

1 **BEFORE THE COMMISSION FOR COMMON-INTEREST**
2 **COMMUNITIES AND CONDOMINIUM HOTELS**

3 **STATE OF NEVADA**

4 SHARATH CHANDRA, Administrator,
5 REAL ESTATE DIVISION, DEPARTMENT
6 OF BUSINESS AND INDUSTRY,
7 STATE OF NEVADA,

8 Petitioner,

9 vs.

10 PIEDMONT HOMEOWNERS
11 ASSOCIATION.
(Entity Number E0134062017-0)

12 Respondent.

Case No. 2024-675

FILED

OCT 29 2024

NEVADA COMMISSION FOR
COMMON INTEREST COMMUNITIES
AND CONDOMINIUM HOTELS

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13 **COMPLAINT FOR DISCIPLINARY**
14 **ACTION AND NOTICE OF HEARING**

15 The Real Estate Division of the Department of Business and Industry, State of
16 Nevada (the "Division"), by and through its counsel, Aaron D. Ford, Attorney General of
17 the State of Nevada, and Christal P. Keegan, Deputy Attorney General, hereby notifies
18 Piedmont Homeowners Association ("RESPONDENT") of an Administrative Hearing
19 before the Commission for Common-Interest Communities and Condominium Hotels,
20 State of Nevada, which is to be held pursuant to Chapters 233B and Chapters 116 of the
21 Nevada Revised Statutes ("NRS") and Chapter 116 of the Nevada Administrative Code
22 ("NAC"). The purpose of the hearing is to consider the allegations stated below and to
23 determine if an administrative penalty will be imposed on the RESPONDENT pursuant
24 to the provisions of NRS and NAC including, but not limited to NRS 116.785 and
25 NRS 116.790.

26 **JURISDICTION AND NOTICE**

27 During all relevant times, RESPONDENT is a common-interest community of
28 about nine (9) single-family dwelling, residential homes located in Las Vegas, Nevada

1 (Entity Number E0134062017-0) and is, therefore, subject to the provisions of Chapter 116
2 of each the Nevada Revised Statutes (“NRS”) and the Nevada Administrative Code
3 (“NAC”) (hereinafter collectively referred to as “NRS 116”) and are subject to the
4 jurisdiction of the Division, and the Commission for Common-Interest Communities and
5 Condominium Hotels pursuant to the provisions of NRS 116.750.

6 **FACTUAL ALLEGATIONS**

7 1. The Covenants, Conditions, and Restrictions (“CC&Rs”) document
8 #20170413-0000731 recorded April 13, 2017, indicate the Piedmont Homeowners
9 Association (“RESPONDENT”) is a common-interest community. NRED 000002,
10 NRED 000005.

11 2. At all times relevant, the RESPONDENT Board President was
12 Timothy Kephart, the Secretary Richard Rehm, and the Treasurer Jodi Reynolds.
13 NRED 000011–000012.

14 3. Beginning on or about July 8, 2020, to April 6, 2022, the RESPONDENT
15 has ignored approximately (11) mailed past due notices from the Division’s
16 Registrations Department.

17 4. The RESPONDENT failed to submit its Form 562 Annual Association
18 Registration Form since 2020. NRED 000002, NRED 000008, NRED 000013,
19 NRED 000017–000018, NRED 000021–000022, and NRED 000025–000026.

20 5. Further, the RESPONDENT failed to pay the Division its required annual
21 registration fee since about April of 2020, resulting in approximately \$150.69 in
22 delinquent fees and interest. NRED 000002, NRED 000008, NRED 000013,
23 NRED 000017, NRED 000021, and NRED 000025.

24 6. Therefore, on or about February 29, 2024, the Division’s Auditor informed
25 the RESPONDENT each unit owners of its delinquency and not in good standing status.
26 NRED 000008–000009, and NRED 000013.

27 7. The RESPONDENT’S status with the Nevada Secretary of State also
28 indicated “Revoked.” NRED 000008, and NRED 000010.

1 8. But the Division's Auditor did not receive even one single response from the
2 RESPONDENT or the unit owners. NRED 000002.

3 9. Nor did the RESPONDENT ever provide the Division with any notice of
4 termination. NRED 000002.

5 10. Furthermore, the RESPONDENT did not respond to the Division's
6 phone calls placed on or about July 24, 2024, July 26, 2024, July 30, 2024, and/or
7 August 12, 2024.

8 11. On or about July 26, 2024, the Division's Compliance Section sent its Second
9 Notice for its Request for Information. NRED 000017-000019, NRED 000021-000023,
10 and NRED 000025-000027.

11 12. None of the RESPONDENT responded to the Division's second request
12 either. NRED 000029-000034.

13 13. Accordingly, on or about August 14, 2024, the Division informed the
14 RESPONDENT it would commence formal disciplinary action. NRED 000029-000034.

15 VIOLATIONS OF LAW

16 14. RESPONDENT violated NRS 116.31155(1)(a) and (3)(a) for failing to pay the
17 required annual registration fee since April of 2020.

18 15. RESPONDENT violated NRS 116.31158(1) for failing to submit its Form 562
19 since April of 2020.

20 16. RESPONDENT violated NAC 116.405(5)(a) by impeding or otherwise
21 interfering with the Division's investigation by failing to respond to the Division's multiple
22 requests to provide information or documents.

23 DISCIPLINE AUTHORIZED

24 Pursuant to the provisions of NRS 116.615; NRS 116.755; NRS 116.785; and NRS
25 116.790, the Commission has discretion to take any or all of the following actions:

26 1. Issue an order directing RESPONDENT to cease and desist from continuing
27 to engage in the unlawful conduct that resulted in the violation.

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1 2. Issue an order directing RESPONDENT to take affirmative action to correct
2 any conditions resulting from the violation.

3 3. Impose an administrative fine of up to \$1,000 for each violation
4 by RESPONDENT.

5 4. If Respondent is found to have knowingly and willfully committed a violation
6 of NRS or NAC 116 and it is in the best interest of the Association, such RESPONDENT
7 may be removed from his/her position as a director and/or officer.

8 5. Order an audit of the ASSOCIATION, at the expense of the ASSOCIATION.

9 6. Require the Executive Board to hire a community manager who holds
10 a certificate.

11 7. Require RESPONDENT to pay the costs of the proceedings incurred by the
12 Division, including, without limitation, the cost of the investigation and reasonable
13 attorney's fees.

14 8. Take whatever further disciplinary action the Commission
15 deems appropriate.

16 The Commission may order one or any combination of the discipline described
17 above. If the Commission finds that the RESPONDENT knowingly and willfully violated
18 the provisions of NRS or NAC 116, the Commission may order that RESPONDENT be
19 personally liable for all fines and costs imposed.

20 **NOTICE OF HEARING**

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

25 **THE HEARING WILL TAKE PLACE** at the Commission meeting(s) scheduled
26 for **December 3-5, 2024**, beginning at approximately 9:00 a.m. each day, or until such
27 time as the Commission concludes its business. The Commission meeting will be held at
28 the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room, Las

1 Vegas, Nevada 89102 on December 3-4, 2024, with videoconferencing to Department
2 of Business and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103,
3 Carson City, Nevada 89706. The Commission meeting will be held at the Nevada State
4 Business Center, 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las Vegas, Nevada
5 89102 on December 5, 2024, with videoconferencing to Department of Business
6 and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City,
7 Nevada 89706.

8 **STACKED CALENDAR:** Your hearing is one of several hearings that may
9 be scheduled at the same time as part of a regular meeting of the Commission
10 that is expected to take place on December 3-5, 2024. Thus, your hearing may be
11 continued until later in the day or from day to day. It is your responsibility to
12 be present when your case is called. If you are not present when your hearing
13 is called, a default may be entered against you and the Commission may decide
14 the case as if all allegations in the complaint were true. If you need to negotiate
15 a more specific time for your hearing in advance because of coordination with
16 an out-of-state witness or the like, please call Maria Gallo, Commission
17 Coordinator, at (702) 486-4074.

18 **YOUR RIGHTS AT THE HEARING:** Except as mentioned below, the hearing is
19 an open meeting under Nevada's Open Meeting Law and may be attended by the public.
20 After the evidence and arguments, the Commission may conduct a closed meeting to
21 discuss your alleged misconduct or professional competence. You are entitled to a copy of
22 the transcript of the open and closed portions of the meeting, although you must pay for
23 the transcription. As a RESPONDENT, you are specifically informed that you have the
24 right to appear and be heard in your defense, either personally or through your counsel of
25 choice. At the hearing, the Division has the burden of proving the allegations in the
26 complaint and will call witnesses and present evidence against you. You have the right to
27 respond and to present relevant evidence and argument on all issues involved. You have

28 . . .

1 the right to call and examine witnesses, introduce exhibits, and cross-examine opposing
2 witnesses on any matter relevant to the issues involved.

3 You have the right to request that the Commission issue subpoenas to compel
4 witnesses to testify and/or evidence to be offered on your behalf. In making this request,
5 you may be required to demonstrate the relevance of the witness' testimony and/or
6 evidence. Other important rights and obligations, including your obligation to answer the
7 complaint, you have are listed in NRS Chapter 116 and NAC Chapter 116, including
8 without limitation, NRS 116.770 through 116.780, and NAC 116.500 through
9 NAC 116.635 and NRS Chapter 233B.

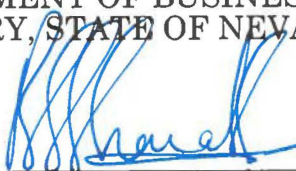
10 Note that under NAC 116.575, not less than five (5) working days before a hearing,
11 RESPONDENT must provide to the Division a copy of all reasonably available documents
12 that are reasonably anticipated to be used to support his position, and a list of witnesses
13 RESPONDENT intends to call at the time of the hearing. Failure to provide any document
14 or to list a witness may result in the document or witness being excluded from
15 RESPONDENT'S defense. The purpose of the hearing is to determine if the
16 RESPONDENT has violated the provisions of NRS 116, and to determine what
17 administrative penalty is to be assessed against RESPONDENT.

18
19 DATED this 28 day of October 2024.

DATED this 23rd day of October 2024.

20 REAL ESTATE DIVISION,
21 DEPARTMENT OF BUSINESS AND
INDUSTRY, STATE OF NEVADA

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22
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