

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

MINUTES OF MEETING

Date: Friday, March 18, 1977

Place: Public Utilities Examination Room
Department of Regulatory Agencies
1010 Richards St., Honolulu, Hawaii

Present: Ah Kau Young, Chairman
Mary Savio, Vice Chairman
Tadayoshi Ishizu, Member
Edwin H. Shiroma, Member
John Texeira, Member
John M. Urner, Member
Ralph Yagi, Member

Russel Nagata, Deputy Attorney General
Carol Yamamoto, Law Clerk
Yukio Higuchi, Executive Secretary
John W. Reilly, Educational Consultant
Saeko Whang, Secretary

Prof. Donald W. Bell, College of Business, U. of H.
Marvin H. Uehara, Representative - Kihei Beach Joint Venture
Fred Kwok, " " " " "
Joe Kealoha, " " " " "
Gary Oliva, Attorney for Kihei Beach Joint Venture

Call to Order: There being a quorum, Chairman Ah Kau Young called the meeting to order at 9:05 a.m.

The Executive Secretary introduced new secretary, Saeko Whang, to the Commissioners.

The Executive Secretary apprised that the agenda for today's meeting was filed at the Lt. Governor's office on March 14, 1977, in compliance with the Sunshine Law.

Minutes: Edwin Shiroma moved and Mary Savio seconded to approve the minutes of February 25, 1977 meeting as circulated. Motion carried unanimously.

Committee Reports: Real Estate Education Advisory Council

S.B.M.P. Proposal for Continuing Education Course

Mary Savio reported that to receive approval for this program, Commission must go the regular route, first check with ASO, etc.

The Executive Secretary reported that agreement had been prepared with the help of John Reilly. The agreement will be submitted to the Attorney General's Office and Director.

Establishment of Real Estate Chair

The Executive Secretary reported that he has been advised that proposal for establishment of the Real Estate Chair has been approved by the Governor's Office. The Commission may start proceeding in execution of the contract. The form has been approved by the Attorney General's Office and all it requires is signatures of the parties to the contract.

Prelicense Real Estate Salesman Course Curriculum

The Executive Secretary reported that the curriculum submitted by John Reilly for salesman course had been approved at the last meeting.

Edwin Shiroma moved and Mary Savio seconded to circulate the curriculum outline, as adopted, to the real estate schools. Motion carried unanimously.

Educational Consultant's Report

John Reilly stated that he has no written report to submit and to defer this matter to next month's meeting.

Legislation Committee

Chair recognized Edwin Shiroma and Mary Savio who devoted much of their time testifying on condominium bills before the Legislature.

Mary Savio reported that she testified on S.B. No. 330, S.D. 1 and is hopeful this bill will pass.

Ralph Yagi commented that Time Sharing Bill is "dead" for this session.

Laws & Rules Review Committee

Committee Chairman Edwin Shiroma thanked everyone for participating on the review work one day before the regular meeting.

Edwin Shiroma reported that the review of Chapter 514 shall be deferred until the legislative session is over; Chapter 467 is now being reviewed and the Committee will continue to hold regular review session one day prior to the regular meeting. The next law review session will be held on April 28, 1977, 9:00 a.m. at Tropic Shores Realty office.

Attorney General's Report

Deputy Attorney General Russel Nagata reported on RE-75-8, Hugh Menefee, Inc. and circulated copies of his letter dated March 1, 1977 stating reasons for settlement.

Business Out
of Minutes:

Letter from Peter Starn Regarding Kealia Condominium

The Executive Secretary gave a brief informational background for the audience and stated that this matter had been referred to the Attorney General's Office for study and that Peter Starn has been notified the action taken by the Committee to appear before the Commission.

Attorney Gary Oliva was the spokesman. Questions and answers ensued.

Joe Kealoha, broker also spoke and said that 41 commitments for option to purchase have been made and that they do not intend to offer to the general public.

After considerable discussion, Edwin Shiroma moved and Mary Savio seconded to go into executive session. Motion carried unanimously. (9:55 a.m.)

Edwin Shiroma moved and Mary Savio seconded to adjourn the executive session. Motion carried unanimously. (10:05 a.m.)

John Texeira moved and Tadayoshi Ishizu seconded to reconvene regular meeting. Motion carried unanimously.

Deputy Attorney General Russel Nagata informed counsel Gary Oliva that the Commission feels that they are in violation of Section 514-29, H.R.S. However, rather than hold a formal hearing, the Commission would accept voluntary compliance in the future and let the 41 commitments stand.

Edwin Shiroma stated that in the future, sales material should be presented to the Commission prior to making any commitments.

Gary Oliva replied that a letter will be drafted agreeing to the conditions of voluntary compliance.

Investigations: RE-635 Kenneth Tokujo

At the request of the Executive Secretary, Edwin Shiroma moved and Mary Savio seconded to add above item to agenda in compliance with the Sunshine Law. Motion was unanimously carried.

The Executive Secretary reported that the hearing on Kenneth Tokujo was scheduled to be heard by department's hearing officer Darryl Choy, however, Tokujo had entered into agreement with the Attorney General and signed a Waiver of Hearing With Prejudice and Stipulation to Surrender Real Estate Salesman's License.

Mary Savio moved and Edwin Shiroma seconded to accept the recommendation of Hearing Officer Darryl Choy to dismiss the case on the basis that Kenneth Tokujo has signed an agreement to surrender his real estate salesman's license. Motion carried unanimously.

RE-75-27 Benjamin Kong (Liliha Square)

The Executive Secretary reported that there is a possibility of a settlement on above case. The developer and his partners are meeting on March 23 to discuss this matter and requested some time. He requested that action on this matter be postponed.

Mary Savio moved and Edwin Shiroma seconded to defer this matter. Motion carried unanimously.

RE-76-136 Robert Miller etal

Ralph Yagi moved and John Urner seconded to hold a formal hearing on the 3 respondents named on the investigation report and Nagatori of Horita Realty, Inc., and designated the department's hearing officer to hear the case.

RE-77-2 Ronald D. Sewell

After discussion, John Texeira moved and John Urner seconded to hold an informal conference limited to Sewell only. Further discussion ensued and Edwin Shiroma directed the Executive Secretary to (1) check if the subdivision is registered and (2) was the purchaser provided with a public offering statement. A vote was taken on the motion and the vote was:

Ayes: John Texeira and John Urner

Nayes: Tadayoshi Ishizu, Edwin Shiroma, Ralph Yagi and Mary Savio
Motion defeated.

Mary Savio moved and John Urner seconded that the complaint be dismissed on the grounds for insufficient evidence to prove Sewell's misrepresentation. Motion carried unanimously.

RE-77-22 R. Gregg Hall, R.S.M., Inc.

Edwin Shiroma moved and Ralph Yagi seconded that respondent proceed for a reasonable settlement within 4 months; if settlement cannot take place, Commission to proceed for a formal hearing in violation of Rule 1.3(b) concealment of pertinent facts. Motion carried unanimously.

CON-76-22 Dyck & Lowson, Inc.

Ralph Yagi moved and John Urner seconded that the complaint be dismissed with a letter of warning sent to the respondents. Motion carried unanimously.

New Business: Licensing

CORPORATION

R S Ellsworth, Inc. - 562 Alexander Young Bldg, Honolulu
William L. Phillips, pb

Mary Savio moved and John Uner seconded to approve the application of R. S. Ellsworth, Inc. subject to R. S. Ellsworth having a broker's license. Motion carried unanimously.

Realty Three, Inc. - 747 Amana St., #211, Honolulu
Richard W. C. Ho, pb

Mary Savio moved and Tadayoshi Ishizu seconded to approve application of Pealty Three, Inc. Motion carried unanimously.

Shamrock Realty, Inc. - 1314 So. King St., 16th Flr, Honolulu
Ronald M. Hirahara, pb

Edwin Shiroma moved and Mary Savio seconded to approve application of Shamrock Realty, Inc. Motion carried unanimously.

PARTNERSHIP

Kunihisa-Ifuku and Associates - 98-1247 Kaahumanu St., #220, Aiea
Raymond Yasuyuki Ifuku, pb

Edwin Shiroma moved and John Texeira seconded to approve the above application. Motion carried unanimously.

TRADENAME

Phil Broms - 190 S. King St., #1414, Honolulu
Philip R. Broms, dba

Doug Huffman - 309 A Hahani St., Kailua
Douglas T. Huffman, dba

Sus Kaneshiro Realty - 98-1247 Kaahumanu St., #220, Aiea
Susumu Kaneshiro, dba

Macleod Realty - P. O. Box 727, Kailua-Kona, HI
Theron C. Macleod, dba

Paradise Properties - 317 Kamakee St., Honolulu
Colleen Meyer, dba

Jim Slaten - 94-119 Farrington Hwy, Waipahu
James D. Slaten, dba

W. S. Tom - 1451 S. King St., #406, Honolulu
Woodrow S. Tom, dba

Mary Savio moved and Tadayoshi Ishizu seconded to approve the above applications for tradenames. Motion carried unanimously.

CHANGE OF CORPORATE NAME

Alohawaii Real Estate, Inc. - 1149 S. Beretania St., Honolulu
Peter T. Kimura, pb (formerly Alohawaii Real Estate)
Circle Realty, Ltd. - 1650 Kanunu St., #211, Honolulu
Len Dillenbeck, pb (formerly Central Isle Realty, Inc.)
Poipu Beach Realty - RRI, Koloa, Hawaii
Arthur G. Sheldon, pb (formerly Moana/Kauai Corporation)
Slavish & Associates, Inc. - 12 S. King St., #201, Honolulu
Edward M. Slavish, pb (formerly Broms-Slavish & Associates, Inc.)

Edwin Shiroma moved and Tadayoshi Ishizu seconded to approve the above applications for change of corporate names. Motion carried unanimously.

RESTORATION OF FORFEITED LICENSE - Past 2-Year Deadline

Jacob Chu

The Executive Secretary read letter from Jacob Chu stating why his salesman's license was forfeited in December 1962 and that he plans to retire from Board of Water Supply in May 1977 to resume his real estate activity.

Following the discussion, Edwin Shiroma moved and John Urner seconded to deny restoration of Jacob Chu's license on the basis that he has been out of real estate sales work for too long a period and he is no longer qualified as a real estate salesman. Motion carried unanimously.

Thomas K. Lalakea

After a brief discussion, John Urner moved and Edwin Shiroma seconded to deny Thomas K. Lalakea's application on the basis that he has been out of real estate sales work for too long a period and he is no longer qualified as a real estate salesman. Motion carried unanimously.

Edwin L. Prossinger

As Erwin L. Prossinger forfeited his license only since January 1975, Mary Savio moved and John Urner seconded to approve application of above applicant for restoration of license. Motion carried unanimously.

Arnold S. Todoroki

John Urner moved and Tadayoshi Ishizu seconded to deny Arnold S. Todoroki's application since applicant forfeited his license in January 1971 and the Commission feels that he is no longer qualified as a real estate salesman. Motion carried unanimously.

Island Wide Associates, Ltd.
Raymond E. Smythe, ph

Tadayoshi Ishizu moved and John Urner seconded to add Island Wide Associates, Ltd. to the agenda in compliance with the Sunshine Law. Motion carried unanimously.

Following the Executive Secretary's assurance of all corporate exhibits having been filed, Mary Savio moved and John Urner seconded to approve above application for corporate license. Motion carried unanimously.

Miscellaneous: 1977 NARELLO Western District Conference

Chair announced that he has authorized Trade Wind Tours to mail letters and travel information directly to all registrants. To date, there are approximately 78 people who plan to attend, non-inclusive of the Hawaii delegates. Registration fee has been set for \$50.00 per person. It was suggested that all past Commissioners be invited to attend this conference.

December 1977 Real Estate Examination Date

Marshall Goldman President of the Real Estate Schools Association of Hawaii, appeared to discuss the selection of a date for the December 1977 examination.

Some of the alternatives proposed by Marshall Goldman were (1) not process salesman license renewal applications of those who sat for the December broker examination until the end of January and allow credit for those who successfully passed the broker examination to credit their salesman license renewal fee toward their application for broker license; (2) require the real estate schools to give notice advising broker applicants what can happen if they apply for the December examination just prior to the license renewal period; and (3) E.T.S. to do some special dispensation. A possible solution was to have 2 broker examinations in a year.

After deliberation, Mr. Urner moved and John Texeira seconded to make full disclosure to broker applicants only, a responsibility to be placed on the real estate schools, that should an applicant take the broker examination in December of even years, he will jeopardize himself to paying a double fee at the biennial renewal period. Motion carried unanimously.

Mary Savio moved and John Urner seconded to set December 3, 1977 as the last examination date for 1977. Motion carried unanimously.

Announcement: John Urner strongly expressed the opinion of all the Commissioners that Executive Secretary, Yukio Higuchi, should be properly compensated for his outstanding and devoted services. Mr. Urner moved that a letter be drafted by Chairman Young, signed by all

members of the Commission, addressed to Director Wayne Minami to elevate Executive Secretary's position from SR-26 to SR-28. The motion was seconded by John Texeira and unanimously carried.

Date of Next Meeting:

April 29, 1977 (Board Room)

Adjournment:


There being no further business, Chairman Young adjourned the meeting at 3:40 p.m.

Taken and recorded by:



Saeko Whang, Secretary

Approved by:



YUKIO HIGUCHI, Executive Secretary

3/31/77