State of Nebraska Accountability and Disclosure Commission

P.O. BOX 95086 Lincoln, Nebraska 68509 www.nadc.nebraska.gov



Centre Terrace, 1225 L St. #400 Phone (402) 471-2522 Fax (402) 471-6599

Synopsis Case #21-35

Action Taken on April 12, 2024

Respondent: Rusty Hike

The Respondent is the Mayor of Bellevue, Nebraska. A Complaint was filed with the Commission alleging that the Respondent had a conflict of interest with respect to a vote which he had taken at a meeting of the Bellevue City Council on October 19, 2021. At that meeting a Resolution for a project known as the Jefferson Place Addition went before the Council. The first step in the approval process was to designate certain property as "blighted" which would permit the project to be voted on at a subsequent meeting. The vote of the Council Members on the blighting resolution resulted in a tie. The Respondent then voted in favor of the resolution, and it was thereby approved.

The property in question had been owned in part by the Respondent less than a year before the date of the vote. The property in question was to be marketed by Hike Real Estate, owned by the Respondent.

The NADC initiated a Preliminary Investigation, alleging that the Respondent had failed to file a Potential Conflict of Interest Statement prior to his vote, indicating that a vote on the resolution may have resulted in a financial benefit of detriment to him, in violation of Section 49-1499.03(2)(a). In addition, the NADC alleged a violation of Section 49-14,101.01(1) in that the Respondent used his office, through casting the vote to advance the Project, for financial gain.

After discovery and a finding by the Commission that there was probable cause to believe the violations had occurred, the parties entered into a Settlement Agreement by the terms of which the Commission found a violation of §49-1499.03(2)(a) and a violation of §14,101.01(2), and imposed a civil penalty of

\$5,000.00 The Respondent agreed to ensure that, in the future, he would file a Potential Conflict of Interest Statement where warranted. The Commission adopted the Settlement Agreement with six Commissioners concurring, no Commissioners dissenting, and no Commissioners abstaining.

Violations: Pursuant to the Settlement Agreement, the Commission found that the Respondent failed to file a Potential Conflict of Interest Statement in violation of §49-1499.03(2)(a), and used his office for financial gain in violation of §49-14,101.01(2) of the State Statutes.

Civil Penalty: \$5,000.00

Attorney for the Commission: Neil B. Danberg

Synopsis Prepared by: David Hunter, Executive Director

Nebraska Accountability and Disclosure Commission

P.O. Box 95086, Lincoln, NE 68509 (402)-471-2522

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

In the Matter of Rusty Hike))	Case #21-35
Respondent)	ORDER
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Now on this 12th day of April, 2024, this matter comes before the Nebraska Accountability and Disclosure Commission. Commissioners Anderson, Callahan, Chung, Davis, Reuss, and Sullivan are present with Commissioner Sullivan presiding. The Respondent is not present. The Commission notes the submission of a proposed Settlement Agreement.

Whereupon, the Commission with six (6) Commissioners concurring, no Commissioners dissenting, and no Commissioners abstaining, finds that the attached Settlement Agreement should be and hereby is approved and incorporated into this Order. Pursuant to that Agreement, the Commission finds that the Respondent has committed violations of Nebraska Revised Statutes, Sections 49-1499.03(2)(a) and 49-14,101.01(1), as recited in the attached Settlement Agreement.

In accordance with the Settlement Agreement, the Commission imposes a civil penalty of \$5,000.00 upon the Respondent.

Issued this 12th day of April, 2024.

Nebraska Accountability and Disclosure Commission

David M. Hunter. Executive Director

Certificate of Service

I hereby certify that a copy of this Order was sent by certified U.S. Mail, postage prepaid, return receipt requested on this 12th day of April, 2024 to the following address: Rusty Hike, 1500 Wall Street, Bellevue, NE 68005, and by First Class U.S. Mail postage prepaid to Steven Delaney, Attorney, 4530 Maass Rd. #101, Bellevue, Ne 68133.

David M. Hunter

Executive Director

BEFORE THE NEBRASKA ACCOUNTABILITY AND DISCLOSURE COMMISSION

IN THE MATTER OF:

CASE No. 21-35

RUSTY HIKE

SETTLEMENT AGREEMENT

- 1) <u>Parties</u>: The parties to this Settlement Agreement (hereinafter "Agreement") are the Nebraska Accountability and Disclosure Commission, hereafter referred to as the "Commission" and Rusty Hike, hereafter referred to as the "Respondent."
- 2) <u>Jurisdiction:</u> The Respondent acknowledges that the Commission has jurisdiction in this matter pursuant to the terms of Nebraska Statutes 49-1401 et seq., known as the Nebraska Political Accountability and Disclosure Act ("NPADA").
- 3) <u>Intention:</u> The parties hereby agree and intend that this Agreement shall constitute a waiver of any further proceedings in this matter, thereby resolving the matter without further delay and expense to the parties.
- The Alleged Violations: In its Notice of Preliminary Investigation in this case, the Commission has alleged that the Respondent, as Mayor of the City of Bellevue, on or about October 19, 2021: (1) Was required to take an action or make a decision that may have caused financial benefit to him, but he failed to file the required written statement describing the matter and the nature of the potential conflict in violation of Section 49-1499.03(2)(a) of the NPADA; and (2) Used his public office to obtain financial gain for himself or for a business with which he was associated by voting in favor of a proposed blighting resolution which would allow a project known as the Jefferson Place Addition Project, to be considered and voted on by the City Council at a later date, in violation of Section 49-14,101.01(1) of the NPADA.
- 5) <u>Stipulation:</u> The Respondent and the Commission stipulate and agree that at the time of the alleged violation, the Respondent was Mayor of the City of Bellevue.
- The Alleged Violations, Agreement: The Respondent states that it was not his intent to violate the NPADA as alleged, but he agrees and stipulates that there is sufficient evidence to support the Commission's findings of a violation of Section 49-1499.03(2)(a) and Section 49-14,101.01(1) of the NPADA, as described in Paragraph 4, above. The Respondent further agrees that he will not contest the Commission's Order in this case. The Respondent further represents that he will prepare and file a Potential Conflict of Interest Statement in the future where circumstances so warrant.

- 7) <u>Civil Penalty and Agreement</u>. The parties have agreed that, in view of the Respondent's willingness to resolve this matter, the Commission will impose a civil penalty in this matter in the amount of \$2500 for each violation, in the total amount of \$5,000.
- 8) The Commission must approve this Agreement in order for it to be effective: The parties agree that for this Agreement to become effective, the Commission must approve it, and enter an Order according to the terms of the Agreement.
- Effective Date of Agreement: This Agreement shall not be binding upon the parties until the date it is approved by the Commission and the Commission issues an Order in accordance with the terms of this Agreement. The date of the Order shall be deemed its effective date. If this Agreement is not approved by the Commission, this Agreement shall be void and may not be used in this or any other proceeding. The parties acknowledge that this Agreement and any subsequent Order shall be announced at an open public meeting of the Commission. The parties further acknowledge that, upon adoption, this Agreement, the Order, and the Commission's file pertaining to this matter shall become open and public.
- 10) Right to Address the Commission: The Respondent has a right to address the Commission on the matter of the approval of this Settlement Agreement.

11) Advice of Counsel: The Respondent acknowledges that he has had an opportunity to seek the advice of an attorney concerning this Agreement.

Rusty Hike, Respondent

Steve Delaney—Approved as to Form

Attorney for Respondent

David M. Hunter, Executive Director

Nebraska Accountability and Disclosure Commission

2-1-29

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