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.

<u>Date:</u> Wednesday, November 24, 1999

Time: 9:00 a.m.

Place: Kapuaiwa Room

HRH Princess Victoria Kamamalu Building

1010 Richards Street, Second Floor

Honolulu, Hawaii

<u>Present:</u> Alvin Imamura, Chair

Nora Nomura, Vice Chair Charles Aki, Member Patricia Choi, Member Alfredo Evangelista, Member Mitchell Imanaka, Member

John Ohama, Member

Iris Okawa, Member (Late Arrival)

Calvin Kimura, Supervising Executive Officer

Christine Rutkowski, Executive Officer

Pamela Garrison, Senior Real Estate Specialist

Naomi Cole, Real Estate Specialist

Cynthia Yee, Senior Condominium Specialist Gina Watumull, Condominium Specialist Shari Wong, Deputy Attorney General Jay Paige, Deputy Attorney General

Irene Kotaka, Secretary

David S. Elber Christina Espinosa Gerald Frederick Kenji Sasaki

Christopher Singleton

Cay Singleton

Nicki Thompson, Hawaii Association of REALTORS

Stephen Gelber Bonnie Moore, Esq. Ricardo Pomar Nancy Peterson Elber

<u>Excused:</u> Michael Ching, Member

<u>Call to Order:</u> The Chair called the meeting to order at 9:05 a.m., at which time quorum

was established.

<u>Chair's Report:</u> The Chair wished all those present a "Happy Thanksgiving!"

Commissioner Okawa arrived.

Executive Officer's Report:

Announcements, Introductions, Correspondence and Additional Distribution

The EO reported that the agenda that was filed should have listed the following questionable applications as "Requests for Reconsideration":

Christina V. Espinosa Cay Singleton Christopher Singleton

Additional Distribution

The following materials were distributed to the Commissioners prior to the start of the meeting:

- 6. Licensing Questionable Applications
 - e. Cay Singleton
 - f. Christopher Singleton

Announcements

The SEO reported that he had received a telephone call from HREREC informing him that the University of Hawaii had made a grave error and the refund check should be on its way this week. The funds will be redeposited back into the appropriate trust account.

<u>Chapter 91, HRS,</u> <u>Adjudicatory</u> <u>Matters:</u> The Chair called for a recess from the meeting at 9:07 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91. HRS:

In the Matter of the Application for A Real Estate Salesperson's License of Henry G. Zapata, REC-LIC-92-9

Deputy Attorney General Wong was excused from the meeting. Deputy Attorney General Paige advised the Commission in her place.

Commissioner Nomura moved to accept the Hearings Officer's Findings of Fact, to amend the Conclusions of Law by adopting the Respondent's Written Exceptions, to reject the Hearings Officer's Conclusions of Law, to issue the Commission's Proposed Final Order adopting the Respondent's written exceptions, and to provide the petitioner with a period of 30 days to submit written information as previously requested in an October 29, 1993 letter and that the Commission is authorized to require him to meet present standards of licensure, including completion of the prelicense education requirement and licensing examination. Commissioner Ohama seconded the motion.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Evangelista, it was voted on and unanimously carried to accept the

original motion but to extend the period to 60 days in which the petitioner is to provide the written information.

Deputy Attorney General Wong returned to the meeting.

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, HRS, the Chair announced that the Commission was reconvening its scheduled Commission meeting at 9:24 a.m.

Minutes of Previous Meetings

Upon a motion by Commissioner Evangelista, seconded by Commissioner Imanaka, it was voted on and unanimously carried to approve the minutes of the October 28, 1999 Real Estate Commission meeting as circulated.

Committee Reports:

Laws and Rules Review Committee

Upon a motion by Commissioner Evangelista, seconded by Commissioner Imanaka, it was voted on and unanimously carried to accept the report of the November 10, 1999 Laws and Rules Review Committee meeting as follows:

- Minutes of Previous Meetings Accept minutes of October 13, 1999.
- 2. Next Meeting: Wednesday, December 8, 1999

9:00 a.m.

Kapuaiwa Room

HRH Princess Victoria Kamamalu Building

1010 Richards Street, Second Floor

Honolulu, Hawaii

Education Review Committee

Upon a motion by Commissioner Aki, seconded by Commissioner Ohama, it was voted on and unanimously carried to accept the report of the November 10, 1999 Education Review Committee meeting as follows:

1. Minutes of October 13, 1999 meeting – Accept.

2. Next Meeting: Wednesday, December 8, 1999

10:00 a.m. Kapuaiwa Room

1010 Richards Street, Second Floor

Honolulu, Hawaii

Condominium Review Committee

Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to accept

the report of the November 10, 1999 Condominium Review Committee meeting as follows:

- 1. Minutes of October 13, 1999 Accept minutes as corrected.
- AOAO Registrations Recommend approval to ratify effective dates for AOAO registrations for 1999 - 2001 Registrations through October 31, 1999.
- 3. Developer's Public Reports, Extensions Issued
 - October 1999 Recommend approval to ratify issuance of effective dates for developer's public reports and extensions for the month of October 1999.
 - b. Lanikai Place Registration No. 1871 **Recommend approval** to accept the developer's request to defer the matter to the January meeting of the CRC.
 - c. Beretania North Maunakea Tower **Recommend approval** to issue an informal non-binding interpretation, that Chapter 514A, HRS, is inapplicable at this time to bulk sales and at such time that individual sales do occur, the requirements of Chapter 514A, HRS, will apply; based on the circumstances being conceptually similar to the circumstances of the Commission's decision of April 26, 1996 where the Commission approved the developer's request for an exemption from the public report requirement for the other tower of the project, Kukui Tower.
- 4. Condominium Specialists Office for the Day –

November 12, 1999, Kahului, Maui

5. Next Meeting: Wednesday, December 8, 1999

11:00 a.m. Kapuaiwa Room

1010 Richards Street, Second Floor

Honolulu HI 96813

<u>Licensing and</u> <u>Registration -</u> <u>Ratification:</u> Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to ratify the attached list.

<u>Licensing – Questionable</u> Applications:

David S. Elber

David S. Elber was present at the meeting and was represented by his attorney, Bonnie Moore. Also present was Nancy Elber, Mr. Elber's wife, and Ricardo Pomar.

Mr. Elber was asked if he wished to have his application considered in executive session. He answered in the affirmative, requesting that Bonnie Moore, Nancy Elber and Ricardo Pomar be permitted to stay during the executive session.

Executive Session:

Upon a motion by Commissioner Ohama, seconded by Commissioner Aki, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a),(1), HRS, "To consider and evaluate

personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;".

Upon a motion by Commissioner Evangelista, seconded by

Commissioner Aki, it was voted on and unanimously carried to move out of executive session.

<u>Licensing – Questionable</u> Applications:

David S. Elber

Upon a motion by Commissioner Aki, seconded by Commissioner Imanaka, it was voted on and unanimously carried to take this matter under advisement.

<u>Licensing – Questionable</u> <u>Applications:</u>

Christina V. Espinosa

Christina V. Espinosa was asked if she wished to have her application considered in executive session. Ms. Espinosa answered in the affirmative. Gerald Frederick, Ms. Espinosa's proposed principal broker, and Mr. Kenji Sasaki were allowed to remain in the room at Ms. Espnosa's request.

Executive Session:

Upon a motion by Commissioner Ohama, seconded by Commissioner Aki, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a),(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;".

Upon a motion by Commissioner Evangelista, seconded by Commissioner Aki, it was voted on and unanimously carried to move out of executive session.

<u>Licensing – Questionable</u> Applications:

Christina V. Espinosa

Upon a motion by Commissioner Nomura, seconded by Commissioner Ohama, it was voted on and unanimously carried to take this matter under advisement.

Christopher Singleton Cay Singleton

Christopher Singleton and Cay Singleton were present at the meeting and requested that the Commission consider their request for reconsideration together.

The EO reminded the Singletons about ex parte communication with the Commissioners and also presented a copy of the article entitled, "Ex Parte Communication with Commissioners," which appeared in the July 1997 issue of the Hawaii Real Estate Bulletin.

Christopher Singleton informed the Commissioners that he and his mother were not represented by attorneys. Mr. Singleton distributed a copy of his oral testimony to the Commissioners.

Mr. Singleton thanked the Commission for allowing them the additional opportunity to address the Commission. He apologized for the letter that was sent to the Commissioners by his brother, James Singleton. He stated that sentiments expressed in his brother's letter were not his sentiments.

Mr. Singleton stated that the order from the Hearings Officer in 1995 made no mention of a time deadline to pay their fine. When he applied to the EO for the reinstatement of his licenses, the EO was not aware of the statute either. Nor were the members of the Commission at their first and second hearing. Mr. Singleton asked the Commission to consider the fact that this statute is not common knowledge or practice by even the administrators of the Commission, nor is it taught in law schools and even attorneys are not aware of this statute. Mr. Singleton stated that had he been aware of this, he would have paid the fine earlier.

Mr. Singleton stated that as for the penalty, he has been out of business way longer than required by the Hearings Officer. They have paid their fines, updated their educational requirements and paid thousands in legal fees. They have been punished beyond the Hearings Officer's findings.

His mother, Cay, has practiced real estate for 34 years in Hawaii, helping countless people find their dream homes and properties and in all of those years, she has only had this one complaint, which was over 15 years old when filed. There was no retribution called for at this time. Her crime was in not paying her fine in a timely manner. She has paid her fine and they are profoundly sorry for the delay.

Mr. Singleton has requested that the Commission grant them mercy. They are not criminals. They do not have any lawsuits. In 1989, they built Cook's Landing and have made countless people happy. They have a long, distinguished career in real estate. Mr. Singleton said that they did not act out of malice. They were not aware of the statute. They were guilty of ignorance. He requested that they be allowed to pay the back licensing fees. He asked the Commission to consider what they feel would be just if they were to lose their license under a filing deadline. Mr. Singleton stated that he promises on the Bible that they will never have another complaint. His mother is too old to seek another license. He stated that Betty Dower feels that they are capable of practicing real estate. He stated that God is not vindictive. Their fate is in the hands of the Commission to pass judgment.

Upon a motion by Commissioner Ohama, seconded by Commissioner Aki, it was voted on and unanimously carried to take this matter under advisement.

Mr. Singleton stated that he would like to go forward and help with the economy of Hawaii. They are not criminals. He asked that the Commission accept his apologies no matter what decision is reached.

Executive Officer's

Report:

Announcements, Introductions, Correspondence and Additional

Distributions

Janelle Sarae, Clerk-Typist II, was introduced to the Commissioners and

those present.

Executive Session:

Upon a motion by Commissioner Nomura, seconded by Commissioner Aki, it was voted on and unanimously carried to enter into executive session, pursuant to Section 92-5(a)(1), HRS, "To consider and evaluate personal information relating to individuals applying for professional or vocational licenses cited in section 26-9 or both;".

The Chair recused himself from the discussion of David S. Elber's application. Vice Chair Nomura presided over the meeting during that discussion. The Chair later returned to the meeting.

Upon a motion by Commissioner Ohama, seconded by Commissioner Evangelista, it was voted on and unanimously carried to move out of executive session.

Chapter 91, HRS, Adjudicatory Matters:

The Chair called for a recess from the meeting at 10:53 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91. HRS:

In the Matter of the Real Estate Broker's License of Richard L. Frunzi, REC 99-44-L

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

Following the Commission's review, deliberation and decisions in these matters, pursuant to Chapter 91, HRS, the Chair announced that the Commission was reconvening its scheduled Commission meeting at 10:55 a.m.

<u>Licensing</u> - <u>Questionable</u> <u>Applications:</u>

Rachel M. Corbett

After a review of the information submitted by the applicant, Commissioner Evangelista moved to approved the real estate salesperson's application of Rachel M. Corbett. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Randolph G. Moore

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's application of Randolph G. Moore. Commissioner Choi seconded the motion. The motion was voted on and unanimously carried.

David S. Elber

The Chair recused himself from the meeting. The Vice Chair presided over the meeting.

After a review of the information presented by the applicant, Commissioner Evangelista moved to deny David S. Elber's application for a real estate sole proprietor's license based on §467-8, (3), §436B-19, (1), (8), (12), and (14), HRS. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

The Chair returned to the meeting and resumed presiding over the meeting.

Christina V. Espinosa

After a review of the information presented by the applicant, Commissioner Ohama moved to grant Christina Espinosa's request for reconsideration and to grant a conditional real estate salesperson's license to Christina V. Espinosa on the basis of §436B-19, HRS, such that during the term of probation any violation of the terms of probation shall be grounds for revocation of license, that applicant shall advise her probation officer, any principal broker or broker-in-charge with whom she is associated that such a conditional real estate license has been issued and the terms of the conditions. Commissioner Nomura seconded the motion. The motion was voted on and unanimously carried.

Cay Singleton

After a review of the information presented by the applicant, Commissioner Evangelista moved to grant Cay Singleton's request for reconsideration despite its untimely filing and in the interest of judicial economy, the Commission considered the new information. The Commission stands by its previous decision of July 29, 1999, denying the reinstatement of Cay Singleton's real estate salesperson's license. The Commission's July 29, 1999 decision is the decision of record. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Christopher Singleton

After a review of the information presented by the applicant, Commissioner Evangelista moved to grant Christopher Singleton's request for reconsideration despite its untimely filing and in the interest of judicial economy, the Commission considered the new information. The Commission stands by its previous decision of July 29, 1999, denying the reinstatement of Christopher Singleton's real estate broker's license. The Commission's July 29, 1999 decision is the decision of record. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

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Next Me	eeting:	Thursday, December 9, 1999 9:00 a.m. Kapuaiwa Room HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii
Adjournment:		With no further business to discuss, the Chair adjourned the meeting at 10:57 a.m.
		Reviewed and approved by:
		Christine Rutkowski Executive Secretary
		Exceditive decirculary
		Date
]]	Approved as circulated.
[]	Approved with corrections; see minutes of meeting.

Real Estate Commission

Minutes of the November 24, 1999 Meeting

APPROVED APPLICATIONS FOR REAL ESTATE REAL ESTATE COMMISSION MEETING ON NOVEMBER 24, 1999

Brokers - Corporations and Partnerships	Effective Date
Maui South Realty Inc.	10/22/99

Ernest H. Shrenzel, PB

Brokers – Limited Liability Company & Partnerships

Match-Maker Realty LLP

Effective Date
11/09/99

Morgen Bahurinsky, PB

Brokers - Sole Proprietor Effective Date
Tadashi Kaneko 09/30/99

Tradename Effective Date
All Islands, Inc., Century 21 All Islands 10/19/99

(fka All Islands, Inc., Century 21 Big Island)

Hawaii Land & Farming Company, Inc., HL&F Realty 11/08/99

(fka Hawaii Land & Farming Company, Inc., C. Brewery Realty)

Corporation NameEffective DateGold Coast Real Estate, Inc.10/27/99

(fka Gold Coast Services Real Estate, Inc.)

Branch Office Effective Date

CBIP, Inc., Coldwell Banker Island Properties 10/18/99

Robert Howard Merriman, BIC

Douglas R. Fitch, PB

JTU Inc. 10/01/99

Kevin K. Uyeda, BIC Martha A. Jones, PB

Bay Realty Inc. 10/25/99

Rory K. Keith, BIC James A. Moberg, PB

Elizabeth Ann Laurie

Equivalency to Uniform Section of Examination Certificate Expiration Date

Earl H. Parr, Jr. 11/02/00

Education Waiver CertificateExpiration DateGary Milton Cia10/21/00Donald James Archer10/22/00Stephen David Manning10/28/00William Raymond Telliard10/29/00Earl Horiston Parr Jr.11/01/00

11/02/00

Real Estate Broker Experience CertificateExpiration DateStephanie F. Salazar10/25/00Vivian K. Fujimoto10/25/00Stephanie K. Coble10/24/00Aloha K. K. Aiona10/26/00Young M. McTernan11/03/00

Real Estate Broker Experience Certificate	Expiration Date
Steven L. Tam	11/03/00
Grover L. Irwin	11/04/00
Robert J. Cence	11/09/00
Kathy Tswei	11/12/00
Chris A. Handlir	11/17/00

Real Estate Broker (upgrade)	Effective Date
Naomi Iha	10/13/99
Judy Y. Nishimura	10/22/99

Restoration of Forfeited Salesperson's License	Effective Date
Terrence Sumida	10/05/99
Scott E. Napier	10/06/99