IN THE SUPREME COURT OF THE STATE OF NEVADA

THE FREIGHT HOUSE DISTRICT, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellant,
vs.
CITY OF RENO, A POLITICAL SUBDIVISION OF THE STATE OF NEVADA; AND REDEVELOPMENT AGENCY OF THE CITY OF RENO, NEVADA, A PUBLIC BODY, CORPORATE AND POLITIC,
Respondents.

No. 89235

FILED
DEC 11 2025
ELIZABETH A. BROWN
CLERK OF SUPREME COURT
BY
DEPUTY CLERK

ORDER AFFIRMING IN PART, REVERSING IN PART, AND REMANDING

This is an appeal from a district court order granting summary judgment in a real property contract dispute. Second Judicial District Court, Washoe County; Kathleen M. Drakulich, Judge.

In 2004, nonparty Monkey Bars, Inc. (Monkey Bars) leased property from respondent City of Reno. The lease comprised two areas of land, one where Monkey Bars' business was located (commercial parcels) and an adjacent area primarily used for parking (parking parcels). The 2004 lease was for a five-year period, with the option to renew for a maximum length of fifteen years (the maximum lease ended in 2022, as Monkey Bars did not take formal possession of the parcels until 2007). The City later assigned the 2004 lease to respondent Redevelopment Agency of the City of Reno, Nevada (the respondents are collectively referred to as the municipality). In 2007, the municipality entered into an agreement with appellant Freight House District, LLC (Freight House), in which certain property the municipality owned would be swapped for property owned by

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Freight House. The 2007 land swap included the commercial parcels, but not the parking parcels. In 2017, Monkey Bars and Freight House entered a lease amendment, purporting to extend the lease for both the commercial and the parking parcels until 2026.

When the 2004 lease expired in 2022, the municipality notified Monkey Bars it did not intend to renew the 2004 lease as to the parking parcels and requested Monkey Bars vacate the land. The underlying lawsuit followed, and the district court granted summary judgment for the municipality.

Freight House appeals, arguing the district court erred in granting the municipality's motion for summary judgment. We disagree.

We review a district court's decision to grant summary judgment de novo. *Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005). Contract interpretation is a question of law that we also review de novo. *Farmers Ins. Exch. v. Neal*, 119 Nev. 62, 64, 64 P.3d 472, 473 (2003). When a contract is clear and unambiguous, the contract will be enforced as written. *Davis v. Beling*, 128 Nev. 301, 321, 278 P.3d 501, 515 (2012).

Here, the language of the 2007 agreement expressly and unambiguously excludes the parking parcels. Thus, Freight House did not obtain any interest in the parking parcels from the 2007 agreement. Accordingly, Freight House could not amend the lease with Monkey Bars as to the parking parcels, and the 2017 lease amendment is unenforceable as to the parking parcels.

The 2007 agreement further provided as a condition that Freight House had to execute a written assignment agreement:

> [Freight House] agrees to execute, not later than thirty (30) days after possession transfers to

> [Freight House], an assumption and assignment agreement in form and substance satisfactory to [the municipality] with respect to that portion of the [2004] Lease on the Commercial Row Parcels ("Assignment Agreement") in a form mutually agreed on by the Parties, and [Freight House] further agrees that until said Assignment Agreement is executed and so long as the [2004] Lease is in full force and effect, [Freight House] shall (1) collect rent pursuant to the [2004] Lease, and (2) pay [the municipality] ten percent (10%) of all such rent collected until such lease terminates.

It is undisputed that no written assignment agreement was ever executed by Freight House. Freight House's argument that it received and rejected an unsatisfactory proposed assignment agreement from the municipality does not change this analysis, as the 2007 agreement clearly and unambiguously required *Freight House* to execute an assignment agreement, and Freight House did not. Thus, the district court did not err in concluding Freight House breached the 2007 agreement.

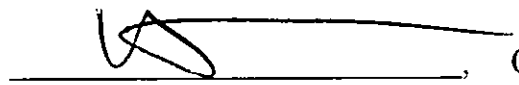
Separately, Freight House contends that an assignment of the 2004 lease and/or a modification of the 2007 agreement can be implied by the municipality's conduct. We disagree. First, the 2007 agreement requires Freight House to execute an assignment of the lease, which was not done, as noted above. And the 2007 agreement further specifically states the "Agreement may be amended or modified *only by a written instrument* executed by the Parties." (Emphasis added.) And even disregarding the express contractual provisions, Nevada's statute of frauds requires that any transfer or assignment of a lease exceeding a one-year term must be in writing. NRS 111.210(1). There is no written execution that conforms with Nevada's statute of frauds either assigning the 2004 lease or amending the 2007 agreement.

Freight House argues the agreement was taken out of the statute of frauds by promissory estoppel, relying on the actions taken by employees of the municipality, such as accepting rent payments and receiving correspondence from Freight House. Even if this were the case, promissory estoppel requires action by a *party* to the agreement. *Pink v. Busch*, 100 Nev. 684, 689, 691 P.2d 456, 459 (1984) (listing the elements required to establish promissory estoppel). And the City of Reno and the Redevelopment Agency of the City of Reno are empowered to act only through the Reno City Council. *See* NRS 268.005 ("The corporate powers of any incorporated city are vested in the city council or other governing body of such city."); Reno Municipal Code Section 20.02.020(1) ("[T]he city council: a. Declared the need for the [redevelopment] agency; and b. Declared itself to be the agency in which are vested all the rights, powers, duties, privileges immunities vested by NRS 279.382 to 279.680, inclusive."). The Reno City Council never approved an assignment of the 2004 lease and/or a modification of the 2007 agreement. Accordingly, Freight House cannot rely upon the conduct of individual municipality employees who are not authorized to act on behalf of the municipality. This principle similarly defeats Freight House's arguments that this conduct by municipality employees modified the 2007 agreement or constitutes tacit approval of the 2017 amendment such that equitable estoppel precludes the municipality from changing its position.

Further, as the 2004 lease expired in 2022, without modification, the district court did not err in concluding Freight House has been in wrongful possession of the parking lot parcels, constituting civil trespass. *See Lied v. Clark Cnty.*, 94 Nev. 275, 279, 579 P.2d 171, 173-74 (1978) ("[T]o sustain a trespass action, a property right must be shown to

have been invaded."). In sum, we affirm the district court's order granting the municipality's motion for summary judgment with one exception, the reconveyance of the property transferred to Freight House in the 2007 agreement. The municipality has conceded this issue, and, thus, we reverse the district court on this ground alone. Accordingly, we

ORDER the judgment of the district court AFFIRMED IN PART AND REVERSED IN PART AND REMAND this matter to the district court for proceedings consistent with this order.



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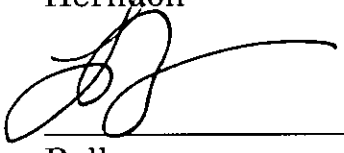

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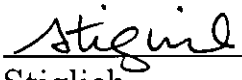

_____, J.
Stiglich

cc: Hon. Kathleen M. Drakulich, District Judge
Laurie A. Yott, Settlement Judge
Castronova Law Offices, P.C.
Reno City Attorney
Washoe District Court Clerk