

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, December 20, 2013

Time: 9:00 a.m.

Place: Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Present: Frances Gendrano, Vice Chair, Broker/Honolulu Commissioner
Bruce Faulkner, Broker/Maui Commissioner
Scott Arakaki, Public/Honolulu Commissioner
Scott A. Sherley, Broker/Hawaii Island Commissioner
Rowena Cobb, Broker/Kauai Commissioner
Aileen Wada, Broker/Honolulu Commissioner
Laurie Lee, Broker/Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Diane Choy Fujimura, Senior Real Estate Specialist
Cynthia Yee, Senior Condominium Specialist
Amy Endo, Real Estate Specialist
David J. Grupen, Real Estate Specialist
Katherine Linster, Condominium Specialist
Shari Wong, Deputy Attorney General
Marilyn Antolin, Recording Secretary

Others: Lei Fukumura, Special Deputy Attorney General
Aron Espinueva, Hawaii Association of REALTORS®
Dana Kenny, Savio Realty Ltd.
Kyle Nitahara, Savio Realty Ltd.
Tenaya Roshay
Myoung Oh, Hawaii Association of REALTORS®
Troy Oliveria

Call to Order: Vice-Chair Gendrano called the meeting to order at 9:05 a.m., at which time quorum was established.

Absent: Nikki T. Senter, Chair, Public/Honolulu Commissioner

Chair's Report: The Vice-Chair announced that the Commission may move into executive session to consider and evaluate personal information relating to individuals applying for licensure in accordance with section 92-5(a) (1), HRS, and/or to consult with the Commission's attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities in accordance with Section 92-5(a) (4), HRS.

Chair Senter was excused from the meeting. Prior notification of her non-attendance was received.

Executive
Officer's Report:

The Executive Officer ("EO") informed the Commissioners that the original applications with any original associated documents to be considered at the meeting were available for review.

Addition to Agenda

The following materials distributed prior to the start of the meeting:
Committees and Program of Work

- a. Laws and Rules Review Committee
 - 1) Rulemaking, Chapter 99, HAR, Real Estate Brokers and Salespersons (revised EO Memo dated 12/20/2013)
 - 2) Special Issues – Non-Binding Interpretation
- b. Condominium Review Committee
- c. Education Review Committee

Minutes of Previous Meeting

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to accept the minutes of the November 27, 2013 meeting.

Licensing –
Ratification:

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

Committees and
Program of Work:

Laws and Rules Review Committee

- 1) Rulemaking, Chapter 99, HAR, Real Estate Brokers and Salespersons

Executive Officer Miles Ino revised his memo and incorporated recent recommendations from the Laws and Rules Review Committee, the Legislative Reference Bureau, and Special Deputy Attorney Shari Wong

The current version incorporates Hawaii Association of Realtor's Recommendation #1, regarding clarification that that the brokerage need not include the brokerage firm's license number in all advertising and promotional materials, & Recommendation #2, regarding font size, of its written request of November 20, 2013, which involves mostly advertisement rule changes.

Upon a motion by Commissioner Faulkner, seconded by Commissioner Lee, it was voted on and unanimously carried to move the current draft version of the Proposed Rulemaking – Chapter 99, Hawaii Administrative Rules through the approval process and instruct staff to research further the legal and logistical considerations of the Hawaii Association of Realtor's Recommendation #3, requesting a phase-in period of up to three (3) years for the advertising rules changes to take effect.

- 2) Special Issues – Non-Binding Interpretation

As a representative of Savio Realty Ltd., Principal Broker Dana Kenny was present with the Director of Operations, Kyle Nitahara. Mr. Kenny

distributed a letter dated December 20, 2013, signed by President Peter Savio.

Mr. Kenny was present to answer any questions that the Commissioners may have regarding Mr. Savio's request.

Since the passing of Mr. Savio's mother, Mary Savio in 2011, Mr. Savio decided to keep his real estate company, Savio Realty Ltd. to honor his mother.

Mr. Kenny presented Mr. Savio's current situation, which is in conflict with the statute. There are two (2) companies with the same name attached to it. In addition, Mr. Kenny mentioned that the change of name to come in compliance with the statute would involve additional financial burden and it could cost Mr. Savio in excess of \$400,000 - \$500,000.

Mr. Kenny believes that Mr. Savio, as President, should be considered an employee of Savio Realty Ltd. Mr. Savio presides over the company's decision-making, counsels upper management, and, provides daily operational guidance. Mr. Kenny further said that its Mr. Savio's money and he tells them what to do.

Mr. Savio is currently not licensed with Savio Realty Ltd. but is the Principal Broker to Savio Asset Management.

Deputy Attorney General Wong asked for verification regarding Mr. Kenny's role in Hawaiian Isle Homes. Mr. Kenny was previously the Principal Broker of Hawaiian Isle Homes but presently the Principal Broker of Savio Realty Ltd. Mr. Savio is currently Principal Broker of Savio Asset Management.

Real Estate Specialist Endo requested clarification regarding such subsidiaries including hotel management and student housing. Mr. Kenny responded that Savio's subsidiaries do not involve real estate licensing requirements. Savio Holdings currently consist of entities including but not limited to, Savio Realty Ltd., Savio Asset Management, Pagoda Hotel, & Hawaii Student Housing.

Mr. Nitahara confirmed that there are five (5) separate business addresses for their offices in the State of Hawaii.

Note Correction on Mr. Savio's letter dated December 20, 2013: The second sentence should be, "I decided to rename my real estate company....", instead of remain.

Deputy Attorney General Wong asked whether or not Mr. Savio is the trustee or legal representative of Maria Savio's Trust Fund. Mr. Kenny responded that he has known Mr. Savio for 25 years and is aware that such trust fund exists but is unable to confirm whether or not Mr. Savio is the named trustee of the fund.

The Commissioners had no additional questions for Mr. Kenny or Mr. Nitahara.

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

Condominium Review Committee

Commission Chair Senter recommended, in writing, a Blue Ribbon Committee in which Commissioner Sherley and Commissioner Arakaki would be the designated co-chairs & be responsible in drafting and finalizing the Condominium Rules.

Upon a motion by Commissioner Cobb, seconded by Commissioner Lee, it was voted on and unanimously moved to approve the recommendation, with amendments.

The terms of the members will expire when the Condominium Rules are approved, published, and adopted, or otherwise dissolved by the Commission.

Education Review Committee

Addition to Agenda, Senior Real Estate Specialist Diane Choy Fujimura memorandum dated December 20, 2013, regarding the continued availability of Core A (Classroom Version) beyond January 1, 2014.

Commissioner Wada commented that 75-80 percent would prefer to take Core A in a live, classroom version even though Core A is available on-line.

Commissioner Arakaki also commented that it is common for required courses to be taken right before the deadline and a live classroom version is preferred so that the attendee receives an attendance record/certificate in hand.

Upon a motion by Commissioner Cobb, seconded by Commissioner Arakaki, it was voted to offer both Core A and Core B when available, throughout the biennium in a live, classroom format, along with the online version of both courses. Both Core A and Core B will be offered in an ONLINE version only from January 1 of the new biennium through May 31 of the first year of the new biennium. Commissioners Gendrano, Arakaki, Sherley, Cobb, Wada, and Lee voted aye. Commissioner Faulkner voted nay. The motion passed.

Licensing –
Applications:

The EO informed the Commissioners that the information provided to the Commissioners is related only to the issue that is before the Commission for consideration. The other materials submitted are available for the Commissioners review should they desire to review it. If the applicants have an issue, which is personal in nature, they have the right to request that their application be considered in executive session.

Tenaya G. Roshay

Mr. Roshay was asked if he wished to have his request for real estate salesperson license considered in executive session.

Mr. Roshay requested to have his application for real estate salesperson license considered in an executive session.

Executive Session:

Upon a motion by Commissioner Cobb, seconded by Commissioner Faulkner, 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;" and pursuant to section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities."

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

Troy D. K. Oliveira

Mr. Oliveira made an appearance at the meeting site earlier to answer any questions that the Commissioners may have regarding his application. When called, Mr. Oliveira made no appearance.

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

Executive Session:

Upon a motion by Commissioner Cobb, seconded by Commissioner Faulkner, 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;" and pursuant to section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities."

Upon a motion by Commissioner Arakaki, seconded by Commissioner Faulkner, 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 10:10 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

**In the Matter of the Real Estate License of Catherine Martin Seaquist;
REC 2013-176-L**

Upon a motion by Commissioner Cobb, seconded by Commissioner Wada, it was voted on and unanimously carried to accept the settlement agreement.

**In the Matter of the Real Estate Licenses of BPG Hawaii, LLC, dba Bridge
Real Estate, and Deborah Oakley-Melvin; REC 2012-75-L**

Commissioner Arakaki recused himself from discussion and voting on this matter.

Upon a motion by Commissioner Faulkner, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the settlement agreement.

Following the Commission's review, deliberation, and decisions in these matters, pursuant to Chapter 91, HRS, the Vice Chair announced that the Commission was reconvening its scheduled meeting at 10:50 a.m.

Committees and
Program of Work:

Laws and Rules Review Committee
Special Issues – Non-Binding Interpretation

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to issue an informal non-binding interpretation in its response to the following three (3) questions:

1. If I remain employed as an officer of Savio Realty, will a license issued to Savio Asset Management under its corporate name comply with § 467-9(b)?

"Yes" to Question 1. If Mr. Savio chose to, as an employee of Savio Realty, Ltd., associate his license with Savio Realty Ltd, the corporate name would be in compliance with §467-9, HRS. However, the name Savio Asset Management would not be in compliance and; therefore, the application for Savio Asset Management would not be approved.

2. Can Savio Realty and Savio Asset Management concurrently hold broker's licenses in their respective corporate names as long as my license remains associated with Savio Realty and I am employed by Savio Asset Management?

"No" to Question 2. In relevant part, pursuant to §19-66-3(p), (HAR), "No licensee shall act as a broker, broker-salesperson, or salesperson or more than one brokerage firm."

3. Assuming Savio Asset Management acquires a broker's license and I remain an officer of Savio Realty and Savio Asset Management, could I transfer my license to Savio Asset Management and become the primary broker of Savio Asset Management without compromising Savio Realty's broker's license?

"No" to Question 3, unless in compliance with §467-9, HRS. Mr. Savio is able to associate his license with one entity.

Pursuant to §467-9(c)(1), HRS, if one chooses to associate his/her broker's license with Savio Asset Management, the real estate broker's license for Savio Realty Inc. must be placed on inactive status.

Licensing –
Applications:

Tenaya G. Roshay

After review of the information presented by the applicant, Commissioner Cobb moved to approve the real estate salesperson license of Tenaya G. Roshay. Commissioner Wada seconded the motion. The motion was voted on and unanimously carried.

David E. Huskey

After review of the information presented by the applicant, Commissioner Faulkner moved to approve the real estate salesperson license of David E. Huskey. Commissioner Arakaki seconded the motion. The motion was voted on and unanimously carried.

Troy D. K. Oliveira

After review of the information presented by the applicant, Commissioner Cobb moved to approve the real estate salesperson license of Troy D. K. Oliveira. Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

Brandongrey Inc. dba Signature Homes Island Style (Change Form)

After review of the information presented by the applicant, Commissioner Cobb moved to deny applicant's request for an additional five (5) month extension of the temporary principal broker assignment. The Commission granted applicant an extension of 30 days from December 20, 2013, to comply with having either a permanent principal broker or an appointed broker-in-charge in place. Failure to comply will cause all associated licensees to become involuntarily inactivated.

Commissioner Sherley seconded the motion. The motion was voted on and unanimously carried.

Next Meeting: Friday, January 24, 2014
9:00 a.m.
Queen Liliuokalani Conference Room
King Kalakaua Building
335 Merchant Street, First Floor
Honolulu, Hawaii

Adjournment: With no further business to discuss, Vice Chair Gendrano adjourned the meeting at 11:13 a.m.

Reviewed and approved by:

/s/ Miles I. Ino

Miles I. Ino
Executive Officer

December 27, 2013

Date

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

APPROVED APPLICATIONS FOR REAL ESTATE
 REAL ESTATE COMMISSION MEETING ON DECEMBER 20, 2013

<u>Brokers – Limited Liability Companies and Partnerships</u>	<u>Effective Date</u>
Inspired Realty, LLC Sandra M. Y. Ching, PB	11/14/2013
Maui Island Realty, LLC Vanessa Riley, PB	11/14/2013
Destination Mauna Lani, LLC Angelina K. Galiza, PB	11/18/2013
Prestige Properties, LLC Sylvia L. Lee, PB	11/20/2013
Premium Properties, LLC Nancy Yun Wang, PB	01/01/2014

<u>Brokers – Corporations and Partnerships</u>	<u>Effective Date</u>
Pure Hawaii, Inc. Warren Doi, PB	12/04/2013

<u>Brokers – Sole Proprietor</u>	<u>Effective Date</u>
Norman R. Rose	11/27/2013
Jimmie Bush, Jr. dba General Realty Advisors	12/02/2013
T. Paul Okamoto	11/07/2013
Kristin C. Moreland	11/22/2013

<u>Trade Name</u>	<u>Effective Date</u>
Big Island Resort Management LLC dba Big Island Front Desk	12/06/2013

<u>Educational Equivalency Certificate</u>	<u>Expiration Date</u>
Kashia Brenae Jones	11/18/2015
Matthew Phillip Galan	11/20/2015
Ian Alistair MacLeod	11/20/2015
Thomas George Bigler	11/20/2015
Natalee Barracks-Dismuke	11/21/2015
Cherie Dasmacci	11/22/2015
Chad Theodore Yoshio Shimabukuro	11/25/2015
Don Paul Askey	11/25/2015
Natalie Vizir	11/25/2015
Misti Rochelle Tyrin	11/25/2015
Melanny V. Lauver	11/25/2015
Kevin L. Lauver	11/25/2015
Gary L. Apperson	11/25/2015
Lori L. Winterhalter	11/25/2015
Jean B. Ocon	11/26/2015
David B. Ocon	11/26/2015
Isabella Sonja Holmgren	11/27/2015
Tim Aaron Stice	11/27/2015
Yong Sim Grimes	11/29/2015
Clarita Morton White Ramsey	11/29/2015
Tracy Lee Froland	12/03/2015
John Robert Lawler	12/04/2015
Jeffrey L. Dunn	12/04/2015
Richard Leonard Alkire	12/04/2015
Dawn Anderson	12/04/2015

Real Estate Commission
Minutes of the December 20, 2013 Meeting
Page 9

Cheyne Kekoa Mench	12/04/2015
Mark Ambrose Monoscalco	12/04/2015
David R. Peacock	12/04/2015
Gracen Hawthorne Wagner	12/05/2015
Angela Maeda Duran	12/09/2015
Jennifer Martin	12/09/2015
Shauna Debra Lynn Coyle	12/10/2015

<u>Equivalency to Uniform Section of Examination Certificate</u>	<u>Expiration Date</u>
Ian Alistair MacLeod	11/20/2015
Thomas George Bigler	11/20/2015
Natalee Barracks-Dismuke	11/21/2015
Cherie Dasmacci	11/22/2015
Don Paul Askey	11/25/2015
Natalie Vizir	11/25/2015
Melanny V. Lauver	11/25/2015
Kevin L. Lauver	11/25/2015
Gary L. Apperson	11/25/2015
Lori L. Winterhalter	11/25/2015
Jean B. Ocon	11/26/2015
David B. Ocon	11/26/2015
Isabella Sonja Holmgren	11/27/2015
Tim Aaron Stice	11/27/2015
Yong Sim Grimes	11/29/2015
Clarita Morton White Ramsey	11/29/2015
Tracy Lee Froland	12/03/2015
John Robert Lawler	12/04/2015
Jeffrey L. Dunn	12/04/2015
Richard Leonard Alkire	12/04/2015
Dawn Anderson	12/04/2015
David R. Peacock	12/04/2015
Gracen Hawthorne Wagner	12/05/2015
Jennifer Martin	12/09/2015
Shauna Debra Lynn Coyle	12/10/2015

<u>Real Estate Broker Experience Certificate</u>	<u>Expiration Date</u>
Seiko Ono	11/20/2015
Amanda N. Frazier	11/20/2015
Conrad Molina, Jr.	11/20/2015
Natalee Barracks-Dismuke	11/21/2015
Cherie Dasmacci	11/22/2015
Mark Kumamoto	11/22/2015
Naoko Miura	11/22/2015
Atau Sakuma	11/22/2015
Chad Theodore Yoshio Shimabukuro	11/25/2015
Don Paul Askey	11/25/2015
Natalie Vizir	11/25/2015
Jean B. Ocon	11/26/2015
David B. Ocon	11/26/2015
Tim Aaron Stice	11/27/2015
Tracy Lee Froland	12/03/2015
John Robert Lawler	12/04/2015
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Dawn Anderson	12/04/2015

Real Estate Commission
Minutes of the December 20, 2013 Meeting
Page 10

David R. Peacock	12/04/2015
Junko Yamada	12/04/2015
Gracen Hawthorne Wagner	12/05/2015
Vimafer Pascua Balantac	12/05/2015
Jennifer Martin	12/09/2015

<u>Real Estate Broker</u>	<u>Effective Date</u>
Ge Glenn	11/08/2013
Candace K. K. Gray	11/08/2013
Amir Cackovic	11/12/2013
Vanessa C. Riley	11/14/2013
Carla Kelly Lorimor	11/18/2013
Seiichi Saito	11/18/2013
Kimm M. Hirahara	11/18/2013
David Wallace Gullifer	11/20/2013
Norman R. Rose	11/27/2013