#### **BEFORE THE COMMISSION FOR COMMON-INTEREST COMMUNITIES AND CONDOMINIUM HOTELS** STATE OF NEVADA

Sharath Chandra, Administrator, Real Estate Division, Department of Business & Industry, State of Nevada,

Petitioner,

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Ruby Chang,

Respondent.

Case No. 2019-1100



DEC 29 2020

**NEVADA COMMISSION FOR** COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS 1 Vala

# **COMPLAINT FOR DISCIPLINARY ACTION AND NOTICE OF HEARING**

The Real Estate Division of the Department of Business and Industry, State of Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of the State of Nevada, and Karissa D. Neff, Senior Deputy Attorney General, hereby notifies RESPONDENT Ruby Chang ("CHANG" and/or "RESPONDENT") of an administrative hearing before the Commission for Common-Interest Communities and Condominium Hotels, State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations stated below and to determine if an administrative penalty will be imposed on the RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to, NRS 116A.900.

# JURISDICTION AND NOTICE

During all relevant times mentioned in this complaint RESPONDENT was performing unlicensed activity for which she was required to hold a community manager certificate from the Division, and is, therefore, subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and 116A and NAC Chapters 116 and 1

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## FACTUAL ALLEGATIONS

1. RESPONDENT does not hold a community manager certificate from the Division.

2. The Division opened case number 2019-768 against Edmond Gardens Owners Association ("Association") and obtained certain documents.

3. Those documents showed that since at least 2015, RESPONDENT was performing the duties of a community manager for the Association and was being compensated by the Association for doing so.

4. Meeting minutes from 2015 and 2016 show that RESPONDENT was retiring and that the Association was looking for a new management company to take over.

5. Meeting minutes also showed that some of the community manager activities RESPONDENT was engaging in while being unlicensed included procuring legal services for the Association and obtaining quotes from service providers and from insurance companies for the Association.

6. RESPONDENT was also improperly signing checks on behalf of the Association.

7. On October 8, 2019, the Division properly notified RESPONDENT that it had opened an investigation against her regarding her performing community management services while being unlicensed and requested a written response ("Response") along with copies of all Association checks from all accounts from January 2017 through September 2019 ("Associations Checks").

8. The Division sent letters to RESPONDENT again on October 31, 2019 and on November 15, 2019 requesting her Response and the Association Checks.

9. On November 10, 2019, RESPONDENT emailed the Division and stated that she submitted bank statements in a prior package but was unable to download all copies of the checks requested.

10. In her November 10<sup>th</sup> response to the Division, RESPONDENT admitted to receiving compensation for managing the Association and stated that the 1099 tax form

she provided to the Division was proof.

11. On February 20, 2020, the Division properly notified RESPONDENT it intended to bring a disciplinary complaint against her before the Commission for engaging in community management without holding the proper certificate from the Division.

12. The Nevada Real Estate Commission previously fined RESPONDENT \$10,000 in Case No. 2011-3012 in February of 2013 for engaging in unlicensed activity, which fine has not yet been paid.

#### **VIOLATIONS OF LAW**

13. RESPONDENT violated NRS 116A.400(1) by engaging in community management without holding a certificate do to so from the Division.

#### **DISCIPLINE AUTHORIZED**

Pursuant to the provisions of NRS 116A.900 the Commission has discretion to impose discipline as it deems appropriate, including, but not limited to one or more of the following actions:

1. Impose a fine not to exceed the amount of any gain or economic benefit RESPONDENT derived from the violation or \$10,000, whichever is greater.

2. Require the RESPONDENT to pay the costs of the investigation and hearing; and

3. Take such other disciplinary action as the Commission deems appropriate.

The Commission may order one or any combination of the discipline described above.

# NOTICE OF HEARING

PLEASE TAKE NOTICE, that a disciplinary hearing has been set to consider this Administrative Complaint against the above-named RESPONDENT in accordance with Chapters 233B and 116 AND 116A of the Nevada Revised Statutes and Chapter 116 and 116A of the Nevada Administrative Code.

THE HEARING WILL TAKE PLACE at the Commission meeting scheduled for February 2-4, 2021, beginning at approximately 9:00 a.m. each

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day, or until such time as the Commission concludes its business. The Commission uses WebEx for its meetings. To join the hearing go to the website Webex.com and put in the Meeting ID and Password:

TUESDAY, FEBRUARY 2, 2021MEETING NUMBER ACCESS CODE: 146 403 3741MEETING PASSWORD: 6XJp9XvJRK2 (69579985752 from phones and video systems)WEDNESDAY, FEBRUARY 3, 2021MEETING NUMBER ACCESS CODE: 146 504 1488

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# <u>THURSDAY, FEBRUARY 4, 2021</u> MEETING NUMBER ACCESS CODE: 146 079 8134 MEETING PASSWORD: acVDMZs4e33 (22836974333 from phones and video systems)

MEETING PASSWORD: KScgwVx3Y83 (57249893983 from phones and video systems)

9 If you do not have internet access, you may attend by phone at (844) 621-3956. Some mobile devices may ask attendees to enter a numeric meeting password provided 10 11 above. If you would like an email containing this information, before the hearing, please 12 contact Kelly Valadez. Commission Coordinator, at (702) 486-4606 or KValadez@red.nv.gov. 13

STACKED CALENDAR: Your hearing is one of several hearings that 14 15 may be scheduled at the same time as part of a regular meeting of the 16 Commission that is expected to take place on February 2-4, 2021. Thus, your 17 hearing may be continued until later in the day or from day to day. It is your 18 responsibility to be present when your case is called. If you are not present when your hearing is called, a default may be entered against you and the 19 20 Commission may decide the case as if all allegations in the complaint were true. If you need to negotiate a more specific time for your hearing in 21 22 advance, please call Kelly Valadez, Commission Coordinator, at (702) 486-4606.

YOUR RIGHTS AT THE HEARING: Except as mentioned below, the hearing
is an open meeting under Nevada's open meeting law and may be attended by the
public. After the evidence and arguments, the commission may conduct a closed meeting
to discuss your alleged misconduct or professional competence. You are entitled to a
copy of the transcript of the open and closed portions of the meeting, although you must
pay for the transcription.

As a RESPONDENT, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice. At the hearing, the Division has the burden of proving the allegations in the complaint and will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved. You have the right to call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on any matter relevant to the issues involved.

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8 You have the right to request that the Commission issue subpoenas to compel 9 witnesses to testify and/or evidence to be offered on your behalf. In making this 10 request, you may be required to demonstrate the relevance of the witness's testimony 11 and/or evidence. Other important rights and obligations, including your obligation to 12 answer the complaint, you have are listed in NRS Chapters 116 and 116A and NAC 116 13 and 116A, including without limitation, NAC 116A.560 through NAC 116A.655, and 14 NRS Chapter 233B.

15 Note that under NAC 116A.585, not less than five (5) working days before a 16 hearing, RESPONDENT must provide to the Division a copy of all reasonably available 17 documents that are reasonably anticipated to be used to support his or her position, and 18 a list of witnesses RESPONDENT intends to call at the time of the hearing. Failure to 19 provide any document or to list a witness may result in the document or witness being 20 excluded from RESPONDENT'S defense. The purpose of the hearing is to determine if 21 the RESPONDENT has violated any of the provisions of NRS Chapter 116A, and to 22 determine what administrative penalty is to be assessed against RESPONDENT. 23 DATED this 29<sup>th</sup> day of December, 2020.

REAL ESTATE DI DEPARTMENT F BUSINES INDUSTRY, STATE OF NEVADA By:

SHARATH CHANDRA, Administrator 3300 W. Sahara Ave. Ste 350

Las Vegas, Nevada 89102 (702) 486-4033 AARON D. FORD **Attorney General** By: Is/ Karissa Neff KARISSA D. NEFF (Bar No. 9133) Senior Deputy Attorney General 555 E. Washington Ave. Ste 3900 Las Vegas, Nevada 89101 (702) 486-3894 Attorneys for Real Estate Division