

1 BEFORE THE COMMISSION FOR COMMON-INTEREST
2 COMMUNITIES AND CONDOMINIUM HOTELS
3 STATE OF NEVADA

3 Sharath Chandra, Administrator,
4 Real Estate Division, Department of
5 Business & Industry, State of Nevada,
6 Petitioner,

6 vs.

7 J. SCOTT HEDLIND,

8 Respondent.

Case No. 2021-1084

FILED

APR 25 2022

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

Kelley Valadez

10
11 **COMPLAINT FOR DISCIPLINARY
12 ACTION AND NOTICE OF HEARING**

12 The Real Estate Division of the Department of Business and Industry, State of
13 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
14 the State of Nevada, and Virginia T. Tomova, Deputy Attorney General, hereby notifies J.
15 Scott Hedlind ("Hedlind" and/or "RESPONDENT") of an administrative hearing before the
16 Commission for Common-Interest Communities and Condominium Hotels, State of
17 Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 and 116A of the
18 Nevada Revised Statutes ("NRS") and Chapter 116 and 116A of the Nevada
19 Administrative Code ("NAC"). The purpose of the hearing is to consider the allegations
20 stated below and to determine if an administrative penalty will be imposed on the
21 RESPONDENT pursuant to the provisions of NRS and NAC including, but not limited to,
22 NAC 116A.360.

23 **JURISDICTION AND NOTICE**

24 During all relevant times mentioned in this complaint, RESPONDENT held a
25 community manager certificate from the Division (CAM.0000190.SUPR) and is, therefore,
26 subject to the jurisdiction of the Division and the provisions of NRS Chapters 116 and
27 116A and NAC Chapters 116 and 116A. RESPONDENT'S certificate is currently in
28 "active" status.

FACTUAL ALLEGATIONS

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2 1. RESPONDENT holds a community manager certificate from the Division
3 (CAM.0000190.SUPR), said license being in "active" status at the time of filing this
4 complaint.

5 2. On or about July 12, 2021, the Division initiated an audit of the records for
6 Wine Ridge Estates Homeowners' Association.

7 3. On or about September 14, 2021, the audit process was stopped due to the
8 RESPONDENT's failure to submit the records as requested by the Division.

9 4. An audit of the Association's records was prompted due to the
10 RESPONDENT's failure to submit the required annual unit fees, registration form,
11 delinquent CPA audits and/or reviews and a delinquent Reserve study.

12 5. On or about November 15, 2021, the Division sent a letter via certified mail
13 to the RESPONDENT informing him that he has failed to respond to the Division audit.

14 6. In that letter, the Division also informed the RESPONDENT that he has
15 failed to provide association's records related to the Wine Ridge Estates Homeowners'
16 Association and failed to respond to the Division's notice of investigation related to these
17 records.

18 7. The Division requested that these documents be provided by November 29,
19 2021.

20 8. RESPONDENT failed to provide these records.

21 9. On or about November 29, 2021, the Division sent a second request for these
22 records and gave the RESPONDENT until December 13, 2021.

23 10. RESPONDENT again failed to provide these records.

24 11. On or about December 13, 2021, the Division sent a third request for these
25 records.

26 12. RESPONDENT again failed to provide these records.

27 ...

28 ...

1 13. On or about December 28, 2021, the Division properly notified
2 RESPONDENT it intended to file a complaint against him for disciplinary action before
3 the Commission.

4 **VIOLATIONS OF LAW**

5 14. RESPONDENT violated NRS 116A.630 (1)(b), (2)(a) and (9) when he failed
6 to exercise ordinary and reasonable care in the performance of his duties as a community
7 manager by failing to provide the financial records for Wine Ridge Estates Homeowners'
8 Association for inspection by the Division in accordance with the applicable laws and
9 regulations.

10 15. RESPONDENT violated NAC 116A.355 (2)(a)(3) and 2(f) when he acted in
11 an unprofessional and incompetent manner by failing to cooperate with the Division in the
12 investigation of a complaint including failure to produce all documents to the Division in
13 his possession and control after the Division's requests for such documents during an
14 investigation of a complaint.

15 16. RESPONDENT violated NRS 116A.640(2)(a) when he impeded and
16 interfered with an investigation by the Division when he failed to comply with the
17 Division's requests to provide records regarding Wine Ridge Estates Homeowners'
18 Association and failed to respond to the Division's notices of investigation related to these
19 records.

20 **DISCIPLINE AUTHORIZED**

21 Pursuant to the provisions of NAC 116A.360 the Commission has discretion to
22 impose discipline as it deems appropriate, including, but not limited to one or more of the
23 following actions:

- 24 1. Revoke or suspend the certificate;
- 25 2. Refuse to renew or reinstate the certificate;
- 26 3. Place the community manager on probation;
- 27 4. Issue a reprimand or censure to the community manager;
- 28 ...

- 1 5. Impose a fine of not more than \$5,000 for each violation of a statute or
2 regulation;
- 3 6. Require the community manager to pay restitution;
- 4 7. Require the community manager to pay the costs of the investigation and
5 hearing;
- 6 8. Require the community manager to obtain additional education relating to
7 the management of common-interest communities; and
- 8 9. Take such other disciplinary action as the Commission deems appropriate.
- 9 The Commission may order one or any combination of the discipline described
10 above.

11 **NOTICE OF HEARING**

12 **PLEASE TAKE NOTICE**, that a disciplinary hearing has been set to consider this
13 Administrative Complaint against the above-named RESPONDENT in accordance with
14 Chapters 233B and 116 and 116A of the Nevada Revised Statutes and Chapter 116 and
15 116A of the Nevada Administrative Code.

16 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
17 for May 31 – June 2, 2022, beginning at approximately 9:00 a.m. each day, or until such
18 time as the Commission concludes its business. The Commission meeting will be held at
19 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las
20 Vegas, Nevada 89102 with videoconferencing to Department of Business & Industry,
21 Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

22 **STACKED CALENDAR: Your hearing is one of several hearings that may**
23 **be scheduled at the same time as part of a regular meeting of the Commission**
24 **that is expected to take place on May 31– June 2, 2022. Thus, your hearing may**
25 **be continued until later in the day or from day to day. It is your responsibility**
26 **to be present when your case is called. If you are not present when your hearing**
27 **is called, a default may be entered against you and the Commission may decide**
28 **the case as if all allegations in the complaint were true. If you need to negotiate**

1 a more specific time for your hearing in advance, please call Kelly Valadez,
2 Commission Coordinator, at (702) 486-4606.

3 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is
4 an open meeting under Nevada's open meeting law and may be attended by the public.
5 After the evidence and arguments, the commission may conduct a closed meeting to
6 discuss your alleged misconduct or professional competence. You are entitled to a copy of
7 the transcript of the open and closed portions of the meeting, although you must pay for
8 the transcription. As a RESPONDENT, you are specifically informed that you have the
9 right to appear and be heard in your defense, either personally or through your counsel of
10 choice. At the hearing, the Division has the burden of proving the allegations in the
11 complaint and will call witnesses and present evidence against you. You have the right to
12 respond and to present relevant evidence and argument on all issues involved. You have
13 the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
14 witnesses on any matter relevant to the issues involved.

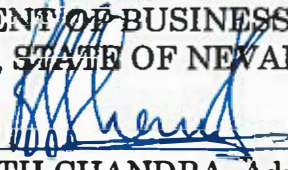
15 You have the right to request that the Commission issue subpoenas to compel
16 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
17 you may be required to demonstrate the relevance of the witness's testimony and/or
18 evidence. Other important rights and obligations, including your obligation to answer the
19 complaint, you have are listed in NAC 116A.560 through NAC 116A.655, NRS Chapter
20 233B, and NRS Chapters 116 and 116A and NAC 116 and 116A.

21 Note that under NAC 116A.585, not less than five (5) working days before a hearing,
22 RESPONDENT must provide to the Division a copy of all reasonably available documents
23 that are reasonably anticipated to be used to support his or her position, and a list of
24 witnesses RESPONDENT intends to call at the time of the hearing. Failure to provide any
25 document or to list a witness may result in the document or witness being excluded from
26 RESPONDENT'S defense. The purpose of the hearing is to determine if the
27 RESPONDENT has violated any of the provisions of NRS and NAC Chapters 116 and
28 ...

1 116A, and to determine what administrative penalty is to be assessed against
2 RESPONDENT, if any, pursuant to NAC 116A.360.

3 DATED this 21 day of April, 2022.

4 REAL ESTATE DIVISION,
5 DEPARTMENT OF BUSINESS &
6 INDUSTRY, STATE OF NEVADA

7 By: 
8 SHARATH CHANDRA, Administrator
9 3300 W. Sahara Ave. Ste 350
10 Las Vegas, Nevada 89102
11 (702) 486-4033

12 AARON D. FORD
13 Attorney General

14 By: /s/ Virginia T. Tomova
15 VIRGINIA T. TOMOVA (Bar No. 12504)
16 Deputy Attorney General
17 555 E. Washington Ave. Ste 3900
18 Las Vegas, Nevada 89101
19 (702) 486-3894
20 Attorneys for Real Estate Division
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