

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

MINUTES OF MEETING

Date: Friday, January 25, 1985

Place: Board Room, 1010 Richards St.
Kamamalu Building, Honolulu, HI

Present: G. A. "Red" Morris, Chairman
Toru Kawakami, Vice Chairman
Joseph F. Blanco, Member
Gloria J. Damron, Member
Constance B. Smales, Member
Douglas R. Sodetani, Member
Yukio Takeya, Member
Peter N. Yanagawa, Member

Janice Sevilla, Education Officer
Cynthia M. L. Yee, Acting Executive Secretary
Saeko Whang, Secretary

Virginia Lea Crandall, Hearings Officer
Marcus Nishikawa, HAR Representative
Eileen Luko, HAR Education Officer
Violet King, Observer

Excused: Gregg T. Yamanaka, Member

Call to Order: There being a quorum present, the meeting was called to order at 9:10 a.m. by Chairman G. A. "Red" Morris.

Notice of Meeting: The notice of meeting was filed in the Office of the Lt. Governor on January 18, 1985.

Minutes: Upon motion by Commissioner Takeya, seconded by Commissioner Sodetani, the Commission unanimously approved the minutes of December 21, 1984, as circulated.

Hearings Officer's Report: Hearings Officer, Virginia Crandall summarized the following cases which were previously heard:

RE-80-20, 80-123, 82-34, 83-35, 82-47 and 83-53
Robert H. Kneisley (Amended Settlement Agreement)

Upon motion by Commissioner Smales, seconded by Commissioner Takeya, the Commission unanimously approved the amended settlement agreement requiring Respondent Kneisley to pay \$200 within 30 days from date of order, and to take the RECCAL course within 6 months from date of order.

RE-83-244 Betsy J. Christian

Hearings Officer reported that this matter will be reported at the February meeting since there was a typographical error.

RE-83-162 Davis Hawaiian Realty, Inc. and Harriette M. Davis

Upon motion by Commissioner Takeya, seconded by Commissioner Yanagawa, the Commission unanimously approved Hearings Officer's recommended order that Respondents be required to pay a fine of \$350 within two weeks from order and take the RECCAL course within one year from date of order. If they fail to pay, there will be a suspension of one month.

Sam Daily

Hearings Officer reported that the Sam Daily case report has been completed. Xerox copies will be mailed to the Commissioners next week.

Committee Reports: Education Committee

Commissioner Blanco, Chairman of the Education Committee, reported on the following:

Licensing Exam REP's

The staff is working on the services and pricing. Commissioner Smales moved and Commissioner Sodetani seconded to approve a maximum of \$1,000 in expenditures, if necessary, for consulting services regarding psychometric of the exam. Motion carried.

U.H. Foundation

Upon motion by Commissioner Blanco, seconded by Commissioner Sodetani, the Commission unanimously approved to grant \$12,000 to the U.H. Foundation, Real Estate Fund to purchase equipment to facilitate work for the real estate program.

ETS Exam Wuestion Review Session

The exam review session will be held on February 4 and 5, 1985 with eight individuals reviewing the exam. They will be paid \$50 by ETS.

Following discussion, Commission voted to approve additional honorarium of \$50.00 per day per person from the education fund. The motion was made by Commissioner Sodetani, seconded by Commissioner Smales and unanimously carried.

Status of Residential Property Transfer Code

The Residential Property Transfer Code Report has been approved by the Commission and forwarded to the Legislature.

The Commission is to review the code, revise the curriculum and reflect it in the salesman and broker courses.

Chairman Morris requested that the Education Officer be responsible for developing this package revising the curriculum, to be reviewed by the Education Committee and the Commission and sending it out to the real estate schools for discussion for purpose that these items will be used for exams.

Commissioner Smales moved and Commissioner Damron seconded to approve the Education Committee minutes of January 8, 1985 and ratified all actions taken therein. Motion carried unanimously.

Real Estate Research and Education Center

The Commission had discussion on submitting the final revised copy of the Real Estate Research and Education center report to Dean David Bess and Chancellor Kosaki.

Upon motion by Commissioner Damron, seconded by Commissioner Sodetani, Commission unanimously adopted the study, as amended, to be put in its final form to be forwarded to Dean Bess for submittal to Chancellor Kosaki with the report on "A Review of Real Estate Commission Regulatory and Educational Functions (1984)."

Chairman Morris requested that Education Officer and Commissioner Damron correlate the Real Estate Research and Education Center Report with Allen/Ikeda's study report of the Commission to be submitted to the Legislature.

Upon motion by Commissioner Blanco, seconded by Commissioner Smales, the Commission unanimously approved the Education Committee minutes of January 24, 1985.

Publications

On motion by Commissioner Blanco, seconded by Commissioner Damron, the Commission unanimously approved expenditures to purchase the following:

Kentucky tapes and publications
Reilly's book
Kelly's "Land Use Control"

Laws and Rules Review Committee

Laws and Rules Review Committee Chairman Takeya reported on the following recommendations on proposed legislation as discussed at its meeting for approval by the Commission.

1. Fidelity Bond Requirement for Managing Agents

Deferred pending meeting with representatives.

2. Disciplinary Action for Licensees Convicted of a Crime

Approved proposed legislation subject to deletion of the alternative language of (a) of the proposed bill.

3. Approved Rule Amendments Clarifying the Broker's Responsibilities

Deletion of the last paragraph.

4. Client Trust Account

Commission decided on Suggestion 2 for subsection (g).

5. Rules of Arbitration

Commission accepted the proposed language on arbitration rules.

6. Certification and Re-certification of Instructors

This matter to go to public hearing.

7. Renewal of License

Commission approved proposed amendment to Rule §16-99-7 requiring "For an even-numbered year when December 31 falls on a non-working day, renewal fees paid when due if the envelope bears a postmark of the first working day of the year. . ."

8. On motion by Commissioner Sodetani, seconded by Commissioner Smales, the Commission unanimously adopted Nos. V to X of the Laws and Rules Review Committee Report of 1/25/85.

New Business:

LICENSING

Corporation

Aloha Pacific Realty Corp. - 126 Queen St., Hon.
Zigmond Y. K. Look, pb

American Business Investments Corporation -
909 Kapahulu Ave., Hon.
Dorothy C. Phillips, pb

Barton Real Estate, Inc. - 2439 So. Kihei Rd.,
Ste 202-B Kihei
Barton M. Schwartz, pb

Dona Bellinger, Inc. dba Native Realty - 1188
Bishop St., #2108, Hon.
Dona Bellinger, pb

Business Sales Incorporated dba Sun Pacific
Realty - 1200 College Walk, Ste 118, Hon.
Josephine Shiu, pb

Pacific Island Investments, Ltd. dba Pacific
Island Business Brokers - 737 Bishop St., Ste 299
Richard L. Frunzi, pb Hon.

Paoa, Reed & Rand, Ltd. - 910 Honoapiilani Hwy,
Nancy Rand, pb Ste 9, Lahaina

P.R.M. Realty, Inc. - Ka'u Pavilion, Punalu'u
Black Sands Restaurant, Punalu'u
Eric M. Sillito, pb

Rooney's Realty, Inc. - 1060 Bishop St., Hon.
Rooney C. Chen, pb

Harry Soukop & Associates Hawaiian Realty, Inc. -
4614 Kilauea Ave., #377, Hon.
Harry Soukop, pb

Wailea Point Development, Inc. dba Wailea Point
Realty - 3750 Wailea Alanui #I-33, Kihei
Constance A. Morken, pb

WW & Associates, Inc. - 3536 Harding Ave. #406,
Annie Lee Woolley, pb Hon.

Partnership

Ainalani Properties - 850 West Hind Dr., #208
Dona Johnson, pb Hon.

Branch Office

Valley Isle Realty, Inc. - Whaler's Village
Shopping Ctr., Lahaina
Jay H. Sherman, bic

Tradenname

Alii Drive Oceanfront Properties - Elfriede R.
Fujitani, dba

Area Investments - Edmund L. Lee, Jr., dba

Edwin P. Auld, Realtor - Edwin P. Auld, Jr., dba

Kay Banning Realty - Catherine M. Banning, dba

Leo Borovskis Realty - Leo Borovskis Realty,
Inc., dba

Rod Burgess & Associates - Rodney K. Burgess, III,
dba

Cameo Nouvelle Enterprises - Kathleen J. Gursahani
dba

Century 21 Pacific - Joseph K.K.H. Paikai, dba

"Waha" Coakley - Louise Coakley, dba

FYA Realty - FYA Corporation, dba

Investment Concepts - David F. Eldridge, dba

Johnson Associates, Investment Realtors - J.
Allen Johnson, dba

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Kahala Management and Sales - Wayne R. Mitchell,
dba

Jack Nosaka Realty - Jack G. Nosaka, dba

Kazuo Oshida Realty - Kazuo Oshida, dba

Pat's Kailua Beach Properties - Patrick G. E.
O'Malley, dba

PWI Real Estate - Peter M. Wargo, dba

Phyllis Sellens & Co. - Phyllis G. Sellens, dba

John Stephens Realty - John W. Stephens, dba

Talk To Thomas - Brian R. Thomas, dba

Chela M. Wakefield, Realtor - Chela M. Wakefield,
dba

Real Tech - R. Blake Johnson, Jr., dba

DBA Name Change

Keolani Management (Michael K. Keyes, dba)
formerly Keolani Development)

The Commissioners reviewed the list of new corporations, partnership, branch office, trade-names and dba name change for the month of January.

Restorations

Alice A. Aiu	Emily L. Laurens
Jack L. Ayers, Jr.	Waynette Leighton
Ronald C. Dixon	Francis W. McRoberts
Bruce D. Goforth	David T. Nagata
Trylor R. Gomes	Renee V. Ornellas
William S. Hogarty	Jacqueline Schreiner
Norma I. Kim	Anthony M. Sussex
Vivian C. Kim	Paula M. Sussex

The explanation letters of the above restoration applicants were circulated to the Commission prior to the meeting. Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya, the Commission unanimously approved that the above individuals take the RECCAL course prior to the granting restoration of license.

Mathyl L. DeCastro
William R. Hermstad
Gary E. Karr

Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya and unanimously approved, it was decided that the above applicants for restoration be required to take the pre-licensing examination with waiver of the education requirement one time only.

Richard J. Farias
Maria E. Miller

Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya, the Commission unanimously decided to refer the above two individuals to RICO for possible unlicensed activity during their forfeiture status. The Commission requested that a clarification on this matter be made to the Attorney General's office.

Nicholas Palazzo

After a lengthy discussion, Commissioner Smales moved and Commissioner Yanagawa seconded to request an opinion from either the Attorney General or the Hearings Officer whether or not when the individual who has been ordered from the Commission to pay but does not pay, does it relieve him of the ultimate payment in order to get his license back; then request the individual to appear at the next Commission's meeting to find out what he has done in the past year. Motion carried unanimously.

Lloyd M. Haraguchi
Patricia Jenkins
Dennis R. Wanifuchi

Upon motion by Commissioner Sodetani, seconded by Commissioner Takeya and unanimously carried, the Commission approved to restore the real estate licenses to the above individuals on the basis that the Commission rules have an exemption for public officials/attorneys.

Roy C. Smith

This matter was tabled to allow Roy Smith to submit his affidavit.

Miscellaneous:

Recovery Fund

Civil No. 70003, Dechant vs. Apilando vs. Faith Realty, Inc. - Order Directing Payment from Recovery Fund

On motion by Commissioner Takeya and seconded by Commissioner Kawakami, the Commission unanimously approved the payment of \$20,000 from the Real Estate Recovery Fund. Chairman Morris requested Sidney Ayabe submit synopsis on this matter.

Late Application

Esther L. Glenn

On motion by Commissioner Takeya, seconded by Commissioner Smales, it was unanimously approved to table this matter.

Hawaii Association of Realtors

Chairman Morris announced that Mary Savio and Marcus Nishikawa were appointed as liaison to the Real Estate Commission by the Hawaii Association of Realtors.

Executive Session:

Real Estate Commission Personnel Staff

Upon motion by Commissioner Sodemani, seconded by Commissioner Takeya and unanimously approved, the Commission went into executive session at 12:30 p.m. to discuss Real Estate Commission education personnel staff matter.

Out of Session:

At 12:31 p.m., the Commission came out of executive session and resumed the regular meeting.

Commissioner Blanco moved and Commissioner Kawakami seconded to form a Personnel Committee comprised of Commissioners Smales and Damron to review all the personnel staff, consulting staff as well as civil service staff, and to make recommendations as to pay scale. The Personnel Committee is empowered to contract for its staffing needs. Motion carried unanimously.

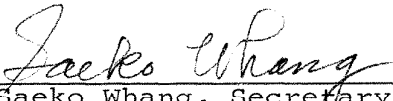
Next Meeting:

February 22, 1985, 9:00 a.m.
Board Room


Adjournment:

There being no further business, the meeting was adjourned at 12:35 p.m.

Taken and recorded by:


Saeko Whang, Secretary

APPROVED:


CYNTHIA M. L. YEE
Acting Executive Secretary