

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, June 26, 1975

Place: Board Room, Department of Regulatory Agencies
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary V. Savio, Member
Tadayoshi Ishizu, Member
John D. Texeira, Member

E. John McConnell, Deputy Director
Allan Kawada, Deputy Attorney General
Clyde E. Sumida, Deputy Attorney General
Yukio Higuchi, Executive Secretary
Richard Lockman, Legal Trainee
Mrs. Karen Hirota, Clerk-Stenographer

Milton Motooka, President of Hawaii Assn. of Real Estate Schools
John Stapleton, John Stapleton School of Real Estate
John Reilly, John Stapleton School of Real Estate
Mrs. Mary Shern, Mary Shern School of Real Estate

Absent: John M. Urner, Member
Ah Kau Young, Member

Called to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:05 a.m.

Minutes: Mary Savio moved and Tadayoshi Ishizu seconded to approve the May 29, 1975 minutes. Motion carried.

Committee Reports: Executive Secretary reported that there were no applications for instructor's certificate for the month.

Real Estate Advisory Council

Continuing Education (S.B.M.P.)

Executive Secretary reported that he has submitted the request for approval of the continuing education (S.B.M.P.) project to the Director, but has received no word as yet.

Educational Consultant

Executive Secretary reported that he was unable to work on this project, but he will work on it as soon as time permits.

Real Estate Chair

Executive Secretary reported that he submitted a memorandum to Mr. Minami on June 16, 1975 requesting approval to proceed with this project, but has not received any reply as of yet.

Real Estate Education Fund

The Executive Secretary passed out copies of the Proposed Real Estate Education Fund Budget for Fiscal Year 1975-76.

It was noted that the next NARELLO National Conference will be held in Lake Tahoe, and that the NARELLO National Conference and E.T.S. Meeting will have two members and one Executive Secretary attending.

Mary Savio and John Texeira seconded that the proposed budget for the Fiscal Year 1975-76 be approved subject to the changes the Executive Secretary will make to the NARELLO National Conference. Motion carried.

Purchase of Film "On the Move"

Executive Secretary reported that he was unable to work on this project but hopefully by the end of next month he should be able to work on it.

Book Donations

Executive Secretary reported that he has not received a confirmation from the University of Hawaii Library. He received a call from the University of Hawaii requesting that the check be cleared, which had already been submitted.

Condominium Review Committee

Executive Secretary reported that the Committee was formed to review the time sharing legislation and they met yesterday, and John Urner will give a status report at the next meeting.

HUD's Request

Executive Secretary reported that he met with Mr. Mike Moscow and Mr. William Lilley of HUD and they gave an idea of what is happening on the national scene.

They indicated that HUD does not want to require duplicate filings with those states that already have stringent condominium laws that require registration with the state.

Executive Secretary reported that he will follow-up with a letter to HUD and that the Commission assist him in this matter by submitting their views no later than July 15, 1975.

John Texeira moved and Tadayoshi Ishimaru seconded. Motion carried.

Legislation Committee

Mr. McConnell reported on a letter from Mrs. Georgina Yuen of the Ombudsman Office regarding telephone solicitations. Mr. McConnell informed the Commission that we should stick to the statutory definition of solicit. He asked Richard Lockman to define solicit and how it pertains to the rules and regulations.

Executive Secretary requested that Richard Lockman look into this matter and draft a letter for the Commission. Executive Secretary will turn the letter over to Ah Kau Young as soon as he receives the draft for consideration for future legislative proposal.

Real Estate Recovery Fund

Executive Secretary reported that there is no up-to-date report to present to the Commission at this time.

Attorney General's Report

Deputy Attorney General Allan Kawada reported that he and Clyde Sumida decided to wait until they receive more evidence or information on what the corporations dealing with vacation leases are doing before reporting to the Commission.

The executive Secretary reported that he had received some materials from Attorney Hiroshi Sakai pertaining to Vacation Reservations, Ltd., planning to embark on a sales promotion which appeared to fall in the vacation license area. The materials were turned over to Allan Kawada for review.

Business Out
of Minutes:

Questionable Applications

Calvin W. Ontai, Applicant for Real Estate Broker License

Executive Secretary reported that a hearing was held with the Deputy Director and is waiting for a report on his findings, conclusions and recommendations.

Edward Bendet's Request for Registration of Agricultural Condominium

Allan Kawada reported that no part of our law states that a condominium apartment cannot be used for agricultural use. He suggested from a policy standpoint that the Commission make a decision.

Executive Secretary suggested that he talk to Mr. George Moriguchi of the Department of Land Utilization, City and County of Honolulu, for clarification of his letter dated March 18, 1975.

NARELLO Western District Law Enforcement Conference

Executive Secretary reported that he submitted a request for Michael Machado and Alvin Yamamoto to attend this conference, and he is still waiting for an answer from Administration.

Continuation
of Hearing:

Douglas C. K. Tom, Applicant for Real Estate Salesman's License

At 11:25 a.m., the Chair declared a recess and called upon John Texeira to conduct the continuation of hearing for Douglas C. K. Tom for application for real estate salesman license.

John Texeira opened the hearing continuation against Douglas C. K. Tom, and the Executive Secretary read the June 9, 1975 notice of hearing continuation, which Douglas Tom had received on June 11, 1975. The Executive Secretary reported that he had received a call from Douglas Tom at 8:30 a.m. on this date (June 26, 1975) advising the Executive Secretary that he was not appearing for the hearing continuation, because he was unable to get back a certified copy of the Courts action on his Petition to the Superior Court of Washington.

At the request of Deputy Attorney General Allan Kawada, the hearing was again continued to July 31, 1975 at 1 p.m. Allan Kawada indicated that, should Douglas Tom fail to appear for the July 31, 1975 continuation of hearing, he will ask the Hearing Officers to render a decision based on the testimonies taken at the hearing and continuation of hearing held on May 29, 1974 and May 29, 1975.

John Texeira so ordered, and adjourned the hearing until July 31, 1975.

Reconvene:

Chairman Sodetani reconvened the meeting at 1 p.m.

Investigations:

RE-518 Singleton Associates

John Texeira reported that he will type his hearing report before submitting it to the Commission.

RE-528 Durrel Robison

Executive Secretary reported that he wrote to the Hiserotes and informed them they have a deadline date of July 6, 1975 to reply about appearing at a hearing, otherwise the hearing report will be based on whatever was presented at the hearing in Kona.

RE-547 Durrel Robison

Executive Secretary circulated copies of Durrel Robison's exception. Clyde Sumida requested an opportunity to write a rebuttal to Robison's exceptions.

Executive Secretary was directed to notify Robison that he will be given an opportunity to discuss his exceptions with the Commission on July 31, 1975 at 9 a.m.

RE-577 Masao Shintani

Chairman Sodetani appointed John Texeira and Tadayoshi Ishizu as hearing officers on this case.

RE-593 Jerry A. Ching

Executive Secretary reported that he was not able to write a hearing notice for this case. Chairman Sodetani appointed John Texeira and Ah Kau Young as hearing officers.

RE-595 Empire Properties International, Inc.

Chairman Sodetani suggested that E. John McConnell be appointed as hearing officer for this case.

John Texeira moved and Tadayoshi Ishizu seconded to approve the Chairman's suggestion. Motion carried.

RE-596 Harold Basker

Executive Secretary was directed to write to Harold Basker to seek information requested by the Commission.

New Business:

Licensing

CORPORATIONS:

Duvauchelle's, Inc., dba Duvauchelle Realty - Kam V Hwy. & Kamoi
Edwina D. Kuha-PB St., Kaunakakai, Molokai
Floral Realty, Inc. - 35 Kainehe St., Kailua
Robyn L. Kaauwai-PB
Lavery Management, Inc. - 841 Bishop St., #1910, Honolulu
Charles S. C. Young-PB

Executive Secretary recommended the denial of the application for Duvauchelle's Inc., on the basis that the Incorporation is not reflected in the dba.

Mary Savio moved and John Texeira seconded to approve all the applications with the exception of Duvauchelle's Inc. Motion carried.

BRANCH OFFICES:

Rod Burgess Realtors, Inc., Br-1 - 1060 Young St., #308, Honolulu
Albert M. Kanahale-BIC
Prosser Realty, Inc., Br-2 - Poipu & Waikomo Rds. Koloa, Kauai
Robert J. Prosser-BIC

Mary Savio moved and John Texeira seconded to approve all branch office applications. Motion carried.

TRADE NAMES:

- Dircks Realty - 307A Hahani St., Kailua
Elsie Dircks, dba
- Pearlridge-Kahaia Realty - 4211 Waiialae Ave., #306, Honolulu
Anna L. Morris, dba
- Properties Unlimited - 612 Queen St., Honolulu
George E. Hale, dba
- Richard A. Ryzow & Associates - 700 Bishop St., #900B, Honolulu
Richard A. Ryzow, dba
- Seashore Realty - 225 S. Queen St., #23A, Honolulu
James V. Azzarello, dba
- Bob Tanaka Realty - 1219 Keeaumoku St., #202, Honolulu
Robert K. Tanaka, dba

John Texeira moved and Mary Savio seconded to approve all applications subject to a zoning clearance of Properties Unlimited. Motion carried.

CHANGE OF NAME:

- Bortles, Gates & Associates, Inc. - 841 Bishop St., #2101,
Larry L. Bortles-PB Honolulu
(formerly - Bortles & Associates, Inc.)
- A & B Properties, Inc. - 822 Bishop St., Honolulu
Ah Kau Young-PB (formerly - Kahului Development Co., Ltd.)

Executive Secretary recommended the denial of the application for Bortles, Gates & Associates, Inc., due to the fact that Gates is only a real estate salesman.

Mary Savio moved and John Texeira seconded to disallow the application for Bortles, Gates & Associates, Inc., and approve A & B Properties, Inc. Motion carried.

Questionable Applications

The Landman, Inc. (Norman D. Frane)

Executive Secretary informed that the name The Landman, Inc., is in conflict with a company now doing business as The Landsman.

Norman Frane submitted a list of names in order of preference, and requested that the Commission advise him what names were acceptable for registration. Executive Secretary will write to Norman Frane regarding the names approved by the Commission.

Robert L. Mulvihill, Applicant for Salesman's License

Executive Secretary read a letter from Mulvihill's counsel explaining Mulvihill's real estate license suspension by the California Real Estate Department.

Mary Savio moved and Tadayoshi Ishizu seconded to accept Robert Mulvihill's application. Motion carried.

Violet C. King, Applicant for Broker's License

Executive Secretary reported that he had received a new application for real estate broker license from Violet C. King on June 25, 1975.

After considerable discussion, the Commission members unanimously agreed to grant Violet C. King a broker license, provided, that she comply with all requirements for new applicants, including the applicable education requirement and examination requirement, as provided for in Rule 1.10 of the Commission's rules and regulations.

Clyde Sumida suggested that we could have an investigation done on what she has been doing in the past years. No action was taken on this suggestion.

Mary Savio moved and John Texeira seconded to inform Violet King that the Commission will act favorably upon her application, so long as she complies with all of the requirements for a new applicant, which will include; the filing of an application for broker examination and the \$25 fee, the satisfaction of the education requirement of Section 467-9.5 (3), H.R.S., and passing of the broker examination as required under Section 467-8 (1), H.R.S. Motion unanimously carried. (Douglas Sodehani, Mary Savio, John Texeira and Tadayoshi Ishizu were present to vote.)

Audience:

The Hawaii Association of Real Estate Schools

Milton Motooka reported that most of the real estate schools will be sending their questions to Herbert Isonaga.

Milton Motooka presented some questions to the Commission as follows:

- (1) What does the Commission want the Association to do in reference to the provisions of rules and regulations which pertains to the schools?

John Stapleton stated that there are things which should be upgraded and changed in the provisions.

The representatives for the schools will get together and put in writing what they think should be upgraded and present it at the next meeti

- (2) They questioned whether or not the \$1 renewal on certificates fee can be refunded.

The Commission informed them that whatever has been paid, cannot be given back because it goes into the Recovery Fund.

The representatives felt the \$1 renewal fee is no longer needed and they request for relief in the future. They would like

some direction or billing as to what they pay. The Executive Secretary clarified this to the representatives saying that only if they have a second course (broker), they are required to pay \$1 for each broker certificate issued.

- (3) Executive Secretary was requested to write to Manwaring of E.T.S. regarding the pledge that each candidate has to make when taking the examination.

Chairman Sodetani suggested that the Association write to the Director, Wayne Minami, to inform him that they are not satisfied with E.T.S. and give the reasons why.

Mary Shern requested approval for the schools to print their own guidelines for equivalent experience at the schools expense subject to the approval of the Executive Secretary. She was advised that the Commission had no objections to the proposal.

Miscellaneous:

April 12, 1975 Examination Results

Executive Secretary recommended that the Commission approve the list of successful candidates that was circulated at the last meeting of June 26, 1975.

John Texeira moved and Tadayoshi Ishizu seconded. Motion carried.

Real Estate Schools Visitation Report

Executive Secretary informed that the visitation reports be handled the same way as the previous reports.

Mary Savio moved and John Texeira seconded that a copy of the report, as it pertains to the schools, be sent to the schools for their perusal. Motion carried.

Vacation Reservations, Ltd.

(See Attorney General's Report)

Sunshine Law - Act 166, S.L.H. 1975

Executive Secretary suggested that the Commission review the law before the next Commission meeting and be familiar with the requirements.

Civil Suit: Jason Apartment Owners Assn. vs the Real Estate Commission

Executive Secretary reported that the Commission has been named as co-defendant in a law suit brought by the Jason Apartment Owners Association, and a copy of the Complaint has been forwarded to Clyde Sumida who will handle this matter for the Commission.

Correspondence: Letter from The Hawaii Association of Realtors Regarding Their Annual Convention

The Hawaiian Association of Realtors has requested that the Real Estate Commission members participate in a panel discussion at the annual convention of the Association to be held on October 16 and 17, 1975, at the Sheraton Waikiki. The panel discussion will be on the subjects relating to "time sharing" in condominium projects, condominium management problems, and continuing education requirements for salesmen and brokers.

The Commission members were in agreement to comply with the Association's request. The Executive Secretary was directed to reply to the request in the affirmative.

Chairman Sodetani designated John Urner to be the principal speaker on "time sharing", Herbert Isonaga on condominium management problems, and Mary Savio on continuing education requirements.

Executive Secretary requested that we have our October meeting on October 15, 1975 at 9 a.m.

Announcement: Chairman Sodetani directed John Texeira to pass a resolution to Mary Savio extending the Commission's condolences for the loss of her husband, Rudy Savio.

Herbert Isonaga moved and John Texeira seconded. Motion carried.

1977 NARELLO Western District Conference

Chairman Sodetani informed the Commission that the 1977 NARELLO Western District Conference will in most probability be held in Honolulu on the second or third week in June. He appointed Ah Kau Young as Chairman and John Urner as Vice Chairman for the committee that will be handling all 1977 conference matters in Hawaii.

Date of
Next Meeting:

Thursday, July 31, 1975 at 9 a.m.

Adjournment:

There being no further business, Chairman Sodetani adjourned the meeting at 2:50 p.m.

Taken and recorded by:

Karen Hirota
Karen Hirota, Clerk-Steno. ner

Approved by:

Yukio Higuchi
YUKIO HIGUCHI, Executive Secretary