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, March 24, 2006

Time: 9:00 a.m.

Place: Queen Lili'uokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

Present: Trudy Nishihara, Chair, Broker/Honolulu Commissioner

Iris Okawa, Vice Chair, Public/Honolulu Commissioner

Louis Abrams, Broker/Kauai Commissioner Carol Ball, Broker/Maui Commissioner

Kathleen Kagawa, Broker/Honolulu Commissioner

Michele Sunahara Loudermilk, Public/Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer

Diane Choy Fujimura, Senior Real Estate Specialist

Ryan Yamashiro, Real Estate Specialist Cynthia Yee, Senior Condominium Specialist Cheryl Leong, Condominium Specialist David Grupen, Condominium Specialist Shari Wong, Deputy Attorney General

Lei Fukumura, Special Deputy Attorney General

Irene Kotaka, Secretary

Elden Okimura Jill McGovern Charles McGovern Michael Szymanski Kala Alexander

Absent: Stanley Kuriyama, Broker/Honolulu Commissioner

Vern Yamanaka, Broker/Hawaii Island Commissioner

Call to Order: The Chair called the meeting to order at 9:00 a.m., at which time quorum was

established.

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

<u>Executive</u> The Supervising Executive Officer informed the Commissioners that the Officer's Report: applications to be considered at the meeting were available for their review.

Additions to the Agenda

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

- 4. Committee Reports and Program of Work
 - c. Condominium Review Committee Condominium Governance and Management – Condominium Seminars and Symposium – Approval of 2005 CAI Hawaii Seminars – April 2006 through August 2006
- 6. Licensing Applications
 - e. Elden Okimura
 - f. Jill M. McGovern
 - g. Dee-Ann K. M. L. Kekahuna

Additional Distribution

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

- 6. Licensing Applications
 - Michael Szymanski / One Wailea Realty LLC

Minutes of Previous Meetings

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the February 24, 2006 Real Estate Commission meeting.

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

The Chair called for a recess from the meeting at 9:02 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

In the Matter of the Real Estate Brokers' Licenses of Remax Kauai.com LC and James G. Pycha; REC 2005-106-L

Commissioner Abrams was excused from the meeting.

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

Commissioner Abrams returned to the meeting.

In the Matter of the Real Estate Brokers' Licenses of James E. McKellar and Certified Management, Inc.; REC 2003-342-L

Upon a motion by Commissioner Okawa, seconded by Commissioner Loudermilk, 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 Brokers' Licenses of James E. McKellar and Certified Management, Inc.; REC 2004-120-L

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, 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 Brokers' Licenses of Certified Management, Inc. and James E. McKellar; REC 2003-220-L and 2004-211-L

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

In the Matter of the Real Estate Brokers' Licenses of Kaiman Realty, Inc. and Edward Neizman; REC 2002-136-L

Commissioner Ball was excused from the meeting.

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted upon and carried to defer decision making on the Settlement Agreement Prior to Filing of Petition for Disciplinary Action and Commission's Final Order.

Commissioner Ball 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 9:36 a.m.

Executive Session:

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

Committee Reports and Program of Work:

Laws and Rules Review Committee

Upon a motion by Commissioner Abrams, seconded by Commissioner Kagawa, it was voted on and unanimously carried to accept the report of the March 8, 2006 Laws and Rules Review Committee meeting as follows:

- 1. Minutes of February 8, 2006 Accept
- Neighbor Island Outreach The next neighbor island outreach is scheduled for May 10, 2006, on the island of Hawaii. The Laws and Rules Review Committee meeting will convene at 9:30 a.m., followed by the Education Review Committee meeting, and the Condominium Review Committee meeting. The meetings will be held at the University of Hawaii at Hilo, Campus Center, Conference Rooms 306/307, 200 W. Kawili Street, Hilo, Hawaii. The Real Estate Specialists' Office for the Day will also be held in conjunction with the meetings.
- 3. Budget and Finance Report Real Estate Recovery Fund, Month Ending December 31, 2005 **Accept**

4. Next Meeting: Wednesday, April 12, 2006

9:00 a.m.

Queen Lili'uokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

Education Review Committee

Upon a motion by Commissioner Ball, seconded by Commissioner Loudermilk, it was voted on and carried to accept the report of the March 8, 2006 Education Review Committee meeting as follows:

- 1. Minutes of February 8, 2006 **Accept**
- Continuing Education Administration, Curriculum, Courses, Providers, and Instructors
 - a. Applications
 - Course "Federal Fair Housing, Sales;" Author: National Association of REALTORS; Provider: ERA School of Real Estate; Course Categories: Real Estate Law, Risk Management, Other – Fair Housing; Clock Hours: 3 - Recommend approval
 - 2) Course "Discover, Disclosure, Damages, Defendants: Daily Decisions 2006;" Author/Owner: Oliver E. Frascona, Esq., GRI; Provider: Kona Board of REALTORS; Course Category: Risk Management; Clock Hours: 3- Recommend deferral
 - Provider America's Best; Susan Davis, Administrator Recommend approval
 - 4) Course "Property Management in Hawaii;"
 Author/Owner: Philip Hale Wilia; Provider: Dower
 School of Real Estate; Course Category: Property
 Management; Clock Hours: 3- Recommend approval
 - 5) Course "21st Century Marketing;" Author/Owner:
 Dustin Gellman, CCIM; Provider: Hawaii CCIM Chapter;
 Course Category: Technology and the Licensee; Clock
 Hours: 3 **Recommend approval**
 - b. Evaluation and Education Program Recommend approval as policy that the course registration fees and course materials (if any) be paid from the Real Estate Education Fund for the course monitors of continuing education courses. There will be no payment of travel costs or per diem fees, unless specifically approved by Commission and subject to approved travel request prior to travel. Course monitor to continue to receive continuing education credit. The decision as to whether there will be disclosure of the monitoring the course to the instructor or provider will continue to be delegated to Staff.
- 3. Prelicensing Education Administration, Curriculum, Schools, Instructors and Equivalency Applications
 - a. Guest Lecturer Sandra Sakuma; All Islands Real Estate School –
 Carol Egan, Principal Recommend approval
 - Guest Lecturer Harry S. K. Lee, All Islands Real Estate School Carol Egan, Principal – Recommend approval

- Guest Lecturer Diane L. Y. Fujikami, All Islands Real Estate School
 Carol Egan, Principal Recommend approval
- d. Guest Lecturer Bridget C. Arrastia, All Islands Real Estate School –
 Carol Egan, Principal Recommend approval
- 4. Program of Work, FY06
 - a. Neighbor Island Outreach and Real Estate Specialists' Office for the Day The next neighbor island outreach will be held on May 10, 2006 in the Campus Center Conference Rooms 306/307, University of Hawaii Hilo, 200 West Kawili Street, Hilo. The Laws and Rules Review Committee meeting will convene at 9:30 a.m., to be followed by the Education Review Committee meeting and the Condominium Review Committee meeting. The Real Estate Specialists' Office for the Day will be held in conjunction with this event.
 - b. Real Estate Seminars HAR Proposal "Duties in Conflict: Managing the In-House Transaction" – Lynn Madison – Subject to the request being a Commission-sponsored seminar to be funded from the Real Estate Education Fund notwithstanding as an approved continuing education elective course (under specific laws and rules), recommend deferral pending receipt of additional information on existing contract with HAR, resolution of legal procurement concerns, and substantive content concerns regarding inclusion of Hawaii specific law and rules content material and whether the Hawaii law and rules will be the major focus.
- 5. Next Meeting: Wednesday, April 12, 2006

Upon adjournment of the Laws and Rules Review Committee

Meeting, which convenes at 9:00 a.m. Queen Lili'uokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor Honolulu, Hawaii

No new information has been received regarding the real estate seminars proposed by HAR.

Condominium Review Committee

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Kagawa, it was voted on and carried to accept the amended report of the March 8, 2006 Condominium Review Committee meeting as follows:

- 1. Minutes of February 8, 2006 Accept.
- 2. CPR Registration and Developer's Public Reports
 - a. CPR Project Islander on the Beach, CPR #5420 Based on the letters and/or faxes of February 27, 2006, March 3, 2006, and March 7, 2006 submitted by Steven R. Lee, attorney for Nick Michaels, and representations made by Steven Lee during his presentation, **recommend approval** to issue an informal non-binding interpretation that the described sale of one-sixth undivided fee simple interests in apartments currently owned are resales and do not require Mr. Michaels to obtain an effective date for a developer's public report. The recommendation does not include an informal non-binding interpretation of the time share law, Chapter 514E, HRS, which the Commission has no jurisdiction over.

- Informal Non-Binding Interpretation Request Owner-Occupant
 No Action Request §514A-107(b)(1), HRS Arnold Morgado –
 Recommend approval to issue an informal, non-binding
 interpretation and issue a "no action" letter based on a verified
 extenuating medical condition of a person (daughter) who was to
 occupy the residential apartment.
- c. Informal Non-Binding Interpretation Request Owner-Occupant No Action Request §514A-107(b)(1), HRS Lehualani K. Concepcion **Recommend approval** to issue an informal non-binding interpretation and issue a "no action" letter based on a verified extenuating medical condition.
- 3. Program of Work, FY06
 - a. Recodification of Chapter 514A and Education **Recommend approval** to establish a Recodification Education Ad Hoc
 Committee to assist with the delivery of educational products and seminars; members to be appointed by the CRC Chair, Vice
 Chair, and staff, and be reimbursed for expenses, including travel and per diem.

For purposes of education and implementation of the new condominium law, Chapter 514B, HRS, **recommend approval** to:

- Allow the copying, distribution and circulation of the Commission's publications, including forms and other work products prepared by staff and/or its consultants to interested individuals and/or organizations for purposes of review and comments;
- Delegate to CRC Chair and Vice Chair the authority to decide which individuals and organizations may further copy, distribute and circulate the Commission's publications, including forms and other work products for review and comment; and to
- Ratify the actions of the CRC Chair and Vice Chair in granting the HSBA Real Property Section permission to copy, distribute and circulate the Commission's work products for review and comments.
- Delegate to the CRC Chair and Vice Chair for the interim periods between the regular monthly CRC meetings and REC meetings the authority to take any and all necessary actions for the education and implementation of the new condominium law subject to making a report of its actions at the next CRC and REC regular meeting.
- b. Government and Legislative Participation and Report
 - Richard Kiefer, Esq. Request on House bill
 No. 3225 Recommend deferral until such
 time a review of the proposed amendments may
 be conducted.
 - CAI Hawaii Chapter Legislative Committee John Morris, Esq. – Request on House Bill No. 3225 – Recommend deferral until such time a review of the proposed amendments may be conducted.
 - 3) Tom Berg Request on Senate Bill No. 2545, SD2 **Recommend approval** to make a

recommendation to the Director of DCCA to support the extension of the CDR program for one year; and **further recommend** that the Commission take no position on legislation relating to planned communities.

- 4. Interactive Participation with Organizations CAI Law Seminar Report Acknowledge receipt of report submitted by Shari Wong, Esq., Deputy Attorney General.
- 5. Next Meeting: Wednesday, April 12, 2006

Upon a motion by Commissioner Okawa, seconded by

the ratification of the attached list.

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.

Queen Lili'uokalani Conference Room

King Kalakaua Building

335 Merchant Street, First Floor

Honolulu, Hawaii

Condominium Governance and Management – Condominium Seminars and Symposium – Upon a motion by Commissioner Loudermilk, seconded by Commissioner Kagawa, it was voted on and unanimously carried to approve the seminars conducted by CAI Hawaii to be held in April and May 2006; to issue a letter notifying CAI Hawaii that the Commission denied their request for reimbursement of the January 2006 seminar; further advising CAI Hawaii of the timetable for the processing of the new contract under the procurement procedures; and that CAI Hawaii may submit a request for the July, August and October 2006 seminars at a later time under a renewed contract or under a new Request for Proposal.

<u>Licensing and</u> <u>Registration –</u> Ratification:

Toan V. Le

<u>Licensing</u> – Applications:

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate salesperson's license of Toan V. Le. Commissioner Loudermilk seconded the motion. The motion was voted on and unanimously carried.

Commissioner Kagawa, it was voted on and unanimously carried to approve

Kala Alexander

After a review of the information presented by the applicant, Commissioner Loudermilk moved to deny the real estate salesperson's license of Kala Alexander, pursuant to § 467-8(a)(3) and 436B-19(1)(8)(12)(14), HRS. Commissioner Ball seconded the motion. The motion was voted on and unanimously carried.

Peter Melone

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve the real estate broker's license application of Peter Melone. Commissioner Abrams seconded the motion. The motion was voted on a unanimously carried.

Michael Szymanski / One Wailea Realty LLC

Commissioner Loudermilk abstained from the discussion and voting.

After a review of the information presented by the applicant, Commissioner Ball moved to approve the real estate broker's application of Michael Szymanski and the limited liability corporation application of One Wailea Realty LLC. Commissioner Abrams seconded the motion. The motion was voted on and carried.

Commissioner Loudermilk returned to the meeting.

Elden H. Okimura

After a review of the information presented by the applicant, Commissioner Okawa moved to deny Elden H. Okimura's real estate salesperson's license application, pursuant to § 467-8(a)(3) and 436B-19(1)(8)(12)(14), HRS. Commissioner Ball seconded the motion. The motion was voted on and unanimously carried.

Jill M. McGovern

After a review of the information presented by the applicant, Commissioner Okawa moved to approve Jill M. McGovern's real estate broker's license application subject to receipt of further documentation. Commissioner Abrams seconded the motion. The motion was voted on and unanimously carried.

Dee-Ann K. M. L. Kekahuna

After a review of the information submitted by the applicant, Commissioner Okawa moved to approve Dee-Ann K. M. L. Kekahuna's real estate salesperson's license. Commissioner Abrams seconded the motion. The motion was voted on and unanimously carried.

Next Meeting:

Friday, April 28, 2006 9:00 a.m. Queen Lili'uokalani Conference Room King Kalakaua Building 335 Merchant Street, First Floor Honolulu, Hawaii

<u>Adjou</u>	rnment:	With no further business to discuss, the Chair adjourned the meeting at 11:23 a.m.
		Reviewed and approved by:
		/s/ Calvin Kimura Calvin Kimura Supervising Executive Officer
		<u>April 28, 2006</u> Date
X]]	Approved as circulated. Approved with corrections; see minutes of meeting.

CK/isk/060406

APPROVED APPLICATIONS FOR REAL ESTATE REAL ESTATE COMMISSION MEETING ON MARCH 24, 2006

Brokers – Limited Liability Companies and Partnerships Jade Realty LLC Jade Tse, PB	Effective Date 02/09/06
Buyers & Sellers Paradise Homes LLC Susie Dennis, PB	02/10/06
Faith Naluai LLC Faith E. Naluai, PB	02/14/06
Resort Retail Services LLC Roger B. Lyons, PB	02/17/06
My Fair Landlady LLC Daisy C. Yamada, PB	02/21/06
Fujisaki Realty LLC Cattie Fujisaki, PB	02/24/06
Brokers – Corporations and Partnerships S&P Destination Properties Inc. Jeffrey D. Skinner, PB	Effective Date 02/13/06
Brokers – Sole Proprietor Ray Boltz Cynthia S. Lewis	Effective Date 02/03/06 02/14/06
Trade Name Waikiki, LLC DBA Realty Executives Waikiki, Realty Executives Oahu	Effective Date 01/25/06
Corporation Name Waikiki, LLC DBA Realty Executives Waikiki (fka Realty Executives Waikiki LLC)	Effective Date 01/25/06
Branch Office Hilton Grand Vacations Development Company Las Vegas LLC Leinaala S. P. Isa, PB	Effective Date 02/08/06
Realty Executives Waikiki LLC Gordon C. Y. Au, PB	02/14/06
Equivalency to Uniform Section of Examination Certificate Jennifer Gail Martin Colleen Patricia Branin Susan Diane Sosebee Stefanie Denise Scanlon Margaret Alice Beckett Elise Amy Liftin James Edgar Windsor Zellie Nelson Peter A. Gelsey Kara Lou Sullivan Dean Douglas Wilcox Lawrence Stephen Davis	Expiration Date 02/16/08 02/16/08 02/16/08 02/16/08 02/16/08 02/16/08 02/16/08 02/17/08 02/17/08 02/17/08 02/17/08 02/17/08

Colleen Patricia Branin

Elise Amy Liftin

Equivalency to Uniform Section of Examination Certificate	Expiration Date
Timothy A. Leikip	02/21/08
Maray Susan Rahilly	02/21/08
Jennifer A. Bowald	02/21/08
Gordon Hoang Wright	02/22/08
Todd Jeffrey Johnson	02/23/08
Christine Catherine Jensen	02/23/08
Jonathon Ralph Strong	02/27/08
Christopher Melrose Haigh	02/27/08
Patrick King Houstoun	02/27/08
Ronald Leroy Olen	02/28/08
Katie D. McCabe	03/01/08
Trent Hisashi Nakashima	03/03/08
	03/06/08
Theresa T. Nguyen	
Sally Hirshfield	03/09/08
Educational Equivalency Certificate	Expiration Date
Jennifer Gail Martin	02/16/08
Colleen Patricia Branin	02/16/08
Susan Diane Sosebee	02/16/08
Stefanie Denise Scanlon	02/16/08
Margaret Alice Beckett	02/16/08
Debra G. Wheeler	02/16/08
Gila M. Willner	02/16/08
Elise Amy Liftin	02/16/08
James Edgar Windsor	02/16/08
Zellie Nelson	02/17/08
Kara Lou Sullivan	02/17/08
Dean Douglas Wilcox	02/17/08
Lawrence Stephen Davis	02/21/08
Glenn Masashi Kosaka	02/21/08
Mary Susan Rahilly	02/21/08
Jennifer A. Bowald	02/21/08
Kelly Rodriguez	02/21/08
Gordon Hoang Wright	02/22/08
Todd Jeffrey Johnson	02/23/08
Suzanne Geri Bierman	02/23/08
Chris Chulho Yum	02/23/08
Christine Catherine Jensen	02/23/08
Jonathon Ralph Strong	02/27/08
Christopher Melrose Haigh	02/27/08
Patrick King Houstoun	02/27/08
Ronald Leroy Olen	02/28/08
Katie D. McCabe	03/01/08
Russell Brent Massey	03/03/08
Kimiko Nagai Kuriyama	03/03/08
Trent Hisashi Nakashima	03/03/08
Theresa T. Nguyen	03/06/08
Sally Hirshfield	03/09/08
Real Estate Broker Experience Certificate	Expiration Date
Michael Edward Davis	02/16/08
College Patricia Branin	02/16/08

02/16/08

02/16/08

Real Estate Broker (upgrade) Susie Dennis Gerald N. Kim Stacey Lee Kim Don S. Lui-Kwan Jeffrey D. Skinner Tamotsu Ishihara Herbert B. Smith Randall J. St. Germain David R. Jurbala, Sr. William Cross Rand J. Iverson	Effective Date 02/10/06 02/08/06 02/09/06 02/10/06 02/13/06 02/14/06 02/14/06 02/14/06 02/14/06 02/15/06 02/17/06
Julie Hugo	02/17/06
Robyn Placke	02/21/06
Mary S. Takasane	02/21/06
Cattie Fujisaki	02/24/06
Hui Kim Young	02/23/06

Restoration – Real Estate Salesperson	Effective Date
Karen K. Lattanzi	02/06/06
Mark A. Vella	03/06/06