REAL ESTATE COMMISSION

Professional and Vocational Licensing Division Department of Commerce and Consumer Affairs State of Hawaii www.hawaii.gov/hirec

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, June 27, 2003
<u>Time:</u>	9:00 a.m.
<u>Place:</u>	Kapuaiwa Room HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii
<u>Present:</u>	John Ohama, Chair Mitchell Imanaka, Vice Chair Louis Abrams, Member Marshall Chinen, Member Kathleen Kagawa, Ph.D., Member Iris Okawa, Member Peter Rice, Member Vern Yamanaka, Member Calvin Kimura, Supervising Executive Officer Alan Taniguchi, Executive Officer Diane Choy Fujimura, Senior Real Estate Specialist Cynthia Yee, Senior Condominium Specialist Russell Wong, Real Estate Specialist David Grupen, Condominium Specialist Cheryl Leong, Condominium Specialist Shari Wong, Deputy Attorney General Irene Kotaka, Secretary
	Wayne Richardson, III Leslie Allen-Rodriguez Janice Lind Samuelu Mata'utia Neal Norman
Excused:	Patricia Choi, Member
Call to Order:	The Chair called the meeting to order at 9:05 a.m., at which time quorum was established.
Chair's Report:	No report was presented.

<u>Executive Officer's</u> <u>Report:</u>	Announcements, Introductions, Correspondence and Additional Distribution
	Additions to the Agenda
	Upon a motion by Commissioner Rice, seconded by Commissioner Okawa, it was voted on and unanimously carried to add the following items to the agenda:
	 4. Committee Reports b. Education Review Committee – Real Estate Broker's Curriculum
	 e. Program of Work and Budget, FY2004 6. Licensing – Applications e. Larry M. Jensen f. Samuelu W. Mata'utia g. Neal A. Norman h. Koa Properties Land & Homes, LLC
	Minutes of Previous Meetings
	Upon a motion by Commissioner Imanaka, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to approve the minutes of the May 23, 2003 Real Estate Commission meeting as circulated.
<u>Committee</u> <u>Reports:</u>	Laws and Rules Review Committee
	Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to accept the report of the June 10, 2003 Laws and Rules Review Committee meeting as follows:
	 Minutes of May 8, 2003 - Accept Program of Work, FY03 a. Program of Work, FY 04 - Recommend acceptance and forwarding of the Program of Work and Budget for Fiscal Year 2004 to the Director for approval. b. Neighbor Island Outreach - The next neighbor island outreach is scheduled to be held in Kauai on September 10, 2003. REB Staff will work with the Kauai Commissioner in scheduling the meetings. The neighbor island outreach for fiscal year 2004 is tentatively scheduled for the months of September, January and May. c. Division and Department Programs - Recommend referral of Alvin Imamura, if his health permits, and

 Patricia Choi to be appointed to RICO's Real Estate Advisory Committee.
 ARELLO – Recommend approval to send three Commissioners and one staff member to the ARELLO Annual Meeting, to be

6.

held in Portland, Oregon, on October 25 to 28, 2003, subject to the Governor's fiscal policy and budgetary approval.

- 5. Budget and Finance Report April 30, 2003 **Recommend** acceptance of the Real Estate Recovery Fund Report, dated April 30, 2003.
 - Next Meeting: Wednesday, July 9, 2003 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 Yamanaka, seconded by Commissioner Abrams, it was voted on and unanimously carried to accept the report of the June 10, 2003 Education Review Committee meeting as follows:

- 1. Minutes of May 8, 2003 Accept
- 2. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors – Applications
 - a. 2003-2004 Continuing Education Providers and Courses Ratification List – **Recommend approval**
 - b. Course "Federal Fair Housing, Rentals," Author/Owner: ERA School of Real Estate, Scott A. Sherley, Provider: ERA School of Real Estate, Course Category: Property Management, Clock Hours: 3 – (Pending Provider certification) Recommend approval
 - c. Core Course "Federal Fair Housing, Sales," Author/Owner: ERA School of Real Estate, Scott A. Sherley, Provider: ERA School of Real Estate, Course Category: Fair Housing, Clock Hours: 4 (Pending Provider certification) – **Recommend approval**
 - d. Core Course "Agency Made Easy," Author/Owner: Oliver E. Frascona, Esq., GRI, Provider: Honolulu Board of REALTORS®, Course Category: Agency and Disclosure, Clock Hours: 4 – Recommend approval
- Prelicensing Education Administration, Curriculum Schools, Instructors, and Equivalency – Applications – Instructor – Donald G. Baxter, Salesperson and Broker Curriculums, Coldwell Banker Pacific Properties School – Recommend approval
- 4. Program of Work and Budget, FY 03
 - a. Neighbor Island Outreach The next neighbor island outreach is scheduled for September 10, 2003, on the island of Kauai.
 - b. Program of Work and Budget, FY04 **Recommend** approval

- 5. Budget and Finance Report April 30, 2003 Real Estate Education Fund Report – **Accept**
- Next meeting: Wednesday, July 9, 2003 Upon adjournment of the Laws and Rules Review Committee Meeting, which convenes at 9:00 a.m. HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii

Condominium Review Committee

Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to accept the report of the June 10, 2003 Condominium Review Committee meeting as follows:

- 1. Minutes of May 8, 2003 Meeting Accept
- Condominium Governance and Management AOAO Registrations – 2003-2005 Biennium Registration – Recommend approval to ratify effective dates of July 1, 2003 for the AOAO 2003-2005 biennium registrations received through May 31, 2003.
- 3. CPR Registration, Developer's Public Reports
 - a) May 2003 **Recommend approval** to ratify issuance of effective dates of the developer's public reports and extensions issued for the month of May 2003.
 - b) §514A-107, HRS Request for Informal Non-Binding Opinion, John S. Nichols - Pursuant to §514A-107 (b)(2) "unforeseeable job or military transfer" or "any other unforeseeable occurrence subsequent to execution of the affidavit," and subject to review and advice of the Commission's Deputy Attorney General, recommend approval, to issue a Real Estate Commission "no action" letter subject to the following conditions:
 - Verification of the reported job offer, and
 - Supporting documentation from Gentry Hawaii indicating agreement to allowing the resale of the condominium before the expiration of 365 days.
 - c) §§514A-31, 514A-41, 514A-61, HRS, and §16-107-18, HAR – Request For An Informal Non-Binding Opinion, AOAO Hono Kai CPR # 339 - Subject to the review and advice of the Commission's Deputy Attorney General, recommend approval to issue a letter informing both the requesting party and the County of Maui Department of Planning of the Commission's informal non-binding opinion that:
 - §§514A-31, 514A-41, 514A-61, HRS, and §16-107-18, HAR, and Chapter 514A, HRS, read and taken together as a whole does not allow the Commission's issuance of an effective date for a

developer's supplementary public report where initial sales have been completed; and

- Perhaps all parties should explore, research, and seek the advice of an attorney whether an amendment to the declaration would address the parties' concerns.
- 4. Program of Work and Budget, FY04 **Recommend approval** subject to continuing interactive participation with one participant.
- 5. Budget and Finance Report April 30, 2003 **Recommend** acceptance.
- 6. Next Meeting:
- Wednesday, July 9, 2003 Upon adjournment of the Education Review Committee meeting which follows the Laws and Rules Review Committee meeting scheduled to convene at 9:00 a.m. Kapuaiwa Room HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii

Education Review Committee

Request for Proposal – Broker's Curriculum – Specialist Fujimura reported that RE3 LLC had submitted an updated proposal for the broker's curriculum. A copy of a letter received from the Hawaii Association of REALTORS[®] in support of RE3 LLC's proposal was distributed to the Commissioners.

Upon a motion by Commissioner Imanaka, seconded by Commissioner Kagawa, it was voted on and unanimously carried to approve RE3 LLC's proposal to develop the broker's curriculum.

Program of Work and Budget, FY2004

The Commission's Program of Work and Budget for Fiscal Year 2004 was approved by the Department. A copy of the finalized Program of Work was distributed to the Commissioners for their reference. REB staff is still awaiting the approved budget for FY2004.

The Chair will be announcing the Committee meeting assignments shortly. REB staff is hoping to have Marshall Chinen and Trudy Nishihara sworn in prior to the July Committee meetings.

The SEO announced that this is Specialist Wong's last meeting as he has accepted the Program Specialist position within the Division. REB staff has submitted a request to fill the position.

	Legislative Report
	The SEO reported that the funds from the Real Estate Education Fund would probably be confiscated. The Legislature only received a few testimonies against the taking of the funds.
	Legislation relating to post-licensing and continuing education requirements will be coming up in the future and when it does, the Commission will need to request an increase to the budget in order to further implement those programs. The Commission would like to contract out those programs. The Commission is still awaiting approval of the Morgan Stanley investment contract, which is currently at the Attorney General's Office.
	Commissioner Rice voiced his concerns that the Commission collects moneys to oversee the industry and to provide education to the licensees and to the public and plans its program of work accordingly and is later told by another agency that they cannot spend the moneys. He stated that he felt that the Commission needs to review its role and its fiduciary responsibility. There are some questions that need to be answered. He suggested that the Commission draft a letter requesting a meeting with the Director.
	Commissioner Rice will draft a letter to request a meeting with the Director to discuss the Commission's fiduciary responsibilities.
<u>Licensing and</u> <u>Registration -</u> <u>Ratification:</u>	Upon a motion by Commissioner Rice, seconded by Commissioner Abrams, it was voted on and unanimously carried to ratify the attached list.
<u>Licensing –</u> Applications:	Leslie M. Allen-Rodriguez
	Ms. Allen-Rodriguez was present to answer any questions the Commissioners may have regarding her application for a real estate salesperson's license. Ms. Allen-Rodriguez was asked if she wished to have her application considered in executive session. Ms. Allen-Rodriguez accepted the offer.
<u>Executive</u> Session:	Upon a motion by Commissioner Rice, seconded by Commissioner Abrams, it was voted on and unanimously carried to enter

Commissioner Abrams, 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 Imanaka, seconded by Commissioner Abrams, it was voted on and unanimously carried to move out of executive session.

Licensing -	Leslie M. Allen-Rodriguez
<u>Applications:</u>	Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to take this matter under advisement.
	Neal A. Norman / Koa Properties Land & Homes, LLC
	Neal A. Norman was present to answer any questions relating to his application for a real estate broker's license and Koa Properties Land & Homes, LLC's application for a limited liability company. Mr. Norman was asked if he wished to have the applications considered in executive session. He accepted the offer.
<u>Executive</u> <u>Session:</u>	Upon a motion by Commissioner Rice, seconded by Commissioner Kagawa, 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 Abrams, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to move out of executive session.
Licensing Applications:	Neal A. Norman / Koa Properties Land & Homes, LLC
<u>Applications:</u>	Upon a motion by Commissioner Rice, seconded by Commissioner Okawa, it was voted on and unanimously carried to take this matter under advisement.
	Samuelu W. Mata'utia
	Samuelu Mata'utia was present to answer any questions the Commissioners may have had regarding his application for a real estate salesperson's license. Mr. Mata'utia was asked if he wished to have his application considered in executive session. He declined the offer.
	Mr. Mata'utia stated that he has matured since his conviction, which occurred 15 to 16 years ago. He was a full-time student at the University of Hawaii-Manoa when the incident occurred. He graduated in 1991 with a Bachelor of Arts degree in accounting. He started working as an accountant. Mr. Mata'utia informed the Commissioners that he received a Master of Accounting degree from the University of Hawaii-Manoa in December 1997.
	Mr. Mata'utia stated that this incident happened when he was younger and not disciplined. He is more mature and disciplined now. He is appealing to the members of the Commission to grant him his license.
	He and his family just returned from American Samoa where he put in four years of community service teaching accounting at the American

	Samoa Community College. He and his family are trying to reestablish themselves in Hawaii.
	Mr. Mata'utia was asked if he had undergone an examination for mental fitness during the criminal court trial proceedings. Mr. Mata'utia said that his attorney had requested a mental fitness examination, and he was found fit to stand trial. He does not know why his attorney wanted him to undergo the examination.
	Upon a motion by Commissioner Imanaka, seconded by Commissioner Rice, it was voted on and unanimously carried to take this matter under advisement.
<u>Executive</u> <u>Session:</u>	Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, 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 Imanaka, seconded by Commissioner Okawa, it was voted on and unanimously carried to move out of executive session.
<u>Licensing –</u> <u>Applications:</u>	Randall S. Gray
<u></u>	After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's license application of Randall S. Gray. Commissioner Imanaka seconded the motion. The motion was voted on and unanimously carried.
	John R. Jenkins
	After a review of the information submitted by the applicant, Commissioner Abrams moved to approve the real estate salesperson's license application of John R. Jenkins. Commissioner Rice seconded
	the motion. The motion was voted on and unanimously carried.
	the motion. The motion was voted on and unanimously carried.

After a review of the information submitted by the applicant, Commissioner Imanaka moved to defer decision making on

> Eric C. Maher's application for a real estate salesperson's license pending receipt of additional information and to request Mr. Maher's appearance at the July 30, 2003 Real Estate Commission meeting. Commissioner Yamanaka seconded the motion. The motion was voted on and unanimously carried.

Larry M. Jensen

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's license application of Larry M. Jenson. Commissioner Imanaka seconded the motion. Commissioners Imanaka, Kagawa, Okawa and Chinen voted in favor of the motion. Commissioners Rice, Abrams, Yamanaka and Ohama voted against the motion. No decision was made due to the lack of five votes in favor or in opposition.

Samuelu W. Mata'utia

After a review of the information presented by the applicant, Commissioner Abrams moved to approve the real estate salesperson's license application of Samuelu W. Mata'utia. Commissioner Imanaka seconded the motion. The motion was voted on and unanimously carried.

Neal A. Norman

After a review of the information presented by the applicant, Commissioner Abrams moved to approve the real estate broker's application of Neal A. Norman. Commissioner Rice seconded the motion. The motion was voted on and unanimously carried.

Koa Properties Land & Homes, LLC

After a review of the information presented by the applicant, Commissioner Abrams moved to approve the limited liability company application of Koa Properties Land & Homes LLC. Commissioner Rice seconded the motion. The motion was voted on and unanimously carried.

The Chair called for a recess from the meeting at 10:15 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 and Salesperson's Licenses of Hawaii Management Group, Joel D. Johnson, and David Bischoff; REC 2001-270-L and REC 2002-176-L

This matter was deferred to the July 30, 2003 Real Estate Commission meeting.

<u>Chapter 91, HRS</u> <u>Adjudicatory</u> <u>Matters:</u>

	In the Matter of the Real Estate Broker's License of Keola Childs; REC 2000-140-L
	Commissioner Yamanaka moved to deny the Settlement Agreement Prior to Filing of Petition for Disciplinary Action. Commissioner Rice seconded the motion. Commissioners Ohama, Imanaka, Okawa, Rice, Yamanaka and Kagawa voted in favor of the motion. Commissioners Abrams and Chinen voted against the motion. The motion passed.
	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 10:22 a.m.
<u>Next Meeting:</u>	Wednesday, July 30, 2003 9:00 a.m. Kapuaiwa Room HRH Princess Victoria Kamamalu Building 1010 Richards Street, Second Floor Honolulu, Hawaii
<u>Adjournment:</u>	With no further business to discuss, the Chair adjourned the meeting at 10:24 a.m.
	Reviewed and approved by:
	<u>/s/ Alan Taniguchi</u> Alan Taniguchi Executive Officer
	<u>July 30, 2003</u> Date
[X]	Approved as circulated.
[]	Approved with corrections; see minutes of meeting.
AT/isk:071403	

APPROVED APPLICATIONS FOR REAL ESTATE REAL ESTATE COMMISSION MEETING ON JUNE 27, 2003

<u>Brokers – Corporations and Partnerships</u> Pacific Investment Corporation of America Robert Fitzpatrick, PB	Effective Date 05/05/03
WT Nagao Realty Consultants, Limited Walter T. Nagao, PB	05/19/03
Fort Street Investment Corporation Susan H. Sublett Graham, PB	05/09/03
Carlson Inc. David Carlson, PB	05/14/03
Emerald Club Realty, Inc. Brandy Aki Gaddis, PB	05/28/03
Brokers – Limited Liability Companies and Partnerships Hawaii Time Share Exchange LLC Ralph M. Hornstine, PB	Effective Date 05/08/03
Zane Development Company, LLC Sheldon S. H. Zane, PB	05/12/03
Lanai Developers, LLC, Island of Lanai Properties" Linda Kay Okamoto, PB	06/09/03
Hanmi Realty, LLC, Hanmi Realty Henry Stanley Maerki, PB	05/29/03
Brokers – Sole Proprietor Michael B. Shewmaker, Shewmaker Real Estate Ronald J. Howlett, Maui Investment Properties Richard W. W. Fong, Fong Properties Lorraine M. Landry Bryan M. Oshio Riley K. Hakoda Joseph J. Mastrantonio Mark T. Shklov Bruce Fehring James R. Turner, Landmark Real Estate Christopher Jean Prieto Kim E. Miller	Effective Date 05/09/03 05/15/03 05/14/03 05/01/03 05/06/03 05/06/03 05/09/03 05/15/03 05/22/03 06/03/03 06/04/03 06/05/03
<u>Trade Name</u> Bryan M. Oshio, Venture Realty KBTR International Corporation, Hawaii Homes and Management	Effective Date 05/16/03 05/29/03
<u>Branch Office</u> SVO Pacific Inc. Hamman Realty Inc, Hamman Realty Hawaii	Effective Date 05/02/03 05/06/03

Equivalency to Uniform Section of Examination Certificate	Expiration Date
Danny E. Bell	05/13/05
Charles A. Racine	05/13/05
Linda L. Sauer	05/15/05
David L. Saveri	05/20/05
Connie Marie Brown	05/21/05
Marc M. Zaremba	05/21/05
Scott Stephen Prine	05/27/05
Michael D. Cornell	05/27/05
Susan D. Wooten	05/28/05
Thomas S. Anderson	05/28/05
Raymond Eckert	05/28/05
Michael Simon May	05/28/05
Melody Richardson	05/28/05
Kristine A. Blower	05/29/05
Robert D. Blower	05/29/05
Brian David Denigris	06/02/05
Sherry L. Sandoval	06/05/05
Louanne Cornwall	06/06/05
William H. Kelley	06/10/05
Nancy Jayne McCready-Lins	06/10/05
Edwin Schuyler Quackenbush	06/10/05
Bryan Scott Sillaman	06/10/05
Helen G. Lindsay	06/12/05
Tomomi Isobe	06/13/05
Nicole C. Wipp	06/13/05
Allan R. Fiedler	06/13/05
Alissa M. Cruz	06/13/05
Frank Gaston Maldonado	06/13/05
Dean Rush Gilpin	06/13/05
Bob R. Newton, Jr.	06/16/05
Lisa Monique Astudillo	06/16/05
	00/10/00
Educational Equivalency Certificate	Expiration Date
Danny E. Bell	05/13/05
Charles A. Racine	05/13/05
Shayn Lorelle Miyasato	05/15/05
Brad M. Drew	05/15/05
Linda L. Sauer	05/15/05
David L. Saveri	05/20/05
Connie Marie Brown	05/21/05
Marc M. Zaremba	05/21/05
Scott Stephen Prine	05/27/05
Michael D. Cornell	05/27/05
Susan D. Wooten	05/28/05
Thomas S. Anderson	05/28/05
Raymond Eckert	05/28/05
Michael Simon May	05/28/05
Melody Richardson	05/28/05
Lars Bendik Larson	05/28/05

Educational Equivalency Certificate	Expiration Date
Kristine A. Blower	05/29/05
Robert D. Blower	05/29/05
Brian David Denigris	06/02/05
Nancy Diane Kilbourn	06/03/05
Sherry L. Sandoval	06/05/05
Dustin Robin Williams	06/05/05
Louanne Cornwall	06/06/05
William H. Kelley	06/10/05
Sharon R. Martin	06/10/05
Matthew V. Pietsch	06/10/05
Edwin Schuyler Quackenbush	06/10/05
Bryan Scott Sillaman	06/10/05
Helen G. Lindsay	06/12/05
Michael Turolla	06/13/05
Jon Stephen Mann	06/13/05
Selina Sel-in Mann	06/13/05
Tomomi Isobe	06/13/05
Nicole C. Wipp	06/13/05
Allan R. Fiedler	06/13/05
Harrison J. Klein	06/13/05
Mary V. McGowan	06/13/05
Alissa M. Cruz	06/13/05
Frank Gaston Maldonado	06/13/05
Dean Rush Gilpin	06/13/05
Gary Fred Thomson	06/13/05
Bob R. Newton, Jr.	06/16/05
Lisa Monique Ástudillo	06/16/05
Real Estate Broker Experience Certificate	Expiration Date
Rae S. Inokuma	05/13/05
Neal A. Norman	05/15/05
Linda L. Sauer	05/15/05
David L. Saveri	05/20/05
Marc M. Zaremba	05/21/05
Gregory M. Gerard	05/27/05
Marion Haller	05/27/05
Susan D. Wooten	05/28/05
Thomas S. Anderson	05/28/05
Annette M. Aiona	06/03/05
Nancy Diane Kilbourn	06/03/05
Chason T. Ishii	06/03/05
GinaAnn M. Carrick	06/05/05
William H. Kelley	06/10/05
Sharon R. Martin	06/10/05
Edwin Schuyler Quackenbush	06/10/05
Helen G. Lindsay	06/12/05
Michael Turolla	06/13/05
Michael J. Smith	06/13/05
Andy Brous	06/16/05
Bob R. Newton, Jr.	06/16/05

<u>Real Estate Broker (upgrade)</u> Jim Creasy	Effective Date 05/08/03
Clorinda K.S.M. Conching	05/08/03
Kory M. Quinn	05/06/03
Jan K. Kim	05/06/03
Mary Beth San Juan	05/05/03
Karen E. Gremp	05/09/03
J. Rex Pippin	05/09/03
Ronald J. Howlett	05/15/03
J. L. "Jim" Gremp	05/12/03
David Carlson	05/08/03
Candice J. Morgan	05/23/03
Mike Schrieber	05/23/03
William Ray Reed	05/27/03
Peter J. Clark	05/29/03
Kim Lineham	06/03/03
Jilly Goldman	06/04/03
Christopher J. Prieto	06/04/03
Kim E. Miller	06/05/03
<u>Restoration – Real Estate Broker</u>	Effective Date
Richard T. Holly	05/07/03
<u>Restoration – Real Estate Salesperson</u> Vern C. Heath	Effective Date 05/20/03