# 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,

VS.

MANHATTAN HOMEOWNERS' ASSOCIATION:

Respondent.

Case No. 2024-685



MAY 09 2025

NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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## 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 Phil W. Su, Senior Deputy Attorney General, hereby notifies MANHATTAN HOMEOWNERS' ASSOCIATION ("ASSOCIATION" or "RESPONDENT ASSOCIATION") 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 of the Nevada Revised Statutes ("NRS") and Chapter 116 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 RESPONDENTS pursuant to the provisions of NRS and NAC including, but not limited to NRS 116.785 and NRS 116.790.

#### JURISDICTION AND NOTICE

During the relevant times mentioned in this Complaint, RESPONDENT ASSOCIATION MANHATTAN HOMEOWNERS' ASSOCIATION, has been a commoninterest community located in Las Vegas, Nevada. RESPONDENT ASSOCIATION is therefore subject to the provisions of Chapter 116 of each the Nevada Revised Statutes

("NRS") and the Nevada Administrative Code ("NAC") (hereinafter collectively referred to as "NRS 116") and subject to the jurisdiction of the Division, and the Commission for Common-Interest Communities pursuant to the provisions of NRS 116.750.

#### **FACTUAL ALLEGATIONS**

- 1. RESPONDENT MANHATTAN HOMEOWNERS' ASSOCIATION is a 700unit multi-tower condominium common interest community located in Las Vegas, Nevada. CICCH0001-0002.
- 2. On July 28, 2024, the Division received an Intervention Affidavit form filed by Complainant and unit owner Bruce Redden, alleging that RESPONDENT ASSOCIATION, through its executive board, approved "Pergola/XL Landscape design project," a capital improvement that included construction of new park space, including walkways, paver areas, boulders, a river feature, and a shade/pergola structure, but without having first held any required meetings for consideration of use of assessments for capital improvements. CICCH0003-0050.
- 3. On September 13, 2024, the Division's Ombudsman's office transferred the Intervention Affidavit to the Division's compliance section for further investigation. CICCH0051-0052.
- 4. On or about September 12, 2024, the Division's compliance investigator Christina Pitch sent an initial open investigation letter and request for information ("RFI") to RESPONDENT ASSOCIATION, requesting responses to the Intervention Affidavit and any related documents in their possession be produced within ten (10) business days from the date of the letter. CICCH0053-0055.
- 5. On September 20, 2024, Griselle Rivera-Vazquez (CAM.0009161.SUPR) of Terra West Management Services, responded as the Community Association Manger and on behalf of the board, clarifying that the pergola/shade structure was never constructed because permits could not be obtained for it due to a manhole in the area. **CICCH0056.**
- 6. CAM Rivera-Vazquez further noted that due to construction defects requiring the grass area to be dug up to correct a drainage issue, the ASSOCIATION'S

board opted to convert the grass areas to pavers and gravel, and to submit the conversion to Southern Nevada Water District for a rebate, which they subsequently received. CICCH0053.

- 7. The Division was also provided with additional documents outlining the Board's thinking in deciding to switch to drought-tolerant landscaping, including state mandates and policy initiatives to control water consumption that have compelled such changes to landscaping. **CICCH0054-0069.**
- 8. On September 30, 2024, the Division informed Complainant and the RESPONDENT ASSOCIATION that none of the evidence from the investigation was sufficient to determine that a violation had occurred, and that the case was being closed, without prejudice. CICCH0070-0071; 0072-0073.
- 9. On January 24, 2025, the Division, in a "Compliance Demand Letter" ("CDL") informed RESPONDENT ASSOCIATION of Complainant's request to reopen the case, and that, upon re-examination of the evidence, the Division determined that the ASSOCIATION failed to notify unit owners of a capital improvement twenty-one (21) calendar days prior to a meeting regarding installation of pavers. CICCH0074-0075.
- 10. The CDL required the ASSOCIATION to provide to the Division, within ten (10) days of the date of the letter, notification regarding the next regularly scheduled meeting and a copy of the NRS 116.31083(5)(a) executive board minutes confirming that the violation had been brought into compliance. **CICCH0074-0080.**
- 11. On April 23, 2025, counsel for RESPONDENT ASSOCIATION noted that it attempted to schedule a meeting on April 24, 2025, but would not be able to make quorum, and that the next available date would be May 20, 2025. CICCH0081-0085.
- 12. On April 21, 2025, the Division re-opened its investigation on the basis that the ASSOCIATION did not comply with the Division's instructions in its Compliance Demand Letter from January 24, 2025. CICCH0086.
- 13. On April 25, 2025, the Division sent, via Certified Mail, an NRS 233B letter notifying the RESPONDENT ASSOCIATION that it would pursue disciplinary action in

a hearing before the Commission for potential violations of NRS 116. CICCH0089-0090.

#### VIOLATIONS OF LAW

- 1. RESPONDENT violated NRS 116.3115(9) by failing to provide written notice to each unit's owner of a meeting at which an action is to be taken on an assessment for a capital improvement, specifically with regard to the Board's decision to install pavers to replace the removed grass landscaping, at least 21 calendar days before the date of the meeting.
- 2. RESPONDENT violated NRS 116.3103(a) pursuant to NAC 116.405(7) by failing to comply with the Division's Compliance Demand Letter within the timeframe set forth in the letter.

#### DISCIPLINE AUTHORIZED

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

- 1. Issue an order directing Respondent to take affirmative action to correct any conditions resulting from the violation.
- 2. Impose an administrative fine of up to \$1,000 for each violation by Respondent.
- 3. Order the Respondent to pay the costs of the proceedings incurred by the Division, including, without limitation, the cost of the investigation and reasonable attorney's fees.
- 4. Approve application to a court of competent jurisdiction for the appointment of a receiver for the Respondent.

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 of the Nevada Revised Statutes and Chapter 116 of the

Nevada Administrative Code.

THE HEARING WILL TAKE PLACE at the Commission meeting(s) scheduled for June 10-12, 2025, beginning at approximately 9:00 a.m. each day, or until such time as the Commission concludes its business. The Commission meeting will be held at the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Nevada Room, Las Vegas, Nevada 89102 on June 10-11, 2025, with videoconferencing to Department of Business & Industry, Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706. The Commission meeting will be held at the Nevada State Business Center, 3300 W. Sahara Avenue, 4th Floor, Tahoe Room, Las Vegas, Nevada 89102 on June 12, 2025, with videoconferencing to Department of Business and Industry, Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706.

STACKED CALENDAR: Your hearing is one of several hearings that may be scheduled at the same time as part of a regular meeting of the Commission that is expected to take place on June 10-12, 2025. Thus, your hearing may be continued until later in the day or from day to day. It is your 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 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 advance because of coordination with an out of state witness or the like, please call Maria Gallo, Commission Coordinator, at (702) 486-4074.

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.

You have the right to request that the Commission issue subpoenas to compel

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

Note that under NAC 116.575, not less than five (5) working days before a hearing, RESPONDENT must provide to the Division a copy of all reasonably available documents that are reasonably anticipated to be used to support his position, and a list of witnesses RESPONDENT intend to call at the time of the hearing. Failure to provide any document or to list a witness may result in the document or witness being excluded from RESPONDENT'S defense. The purpose of the hearing is to determine if the

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1	RESPONDENT has violated the provisions of NRS 116, and to determine what
2	administrative penalty is to be assessed against RESPONDENT.
3	DAMPD III & I C MAY 2005
4	DATED this 8 day of MAY, 2025.
5	REAL ESTATE DIVISION,
6	DEPARTMENT OF BUSINESS & INDUSTRY, STATE OF NEWADA
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8	By: SHARATH CHANDRA, Administrator
9	3300 W. Sahara Ave. Ste 350 Las Vegas, Nevada 89102
10	(702) 486-4033
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12	AARON D. FORD Attorney General
13	
14	By: <u>/s/ <b>Phil W. Su</b></u> PHIL W. SU (Bar No. 10450)
15	Senior Deputy Attorney General
16	1 State of Nevada Way, Ste. 100 Las Vegas, Nevada 89119
17	(702) 486-3655 Attorneys for Real Estate Division
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