

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, July 26, 2002

Time: 9:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: John Ohama, Chair
Mitchell Imanaka, Vice Chair
Louis Abrams, Member
Marshall Chinen, Member
Patricia Choi, Member
Kathleen Kagawa, Ph.D., Member
Iris Okawa, Member
Vern Yamanaka, Member

Calvin Kimura, Supervising Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Lorene Arata, Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
Shari Wong, Deputy Attorney General
Irene Kotaka, Secretary

Nicki Ann Thompson, Hawaii Association of REALTORS
Ronald L. Mills
Guy Hatch
Michael Morrow

Excused: Peter Rice, Member

Call to Order: The Chair called the meeting to order at 9:03 a.m., at which time quorum was established.

Chair's Report: No Chair's report was presented.

Executive Officer's Report: **Announcements, Introductions, Correspondence and Additional Distribution**

Additions to the Agenda

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

6. Licensing – Questionable Applications
 - g. Ronald J. Fleet
 - h. Faith Amby Thornton

Additional Distribution

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

6. Licensing – Questionable Applications
 - b. Michael Morrow
 - f. Robert E. Morris

Minutes of Previous Meetings

Upon a motion by Commissioner Imanaka, seconded by Commissioner Choi, it was voted on and unanimously carried to approve the minutes of the June 28, 2002 Real Estate Commission meeting as circulated.

Real Estate Commission Roster

The updated Commission Roster was distributed to the Commissioners for their information.

Committee Reports:

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 July 10, 2002 Laws and Rules Review Committee meeting as follows:

1. Minutes of June 14, 2002 – **Accept.**
2. Commission Organization – **Recommend approval** of the REC Chair's memorandum, dated July 1, 2002, regarding the organization of the Real Estate Commission.
3. ARELLO Annual Meeting 2002 – **Recommend approval** to send two Commission members and one staff member or one Commission member and two staff members to the ARELLO Annual Meeting to be held in Kansas City Missouri, on October 3 to 7, 2002, subject to the Governor's fiscal policy and budgetary approval.
4. Next Meeting: Wednesday, August 14, 2002
9:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
Honolulu, Hawaii

Ms. Thompson informed the Commissioners that the Hawaii Association of REALTORS would be requesting clarification on the some advertising issues at the next Laws and Rules Review Committee meeting, which is scheduled for August 14, 2002.

Education Review Committee

Upon a motion by Commissioner Choi, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to accept the report of the July 10, 2002 Education Review Committee meeting as follows:

1. Minutes of June 14, 2002 – **Accept.**
2. Continuing Education Administration, Curriculum, Courses, Providers, and Instructors - Applications
 - a. Course – “Residential Tax Rules, Section 1031 Exchange, and Foreign Investors,” Author/Owner: Hawaii Association of REALTORS®, Provider: Hawaii Association of REALTORS®, Course Category: Residential Tax Rules, Course Clock Hours: 3 – **Recommend approval** subject to changing course category to Real Estate Tax Law.
 - b. Course – “Analysis of Investment Real Estate,” Author/Owner: Hawaii Association of REALTORS®, Provider: Hawaii Association of REALTORS®, Course Category: Investment, Course Clock Hours: 3 – **Recommend approval.**
 - c. Course – “Mediation . . . Can We Talk?,” Author/Owner: Kathy Howe, how2educate LLC, Provider: Kathy Howe, how2educate LLC, Course Category: Dispute Resolution, Course Clock Hours: 3 – **Recommend approval** subject to changing course level of difficulty to “beginning.”
 - d. 2001-2002 Continuing Education Providers and Course Ratification List – **Recommend approval** of the following registrations/certifications:

<u>Registration/Certification</u>	<u>Effective Date</u>
“Environmental Issues in Your Real Estate Practice” (ARELLO Certified Course/Abe Lee Seminars)	06/13/02
“Real Estate Finance Today” (ARELLO Certified Course/Abe Lee Seminars)	06/13/02
“Red Flags Property Inspection Guide” (ARELLO Certified Course/Abe Lee Seminars)	06/13/02
3. Next meeting: Wednesday, August 14, 2002
10:00 a.m.
Kapuaiwa room
HRS Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Condominium Review Committee

Upon a motion by Commissioner Imanaka, seconded by Commissioner Kagawa, it was voted on and unanimously carried to accept the report of the July 10, 2002 Condominium Review Committee meeting as follows:

1. Minutes of June 14, 2002 – **Accept** as corrected on page 3, 4th paragraph change from “to be modified to current laws.” to “to conform to current laws.”
2. Condominium Governance and Management -- AOAO Registrations – 2001-2003 Biennium Registration, June 2002 – **Recommend approval** to ratify effective dates for AOAO registrations received for the 2001-2003 biennium through June 30, 2002.
3. CPR Registration, Developer’s Public Reports
 - a. June 2002 – **Recommend approval** to ratify issuance of effective dates of the developer’s public reports and extensions issued for the month of June 2002.
 - b. **Owner-Occupant Request for Waiver HRS §514A-107-- Recommend approval** to issue an informal non binding opinion that the circumstances described by Marvin Ganoot in his letter of June 28, 2002 appear to fall within §514A -107(b)(1) or (4), “Serious illness of any of the owner-occupants who executed the affidavit or any other person who was to or has occupied the residential apartment” or “Any unforeseeable occurrence subsequent to the execution of the [owner occupant] affidavit”, **and further recommend approval** to issue a no action letter.
4. Program of Work, FY03
 - a. Interactive Participation with Organizations -- CAI’s Community Leadership Forum, October 24-26, 2002, Orlando, Florida – **Recommend approval** to send one staff and one commissioner to this conference subject to the availability of CMEF funds, department approval, FY 03 Budget, and as designated by the Chair of the REC and SEO.
 - b. Program of Work, FY03 -- **Recommend approval.**
5. Next Meeting: **Wednesday, August 14, 2002**
11:00 a.m.
Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Licensing and
Registration –
Ratification:

Upon a motion by Commissioner Okawa, seconded by Commissioner Imanaka, it was voted on and unanimously carried to ratify the attached list.

Licensing – Questionable
Applications:

Ronald L. Mills

Ronald L. Mills was present to answer questions regarding his application for a real estate salesperson's license. Mr. Mills was asked if he wished to have his application considered in executive session. He declined the offer.

When asked if he had successfully passed the terms of his probation, Mr. Mills answered in the affirmative. There have been no other occurrences since that incident.

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

Guy B. Hatch

Guy B. Hatch was present to answer any questions the Commission may have regarding his application for a real estate salesperson's license. Mr. Hatch was asked if he wished to have his application considered in executive session. He declined the offer.

Mr. Hatch stated that he is currently employed with Betsill Construction in Maui. He attended Seiler School of Real Estate. He is a project manager for the construction company and has been in real estate for over twenty years. He stated that some of the problems arose because of his being in construction over twenty years. He stated that he enjoys working with people.

Mr. Hatch was asked to clarify the "we" used in the testimony that was provided. Mr. Hatch stated that the "we" refers to his wife and himself. He has been self-employed since high school. He has been a broker in Utah for the last five years.

Mr. Hatch was asked to provide information on the status of his tax lien. Mr. Hatch stated that his tax lien is in a non-collectible status and it will be wiped off his record in one year. Mr. Hatch stated that he had owned a fine dining restaurant, had sold it, and there was a breach of contract on the part of the buyer. He picked it back up. He spent three to four years working with them to pay back the debts. Because of some circumstances, it was placed on a non-collectible status. The IRS told him that they were not actively pursuing it. He was told that he could make an offer in compromise in the future. Mr. Hatch stated that if he had struck a gold mine, he would have worked on it. Most of the banks in which they borrowed money from understood his situation.

Mr. Hatch was asked if he was currently licensed in Utah. He stated that he was. He was also asked if the State of Utah was aware of his situation. Mr. Hatch stated that he had sent a letter to the State of Utah explaining his position. Utah accepted the fact that his taxes were in an uncollectible status.

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

Michael Morrow

Michael Morrow was present to answer any questions the Commission may have had regarding his application for a real estate salesperson's license. Mr. Morrow was asked if he wished to have his application considered in executive session. He declined the offer.

A copy of a letter from Mr. Morrow's probation officer, stating that all conditions of his probation have been completed, was distributed to the Commissioners for their information.

Mr. Morrow stated that he was in the middle of a divorce and he was living in Florida. His wife turned in a rifle that he had owned since he was in the Boy Scouts. The next time he flew to Florida, he was written a ticket. Mr. Morrow stated that everything had been handled through the mail. His probation was supposed to be for twelve months, but he finished in nine to ten months.

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

Chapter 91, HRS,
Adjudicatory
Matters:

The Chair called for a recess from the meeting at 9:20 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

In the Matter of the Real Estate Salesperson's License of Julia Francesca Coelho; REC 2000-29-L and REC 2000-127-L

Upon a motion by Commissioner Imanaka, seconded by Commissioner Abrams, it was voted on and unanimously carried to waive the ten-day filing requirement of the Ex Parte Motion for Reconsideration of the Settlement Agreement.

Upon a motion by Commissioner Okawa, seconded by Commissioner Imanaka, it was voted on and unanimously carried to accept the Settlement Agreement After Filing of Petition for Disciplinary Action and Commission's Final Order.

In the Matter of the Real Estate Broker's Licenses of Edward A. Neizman and Kaiman Realty, Inc., REC 1999-89-L; REC 2000-4-L; REC 2000-7-L; and REC 2000-36-L

Commissioner Okawa moved to accept the Affidavit of Counsel; Exhibits "A" and "B"; Certificate of Service and pursuant to the terms of the Settlement Agreement, order revocation of licenses, effective August 14, 2002. Notice to be provided to Respondents via certified mail, return receipt requested and via first class mail. Commissioner Abrams

seconded the motion. Commissioners Abrams, Chinen, Choi, Imanaka, Kagawa, Okawa and Yamanaka voted in favor of the motion. Commissioner Ohama voted against the motion. The motion was carried.

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 10:12 a.m.

Executive
Session:

Upon a motion by Commissioner Abrams, seconded by Commissioner Okawa, 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.

Licensing -
Questionable
Applications:

Gordon L. Helm, Jr.

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's license application of Gordon L. Helm, Jr. Commissioner Imanaka seconded the motion. The motion was voted on and unanimously carried.

Michael Morrow

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

Ronald L. Mills

After a review of the information presented by the applicant, Commissioner Imanaka moved to approve the real estate salesperson's license application of Ronald L. Mills. Commissioner Choi seconded the motion. The motion was voted on and unanimously carried.

Hiroshi R. Proctor

After a review of the information submitted by the applicant, Commissioner Imanaka moved to defer decision making on Hiroshi R. Proctor's application for a real estate salesperson's license and to request Mr. Proctor's appearance at the August 30, 2002 Real Estate Commission meeting. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Guy B. Hatch

After a review of the information presented by the applicant, Commissioner Imanaka moved to deny Guy B. Hatch's application for a real estate salesperson's license unless within sixty days he submits proof of payment, an approved written payment plan, written proof of discharge, or written documentation stating that the account has been placed on a "non-collectible status" from the Internal Revenue Service for all outstanding tax obligations. Commissioner Choi seconded the motion. The motion was voted on and unanimously carried.

Robert E. Morris

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's license of Robert E. Morris. Commissioner Choi seconded the motion. The motion was voted on and unanimously carried.

Ronald J. Fleet

After a review of the information submitted by the applicant, Commissioner Imanaka moved to approve the real estate broker's license application of Ronald J. Fleet. Commissioner Imanaka withdrew his motion.

After a review of the information submitted by the applicant, Commissioner Imanaka moved to defer decision making on the real estate broker's license application of Ronald J. Fleet and requested Mr. Fleet's appearance at the August 30, 2002 Real Estate Commission meeting. Commissioner Okawa seconded the motion. The motion was voted on and unanimously carried.

Faith Amby Thornton

After a review of the information submitted by the applicant, Commissioner Imanaka moved to defer decision making on the real estate salesperson's license application of Faith Amby Thornton and to request Ms. Amby Thornton's appearance at the August 30, 2002 Real Estate Commission meeting. Commissioner Abrams seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Friday, August 30, 2002
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 10:32 a.m.

Reviewed and approved by:

/s/ Calvin Kimura
Calvin Kimura
Supervising Executive Officer

August 30, 2002
Date

- [X] Approved as circulated.
[] Approved with corrections; see minutes of _____ meeting.

APPROVED APPLICATIONS FOR REAL ESTATE
REAL ESTATE COMMISSION MEETING ON JULY 26, 2002

<u>Brokers – Corporations and Partnerships</u>	<u>Effective Date</u>
Royal Kaanapali Realty, Inc. Foster M. Hull, Jr., PB	07/08/02

<u>Brokers – Limited Liability Companies and Partnerships</u>	<u>Effective Date</u>
Aloha Hawaiian Properties, LLC, Aloha Timeshare Resales Andrea Lievens, PB	06/26/02
Metropolitan Realty, LLC James E. Kolonick, PB	06/26/02
Horwath Investment Advisers, LLC Joel W. Hiser, PB	07/01/02
Red Time Realty LLC Donald S. Rullo, PB	07/02/02

<u>Brokers - Sole Proprietor</u>	<u>Effective Date</u>
Michael H. Gisondi	06/26/02
Ludwig Kuglmeier, Adams Hawaii Properties	07/08/02

<u>Equivalency to Uniform Section of Examination Certificate</u>	<u>Expiration Date</u>
Lawrence F. Cornelius	06/21/04
David William Johnson	06/25/04
Carolyn E. Redman	07/01/04
Arnold Jerome Weinstein	07/01/04
Arthur G. White	07/02/04
Anthony John Alagna	07/03/04
Kenneth Masami Oku	07/05/04
Kathleen Violet Morris	07/15/04
Jason Floyd Cook	07/15/04
DeAnn Eve Colton	07/16/04

<u>Educational Equivalency Certificate</u>	<u>Expiration Date</u>
Lawrence F. Cornelius	06/21/04
David William Johnson	06/25/04
Gary Lynn Hall	06/25/04
William Cittadino	06/25/04
Victor Wong	06/25/04
Love Dozier	06/25/04
Judith E. Barrett	06/25/04
Carolyn E. Redman	07/01/04
Arnold Jerome Weinstein	07/01/04
Arthur G. White	07/02/04
Anthony John Alagna	07/03/04
Kenneth Masami Oku	07/05/04
Philip L. Campos	07/12/04
Kathleen Violet Morris	07/15/04
Jason Floyd Cook	07/15/04
Gregory Grant Grigaitis	07/15/04

Educational Equivalency Certificate

DeAnn Eve Colton
Brian Alan Anderson
Trudy Burns Stone
Megumi Nakano

Expiration Date

07/16/04
07/16/04
07/16/04
07/16/04

Real Estate Broker Experience Certificate

Chickadee L. Moniz
Kendric W. L. Wong
Darlene M. Peralto
Jill Goldman
Thomas Gray Rice

Expiration Date

06/25/04
07/02/04
07/05/04
07/15/04
07/16/04

Real Estate Broker (upgrade)

Cobey R. Apaka
Bradley S. MacArthur
Juanita M. Charkas

Effective Date

06/25/02
07/09/02
07/09/02

Restoration – Real Estate Broker

Patricia I. Wall

Effective Date

06/21/02

Restoration – Real Estate Salesperson

Teresa A. Ballesteros
Lynn M. Wilkinson
Rafael D. Baniaga

Effective Date

06/24/02
06/24/02
06/25/02