and correct copy of the 2015 Amendments is attached as **Exhibit**
25 **5**.

26 48. The Tribe's execution of the 2015 Amendments did not waive, and cannot be
27 construed as waiving, the Tribe's sovereign immunity. Under the Code, a waiver of sovereign
28 immunity is effective only if it is clear, explicit, and unequivocal, and must be authorized either by

1 express Tribal Council resolution or, for contracts valued under \$50,000, in accordance with the
2 Tribe's Finance Policies and Procedures. Any such waiver must be limited as to duration, grantee,
3 transaction, and property or funds subject thereto — a general waiver is expressly prohibited.
4 Neither of the 2015 Amendments contains any sovereign immunity waiver language, nor was any
5 Tribal Council resolution adopted waiving immunity in connection with either Amendment.
6 Accordingly, the Tribe's sovereign immunity remains fully intact with respect to any claim or
7 proceeding arising out of or related to the 2015 Amendments.

8 49. The 2015 Amendments purported to modify the appraisal methodology for the
9 mandatory purchase obligation of the lessee's business operations from the original direct-
10 capitalization approach to an appraisal process utilizing two Members of the Appraisal Institute
11 ("MAI"): the purchase price would be the value of the business as determined by two MAI
12 appraisers selected individually by each party, with a third-appraiser tie-breaker mechanism if the
13 difference in appraised values exceeds \$500,000, with costs allocated as specified. Additionally, the
14 2015 Amendments added surrender language conditioning the lessee's obligation to vacate the tribal
15 trust land on receipt of the down payment or purchase price.

16 50. Each of the 2015 Amendments expressly states that it "shall be effective upon
17 approval by the BIA." WDC has found no evidence of express or deemed approval by the BIA of
18 either Amendment in either its own or the BIA's records. Further, the BIA has confirmed in a letter
19 to the Tribe dated June 15, 2026 that neither 2015 Amendment was approved by the BIA. A true
20 and correct copy of the BIA's June 15, 2026 letter is attached hereto as **Exhibit 6**. An unapproved
21 amendment to a lease of Indian trust land is void and grants no rights to any party. 25 U.S.C. § 415;
22 25 C.F.R. § 162.445.

23 **E. The Parties' 2025 and 2026 Correspondence Regarding the Purchase-Option**
24 **and Appraisal Process Under the Ground Leases**

25 51. On August 19, 2025, WDC sent a letter to Defendants indicating that it was
26 considering purchasing the two storage facilities and requesting financial documents for use by
27 WDC's appraiser. This letter was sent approximately 413 days before the October 5, 2026 lease
28

1 expiration, outside the 180-to-90-day window prescribed by Section 2.03 of each Ground Lease for
2 initiation of the appraisal process.

3 52. On April 1, 2026, WDC advised Defendants that its preliminary independent
4 appraisal did not support Defendants' appraiser's valuation range (north of \$34,000,000), that a
5 financial analysis of both appraisals demonstrated that payment of either appraised amount would
6 not make continuation of the business financially viable, and that WDC had identified conflicting
7 provisions in the Ground Leases and uncertainty regarding the current legal effectiveness of the
8 Ground Leases and 2015 Amendments. The letter expressly characterized WDC's review as
9 "preliminary" and stated that "nothing herein should be construed as WDC's final or complete
10 statement" of its position, and reserved all rights.

11 53. In response, on April 17, 2026, Defendants, through counsel, demanded that WDC
12 provide complete copies of all appraisal reports within thirty days.

13 54. On May 15, 2026, WDC's counsel responded that she had just recently been retained,
14 was reviewing the file, and would respond substantively in due course.

15 **F. The AAA Arbitration Demand and WDC's Objections**

16 55. On June 5, 2026, Defendants filed a Commercial Demand for Arbitration with the
17 AAA, AAA Case No. 01-26-0003-6759 (the "Demand"), naming WDC as respondent, asserting
18 that WDC failed to provide its appraisals and failed to pay the purchase amount required by the
19 Ground Leases as amended, and seeking \$34,300,000.

20 56. Article XVIII of the B-206 Lease and Article XVII of the B-224 expressly condition
21 the right to arbitrate upon prior written notice of a desire to arbitrate and the passage of thirty (30)
22 days without resolution of the underlying dispute (the "Pre-Arbitration Conditions").

23 57. Defendants filed the Demand without serving the pre-arbitration notice of desire to
24 arbitrate required by Article XVIII of the B-206 Lease and Article XVII of the B-224 Lease, each
25 of which mandates a 30-day waiting period before arbitration may proceed.

26 58. On June 22, 2026, WDC timely and unequivocally objected to the AAA arbitration
27 on multiple grounds, including but not limited to lack of a valid agreement to arbitrate, sovereign
28 immunity, lack of arbitrability, ripeness, and failure to satisfy conditions precedent.

59. On June 23, 2026, the AAA responded that it would continue administration of the matter and allow the arbitrators to decide the questions of jurisdiction, arbitrability, and WDC's objections — a determination that directly implicates WDC's sovereign immunity and constitutes the imminent threat of irreparable harm.

60. On June 24, 2026, WDC's counsel requested that Defendants' counsel agree to hold the AAA proceedings in abeyance pending judicial determination of the threshold issues. Defendants declined, leaving WDC no choice but to seek emergency judicial relief.

FIRST CLAIM FOR RELIEF

(Declaratory Judgment – 28 U.S.C. §§ 2201-2202)

61. Plaintiff incorporates by reference all preceding paragraphs of the Complaint as though fully set forth herein.

62. An actual, present, and justiciable controversy exists between WDC and Defendants as to whether WDC, as an arm of the Tribe, can be compelled to participate in the AAA arbitration, AAA Case No. 01-26-0003-6759, and whether AAA has jurisdiction to administer the arbitration or to determine threshold questions of sovereign immunity and arbitrability.

63. **Ground One: WDC Is Not a Party to the Ground Leases and Made No Agreement to Arbitrate.**

(a) WDC was not a signatory to either Ground Lease and was never assigned nor assumed WDC's rights or obligations thereunder. The BIA never approved any amendment or assignment of either Ground Lease to WDC. Accordingly, no BIA-approved amendment or assignment to WDC of either Ground Lease exists and WDC is not a party to either Ground Lease.

(b) The 2022 Resolution, which appointed WDC to "oversee" the Ground Leases, did not effect a valid assignment of either Ground Lease to WDC and did not constitute or authorize a waiver of WDC's sovereign immunity.

(c) Because WDC is not and never has been a party to either Ground Lease, it never agreed to arbitrate any dispute arising under the Ground Leases and it cannot be compelled to do so.

(d) Independently, the arbitration provisions of the Ground Leases are unenforceable as a matter of contract formation. The Tribe has not enacted any statute, code, or ordinance expressly recognizing agreements to arbitrate as valid or enforceable. Contracts governed by federal and tribal law — including the Ground Leases — cannot be enforced through arbitration in the absence of a tribal legal framework supporting such enforcement. This independently bars any compulsion of WDC to arbitrate.

64. Ground Two: This Court — Not the AAA — Has Exclusive Authority to Decide the Threshold Questions.

(a) Whether WDC's sovereign immunity has been waived is a threshold jurisdictional question this Court must determine. An arbitral tribunal derives its authority entirely from the parties' consent. Where — as here — a sovereign entity disputes that any valid consent to arbitration was given, no private arbitral body may resolve that foundational question. The arbitrators possess no jurisdiction over WDC unless and until this Court determines that WDC's immunity was validly waived, and this Court's authority to make that determination was not and cannot be delegated to a private forum.

(b) The Ground Leases reinforce this conclusion: the arbitration provisions expressly prohibit arbitrators from modifying any lease provision and contain no clear and unmistakable delegation of authority to the arbitrators to determine immunity, contract formation, or waiver questions. Sections 17.08 of the B-206 Lease and 16.08 of the B-224 Lease expressly contemplate judicial — not arbitral — resolution of questions of lease validity or enforceability. Additionally, under applicable BIA regulations, federal agency determinations regarding the validity and enforceability of tribal trust land leases are not bound by private arbitral decisions, further confirming that the parties could not have delegated dispositive authority over those leases to any arbitral forum.

- 1 (c) The AAA has nonetheless stated it will allow arbitrators to resolve WDC's
2 immunity and jurisdictional objections, directly threatening WDC's right not
3 to be haled into any forum without valid consent.

4 **65. Ground Three: WDC's Sovereign Immunity Has Not Been Waived, and Any**
5 **Conditional Waiver Was Never Triggered.**

- 6 (a) WDC possesses sovereign immunity from unconsented participation in any
7 adjudicatory proceeding, including private arbitration, to the same extent as
8 the Tribe, except as specifically waived under its federally approved Charter.
- 9 (b) No Charter-compliant Board resolution waiving WDC's immunity has been
10 adopted.
- 11 (c) WDE equally possessed sovereign immunity, and WDE's purported
12 agreement to arbitrate under the Ground Leases was not accompanied by the
13 concurrent Board-and-Tribal Council resolution required by WDE's Charter
14 for a valid waiver. Accordingly, neither WDC nor WDE, a separate and now-
15 dissolved Tribal entity, validly waived sovereign immunity with respect to
16 Defendants' claims.
- 17 (d) The arbitration clauses do not on their face constitute a clear and unequivocal
18 waiver of sovereign immunity: neither contains a governing law designation
19 nor identifies specific courts for enforcement of any award — gaps that leave
20 material questions about the scope of any purported consent unresolved. In
21 the absence of a clear and unequivocal waiver satisfying Charter
22 requirements, WDC's immunity is intact.
- 23 (e) To the extent the arbitration clauses could constitute any waiver of WDC's
24 sovereign immunity — which WDC expressly denies — that waiver is
25 narrow and strictly conditioned on the Pre-Arbitration Conditions being met:
26 prior written notice of a desire to arbitrate and expiration of a 30-day waiting
27 period without resolution. These conditions are not procedural prerequisites
28 separate from the jurisdictional immunity question. They define the scope

1 and trigger of any purported consent to arbitration. Any tribal sovereign
2 immunity waiver that could be construed under the arbitration clauses —
3 extended only to arbitrations initiated in strict compliance with those
4 conditions.

5 (f) Defendants filed their Demand on June 5, 2026 without serving the required
6 pre-arbitration notice and without allowing the 30-day period to run. Because
7 the Pre-Arbitration Conditions were never satisfied, any alleged waiver of
8 sovereign immunity was never triggered. Defendants cannot invoke a waiver
9 they failed to activate.

10 (g) Whether those conditions were satisfied, and whether any waiver was
11 triggered, is a jurisdictional question for this Court — not an arbitrator — to
12 resolve. Compelling WDC to appear before an arbitrator to litigate whether
13 it is immune from that very proceeding would itself infringe its immunity.

14 66. **Basis for Injunctive Relief.** For the reasons set forth in Grounds One through Three,
15 WDC is likely to establish that: (a) WDC was not a party to the Ground Leases, no BIA approval of
16 any amendment or assignment assigning the Ground Leases to WDC was ever obtained, and the
17 2022 Resolution did not effect a valid assignment to WDC — such that WDC made no agreement
18 to arbitrate — and the arbitration clauses are independently unenforceable because no tribal statute,
19 code, or ordinance recognizes agreements to arbitrate as valid or enforceable under the governing
20 law of the Ground Leases; (b) this Court — not the AAA — has exclusive authority to determine
21 the threshold questions of sovereign immunity and arbitrability, as there is no clear and unmistakable
22 delegation of those questions to an arbitral forum under the Ground Leases or the applicable federal
23 regulatory framework; and (c) neither WDC nor WDE adopted the Charter-compliant resolutions
24 required for a clear and unequivocal waiver of sovereign immunity, and Defendants failed to satisfy
25 the mandatory Pre-Arbitration Conditions before filing the Demand, such that any conditional
26 waiver of sovereign immunity was never triggered.

27 67. WDC has no adequate remedy at law for two independent reasons. First, sovereign
28 immunity is a right not to be subjected to any unauthorized proceeding — a right that cannot be

1 restored after the fact by money damages or any other legal remedy. Second, being compelled to
2 participate in an arbitration to which WDC never agreed — because it is not a party to the Ground
3 Leases or any arbitration agreement — is itself irreparable harm that no retroactive remedy can
4 undo.

5 68. WDC will suffer immediate and irreparable harm absent relief. The AAA is
6 proceeding with administration and Defendants have refused to agree to a stay. WDC faces
7 imminent compulsion to participate in an unauthorized arbitration, including discovery and a merits
8 hearing — each of which is itself an infringement of its immunity.

9 69. The balance of equities favors WDC. Compelling participation in unauthorized
10 proceedings expends tribal resources and risks irreversible compromise of WDC's sovereign
11 prerogatives. Defendants face no cognizable harm from a brief stay pending judicial resolution of
12 threshold immunity questions: according to Defendants' own Demand, the Ground Leases do not
13 expire until October 5, 2026, and WDC initiated the contractually compliant appraisal process on
14 July 7, 2026.

15 70. The public interest favors WDC. Federal courts have a substantial interest in ensuring
16 that threshold questions of tribal sovereign immunity are resolved judicially, not by private arbitral
17 bodies, and in protecting the federal framework governing tribal sovereignty.

18 **PRAYER**

19 WHEREFORE, Plaintiff respectfully requests a Judgment as follows:

20 1. On the First Claim for Relief, declaring that:

21 (a) WDC is not bound by the B-206 Lease or the B-224 Lease as a matter of applicable
22 federal law, no BIA approval of any amendment or assignment assigning either lease to
23 WDC was ever obtained, the 2022 Resolution did not effect a valid assignment or
24 authorize a waiver of sovereign immunity, and accordingly WDC made no agreement to
25 arbitrate any dispute with Defendants; and further declaring that the arbitration
26 provisions of the Ground Leases are independently unenforceable as a matter of contract
27 formation because no tribal statute, code, or ordinance expressly recognizes agreements
28 to arbitrate as valid or enforceable under the governing law of the Ground Leases;

1 (b) This Court has exclusive authority to resolve the threshold questions of WDC's
2 sovereign immunity and the existence and scope of any agreement to arbitrate; the AAA
3 and any arbitrators appointed therein lack jurisdiction to decide those questions; and

4 (c) WDC's sovereign immunity from Defendants' claims has not been waived — by
5 WDC or WDE — and no valid, express, Charter-compliant waiver exists such that
6 WDC's sovereign immunity bars Defendants' prosecution of AAA Case No. 01-26-
7 0003-6759; and further declaring that Defendants failed to satisfy the mandatory Pre-
8 Arbitration Conditions before filing the Demand, that any alleged conditional waiver of
9 WDC's sovereign immunity was therefore never triggered, and that WDC's sovereign
10 immunity independently bars the Demand on this basis.

11 2. Issue a Temporary Restraining Order ("TRO"), without bond or with nominal bond
12 in recognition of WDC's sovereign status, immediately enjoining Defendants and all persons acting
13 in concert with them from taking any further action in AAA Case No. 01-26-0003-6759 — including
14 filing responsive statements, attending case management conferences, or complying with any AAA
15 administrative deadline or schedule — pending further order of this Court; and issue a Preliminary
16 Injunction ("PI") on the same terms.

17 3. Upon final judgment, permanently enjoin Defendants from compelling or attempting
18 to compel WDC to participate in any arbitration arising under the Ground Leases absent a valid,
19 express, Charter-compliant waiver of WDC's sovereign immunity and prior compliance with all
20 mandatory Pre-Arbitration Conditions.

21 4. Awarding WDC its attorneys' fees and costs to the extent permitted by applicable
22 law; and

23 5. Granting such other and further relief as this Court deems just and proper.

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1 Dated: August 5, 2026.

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INDEX OF EXHIBITS

EX. NO.	DESCRIPTION
1	Demand for Arbitration (without exhibits)
2	Ground Lease No. B-206
3	Ground Lease No. B-224
4	Resolution No. 2022-06-WTC-134
5	2015 Lease Amendments
6	BIA Letter dated June 15, 2026