

REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Friday, September 30, 1988

Time: 9:00 a.m.

Place: Kuhina Nui Room, Second Floor
(fka Board Room)
Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Present: Yukio Takeya, Hawaii Member,
Vice Chairman
Constance Smales, Public Member
Yoshiko Kano, Kauai Member
Peter Yanagawa, Member
Marcus Nishikawa, Member (Late arrival)
Douglas R. Sodetani, Maui Member

Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer
Russell Wong, Assistant Information Officer
Sherrie Lee Wong, Secretary
Irene Kotaka, Secretary

Glenn Grayson, Deputy Attorney General
Rodney Maile, Hearings Officer
Carla Poirier, RICO Attorney
Sharon Leng, RICO Attorney
John Ramsey, Consultant

Carol Nakagawa, Property Specialists
Robert Warner, Attorney for Licensee

Excused: Gloria Damron, Chairman
Michele Matsuo, Public Member
Larry Ordonez, Public Member

Call to Order: The meeting was called to order by Vice-Chairman Takeya at 9:14 a.m., at which time quorum was established.

Executive
Secretary's
Report:

The Executive Secretary reported that the Ralph Yagi scholarship fund is sponsoring a golf tournament.

Approval of
Minutes:

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the minutes of the August 26, 1988 Real Estate Commission Meeting as circulated.

Hearings
Officer's Report:

W. E. DENISON CORPORATION

The W. E. Denison Corporation has filed a Petition for Declaratory Relief relating to the condominium hotel operator's licensing requirements.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the request for declaratory relief.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to refer the petition to the Office of Administrative Hearings for further proceedings.

SUSIE TAMASHIRO; RE 86-187A

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to accept the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order.

CATHERINE AIU, RE 87-103 and RE 87-181

Sharon Leng, RICO Attorney, was present on behalf of the State.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the Settlement Agreement.

Minutes of the September 30, 1988 Meeting

JUNE LUDWICK AND ALOHA STATE REALTY, INC.

Carla Poirier, RICO Attorney, was present on behalf of the State.

Upon a motion by Commissioner Sodehani, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

JOAN MARIE TOSCANO; RE 87-501

Ms. Poirier was present on behalf of the State.

Upon a motion by Commissioner Sodehani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the Amended Settlement Agreement.

Commissioner Nishikawa arrived at 9:46 a.m.

WALLACE K. AKUNA, SR., RE 87-90 et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

RONALD BEAN, RE 87-90 et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

DEREK KANO; RE 87-90 et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

DONALD SHEA; RE 87-90 et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

DIANE TOKUJO; RE 87-90 et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

ROY ZUCONNI; RE 87-90, et al.

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

VACATION TRADE CENTER; RE 87-239

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to approve the Settlement Agreement.

VERN YORK; RE 85-36

Upon a motion by Commissioner Kano, seconded by Commissioner Smales, it was voted on and unanimously carried that Mr. York successfully complete the Graduate Realtors Institute (GRI) II course scheduled to begin October 5, 1988.

Committee Reports:

EDUCATION COMMITTEE

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Kano, it was voted on and unanimously carried to adopt the following recommendations of the September 9, 1988 Education Committee Meeting as follows:

1. Approve Dean Witter Reynolds, Inc. as the "Investment Advisor" for consulting services, subject to compensation.
2. Approve investment guidelines for both the education and real estate recovery funds

3. Adopt by rulemaking the definition of "Continuing Education".
4. Approve the deferral of discussion on a toll-free number for the neighbor island licensees.
5. Approve the issuance of Certificates of Appreciation to Joseph F. Blanco, outgoing Commissioner and Education Committee Chairman, for his outstanding contributions to the real estate profession and to Gayle Kauihou, Secretary to the Information Officer for her supportive assistance and contributions to the real estate profession.
6. Defer discussion and decision making on the issues raised in Ms. Linda Dellaria's letter of August 23, 1988, from the Educational Testing Service.

REAL ESTATE RESEARCH AND EDUCATION CENTER

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the supplemental appropriation of \$101,005 pursuant to the terms of the contract.

Additions to the Agenda:

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Kano, it was voted on and unanimously carried to add the following items to the agenda:

1. Licensing - Restoration
 - a. Mackin, Joseph A.
 - b. Foss, John A.
 - c. Moffett, Gloria
 - d. Williams, Jessica
2. Licensing - Questionable Applications
 - a. Friendly Isle Realty, Inc.
 - b. EASTPAC Realty Corp.
 - c. Yamashiro, Dane
 - d. McNamarra, Markham
 - e. Nutter, Norman E.

- f. Powell, Kathryn E.
- 3. Hearings Officer's Report
 - a. Walter Clark
 - b. Chester Okuno

Hearings Officer's Report:

WALTER CLARK DBA WALTER CLARK REALTY

This matter was remanded back to the Hearings Office for further investigation at a previous meeting.

CHESTER OKUNO

Upon a motion by Commissioner Nishikawa, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to approve the Recommended Order for Dismissal.

Committee Reports:

1988 ANNUAL REPORT

Drafts of the 1988 Annual Report were distributed to the Commissioners. Commissioners are to submit their comments to the Commission staff as soon as possible.

Upon a motion by Commissioner Sodegami, seconded by Commissioner Kano, it was voted on and unanimously carried to select the photograph of the real estate license as the cover for the 1988 Annual Report.

CONTINUING EDUCATION SUBCOMMITTEE REPORT

Commissioner Smales reported that she will be submitting a more detailed plan on continuing education rules and guidelines at the next Education Committee meeting on October 19, 1988.

Commissioner Smales reported that she and the Executive Secretary met with the Director to discuss the acquisition of computer hardware for the tracking system. She also reported that Dr. Ordway will be testing the modules before the end of 1988. Selected licensees will be asked to

participate in the experimental course with the understanding that they would be asked to critique it when they complete the course.

The next Education Committee meeting will be held on October 19, 1988. Commissioner Sodetani will preside over the meeting as Commissioner Nishikawa will be out of town.

CONDOMINIUM AND COOPERATIVE REVIEW COMMITTEE

Upon a motion by Commissioner Yanagawa, seconded by Commissioner Sodetani, it was voted on and unanimously carried to adopt the recommendations of the September 29, 1988 Condominium and Cooperative Review Committee Meeting as follows:

1. Staff proceed to arrange a forum to convene public officials from the State and County agencies and any other concerned persons to discuss the issues which arise from the ohana dwelling ordinance and the condominium law.
2. Staff to work with the Attorney General's Office to address the issue on breach of the owner-occupant affidavit by the purchaser.
3. Staff to work with the Chairman of the Condominium and Cooperative Review Committee to incorporate revisions to the present public report format and prepare the revised draft for printing.

LAWS AND RULES REVIEW COMMITTEE

Upon a motion by Commissioner Takeya, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to adopt the recommendations of the September 29, 1988 Laws and Rules Review Committee meeting as follows:

1. Approve the deferral of legislation concerning real estate appraisers until the National Association of Realtors (NAR) and the National Association of Real Estate License Law Officials (NARELLO) can reach a consensus.
2. Commission staff to draft a response to the Oklahoma Real Estate Commission informing them that the Commission does not desire to enter into a reciprocal agreement at this time as it would require statutory changes and that Commission staff obtain a copy of Oklahoma's reciprocal agreement for review.
3. Commission staff to follow up on the investigation of home occupations in the County of Hawaii with the Hawaii Planning Department staff.
4. The next issue of the Real Estate Bulletin and the real estate school bulletin shall contain an article summarizing the changes to the Federal Fair Housing Laws.
5. Commission staff to investigate the cost of printing a consumer brochure on the Federal and State Fair Housing Laws recommended in the HUD/NARELLO Fair Housing Agreement.
6. The members of the delegation to the NARELLO Annual Meeting shall represent the Commission at the meeting relating to the proposed amendments to the NARELLO Constitution.
7. An attendee to the NARELLO Annual Meeting shall attend the Special Studies Committee Meeting to listen to the arguments presented concerning the maximum effective number of clock hours per session or day which may be offered in a real estate course for applicant/licensees and the effective

means for real estate commissions to obtain access to fees collected by the agency from applicant/licensees for the specific purpose of administering the real estate license laws. The attendee shall report back to the Commission and then the Commission staff shall respond to the opinion poll.

- 8. The Executive Secretary shall work with the Real Estate Research and Education Center and approve the proposed guideline for community service option.

Executive Session:

Upon a motion by motion by Commissioner Smales, seconded by Commissioner Kano, it was voted on and unanimously carried to enter into Executive Session, pursuant to Chapter 92-5(a)(1), "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;" at 11:11 a.m.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Yanagawa, it was voted on and unanimously carried to move out of Executive Session at 12:09 p.m.

Licensing:

RESTORATIONS

| | |
|-------------------------|-------------|
| Gauen, Joseph P. | Salesperson |
| Von Platten Luder, Eric | Salesperson |

After a review of the information submitted by the applicants, Commissioner Sodetani moved that restoration be approved upon submitting evidence of successfully passing the real estate salesperson's examination, with a one-time waiver of the education requirement. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

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|--------------------|--------|
| Ako, Francis C. G. | Broker |
| Eggers, Debra Lee | Broker |
| Russell, Michel L. | Broker |
| Mackin, Joseph A. | Broker |

After a review of the information submitted by the applicants, Commissioner Sodetani moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

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|--------------------|-------------|
| Bixby, David S. | Salesperson |
| De Gagne, Jude P. | Salesperson |
| Dyer, Charlene G. | Salesperson |
| Fournet, David C. | Salesperson |
| Fukunaga, Linda F. | Salesperson |
| Gaza, Maxine M. | Salesperson |
| Meyers, Daniel T. | Salesperson |
| Payton, Kim G. | Salesperson |
| Pierce, James R. | Salesperson |
| Stephens, Michael | Salesperson |
| Foss, John A. | Salesperson |
| Moffett, Gloria | Salesperson |
| Williams, Jessica | Salesperson |

After a review of the information submitted by the applicants, Commissioner Sodetani moved that restoration be approved upon submitting evidence of successful completion of a Commission-approved real estate course. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Kahanu, David W.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the restoration of Mr. Kahanu's real estate salesperson's license. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Little, Gary L.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to grant Mr. Little's request for reconsideration.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to accept Mr. Little's Certificate of Completion of a Commission-approved salesperson's pre-licensing course. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

QUESTIONABLE APPLICATIONS

Chase 'N Rainbows, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the preliminary approval of the tradename, Chase 'N Rainbows, Inc. dba Rainbow Reservations, Inc. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Hotel Corporation of the Pacific, Inc. dba Aston Hotels and Resorts

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to defer discussion on this matter to a later date.

Harrington, Vic

After a review of the information provided by the applicant, Commissioner Sodetani moved to deny Mr. Harrington's request for an educational waiver. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Takara, Evelyn

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to defer discussion on this matter to a later date.

Shell Realty Hawaii, Inc. dba The Kona Coast Joint Venture

Mr. Robert Warner, attorney for Shell Realty Hawaii, Inc., was present to request that the Commission grant a one-year extension to the site office registration.

After a review of the information submitted and presented by the applicant, Commissioner Sodetani moved to approve a six-month extension to the site office registration for the time share project, The Kona Coast Resort at Keahou Gardens. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Hawaii Land Management, Inc.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to defer discussion on this matter to a later date.

Yoshida, Tomoaki

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny Mr. Yoshida's application for a real estate salesperson's license as he did not file his application within 90 days after the examination date. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Wilson, Denver

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny Mr. Wilson's application for a real estate broker's license based on prior complaints and that applicant falsely answered application questions. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Rollins, Jessica

After a review of the information submitted by the applicant, Commissioner Sodetani moved to refer this matter to Commission staff for decision making. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Sohn, Julia Young-Gin

After a review of the information submitted by the applicant, Commissioner Sodetani moved to defer this matter to the October 28, 1988 Real Estate Commission Meeting. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Friendly Isle Realty, Inc.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to accept the Change Form for a change in place of business. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

EASTPAC Realty Corporation

After a review of the information submitted by the applicant, Commissioner Sodetani moved to deny the Change Form for a change in place of business. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Yamashiro, Dane

After a review of the information submitted by the applicant, Commissioner Sodetani moved to accept the application for educational waiver submitted by the applicant. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

McNamarra, Markham

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the real estate broker's experience certificate of Markham McNamarra. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Nutter, Norman E.

After a review of the information submitted by the applicant, Commissioner Sodetani moved to approve the reinstatement of Mr. Nutter's real estate salesperson's license. Commissioner Smales seconded the motion. The motion was voted on and unanimously carried.

Powell, Kathryn E.

Upon a motion by Commissioner Sodetani, seconded by Commissioner Smales, it was voted on and unanimously carried to defer discussion on this matter to a later date.

Next Meeting:

Friday, October 28, 1988
Kuhina Nui Room (fka Board Room)
Second Floor, Kamamalu Building
1010 Richards Street
Honolulu, Hawaii

Adjournment:

With no further business to discuss, Vice Chairman Takeya adjourned the meeting at 12:25 p.m.

Respectfully submitted,

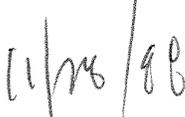


Irene S. Kotaka, Secretary

Reviewed and approved:



Calvin Kimura
Executive Secretary



Date