

IN THE DISTRICT COURT OF DOUGLAS COUNTY,
NEBRASKA

NEWPORT BLUE IMPACT LP,

Plaintiff,

v.

CITY OF OMAHA,

Defendant.

Case No. CI 25-_____

COMPLAINT

Plaintiff Newport Blue Impact LP ("Newport") states and alleges the following for its claims for relief against Defendant City of Omaha, Nebraska (the "City").

BACKGROUND

1. Newport loaned money to Carlisle Senior Living, LLC ("Carlisle"), and obtained a deed of trust to secure that loan. Carlisle was the owner of the real property located at 10909 M Street, Omaha, Nebraska (the "Property"), which contains a multi-story brick building (the "Building"). Carlisle allowed the vacant Building and Property to fall into non-compliance with certain City codes. The City placed written demands on Carlisle to correct the violations, and Carlisle struggled to meet the City's demands. Carlisle then filed for bankruptcy in April 2024, only to dismiss that bankruptcy in June 2024.

2. Carlisle's delay and failure to correct the code violations understandably frustrated the City. Ultimately, on October 9, 2024, the City issued a demolition order to Carlisle, but the only "high" severity violation was the failure to secure and keep clean all sides and floors of the Building.

3. Carlisle also defaulted on its loan with Newport, and Newport started the process of foreclosing on the Property. Newport, which is based in California, began evaluating whether it would purchase the Property at the deed of trust foreclosure, and contacted the City to discuss the status of the Property and the code violations. Newport advised that if it acquired the Property, it would correct the code violations, apply to rezone the Property and then market the Property, so that the Property would have an occupant renovating and maintaining the Property and Building and then generating commercial activities. The City assured Newport that so long as Newport reasonably pursued these goals, the City would not pursue demolition of the Building and would instead notify Newport of any future concerns or violations. Based on this agreement (the “Deal”), Newport purchased the Property through a deed of trust foreclosure in April 2025, and Newport was, in effect, an innocent purchaser for value.

4. Upon acquiring the Property, Newport promptly connected with the City regarding the Property. Newport began correcting the code violations, including cleaning the parking lot, removing overgrown vegetation, boarding up entrances and windows, repairing fencing and gates, and hiring a security company to patrol the Property daily. As additional concerns or code violations arose, the City advised Newport of the same, and Newport timely addressed each concern. Newport also applied to rezone the Property from GI-General Industrial District to MM-Community Commercial District, which the City supported, and the City approved the rezoning on December 9, 2025.

5. For approximately 7 months, everything was running smoothly, and Newport was working with development advisors to market the Property once it was rezoned to CC-Community Commercial District. Then, without notice or consent of Newport, a fence company removed the front section of the perimeter fence, but the side and rear sections of the perimeter fence were not removed.

Apparently, Carlisle had rented the front fence, all completely unknown to Newport. Once that portion of the perimeter fence was removed, trespassers broke into the Building and applied graffiti to it. Once Newport learned of the fence situation by the security company that it hired to patrol the Property, Newport immediately contracted with a fence company to install the front perimeter fence. On November 24, 2025, while the fence company was on site digging and placing fence posts (see photographs attached hereto as Exhibits A), Newport saw a news report that the City was holding a hearing on November 25, 2025, to authorize the demolition of Building. The City provided no notice of such hearing or of its decision to no longer honor the Deal with Newport. Newport reviewed the City's publicly available records, and learned that indeed, on November 21, 2025, the City added a Supplement Agenda item to the November 25, 2025, meeting agenda to proceed to demolish the Building, apparently based on the October 9, 2024 demolition order relating to Carlisle, not Newport.

6. Given that Newport was unsure if it could stop the demolition, it asked the fence company to hold off on the installation of the fence, while Newport sought assurances from the City that the City would still honor the Deal. However, the City, without providing Newport with notice or an opportunity to cure, amended its City Council agenda to approve a demolition bid and passed a resolution authorizing demolition of the Building. Newport was not notified of the City's intent to seek demolition approval, nor was it invited to speak at the City Council meeting. At the last minute, a representative participated in the meeting, but to no avail. The City approved demolition based on the abandoned October 9, 2024 demolition order relating to Carlisle.

7. The City broke its Deal with Newport. Newport reasonably and justifiably relied on the representations of the City that the City would not demolish the Building if Newport complied with the Deal. If Newport had known the City intended to demolish the Building and break its Deal, Newport would not have bid and then

purchased the Property at the foreclosure sale; paid for the remedial actions after taking ownership; applied to rezone the Property and incurred substantial professional fees in the process. The City failed to comply with the notice and procedural requirements of Section 48 of the Municipal Code, which mandate written notice of violations to Newport, a reasonable time to cure, and personal or mailed delivery of such notice to Newport before demolition may proceed. Instead, the City apparently relied on the demolition resolution from October 2024 relating to Carlisle and its Code violation, and ignored its Deal with Newport and the need to follow established procedures if any violations occurred and were not cured during Newport's ownership of the Property.

8. The City's Contractor, Eagle Hills Excavation, Inc., has been given instructions from the City to immediately proceed with demolition of the Building. Counsel for Newport contacted the City's attorneys advising of Newport's intentions to seek injunctive relief and requesting that the City hold off on the demolition until the Court may consider the matter on a TRO basis. The City declined. So, demolition may proceed at any moment, though as of the filing of this Complaint, demolition has not started. Newport has no adequate remedy at law to prevent the demolition of the Building.

9. Newport was at all times ready, willing and able to replace the front perimeter fence, maintain the Property in compliance with the City codes, complete the rezone of the Property, and then sell the Property, so that redevelopment and commercial activity by an occupant could occur. That would resolve the City's Code concerns and desire for commercial development, and would allow Newport some opportunity to recover on the defaulted loan and substantial carrying costs of the Property.

10. Demolition of the Building would cause Newport immediate and irreparable harm, including a drastic reduction in the fair value of the Property from approximately \$8.8 million to \$800,000;

a demolition invoice from the City for at least \$300,000; and would deprive Newport of the opportunity to complete the Property restoration and rezoning and redevelopment efforts. Newport would have no chance to recover on the defaulted loan, the carrying costs for the Property, and the professional fees incurred for the rezoning and redevelopment of the Property. The City will suffer no harm, because if the City would comply with the Deal and applicable legal procedures, Newport would, at its own expense, within days have the front perimeter fence installed, secure and re-enclose the Building, remove graffiti, restore security company monitoring of the Property, and then timely conclude the rezone, redevelopment and marketing the Property, which benefits everyone, and harms no one. Newport has no adequate remedy at law, and only immediate injunctive relief will preserve the status quo and prevent irreparable injury pending a final determination on the merits.

11. Newport respectfully requests that the Court issue a temporary restraining order and temporary injunction prohibiting the City from proceeding with any demolition activities at the Property until a final determination on the merits of this action is made. Newport is willing to be ordered to take the following actions at its expense: reinstall the front perimeter fence, secure and re-enclose the Building, remove graffiti, and restore security company monitoring of the Property if this Court grants its request for a temporary injunction. Newport further seeks a declaratory judgment that the City's actions in approving and authorizing demolition without proper notice and opportunity to cure violate Section 48 of the Municipal Code and Newport's due process rights. Additionally, Newport requests that the Court order the City to comply with all applicable notice and procedural requirements before taking any further action regarding the Property, and to award Newport such other and further relief as the Court deems just and proper under the circumstances.

12. The threatened demolition of the Building would constitute an inverse condemnation, thus violating Newport's constitutional rights. Regarding the City's 42 U.S.C. § 1983 liability, the Fifth Amendment to the U.S. Constitution states, "[N]or shall private property be taken for public use, without just compensation." The City's threatened actions have and would violate a constitutional right by a state actor.

PARTIES, JURISDICTION AND VENUE

13. Newport is a Delaware limited partnership with a principal place of business in Newport Beach, California 92660.

14. The City is a political subdivision and a city of metropolitan class located in Douglas County, Nebraska.

15. Newport is the owner of the Property commonly known as 10909 M Street, Omaha, Nebraska 68136 and legally described as the following:

Part of Lot Four (4), and all of Lots Five (5), Six (6) and Seven (7), in Empire Park, an Addition to the City of Omaha, Douglas County, Nebraska; that part of Lot Four (4) being more particularly described as follows:

Beginning at the Northwest corner of said Lot Four (4), thence Southeasterly on a curve to the right on the Northerly line of said Lot Four (4), (said curve having a radius of 294.89 feet, chord bearing South 78°09'28" East, chord distance 172.99 feet) an arc distance of 175.57 feet to a point; thence South 21°56'25" West, on a line 145.00 feet West of and parallel to the East lot line of said Lot Four (4), 297.26 feet to a point on the South lot line of said Lot Four (4); thence North 68°03'35" West, on the South lot line of said Lot Four (4), 33.40 feet to the Southwest corner of said Lot Four (4); thence North 05°12'48" West, on the West lot line of said Lot Four (4), 300.00 feet to the point of beginning

16. Subject matter jurisdiction is proper in this Court pursuant to Neb. Rev. Stat. § 24-302 and this Court has personal jurisdiction over all parties hereto pursuant to Neb. Rev. Stat. § 25-536.

17. Venue is proper in this Court pursuant to Neb. Rev. Stat. § 25-403.01.

FACTUAL ALLEGATIONS

18. The Building on the Property is a multi-story brick building that was formerly used as a hotel.

19. In 2021, the Property was sold to Carlisle.

20. On or about March 23, 2022, Carlisle and Newport entered into a deed of trust whereby Newport provided funds to Carlisle to facilitate the rehabilitation and transformation of the Property into a senior living facility.

21. Carlisle failed to convert the Property into a senior living facility, causing the Building on the Property to remain vacant. Carlisle filed for bankruptcy in April 2024, only to dismiss that bankruptcy in June 2024.

REQUIREMENTS FOR DEMOLITION UNDER CITY'S MUNICIPAL CODE

22. Sections 48-91 through 48-93 of the City's municipal code (the "Municipal Code") govern the process by which the City may demolish a building.

23. Section 48-91 of the Municipal Code states:

The code official shall order the owner of any premises upon which is located any structure, which in the code official's judgment is so old, dilapidated or has become so out of repair as to be dangerous, unsafe, insanitary or otherwise unfit for human habitation or occupancy, *and*

such that it is unreasonable to repair the structure, to demolish and remove such structure; or if such structure is capable of being made safe by repairs, to repair and make safe and sanitary or to demolish and remove at the owner's option; or where there has been a cessation of normal construction of any structure for a period of more than two years, to demolish and remove such structure. (Emphasis supplied).

24. Section 48-92 of the Municipal Code requires that the City provide all notices and orders in the manner set forth in Sections 48-61 through 48-63.

25. Section 48-61 requires “whenever the code official determines that there has been a violation of this code or has grounds to believe that a violation has occurred, notice shall be given to the owner or the person or persons responsible.”

26. Section 48-62 states that such notice must, among other things, (1) be in writing; (2) include a specific statement of all violations presently known, including the code sections violated; (3) “include a correction order *allowing a reasonable time to make the repairs and improvements required to bring the dwelling unit or structure into compliance* with the provisions of this code.” (Emphasis supplied).

27. Reasonable time to make repairs after receiving the notice is also set forth in the table included in Section 48-62. For instance, Section 48-62 states that the reasonable time to make repairs to external portions of a property is 90 days—although this time can be increased or decreased “if reasonable in light of the health or safety concerns presented by the violation.”

28. Pursuant to Section 48-63, the notice must also be personally delivered or sent by certified or first-class mail.

29. The City may only demolish a property after it has provided the owner with sufficient notice under Section 48-92 and “the owner of a premises fails to comply with a demolition order within the time prescribed”. See Section 48-93.

NOTICES TO FORMER OWNER

30. On or about October 9, 2024, the City sent to Carlisle: (1) an initial notice of property violation (the “Initial Notice”) and (2) a Demolition Order (the “Demolition Order”).

31. The Initial Notice set forth violations of the Municipal Code that existed at the building located on the Property such as overgrown weeds, damaged soffits, and broken windows.

32. Of the violations listed in the Initial Notice, the only violation that the City listed the violation severity level as “high” was the failure to secure and keep clean all sides and floors of the Property—which, in essence, required Carlisle to secure and board up the Property. The City demanded Carlisle remedy these violations by November 9, 2024.

33. The Demolition Order, issued concurrently with the Initial Notice, presented a contradictory directive. While it demanded that Carlisle demolish and remove the Building by November 9, 2024, it also explicitly provided an option for Carlisle to repair the Building, outlining the process for obtaining the necessary permits for such repairs.

34. On November 13, 2024, the City extended the deadline for Carlisle to remedy the violations. However, on January 22, 2025, the City sent a final demolition notice (the “Demolition Notice”) to Carlisle, informing it that the City would solicit bids for demolition within the next 30 days if Carlisle failed to communicate with it.

35. On February 24, 2025, the City informed Carlisle that it had solicited bids for demolition.

NEWPORT'S INVOLVEMENT

36. After Newport received copies of the Initial Notice and Demolition Order, it began communicating with the City regarding the municipal code violations and potential repairs that could be performed to negate demolition of the Building, as demolition of the Building would drastically reduce the value of the Property.

37. However, Newport could not immediately remedy these repairs as it was not yet the owner of the Property, but Newport informed the City that it was in the process of foreclosing on the Property to obtain ownership or sell it to a developer at the foreclosure sale—who would then remedy the violations.

38. Newport solicited developers to potentially purchase the Property.

39. In the interim, Newport communicated regularly with the City regarding proposed methods to remedy the municipal code violations after Newport obtained ownership or a developer purchased the Property.

40. Ultimately, Carlisle failed to remedy the violations. Consequently, Newport stepped in to obtain ownership of the Property and set forth a plan to remedy the violations on the Property so that the Building was not demolished.

41. Newport scheduled the foreclosure sale for the Property to occur on April 23, 2025.

42. In the interim, a representative of Newport flew to Omaha, Nebraska, in early March 2025 to visit the Property and meet with the City to determine what repairs were needed to remedy the violations on the Property so that the City would not demolish the Building.

43. At the in-person meeting in March 2025, the City and Newport established the Deal. The City agreed it would not demolish the Building if Newport performed certain remedial actions. The actions required under the Deal included: (1) cleaning up the parking lot on the Property, (2) removing the overgrown vegetation, (3) boarding up all entrances and windows to the Property, (4) fixing the fence and gates that surrounded the Property, and (5) providing security to ensure squatters did not unlawfully access the Property.

NEWPORT REMEDIES VIOLATIONS AFTER OBTAINING PROPERTY

44. In reliance on the Deal, Newport proceeded to purchase the Property, at the foreclosure sale in April 2025, becoming, in essence, an innocent purchaser for value.

45. Soon after obtaining ownership of the Property, Newport performed all actions the City requested in a timely manner. Newport cleaned up the parking lot, removed all overgrown vegetation, boarded up all entrances and windows, fixed the fence and gates that surrounded the Property, and hired a security company (the “Security Company”) to patrol the Property twice a day to ensure that the Property remained boarded up and no squatters were on the Property.

46. Newport regularly monitored the condition of the Property through the Security Company that patrolled the Property on a daily basis.

47. Newport would quickly remedy any defects that were identified by the Security Company and any complaints lodged to the City by neighbors regarding the Property.

48. As set forth above, the only “high” severity violation set forth in Initial Notice was Carlisle’s failure to secure and keep clean all sides and floors of the Property—which Newport remedied along with the “medium” and “low” severity violations identified in the Initial Notice through its actions after obtaining ownership of the Property.

49. Newport also worked with the City over several months to rezone the Property from GI-General Industrial District to MM-Community Commercial District, which would allow for development into commercial businesses such as retail or office space. The City supported this application, and approved the rezoning on December 9, 2025.

50. In direct and justifiable reliance on the Deal and multiple representations of the City, Newport incurred tens of thousands of dollars in costs to perform the requested actions and to rezone the Property. If Newport had known the City intended to break the Deal and demolish the Building, Newport would not have purchased the Property at the foreclosure sale, paid for the remedial actions, or incurred substantial professional fees for the rezoning.

THE CITY ABANDONED ITS DEMOLITION ORDER

51. The City solicited bids for demolition of the Building in February 2025, and obtained multiple demolition bids including a bid for \$310,000 (the “Demolition Bid”) in March 2025.

52. Despite obtaining the Demolition Bid in March 2025, the City made the Deal with Newport, and Newport substantially complied in good-faith with its part of the Deal. The City abandoned the Demolition Order, stopped communicating with Carlisle, and directed its communications to Newport.

THIRD-PARTY REMOVES THE FENCE

53. Carlisle had rented the front section of the perimeter fence (the “Fence”) on the Property from a fence leasing company (the “Fence Leasing Company”).

54. Newport was unaware that the northern portion of the Fence was leased as there was no signage on the Fence that indicated that it was leased from the Fence Leasing Company.

55. In early November 2025, the Fence Leasing Company accessed the Property without Newport’s permission and removed the front section of the perimeter fence.

56. Immediately after being informed by the Security Company that the Fence was removed, Newport contacted a fence vendor (the “Fence Vendor”) to purchase and install fencing to replace the section removed by the Fence Leasing Company. Newport also informed the City (including a member of the City Council) that it had purchased a new section of fencing from the Fence Vendor and had contracted with the Fence Vendor for it to be installed as soon as possible.

57. After an expedited survey to confirm the location of underground utility lines, the Fence Vendor began installing the Fence on the Property. On or about November 24, 2025, the Fence Vendor installed dozens of fence posts on the Property.

THE CITY REVERSES COURSE AND PURSUES DEMOLITION WITHOUT NOTICE

58. Despite Newport's full compliance with the City’s prior requests, the City seized upon the improper and surprise removal of the Fence by a third party as a pretext to abruptly reverse its position, break the Deal, and attempt to resurrect its abandoned effort to demolish the Building, instead of issue a notice to Newport to cure.

59. On November 21, 2025, the City amended its agenda for the November 25, 2025, City Council meeting by adding a Supplement Agenda item to include a resolution to approve the Demolition Bid (the “Resolution”).

60. The City did not send any notice of violations or an order of demolition to Newport pursuant to the requirements under Section 48-92 of the Municipal Code.

61. The City did not provide notice to Newport that it intended to seek approval of the Resolution or that Newport’s efforts to purchase and install fencing to replace the removed section of the Fence was deficient.

62. The City did not invite Newport to speak at the November 25, 2025, City Council meeting regarding the Resolution.

63. Newport discovered that the City Council amended its agenda on November 24, 2025—the same day that the Fence Vendor was installing the new section of Fence—through media reports.

64. Despite not being invited to speak at the November 25, 2025, City Council meeting, Newport was able to virtually attend the meeting and speak regarding its progress to remedy the violations on the Property and Newport’s then-ongoing efforts to replace the removed section of the Fence.

65. The City Council did not inquire into the status of the violations at the Property, Newport’s good faith efforts to remedy violations, or ask why the City’s Planning Department waited more than six months before recommending the Demolition Bid be approved by the City Council and failing to provide notice of the recommendation to Newport.

66. The City Council approved the Resolution, which was then signed by the Mayor of the City.

67. In a contradictory and arbitrary action, the City scheduled the final vote to approve the rezoning of the Property to CC-Community Commercial District. This action is premised on the Building’s continued existence and future use. On December 9, 2025, the City granted Newport’s rezoning application for the Property.

FIRST CLAIM FOR RELIEF
DECLARATORY JUDGMENT

68. Newport incorporates the allegations in the foregoing paragraphs as if fully set forth herein.

69. The City must comply with Section 48 of the Municipal Code in order to pursue the demolition of a person’s property. The City failed to do so.

70. The City can only seek the demolition of the Property if the Property is “so old, dilapidated or has become so out of repair as to be dangerous, unsafe, insanitary or otherwise unfit for human habitation or occupancy, and such that it is unreasonable to repair the structure...”.

71. The City sent the Initial Notice in October 2024 to the former owner of the Property, listing violations of the Municipal Code. However, the only “high” severity violation was that the failure to secure and keep clean all sides and floors of the Property—which, in essence, required the former owner to secure and board up the Property.

72. Once Newport became the owner of the Property, Newport worked with the City to remedy the violations in the Initial Notice.

73. The City identified the actions that Newport needed to remedy in exchange for the City not demolishing the Building. These actions included: (1) cleaning up the parking lot on the Property, (2) removing the overgrown vegetation, (3) boarding up all entrances and

windows to the Property, (4) fixing the fence and gates that surrounded the Property, and (5) providing security to ensure squatters did not unlawfully access the Property.

74. Newport performed all these actions—thereby showing that it was not “unreasonable to repair the structure.” Newport also worked with the City to rezone the Property.

75. Despite obtaining the Demolition Bid in March 2025, the City made the Deal with Newport, and Newport substantially complied in good-faith with its part of the Deal. The City abandoned the Demolition Order, stopped communicating with Carlisle, and directed its communications to Newport.

76. Newport incurred tens of thousands of dollars in costs to perform the actions requested by the City to remedy the violations on the Property and rezone the Property under the reasonable expectation that the City would not demolish the Building.

77. To the extent that the City relies on violations that occurred after Newport complied with the list of requested actions set forth above, Section 48 required the City to send notice of the violations to Newport and provide Newport with adequate time to remedy the violations.

78. The City failed to do so. For instance, when the Fence Leasing Company removed the northern section of the Fence, the City was required to send notice of the violation to Newport and afford Newport with reasonable time to replace the missing section of the Fence.

79. While Newport was already actively remedying the fence issue—having contracted with a vendor who had begun installation—the City improperly bypassed its own mandatory notice-and-cure procedures and moved to approve the Resolution.

WHEREFORE, Plaintiff Newport Blue Impact LP respectfully requests the Court enter a declaratory judgment in its favor and against Defendant City of Omaha, Nebraska declaring that:

a. This Court has personal jurisdiction over all parties to this action.

b. This Court has subject matter jurisdiction over the claims asserted.

c. This Court is the appropriate venue for this action.

d. The City cannot demolish the Building because it has abandoned or waived its Demolition Order issued on October 9, 2024, or, alternatively, the City is estopped from demolishing the Building under its Demolition Order.

e. The City cannot demolish the Building based on violations that arose following Newport's ownership of the Property because the City failed to provide the notice required by Section 48 of the Municipal Code in order for the City to demolish the Building.

f. The City's actions in pursuing demolition were arbitrary, capricious, and undertaken in bad faith, particularly its reliance on the stale October 2024 Demolition Order and its failure to follow the mandatory notice-and-cure procedures for any new alleged violations.

g. The Building does not meet the substantive standard for demolition under Section 48-91 of the Municipal Code, as it is not so dilapidated or out of repair as to be "unreasonable to repair."

h. Other declarations consistent with the allegations and claims asserted herein.

In addition, Plaintiff Newport Blue Impact LP respectfully requests the Court enter judgment in its favor and against Defendant City of Omaha, Nebraska for attorney fees and costs in bringing this action, and for such other, further and different relief as this Court deems just and equitable.

SECOND CLAIM FOR RELIEF

TEMPORARY AND PERMANENT INJUNCTIONS

80. Newport incorporates the allegations in the foregoing paragraphs as if fully set forth herein.

81. Newport brings this claim pursuant to Neb. Rev. Stat. § 25-1062 *et seq.*

82. The City has given its contractor, Eagle Hills Excavation, Inc., instructions to immediately proceed with demolition of the Building, and demolition may proceed at any moment.

83. As set forth above, the City cannot lawfully demolish the Building.

84. Newport has the financial ability to complete the restoration of the Building, which will not only remedy any and all violations of the Municipal Code but also return the Property to productive use and restore its value to the City's tax base.

85. Demolition of the Building will result in immediate and irreparable loss and injury to Newport, including a drastic reduction in the fair value of the Property from approximately \$8.8 million to \$800,000; a demolition invoice from the City for at least \$300,000; and the permanent loss of Newport's opportunity to recover its investment, carrying costs, and professional fees through the planned restoration and redevelopment of the Property.

86. The current circumstances equate to an emergent situation that requires immediate action to prevent irreparable injury and loss to Newport and to prevent the demolition of any structures or improvements to the Property without a hearing on this matter.

87. Newport has no adequate remedy at law. Only immediate temporary and permanent injunctive relief can prevent the City's unlawful demolition of the Property, preserving Newport's rights and ensuring the City complies with its own Municipal Code before taking such drastic and irreversible action.

88. The requested injunctive relief will preserve an effectual final judgment, will avoid great or irreparable harm to Newport, which is greater than the harm to the City upon granting such requested injunctions.

WHEREFORE, Plaintiff Newport Blue Impact LP respectfully requests the Court enter temporary and permanent injunctions against Defendant City of Omaha, Nebraska (and its contractor, Eagle Hills Excavation, Inc.), enjoining it as stated herein, and awarding Plaintiff its attorney fees and costs in bringing this action, and such other, further and different relief as this Court deems just and equitable.

THIRD CLAIM FOR RELIEF

INVERSE CONDEMNATION

89. Newport incorporates the allegations in the foregoing paragraphs as if fully set forth herein.

90. By circumventing the established notice-and-cure procedures required by its own Municipal Code and proceeding with demolition under these circumstances, the City's actions constitute a de facto taking of Newport's property for public use without just compensation, in violation of the Fifth Amendment to the United States Constitution and Article I, Section 21 of the Nebraska Constitution.

WHEREFORE, Plaintiff Newport Blue Impact LP respectfully requests that the Court enter judgment in its favor and against Defendant City of Omaha, Nebraska, award Plaintiff its damages in an amount to be determined at trial, award Plaintiff its attorney fees and costs in bringing this action, and award Plaintiff such other, further and different relief as this Court deems just and equitable.

FOURTH CLAIM FOR RELIEF
PROMISSORY ESTOPPEL

91. Newport incorporates the allegations in the foregoing paragraphs as if fully set forth herein.

92. The City of Omaha, through its officials and agents, made clear and definite representations to Newport that if Newport undertook certain remedial actions and participated in good faith in the foreclosure sale process, the City would refrain from demolishing the Building and would work cooperatively with Newport to facilitate the rezoning and redevelopment of the Property.

93. In reliance on these representations, Newport expended significant resources and undertook substantial remedial actions to address the City's concerns regarding the condition of the Building, including but not limited to engaging contractors, developing remediation plans, participating in the foreclosure sale process as directed by the City, purchasing the Property, applying to rezone, redevelop and sell the Property, and paying the associated fees, costs and expenses of these actions.

94. Newport's reliance on the City's representations was reasonable and foreseeable, as the City repeatedly communicated its willingness to allow Newport to cure any alleged deficiencies and to work toward a mutually beneficial resolution rather than proceed with demolition.

95. Despite its prior representations and assurances to Newport that the Building would not be demolished pursuant to the terms of the Deal, the City, without notice or justification, has reversed course, breached the Deal, and taken affirmative steps to proceed with the demolition of the Building. This action constitutes a clear breach of the promises upon which Newport reasonably relied, and directly undermines the basis for Newport's real estate interests, substantial investment of time, resources, and capital in the rezoning and redevelopment of the Property and Building.

96. As a direct and proximate result of the City's representations and Newport's reasonable reliance thereon, Newport has suffered damages, including but not limited to the loss of its property interest in the Property and Building, associated fees, costs and expenses, and the loss of anticipated profits and opportunities associated with the Property. The full extent of these damages will be proven at trial.

97. Injustice can only be avoided by enforcing the City's representations and estopping the City from proceeding with the demolition of the Building in contravention of its promises and Newport's reasonable reliance thereon.

WHEREFORE, Plaintiff Newport Blue Impact LP respectfully requests that the Court enter judgment in its favor and against Defendant City of Omaha, Nebraska, finding that the City is estopped from demolishing the Building under its Demolition Order and awarding Plaintiff such other, further and different relief as this Court deems just and equitable.

Dated: December 11, 2025.

NEWPORT BLUE IMPACT LP,
Plaintiff,

By: *S/*Gregory C. Scaglione

Gregory C. Scaglione, #19368

Trevor J Lee, #27063

KOLEY JESSEN P.C., L.L.O.

One Pacific Place, Suite 800

1125 South 103rd Street

Omaha, NE 68124-1079

(402) 390-9500

(402) 390-9005 (facsimile)

Greg.Scaglione@koleyjessen.com

Trevor.Lee@koleyjessen.com

Attorneys for Plaintiff.