

IN THE MATTER OF \* BEFORE THE  
THE COMPLAINT AGAINST \* ETHICS COMMISSION  
MEMBERS OF THE HOUSING \* OF QUEEN ANNE'S COUNTY  
AUTHORITY OF QAC \* 17-001

### FINDINGS AND DECISION

#### A. Procedural Background

On or about December 12, 2017, [REDACTED], hereinafter "Complainant," filed a Complaint with the Ethics Commission of Queen Anne's County, alleging certain ethics violations against three members of the Housing Authority Board of Queen Anne's County. (Exhibit #1) Those members alleged to have violated the Ethics law are: [REDACTED], [REDACTED], and [REDACTED]. The Commission at its meeting on December 18, 2017 reviewed the Complaint and determined that it was legally sufficient to accept the Complaint and move forward with an investigation. The Respondents were notified and given the opportunity to provide a written response. Each Respondent sent a letter to the Ethics Commission by January 11, 2018. (Exhibit # 2). The Commission also requested certain documents, by way of records deposition and subpoena to the Executive Director of the Housing Authority, Mr. Jeremy White. At the Ethics Board meeting on February 26, 2018, the Commission voted to proceed with the Complaint and scheduled a hearing. Another letter and subpoenas were sent to the Respondents, the Complainant, and certain witnesses, providing them with notice of the action of the Commission and requesting that they appear for a hearing at their next meeting on April 16, 2018. (Exhibit # 3) A hearing was conducted on April 16, 2018 at 6 pm, in the County Commissioner's Hearing Room at the Liberty Building, 107 N. Liberty Street, Centreville, Maryland,

before the members of the Ethics Commission, namely, Chairman Dale Anderson, Stan Ruddle, Valerie Hirsch, Kaarin Salisbury, and member Merle Rockwell by telephone. The Ethics Commission was represented at the hearing by Lynn Knight, Esquire and recorded by the Clerk, Tina Miles. The Respondents did appear with counsel, Eric Galler.

Prior to this Complaint being received in December 2017, the Ethics Commission became aware in November that the Housing Authority Board members had not filed financial disclosure forms for several years. The Ethics Commission initiated a Complaint against all five Housing board members at their November 20, 2017 meeting. All members promptly completed and filed their financial forms prior to the December 2017 meeting, and therefore that Complaint was dismissed.

B. Ethics Board Jurisdiction

The Queen Anne's County Code, Chapter 8 (entitled Ethics), re-adopted November 11, 2005, sets out the statutory provision of the Public Ethics Law. Its purpose, as set out in §8-4(E), is to "...guard against improper influence and set minimum standards for the ethical conduct of public business." Its policy states "...this Chapter establishes ethical standards for County officials and employees, financial disclosure requirements for certain County officials, employees, and members of Boards and Commissions, and disclosure requirements for lobbyists ..." §8-4(D). In §8-5 (C) 1 of the Ethics Code, the Board and Commission which are subject to the provisions of this Chapter are enumerated; the Queen Anne's County Housing Authority is specifically listed.

The powers and duties of the Ethics Commission are defined in §8-10, and §8-10 (G) sets out the basis upon which Complaints may be instituted, and the procedures to be followed in such instances. At a hearing, the Commission has the burden of proof and must, by a preponderance of the evidence, establish that the Respondents have engaged in a violation of the Ethics Code. Moreover, the Conflict of Interest section §8-11 defines the prohibited acts of Board and Commission members.

C. Alleged Violation

The Complaint alleges that three Housing Authority Board members voted for a rental increase at their October 30, 2017 meeting, which is a violation of the Conflicts of Interest Section §8-11 because of their “interest” in the Board.

An additional alleged violation of the Conflicts of Interest Section §8-11 is made against board member Laresse Cathey, in that she receives a “suspected salary” from the housing authority, as well as her daughter and other teens, for cleaning the common area at one of the Housing Authority owned units, namely Terrapin Grove.

D. Evidence Presented

Each Respondent testified that they are a current member of the Housing Authority of Queen Anne’s County, and were serving on the Board during October 30, 2017 when the vote on the rental increase was taken. Two leases were received and placed into evidence for ██████ and ██████. ██████ testified about moving from the unit into the voucher program in July 2017. ██████ testified that he had a current lease with the Housing Authority although none was provided. The minutes of the meeting,

despite being required to be roll-call, state that the vote was called by [REDACTED] the Chairman, with four votes in favor, and one vote nay. (See Exhibit # 4). Testimony was elicited from the Respondents and from two other Housing Authority Commissioners ([REDACTED]) that were present at the meeting regarding who did or did not vote. The testimony confirmed that [REDACTED] and [REDACTED] did vote and [REDACTED], while calling for the vote, testified that he did not vote as the Chairman as it wasn't needed to break a tie. His testimony was confirmed by the other Board members.

Documents were received that show payments to [REDACTED] and to her daughter for cleaning services, which was also confirmed by [REDACTED]'s testimony.

#### E. Conclusion

The Ethics Commission, unanimously, concluded by a preponderance of the evidence that each of the Respondents have an **interest** (as defined by the ethics law), distinguishable from the general public, in that they either live in a unit owned and operated by the Housing Authority or receive vouchers for housing assistance from the Housing Authority. Two Respondents ([REDACTED]) hold a current lease with the Housing Authority, and one Respondent ([REDACTED]) had a lease until July 2017 (prior to the vote) but then began receiving a voucher for housing assistance from the Housing Authority. The Ethics Commissions determined that relationship to be a violation of the Ethics Code, Chapter 8- 11 (A) (1) in that Respondents "cannot participate in any matter which there is an interest in the matter, as distinguished from the public generally, on them or a family member." Further, the Ethics Commission determined that relationship to be a violation of the Ethics Code, Chapter 8- 11 (A) (3) (a) in that the Respondents

would be prohibited from "being employed or having a financial interest in an entity that is subject to the authority of that official or employee or of the governmental unit with which the official or employee is affiliated, or (b) doing business with that official or employee or governmental unit with which the official or employee is affiliated." The vote on the rental increase is irrelevant, because the Ethics Board determined that holding a seat on the Housing Authority Board for those three members is the conflict. For ██████████, the compensation she and her daughter receives, is "employment" and is an additional violation of Ethics Code, Chapter 8- 11 (A) (4) in that the Respondent is "holding any other employment or contractual relationship if that relationship would impair the impartiality and independent judgment of the official or employee."

The Commission concludes, having reviewed the evidence and having unanimously determined that a conflict of interest exists for each Respondent, they each shall not be subject to any fine for a violation, but that a Cease and Desist order is appropriate. Each of the three Respondents may not continue to serve on the Board and maintain their interest; they must either resign their Board position, or terminate their lease and/or voucher program within 30 days of this decision. Further ██████████ receipt of payments for cleaning services (and her daughter's receipt of payments) are prohibited if she continues to reside in a unit or participate in the voucher program.

FOR THE COMMISSION



R. Dale Anderson, Chairperson  
Ethics Commission of Queen Anne's County

4/30/18  
Date

4-30-18  
Date

*Lynn Knight*  
Lynn Knight, Esquire  
Attorney for Ethics Commission of  
Queen Anne's County

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was mailed, first class, postage prepaid, this 30<sup>th</sup> day of April, 2018 to:

- 1) Respondents ~~██~~
- 2) Complainant ~~████████~~
- 3) QAC Ethics Board members
- 4) QAC Board of County Commissioners

*Lynn Knight*  
Lynn Knight