

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

MINUTES OF MEETING

Date: Tuesday, December 20, 1966

Place: Public Utilities Commission Hearings Room
1225 Miller Street, Honolulu, Hawaii

Present: Jack K. Palk (Oahu) Chairman Hiromu Yamanaka (Hawaii)
Yukio Kashiwa (Oahu) Takeo Yoneji (Kauai)
Harold J. Silva (Cahu) William H. C. Young (Oahu)

Tom L. Peterson, Deputy Attorney General
Robt E. Bekeart, Executive Secretary

By Invitation

Wesley F. Charlton, representing Real Estate Association of Hawaii
H. Dickey Thacker, representing Honolulu Board of Realtors

There being no appointed representative for the County of Maui, the chair noted this vacancy for the record. Mr. Douglas Sodetani's letter of greetings and digest of his statement on Maui vacancy were presented to the members.

Call to Order: There being a quorum, the Chairman called the meeting to order at 10:15 a.m.

Mr. Thacker, First Vice President, Honolulu Board of Realtors, was introduced to the commissioners. He replaces Mr. Phil B. Thomas as the Board's liaison with the Commission for the year 1967.

Minutes: UPON MOTION, the Commission approved the minutes of Tuesday, November 22, 1966.

Motion carried unanimously.

Financial Report: The Financial Report for the month of December, as of December 19, 1966, was studied.

Mr. Yoneji asked for an explanation of the debit figure of \$760.40 in the out-of-state travel expenditure. The Executive Secretary responded that this was for a portion of an unallocated amount involving the Commission's second delegate attending the 38TH ANNUAL NARELLO CONFERENCE as a result of the Chairman's negotiations with the Director.

In discussing the Licensing Administrator's inquiry on the Commission's feelings about the periodic issuance of a Financial Report, the members were in agreement that they should have access to information and data which show how the fees or income received from real estate law requirements are allocated within the Department. The commissioners asked that the Executive Secretary discuss a change in format of the Financial Report with the Administration in order to

give the Commission accurate information as a basis to consider whether the fees collected are adequate to meet the needs in administering and enforcing real estate laws or regulations.

Specifically, the Commission requests that a quarterly financial report be prepared to show the actual fees or income received and the expenditures within the operating budget allocations of the Licensing Division.

Once the Commission receives information in this requested format, it would help the regulators in determining whether the fees are adequate or should legislative remedies be explored to adjust the income or fee schedule.

UPON MOTION, the Commission ruled that it will accept a Financial Report on a quarterly schedule which gives details of revenue collected and expenditures made from that income source in support of the real estate law enforcement program.

Motion carried unanimously.

Business
Out of
Minutes:

LICENSING (Sec. 170-1. through 170-14.)

(No business carried over.)

SUBDIVISIONS (Sec. 170-30. through 170-38.)

PARK ESTATES SUBDIVISION (RECORD OF SURVEY 2490)

Mr. Young reported on his examination of the registration.

The Commission is of the opinion that the subdivision public report from another regulatory body can be used as an informational device for the commissioners to study in reviewing an out-of-state registration. It was agreed that the Executive Secretary would initiate procedures to verify information and data filed by a subdivider. In the case of PARK ESTATES SUBDIVISION, the registrant is to be questioned on whether the County of Los Angeles has required standards of road construction that must be met. What are the requirements for this unincorporated territory of said County? Can the subdivider file with the Commission evidence from the appropriate governing authority that all planning and zoning requirements have been complied with? If local government does not require final approval, the Commission is to be notified of this fact and the subdivider will be directed to consider qualifying his registration under Sec. 170-34.(b) or (c) of the Subdivision Registration Law.

The matter of access to individual lots, provisions for the repair and maintenance of streets and roads must also be discussed with the subdivider to the satisfaction of the Commission.

EAST VEGAS TRACT SUBDIVISION

Mr. Yamanaka reported on his study of the registration. He noted that the statement reflects that streets will be put in giving

purchasers access to their lots when tract is developed and houses are constructed.

The Executive Secretary advised the commissioners that the examiner, Mr. Yamanaka, called this matter to his attention by memorandum and in turn the registrant had been told that the Commission could not accept the registration as completed until there was a satisfactory report from the City of North Las Vegas or the Clark County authorities to the effect that access roads are required or not in this particular tract development.

CONDOMINIUMS (Sec. 170A-1. through 170A-44.)

The commissioners accepted the report on projects registered pending the write up of a public report.

KAPIOLANI TERRACE	3/23/66
KAANAPALI SHORES III	4/11/66
KAAHUMANU TOWER	7/12/66
WEST WIND	3/12/66
THE MAGELLAN	12/12/66
MAUNAIHI TOWERS	12/15/66
PAWAA GARDENS	12/16/66

INVESTIGATIONS

RE-221, MOILILI GARDENS UNIT 2

Mr. Kashiwa presented the highlights of his findings on studying the investigation report. He believes the specific areas of interest to the Commission are (1) a Supplementary Public Report should have been published disclosing the fact that material changes had been made in the project from the time it was first registered with the Commission; and (2) the apparent misrepresentation in the multi-colored brochure illustrating that the building will have a decorative volcano type rock facade and that the overpass, as illustrated graphically, was later deleted from the construction.

It was agreed that these specific areas of misrepresentation by the Developer will be documented further in order to prepare the complaint for prosecution. Transmittal letter will forward the investigation file through channels to the Office of the Prosecutor, City and County of Honolulu.

RE-213, I. WALTER FURUYA

Statement of charges and notice to appear for a hearing are being processed for review and acceptance by the Attorney General. Mr. Young, assigned the responsibility of Hearing Officer, will be kept abreast of developments and the established date of the hearing.

RE-219, C. S. CHUN & CO., INC.

The commissioners discussed the matter of supervision and control of the real estate operations of the company and the matter of using the personal name when said person is not a licensed broker. In developing a policy on the use of a personal name such as C. S. Chun, the Commission set down the following guidelines: (1) the registrant would be encouraged not to make application for a corporate broker license using a personal name; (2) an application for the use of a particular personal name will be placed on the agenda of an ensuing Commission meeting for action; (3) the applicant will prepare and submit a statement in affidavit form outlining how the arrangement is to work in order to satisfy supervision and control objectives; (4) the registrant will state what safeguards are planned in order to protect the public; and (5) the applicant will satisfy the Commission's concern that the unlicensed person who controls the company does not intend to participate in the operations of its real estate department.

RE-225, ROGUE PERALTARE-227, ROGUE PERALTA

The Chairman, after reviewing the two investigation files and verifying information therein, recommended that these two complaints be set aside for sixty (60) days.

New
Business:LICENSINGNEW CORPORATIONS, PARTNERSHIPS, DBAs and BRANCH OFFICESCorporations

(None)

Partnerships

(None)

DBAs

Len Dillenbeck	dba	CIRCLE REALTY
Robert M. Nakata	dba	JET REALTY
Walter N. Clark	dba	WALTER N. CLARK REALTY CO.

Branch Office

Robinson and Lowe Realty, Inc.
(at Hawaii Kai Shopping Center)

Shoji Fujishima
BIC

SUBDIVISIONS

UPON MOTION, the Commission accepts as completed the Subdivision Registration Statements on the following in-state projects:

HARBOR VIEW UNIT 3-C SUBDIVISION - Hoaeae, Waikele, Ewa, Oahu, Hawaii; 14 lots; subdivider - HSM Ventures (2024 N. King Street, Honolulu); selling broker - Herbert K. Horita Realty, Inc.

HARBOR VIEW UNIT 4-B SUBDIVISION - Hoaeae, Waikele, Ewa, Oahu, Hawaii; 57 lots; subdivider - HSM Ventures (2024 N. King Street, Honolulu); selling broker - Herbert K. Horita Realty, Inc.

Motion carried unanimously.

DEERFIELD RANCH UNIT NO. 2 SUBDIVISION

DEERFIELD RANCH UNIT NO. 5 SUBDIVISION

The above two registrations will be reported on by the examining commissioner, Mr. Yoneji, at the next meeting. As of this date, he has not received the December 15, 1966 mailing of the files from the Commission office.

RECORD OF SURVEY 1575 SUBDIVISION

Mr. Silva will examine the registration and make his recommendation to the Commission.

RECORD OF SURVEY 2150 SUBDIVISION

Mr. Silva will also examine this filing and report to the Commission at the next meeting.

CONDOMINIUMS

Condominium Reports Published:

REG. NO. 157 Preliminary	HILLCREST GARDENS 217 Prospect Street	December 2, 1966
REG. NO. 158 Preliminary	VICTORIA PLAZA CONDOMINIUM Thurston and Spencer Streets	December 19, 1966
REG. NO. 159	ISLAND FINANCE PLAZA Kanoa and Cihana Streets Wailuku, Maui	December 20, 1966

INVESTIGATIONS

RE-213, LILYAN S. FUJII - based on the information presented in the report, there appears to be no violation of law or regulation. Report is recommended filed.

RE-229, NELSON CHANG dba N. C. REALTY - it appears to the Commission that there was a misunderstanding. The Developers have been reimbursed for all overcharges and the members accept the condition that this was not an intentional breach by the respondent broker.

RE-232, THELMA ROYER (County of Hawaii) - the Commission notes that the respondent is a full time employee of Nanewale Estates Subdivision in Hilo and therefore no action is to be taken on the basis of the facts reported.

Miscellaneous:

1967 LEGISLATIVE PROGRAM - The Chairman's memorandum to Mr. Hashimoto, Director, Department of Regulatory Agencies, is being prepared for mimeograph processing and forwarding. The three proposals for legislation to amend the real estate licensing statute, the subdivision registration regulations and the horizontal property law will be forwarded as an enclosure to Mr. Palk's communication.

POLICY IMPLEMENTATION

RULE 1.3 RESTORATION OF FORFEITED LICENSES

The Executive Secretary reported that all applicants for restoration of licenses under this policy have been notified of the Commission's action of November 22, 1966. The next step will be to prepare and forward to said applicant a memorandum of instructions on the preparation and filing of the affidavit and other related information.

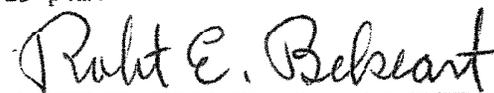
Date and

Tuesday, January 24, 1967 at 10:00 a.m. in Honolulu, Hawaii.

Time of

Next Meeting:

Adjournment: There being no further business to transact, the Chairman declared the meeting adjourned at 12:25 p.m.



ROBT E. BEKEART
Executive Secretary

APPROVED BY THE COMMISSION:

JACK K. PALK
Chairman

REB:km
1/19/67