

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

MINUTES OF MEETING

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

Date: Friday, January 23, 1987

Time: 9:00 a.m.

Place: Board Room, Second Floor, Kamamalu Building, 1010 Richards Street, Honolulu, Hawaii

Present: G. A. "Red" Morris, Chairman
Yukio Takeya, Member
Joseph Blanco, Member
Gloria J. Damron, Member
Yoshiko Kano, Member
Douglas Sodetani, Member
Michele Matsuo, Member
Peter Yanagawa, Member

Calvin Kimura, Executive Secretary
Cynthia Yee, Information Officer
Irene Kotaka, Secretary
Grant Tanimoto, Deputy Attorney General
Rodney Maile, Hearings Officer
Sidney K. Ayabe, Recovery Fund Attorney
Gary W. K. Au Young, Recovery Fund Attorney

Eileen Luko, HAR Education Officer
Charles Horne, REC Research & Education Center, Director
Steve Gilbert, REC Research & Education Center, Assistant Director
Brian Thomas, Honolulu Board of Realtors, President
Barbara Dew, HAR President
Marcus Nishikawa, HAR

Excused: Constance Smales, Member

Call to Order:

The meeting was called to order at 9:12 a.m. by Chairman G. A. "Red" Morris. Quorum was established.

Announcements:

The Executive Secretary informed the Commissioners that parking permits are valid only on scheduled Commission meeting days. If for some reason, the Commissioners have need to use the parking for meetings with Real Estate staff or for Commission business, they must notify the Commission staff prior to use of parking permit so that the Parking Control Branch may be notified to stop a possible ticket.

Chairman Morris distributed a copy of the proposed bill on condominiums and cooperatives to the Commissioners and requested that they submit their comments to him as soon as possible.

Approval of Minutes:

The minutes of the December 17, 1986 meeting was distributed to the members for their review prior to the meeting.

Upon a motion by Commissioner Sodetani, second by Commissioner Kano, the Commission unanimously approved the minutes of the December 17, 1986 Meeting with the following amendment:

Page 10, Old Business: NARELLO Convention

Chairman Morris's and Commissioner Blanco's air fare and per diem to Denver, Colorado to be paid by the Real Estate Education Fund.

The motion was voted on and unanimously carried.

Additions to Agenda:

Restoration Applications:

Colleen Meyer, Broker
Sung Choy Wong, Questionable application
AR Corporation, Questionable application
Gary Gifford, Broker Experience Certificate

Commissioner Takeya moved to add the applications listed above to the agenda. Commissioner Sodetani seconded the motion. The motion was voted and unanimously carried.

Hearings Officer's Reports:

IRA GORDON, RE-84-229 - Oral Argument on Reconsideration

This matter was deferred to the February 27, 1987 Commission Meeting.

FRANK N. CHELGREN, RE-86-195

Commissioner Blanco moved to accept the settlement agreement of a \$250 fine. Commissioner Damron seconded the motion. The motion was voted on and unanimously carried.

RICHARD C. K. YOUNG, RE-85-252

Commissioner Sodetani moved to accept the settlement agreement of a \$1,000 fine with \$500 of that fine suspended and a two month license suspension. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commissioner Takeya moved that staff publicize, in the Real Estate Bulletin, the fine and suspension for failing to disclose information. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

RUDY T. HIROTA, RE-83-11 and RE-83-88

This matter was deferred to the February 27, 1987 Commission Meeting.

STEVEN YAGO, RE-83-84

Commissioner Takeya moved to accept the Hearings Officer's Findings of Fact, Conclusions of Law and Recommended Order to revoke Mr. Yago's real estate salesman's license. Commissioner Damron seconded the motion. The motion was voted on and unanimously carried.

ROBERT J. LAYSON AND HO'OLI HALE REAL
ESTATE CORPORATION, RE-85-228 and RE-85-240

Upon a motion by Commissioner Takeya,
second by Commissioner Yanagawa, it was
voted and unanimously carried to accept the
Hearings Officer's Findings of Fact,
Conclusions of Law and Recommended Order to
revoke Mr. Layson's real estate broker's
license and the real estate corporation
license of Ho'Oli Hale Real Estate
Corporation.

Committee Reports: EDUCATION COMMITTEE

Upon a motion by Commissioner Blanco,
second by Commissioner Damron, it was voted
and unanimously carried to accept the
following recommendations of the January 5,
1987 Education Committee Meeting as
circulated:

1. Approve certification of Rick Seiler
as a broker and sales pre-license
instructor.
2. Approve the acquisition of the
following research equipment:
graphics card and monitor, hard disk
data storage unit, 2 megabyte memory,
and STAT-1 and Lotus, release 2.01
statistics program.

Upon a motion by Commissioner Blanco,
second by Commissioner Sodetani, it was
voted and unanimously carried to accept
Robert Allan's proposal to develop the
Commission's five year plan for \$12,000.
The plan is to be presented at the next
annual symposium to be held in June or
July, 1987.

The Small Business Management Program's
(SBMP) proposal and the Hawaii Association
of Realtors (HAR) proposal for the seminars
on disclosure was presented to the
Commissioners for their review. Chairman
Morris suggested that the title of the
SBMP's seminars be changed. The
Information Officer is to notify SBMP of
the request to change the seminar name.

Upon a motion by Commissioner Takeya, second by Commissioner Damron, it was voted and unanimously carried to refer the seminar proposals to the Education Committee for further discussion at the February 11, 1987 meeting.

Commissioner Yanagawa will represent the Commission at the next Advisory Council Meeting on January 30, 1987.

Recovery Fund:

Executive Session

Upon a motion by Commissioner Takeya, second by Commissioner Matsuo, it was voted and unanimously carried to enter into Executive Session, pursuant to Section 92-4, to discuss recovery fund issues with the legal counsel, Sidney Ayabe and Gary W. K. Au Young at 10:30 a.m.

Upon a motion by Commissioner Takeya, second by Commissioner Blanco, it was voted and unanimously carried to move out of executive session at 10:50 a.m. and to resume the meeting.

Recovery Fund:

SUSAN L. BAUER VS. ROBERT GADDIS DBA CONDOPLUS, CIVIL NO. H86-1373, DISTRICT COURT, FIRST CIRCUIT

The Commission reviewed Consultant Ayabe's recommendation. Commissioner Takeya moved to pay from the Recovery Fund a total of \$5,176.60 for the claim against the licensee. The motion was seconded by Commissioner Blanco, voted and unanimously carried.

Committee Reports:

LAWS AND RULES REVIEW COMMITTEE MEETING

Upon a motion by Commissioner Sodetani, second by Commissioner Kano, it was voted and unanimously carried to accept recommendations 1-4 of the January 22, 1987 Laws and Rules Review Committee Meeting Report as circulated:

1. The Commission to proceed to public hearing scheduled for February 26, 1987 at 9:00 a.m., in the Board Room, Second Floor, Kamamalu Building, 1010 Richards Street. Each neighbor island Commissioner to be responsible for conducting informal meetings on their respective island to solicit input. The Commissioners to stress that the meeting is informal and it is in no way meant to be a conduit for individual testimony. All persons wishing to testify at the actual hearing are required to submit 10 copies of their written statement on or before the hearing date to the Real Estate Commission.
2. The Memorandum of Agreement between the Hawaii Association of Realtors and the Commission was referred back to the Education Committee for further discussion.
3. The Pertinent Facts study was referred back to the Pertinent Facts Subcommittee for further review and discussion. The subcommittee will work closely with the Hawaii Association of Realtors.
4. The Agricultural Condominium Report to be bifurcated as follows: Consultant Chong to interview county officials about their concerns regarding the agricultural condos, examine possible consumer concerns and how they might be addressed, and examine how other states are handling agricultural condos recommending possible changes to Hawaii's laws. Deputy Attorney General Grant Tanimoto to act as liaison between Consultant Chong and Mr. Kaneshige.

Bureau of Conveyance Study

Upon a motion by Commissioner Damron, second by Commissioner Sodetani, it was voted and unanimously carried to approve a

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\$30,000 ceiling limit for the Bureau of Conveyance Study subject to receiving acceptable proposals.

Commissioner Matsuo recommended that the study examine the feasibility of developing branch offices on the neighbor islands so that recordation could be done for each county.

Condominium Managing Agent and Bonding Study

Discussion on the Condominium Managing Agent and Bonding Study was deferred to the February 11, 1987 Education Committee Meeting.

Commission Travel Requests for May 1987

Due to the numerous meetings and conventions to be held in the month of May, the Executive Secretary requested information on the Commission's travel requests. This line up is tentative and subject to Commission's approval.

April 29 to May 1, 1987 - Las Vegas, NV
National Association of Real Estate License
Law Officials (NARELLO) Director's Meeting:

Chairman Morris (To be paid by NARELLO);
Commissioner Blanco and Commissioner
Sodetani

May 12 to 15, 1987 - Princeton, NJ
Educational Testing Service Annual Meeting
(ETS to pay for 2 to attend, per contract)

Commissioner Sodetani (tentative), Calvin
Kimura, Commissioner Takeya, and
Commissioner Blanco

May 20 to 22, 1987 - Chicago, IL
Real Estate Educator's Association (REEA)
Annual Conference

Cynthia Yee and Commissioner Smales

May 26 to 29, 1987 - San Francisco, CA
NARELLO Western District Conference

Calvin Kimura, Chairman Morris,
Commissioner Damron, Commissioner Kano,
Commissioner Matsuo, Commissioner Yanagawa,
Commissioner Takeya

Investigator Training

Upon a motion by Commissioner Sodegami,
second by Commissioner Kano, it was voted
and unanimously carried to approve payment
of three investigators per fiscal year to
attend the Small Business Management
Program's Real Estate Essentials Class.
Real Estate Education Fund and Real Estate
Recovery Fund

The Executive Secretary presented an update
on the balances remaining in both the
Education and the Recovery Fund.

Chapter 467, Condo Hotel Partnership

Commissioner Matsuo questioned the
necessity of condo-hotel partnerships being
required to have broker's license. Must
partners in the condo hotel be licensed as
brokers or can they hire employees with
brokers license to act for the partnership?

The Executive Secretary reported that
condo-hotel operators, whether sole
proprietorship, partnership, or
corporation, have identical licensing
requirements as real estate brokers, except
they also register as condo-hotel operators
and have bonding requirements.

Upon a motion by Commissioner Damron,
second by Commissioner Matsuo, it was voted
and unanimously carried to have the
Commission staff draft a bill and the
justification sheet to present to the
Legislature.

Commissioner Blanco was excused from the
meeting at 11:30 a.m.

Licensing:

Restorations:

Camara, James L.	Salesman
Daitoku, Charles M.	Broker

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Edades, Domie A.	Salesman
Fehlman, Leo G. Jr.	Salesman
Fernandes, Eleanor P.	Salesman
Henry, William L.	Broker
Holmes, Donald P.	Salesman
Kanehira, Norman S.	Salesman
Kelly, Douglas R.	Broker
Kim, Calvin Y.	Salesman
McLeod, Edward R.	Salesman
Miyashiro, June E.	Broker
Ornellas, Joseph J.	Salesman
Ravasco, Sylvia S.	Salesman
Salt, Thomas C.	Broker
Shiroma, Malcolm S.	Salesman
Soto, William A.	Salesman
Sullivan, Paul D.	Salesman
Uyemura, Kent K.	Salesman
Walckner, Bobbi	Salesman

After a review of information submitted by the applicants, a motion was made by Commissioner Sodetani, second by Commissioner Yanagawa, to have the real estate license of those listed above restored upon producing evidence of successfully completing a Commission-approved real estate course.

Jeanette K. Bills Salesman

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Donald R. Chisholm Broker

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration of license be approved upon successfully passing the broker's examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

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John T. Fujieki, Jr. Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Elliott K. Lee, Jr. Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Colleen Meyer Broker

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the broker's examination. Commissioner Sodetani seconded the motion. The motion was voted and carried. Commission Damron opposed the motion.

Marjorie A. Moorman Broker

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration of license be approved upon successfully passing the broker's examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Daniel J. Reardon Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Floyd J. Rozewski, Jr. Broker

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the broker's examination. Commissioner Kano seconded the motion. The motion was voted on and unanimously carried.

Benjamin E. Ventura Salesman

After a review of the information submitted by the applicant, Commissioner Takeya moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Sodetani seconded the motion. The motion was voted on and unanimously carried.

Gary L. Weber Salesman

After a review of the information submitted by the applicant, Commissioner Sodetani moved that restoration of license be approved upon successfully passing the salesman's examination. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

QUESTIONABLE APPLICATIONS:

Anson Tripp

After a review of the information submitted by the applicant, Commissioner Takeya moved to deny Mr. Tripp's request to substitute the Location's course for a Commission-approved real estate course. Commissioner Yanagawa seconded the motion. The motion was voted on and unanimously carried.

Gerrell and Associates, Ltd.

After review of the information submitted, Commissioner Takeya moved to deny the corporation's application for licensure because Mr. Gerrell is not a broker. Commissioner Matsuo seconded the motion. The motion was voted on and unanimously carried.

Louanne E. Cornwall

After review of the information submitted, Commissioner Takeya moved to approve acceptance of Ms. Cornwall's application provided Ms. Cornwall submits a copy of the Deferral of License form by January 31, 1987. Commissioner Matsuo seconded the motion. The motion was voted and carried. Commissioner Yanagawa opposed.

Nancy H. Grantham dba Grantham Resorts and dba Poipu Beach Properties

After review of the information submitted, Commissioner Takeya moved to deny the application for registration of the two tradenames. Commissioner Yanagawa seconded the motion. The motion was voted and unanimously carried.

AR CORPORATION dba Certified Management; dba Certified Rentals; dba Certified Residential Sales

After review of the information submitted, Commissioner Yanagawa moved to deny the application for registration of the two tradenames. Commissioner Damron seconded the motion. The motion was voted and carried. Commissioner Takeya abstained.

Sung Choy Wong, Jr.

After review of the information submitted, Commissioner Takeya moved to deny Mr. Wong's restoration application. Commissioner Damron seconded the motion. The motion was voted and unanimously carried.

Gary Gifford

After review of the information submitted, Commissioner Sodehara moved to approve the sales transactions submitted by Mr. Gifford to meet the experience requirement for a broker's license as it was executed under the principal broker's review/supervision. Commissioner Takeya seconded the motion. The motion was voted and unanimously carried.

Commissioner Takeya moved to add Mark Whiting's application for brokers experience certificate to the agenda. Commissioner Matsuo seconded the motion. The motion was voted and unanimously carried.

Mark Whiting

After review of the information submitted, Commissioner Sodetani moved to approve the sales transactions submitted by Mr. Whiting to meet the experience requirement for a broker's license if they were done under the supervision/review of the principal broker. Commissioner Takeya seconded the motion. The motion was voted on and unanimously carried.

Commissioners Sodetani and Kano were excused from the meeting at 12:05 p.m.

Executive Session:

Upon a motion by Commissioner Takeya, second by Commissioner Matsuo, the Commission moved into executive session at 12:05 p.m., pursuant to Section 92-4, Hawaii Revised Statutes, to discuss personnel issues.

Upon a motion by Commissioner Takeya, second by Commissioner Matsuo, it was voted and unanimously carried to move out of executive session at 12:11 and to resume the meeting.

Old Business:

Contract for Janice Meeker

Upon a motion by Commissioner Yanagawa, second by Commissioner Damron, it was voted and unanimously carried to approve a six-month extension to Ms. Meeker's contract on a month-to-month basis.

Miscellaneous:

Sam Daily

The Appeal from the Judgment on Appeal, filed on January 30, 1987, in the Intermediate Court of Appeals, was distributed to the Commissioners. An article will be placed in the Bulletin reminding brokers of their responsibilities.

Adjournment:

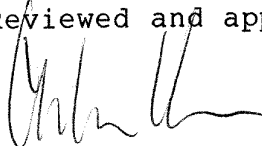
With no further business to discuss,
Chairman Morris adjourned the meeting at
12:16 p.m.

Respectfully submitted,

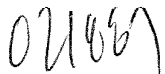


Irene S. Kotaka, Secretary

Reviewed and approved:



Calvin Kimura, Executive Secretary



Date