

STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In re **Christina Roush**, Member, Planning Commission, City of Las Vegas, State of Nevada Ethics Complaint Case No. 19-004C

Subject. /

DEFERRAL AGREEMENT NRS 281A.740

- 1. On April 15, 2020, a Review Panel authorized the Executive Director of the Nevada Commission on Ethics ("Commission") and Christina Roush ("Roush"), a former member of the Las Vegas Planning Commission ("LVPC") to develop this Deferral Agreement ("Agreement") to address the alleged conduct at issue in Ethics Complaint No. 19-004C ("Complaint"), instead of referring the Complaint to the Commission for further proceedings.
- 2. At all material times, Roush served as a member of the LVPC and was a public officer as defined in NRS 281A.160. The Ethics in Government Law ("Ethics Law") set forth in NRS Chapter 281A gives the Commission jurisdiction over Roush as a public officer for conduct alleged to have violated the provisions of NRS Chapter 281A within 2 years of the filing of the complaint. See NRS 281A.280.
- 3. This Agreement is entered into based upon the April 15, 2020 Review Panel Determination that Roush's alleged conduct may be appropriately addressed through the terms and conditions of a deferral agreement instead of referring the Complaint to the Commission for further proceedings.
- 4. The Review Panel Determination was based on facts establishing credible evidence to support just and sufficient cause for the Commission to render an opinion in this matter. The facts relied upon by the Review Panel to make its determination are summarized in Appendix A ("Facts Relied Upon by the Review Panel").¹

¹ The Facts Relied Upon by the Review Panel do not constitute part of the "Investigative File" as that term is defined by NRS 281A.755. All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Agreement.

- 5. The parties acknowledge that no findings have been made by the Review Panel or the Commission that Roush violated the Ethics Law, and it is understood that this Agreement does not constitute an admission by Roush of any violation of the Ethics Law.
- 6. As authorized by NRS 281A.785(2), publication of this Agreement serves as a public admonishment, expressing the Review Panel's disapproval of Roush's failure, between April 10, 2019 and October 9, 2019, to fully disclose and abstain in matters before the LVPC which affected:
- (a) The interests of a person to whom Roush had a commitment in a private capacity. Specifically, Roush had a commitment in a private capacity to the interests of an individual with whom Roush had a substantial and continuing business relationship through Hamilton Rose, LLC, a company in which Roush held an ownership interest with her father. See Appendix A.
- (b) Roush's significant pecuniary interest, including Hamilton Rose's simultaneous investigation of the ability to obtain a special use permit for a short-term rental of a property owned by Hamilton Rose in the same ward as other applicants for similar permits before the LVPC.

Procedural History

- 7. On or about January 10, 2019, the Commission received Ethics Complaint No. 19-004C from a member of the public ("Requester").
- 8. On February 25, 2019, the Commission issued an *Order on Jurisdiction and Investigation* directing the Executive Director to conduct an investigation regarding Roush's alleged violations of the following provisions of the Ethics Law:
 - NRS 281A.400(2) Using her position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for herself, any business entity in which she has a significant pecuniary interest, or any person to whom she has a commitment in a private capacity.
 - NRS 281A.420(1) Failing to sufficiently disclose her acceptance of a gift or loan, pecuniary interest, or commitment in a private capacity to the

interest of another person that is reasonably affected by an official matter.

NRS 281A.420(3) Failing to abstain from acting on an official matter which is materially affected by her acceptance of a gift or loan, pecuniary interest, or commitment in a private capacity to the interest of another person.

- 9. On February 25, 2019, the Executive Director provided a *Notice of Complaint and Investigation* pursuant to NRS 281A.720 and NAC 281A.410 and provided Roush with an opportunity to submit a response to the allegations.
 - 10. On April 12, 2019, Roush, through her counsel, provided a written response.
- 11. On March 5, 2020, Roush voluntarily met with investigators of the Commission and voluntarily responded to their inquiries.
- 12. On April 8, 2020, the Executive Director presented a recommendation relating to just and sufficient cause to a three-member review panel pursuant to NRS 281A.725.
 - 13. A Panel Determination issued on April 15, 2020 concluded that:
 - There is sufficient credible evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding violations of NRS 281A.420(1) and (3).
 - Roush's conduct may be appropriately addressed through corrective action under the terms and conditions of a deferral agreement instead of referring this Complaint to the Commission for further proceedings. The Review Panel determined that Roush's conduct may be appropriately addressed through a deferral agreement because the investigation revealed that Roush made attempts to comply with the Ethics Law in certain instances, but misunderstood the scope of the disclosure and abstention requirements under the Ethics Law as they related to commitments in a private capacity to the interests of others, as well as how a matter would otherwise affect her pecuniary interests.
 - Notwithstanding the foregoing, the Panel unanimously finds and concludes that the facts <u>do not</u> establish credible evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding the allegations pertaining to NRS 281A.400(2) in that the

investigation did not discover any evidence that Roush used her position to secure any unwarranted privileges, preferences, exemptions or advantages for herself, or for any business entity in which she had a significant pecuniary interest or any person to whom she had a commitment in a private capacity.

Terms and Conditions

- 14. This Agreement shall be in effect for a period of two years (the "Deferral Period") from the date of approval by the Review Panel. At the expiration of the Deferral Period, so long as Roush has complied with the terms and conditions hereof, the Complaint shall be dismissed with prejudice.
- 15. If Roush accepts an appointment as a public officer or employee within the Deferral Period, she must complete an ethics training, consisting of a presentation by the Executive Director, or the Executive Director's designee, within forty-five days of accepting the appointment.
- 16. If Roush accepts a future appointment as a public officer or employee during the Deferral Period, she must comply in all material respects with the provisions of NRS Chapter 281A during the Deferral Period without being the subject of another ethics complaint arising from an alleged violation which occurs during the Deferral Period and for which the Review Panel determines that there is just and sufficient cause for the Commission to render an opinion in the matter. If Roush does not accept a future appointment as a public officer or employee during the Deferral Period, there is no performance due by Roush, and the Complaint, and this matter, will be dismissed with prejudice as described in paragraph 13 above.
- 17. Not later than 60 days after the date of the Review Panel's approval of the deferral agreement, the Executive Director will provide a copy of the approved deferral agreement to the LVPC, acknowledging Roush's acceptance of the terms and conditions.
- 18. During the Deferral Period, the Executive Director shall monitor Roush's compliance with this Agreement. Should the Executive Director discover that Roush has not complied with any term or condition of this Agreement, the Executive Director shall:
 - a. Inform the Commission of any alleged failure of Roush to comply with the Agreement;

- b. Give Roush written notice of any alleged failure to comply with the Agreement; and
- c. Allow Roush not less than 15 days to respond to such a notice.
- 19. Although Roush has resigned from the LVPC, the Commission acknowledges that Roush may serve as a public officer or employee during the term of this Agreement, and the Commission retains jurisdiction over Roush for purposes of ensuring compliance with this Agreement.
- 20. If Roush serves as a public officer or employee during the Deferral Period, and the Commission finds that there is substantial evidence that Roush failed to comply with the terms and conditions of this Agreement, the Commission may vacate this Agreement and conduct further proceedings in this matter, including an adjudicatory hearing.
- 21. If Roush complies with the terms and conditions of this Agreement, the Commission shall dismiss the matter with prejudice.

Acceptance: We, the undersigned parties, have read this Agreement, understand each and every provision therein, and agree to be bound thereby.

DATED this 4th day of June 2020.

FOR CHRISTINA ROUSH

Christina Roush, Subject

Donald T. Polednei, E Counsel for Subject

FOR YYONNE M. NEVAREZ-GOODSON, ESQ.

Executive Director,

Nevada Commission on Ethics

DATED this 4th day of June, 2020.

Casey A. Gillham, Esq. Associate Counsel

Approved	as to	form	by:
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FOR NEVADA COMMISSION ON ETHICS

DATED this 4th day of June, 2020.

/s/ Tracy L. Chase Tracy L. Chase, Esq. Commission Counsel

The above Deferral Agreement is approved by the Review Panel of the Nevada Commission on Ethics:

DATED June 4, 2020.

By: /s/ Brian Duffrin

By: <u>/s/ Barbara Gruenewald</u>
Barbara Gruenewald, Esq. Brian Duffrin Commissioner/ Commissioner

Presiding Officer

By: /s/ Philip K. O'Neill Philip K. O'Neill

Commissioner

Appendix A – Facts Relied Upon by the Review Panel

At all times relevant to the allegations in Ethics Complaint 19-004C:

- A. Roush was a member of the Las Vegas Planning Commission, having served from August 2017 to May 2019. At all times during the events which gave rise to the instant Complaint, Roush was a public officer, as defined in NRS 281A.160.
- B. Roush did not receive any ethics training prior to or during her term on the Las Vegas Planning Commission.
- C. In December 2017, Roush formed Hamilton Rose, LLC ("Hamilton Rose"). Roush is the registered agent and managing member of Hamilton Rose.
- D. In January 2018, Hamilton Rose purchased a single-family home on Hamilton Lane ("Hamilton Lane Home") in the Las Vegas Medical District.
- E. Roush's spouse, Greg Clemens ("Clemens"), is a real estate broker. Clemens serves as the property manager for many of the properties Roush owns, including the Hamilton Lane Home.
- F. In April 2018, Clemens contacted Nathaniel Taylor ("Taylor"), managing partner of The Taylor Consulting Group, to investigate whether the Hamilton Lane Home could qualify for a special use permit to be used as a short-term rental. At the time Clemens contacted Taylor, all applications for short-term rentals were required to go before the Las Vegas Planning Commission for a vote.
- G. On or about April 11, 2018, Clemens signed a contract prepared by Taylor ("Contract"). The Contract stated that the parties to the Contract were The Taylor Consulting Group and Hamilton Rose. The Contract also provided that it was effective April 9, 2018, and that The Taylor Consulting Group would provide the following services on Hamilton Rose's behalf:
 - Services related to obtaining a special use permit for a short-term rental for the Hamilton Lane Home:
 - Preparation of the application documents for a short-term rental;
 - Submission of the completed short-term rental application;
 - Attendance at the briefing with City of Las Vegas staff;
 - Representation of Hamilton Rose before the Las Vegas Planning Commission; and,
 - Representation of Hamilton Rose before the Las Vegas City Council.
- H. In exchange for the above-referenced services, Hamilton Rose paid The Taylor Consulting Group an initial fee of \$2,500.00. Per the Contract, if The Taylor Consulting Group was successful in obtaining the special use permit for the short-term rental, Hamilton Rose was to pay an additional \$2,000.00. Roush asserts that at the time of his retention by Mr. Clemens, Taylor did not disclose that short term rentals were prohibited in the Medical District of Ward 1.
- I. While Roush was aware Clemens retained Taylor in April 2018, she never spoke directly with Taylor regarding the Hamilton Lane Home or the application for the special use permit.

- J. Taylor appeared before Roush and the Las Vegas Planning Commission, on behalf of clients other than Hamilton Rose, 18 times between April 10, 2018, and October 9, 2018. Prior to voting on the aforementioned matters, Roush never disclosed that Hamilton Rose, a company for which she was the registered agent and managing member, had retained Taylor to pursue a special use permit for a short-term rental for the Hamilton Lane Home.
- K. Between April 10, 2018, and October 9, 2018, Roush voted to approve short-term rental applications for Taylor's clients 15 times. Roush voted to deny Taylor's clients an application for a short-term rental 2 times and voted for an abeyance once.
- L. Between April 10, 2018, and October 9, 2018, Roush voted on 32 applications for short-term rentals in Ward 1, the same Ward in which the Hamilton Lane Home is located. Prior to casting votes related short-term rental applications in Ward 1 between April 10, 2018 and October 9, 2018, Roush never disclosed that a company she owned had hired Taylor to investigate the possibility of obtaining a special use permit for a short-term rental.
- M. Between October 9, 2018, and January 8, 2019, Hamilton Rose terminated the Contract with The Taylor Consulting Group. Roush asserted that the Contract was terminated because she and Clemens were unhappy with Taylor's representation. Neither Taylor nor Hamilton Rose ever submitted an application for a short-term rental for the Hamilton Lane Home.
- N. At the Las Vegas Planning Commission's meeting on January 8, 2019 ("January 8 Meeting"), Taylor was representing three clients seeking special use permits for short-term rentals. When Taylor attempted to present his first item, Roush stated:

Chairman Cherry, I apologize. I tried to jump in. I didn't get a chance. I wanted to recuse myself from this vote. I have had past business dealings with this representative, and I don't feel that I can be objective. So I'm going to excuse myself from the meeting. Thank you.

O. When Taylor attempted to present on his final two items at the January 8 Meeting, Roush stated:

Excuse me, Mr. Vice Chairman, Chairman. I am going to have to abstain from this item. I didn't get a chance to get a word in first, but I must abstain. I have had previous business dealings with this representative, and I do have a conflict and a bias. So I will not vote. Thank you.

- P. Two days after the January 8 Meeting, on January 10, 2019, Taylor filed the instant Complaint.
- Q. Roush asserts that after she learned of the instant Complaint, she spoke with the Las Vegas City Attorney's Office, and that she was advised that a dispute with a hired representative, such as Taylor, does not trigger the need to disclose and abstain because she would only need to disclose and abstain if she had a conflict with the owner of the property appearing before her. Roush concedes that she did not consult with the Las Vegas City Attorney's Office prior to January 8, 2019, regarding the hiring of Taylor or the need to disclose her relationship with Taylor.

R.	In May 2019, Roush resigned from the Las Vegas Planning Commission.
S.	Roush did not receive any financial benefit with regard to a short-term rental for the Hamilton Lane Home because no application was submitted to the City of Las Vegas and no application ever came before the Las Vegas Planning Commission.