

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, February 26, 2016

Time: 9:00 a.m.

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

Present: Nikki Senter, Chair, Public Member/Honolulu Commissioner
Scott A. Sherley, Vice Chair, Broker/Hawaii Island Commissioner
Rowena Cobb, Broker/Kauai Commissioner
Bruce Faulkner, Broker/Maui Commissioner
Aileen Wada, Broker/Honolulu Commissioner
Scott Arakaki, Public Member/Honolulu Commissioner
Laurie A. Lee, Broker/Honolulu Commissioner
Michael Pang, Broker/Honolulu Commissioner
Aleta Klein, 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
Dathan L. Choy, Condominium Specialist
Shari Wong, Deputy Attorney General

Others: Amy Hiles
Michael Okamoto
Deborah D. Sharp
Nancy Donahue Jones, Hawaii Association of REALTORS
Moana Anderson
Mihoko Ito, Esq.
C. Mike Kido
Myoung Oh, Hawaii Association of REALTORS
Lei Fukumura, Special Deputy Attorney General
Derek Lau
Arabel Cambor
Marsha Shimizu, Hawaii Association of REALTORS
Charles Hew-Len
Sharon Baba
Gavin Tsuda
James Stone, Esq.
Jo Ann Uchida Takeuchi, Department of Commerce and Consumer Affairs

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

Chair's Report: The 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 further announced Senior Condominium Specialist's ("SCS") retirement at the end of the month and that this will be her last Commission meeting. The SCS is retiring after over 20 plus years with the Department and the State. She is extremely valuable and will be hard to replace. The SCS has been a highly respected consumer protector over the years and the condominium community will miss her.

SCS Yee announced that it was her pleasure working with everyone and thanks everyone for the many years of hard work. The Commission does many very important things and she has learned a tremendous amount.

Executive Officers 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.

Minutes of Previous Meeting

Upon a motion by Commissioner Cobb, seconded by Commissioner Faulkner, it was voted on and unanimously carried to accept the minutes of the January 29, 2016, meeting as circulated.

Chairperson Senter announced she was taking the agenda out of order in order to accommodate the persons appearing to present oral testimony.

Chapter 91, HRS,
Adjudicatory
Matters:

The Chair called for a recess from the meeting at 9:09 a.m., to discuss and deliberate on the following adjudicatory matters, pursuant to Chapter 91, HRS:

In the Matter of the Real Estate Licenses of Todd E. Hart, a Real Estate Broker, Debra Hart, a Real Estate Salesperson, and Hart of Kona Realty, Inc., a Real Estate Broker: REC 2008-227-L; REC 2015-169-L

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

In the Matter of the Real Estate Salesperson's License of Derek K. Kanoa: REC 2015-156-L

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

In the Matter of the Broker's License of Charles S. Portwood, III: REC 2012-52-L

Upon a motion by Commissioner Arakaki, seconded by Commissioner Sherley, it was voted on and unanimously carried to approve the final order.

In the Matter of the Real Estate Broker's License of Judith Ann Pryne, dba KEALE REALTY: REC 2012-276-L

Upon a motion by Commissioner Faulkner, seconded by Commissioner Klein, it was voted on and unanimously carried to approve the final 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 meeting at 9:19 a.m.

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.

Island Beach Rentals, LLC

Ms. Sharp was asked if she wished to have this application considered in executive session. She accepted the offer.

Executive Session:

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

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

Kohala Properties, LLC

Mr. Hew-Len was asked if he wished to have this application considered in executive session. He declined the offer.

Commissioner Klein questioned the January 15th letter and asked if he could explain it. Mr. Hew-Len started working with K. Kim contracting doing residential construction. He was subcontracted by a large contractor for work in a major hotel.

Commissioner Lee question Mr. Hew-Len about how he gives back to the Waianae community. He is on the Waianae Coast Comprehensive board. He also subsidizes the deposit fees for section 8 tenants. Many times the potential tenant has trouble coming up with the deposit fee and if they apply and qualify, Fresh Start Housing will provide the subsidy.

Commissioner Pang questioned the name "Phung." Phung is his middle name and people in his past who were involved with those activities for which he was

incarcerated for called him Phung. Since that time, he changed his image and now uses Charles, which is also easier. Family and close friends still call him that. He was three classes shy of receiving his B.A. in prison but has not completed it.

Commissioner Faulkner questioned his two years of service and whether he was honorably discharged. He answered "yes". He has no problem with his past. His past was the subject of an article that can be found online. His past is what helped him become who he is today. He wants the LLC license in order to streamline the development process and provide more affordable housing. It will allow him to lower his bottom line.

Chair Senter thanked Mr. Hew-Len for attending the meeting.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Pang, it was voted on and unanimously carried to take the matter under advisement.

Michael McDermott Okamoto

Mr. Okamoto was asked if he wished to have his application considered in executive session. He declined the offer.

Mr. Okamoto stated he did not realize his conviction was not cleared and he takes full responsibility for not doing the appropriate due diligence. The occurrence happened over half his life ago and he is a completely different person.

Chair Senter thanked Mr. Okamoto for attending the meeting.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Lee, it was voted on and unanimously carried to take the matter under advisement.

Committees and
Program of Work:

Education Review Committee

Administration of Examinations – Breach of exam security incident Amy Hiles

Ms. Hiles was present and was asked if she wished to have her breach of exam security incident considered in executive session. She accepted the offer.

Commissioner Arakaki recused himself from discussion and decision making on this issue.

Executive Session: Upon a motion by Commissioner Klein, seconded by Commissioner Lee, 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 Pang, seconded by Commissioner Sherley, it was voted on and carried to move out of executive session.

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

Committees and
Program of Work:

Laws and Rules Review Committee – Rulemaking, Chapter 99, HAR, Real Brokers and Salespersons

Chair Senter announced limiting testifiers to five minutes.

The new Hawaii Association of REALTORS president, Moana Anderson, was present. She apologized on behalf of the organization for responding late to the proposed rules, and she hopes for clarification of the rules. Requiring the license number on hats, clothing, and pens is not reasonable. Senate Bill 2328 was modeled on the California rules and California has the largest association in the nation. When California does something, most jurisdictions look to the state for guidance.

She operates a small boutique firm on Maui and personally believes having the license number on everything looks "cheesy." Ms. Anderson recently spent a lot of money on a new logo and does not think it should go on small, "Manini" items. The overall goal should not take away from the consumer protection aspect but should eliminate encumbrances.

Commissioner Pang explained that no one wants a frivolous claim and normally HAR and the Commission are aligned in their views on consumer protection, but unfortunately their views do not align in this instance.

Commissioner Arakaki stated that everyone wants consumer protection and having the license number on everything allows the consumer to check on the license status through the internet. Including the license number will help prevent harm. Mihoko Ito, Esq. with Ashford and Wriston, replied that the list found in SB 2328 is not complete and is willing to work with the Commission to remove ambiguities. The language could be tightened.

When asked by Commissioner Arakaki how much time is reasonably needed to comply, HAR stated by the 1st of next year, but followed up with a 3 to 6 month compliance period.

Commissioner Klein questioned the proposed red-lettered language in the advertising section and how to determine intent. She explained that advertising is expensive but all advertising intends to solicit business and that the consumer may not know the difference. Ms. Ito relayed that the red lined language was developed when HAR looked at the rules to try to compromise with minimally intrusive language. Without the proposed language, all items need a license number. The current draft of the language is broader than any other regulation in Hawaii or other states. The dual track of including the SB 2328 language and the rule amendment is preferred. Commissioner Klein cannot believe the rules were held up for what amounts to pens and caps.

Commissioner Wada questioned the cost on having the license number put on everything. Ms. Ito stated that she is not sure about other things but for her, two boxes of two-colored business cards cost \$1,300.

Ms. Ito stated that the rules are really important to the organization. Commissioner Sherley then questioned why the organization sent out a call to action email to kill the rules.

Executive Officer inquired whether there were any objections to any other portion of the rules. Mr. Oh responded that there were no other objections.

Executive Session: Upon a motion by Commissioner Pang, seconded by Commissioner Arakaki, 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 Pang, seconded by Commissioner Sherley, it was voted on and unanimously carried to move out of executive session.

Committees and
Program of Work:

Laws and Rules Review Committee – Rulemaking, Chapter 99, HAR, Real Brokers and Salespersons

Upon a motion by Commissioner Pang, seconded by Commissioner Sherley, it was voted on and unanimously carried for Chair Senter to appoint a subcommittee to work with HAR regarding the Chapter 99 rule revision proposal.

Chair Senter appointed Commissioners Pang, Klein, Senter, and the SEO.

Condominium Review Committee – Request for Reconsideration of the Hawaii Real Estate Commission's Informal Non-Binding Interpretation Relating to Spatial Units

Upon a motion by Commissioner Faulkner, seconded by Commissioner Klein, it was voted on and unanimously carried to defer this issue to the March 9, 2016 Condominium Review Committee Meeting.

Education Review Committee – Administration of Examinations – PSI

Commissioner Pang moved to prohibit Amy Hiles from taking the real estate licensing examination for 90 days. Commissioner Sherley seconded the motion. Commissioners Pang, Lee, Klein, and Sherley voted aye. Commissioners Cobb, Wada, Faulkner, and Senter voted nay. The motion died.

Commissioner Faulkner moved to prohibit Amy Hiles from taking the real estate licensing examination for six (6) months from today's date. Commissioner Klein seconded the motion. Commissioners Cobb, Wada, Klein, Senter, Faulkner and Sherley voted aye. Commissioners Pang and Lee voted nay. The motion passed.

Licensing –
Ratification:

Commissioner Pang recused himself from voting on the ratification list.

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

Licensing –
Applications:

Kohala Properties, LLC

After review of the information presented along with the personal statements made in his appearance by the applicant, Commissioner Sherley moved to approve the real estate LLC license for Kohala Properties, LLC. Commissioner Arakaki seconded the motion. The motion was voted on and unanimously carried.

Island Beach Rentals, LLC

After review of the information presented along with the personal statements made in her appearance by the applicant, Commissioner Pang moved to approve the real estate LLC license for Island Beach Rentals, LLC. Commissioner Faulkner seconded the motion. The motion was voted on and unanimously carried.

Keith William Jeske

After review of the information presented by the applicant, Commissioner Pang moved to most likely approve the real estate salesperson's license for Keith William Jeske. Commissioner Lee seconded the motion. The motion was voted on and unanimously carried.

Michael McDermott Okamoto

After review of the information presented along with the personal statements made in his appearance, by the applicant, Commissioner Klein moved to most likely approve the real estate broker's license for Michael McDermott Okamoto. Commissioner Faulkner seconded the motion. The motion was voted on and unanimously carried.

Next Meeting: Thursday, March 24, 2016
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, the Chair adjourned the meeting at 12:32 p.m.

Reviewed and approved by:

/s/ Miles I. Ino

Miles I. Ino
Executive Officer

March 9, 2016

Date

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

MI:nf

APPROVED APPLICATIONS FOR REAL ESTATE
REAL ESTATE COMMISSION MEETING ON February 26, 2016

<u>Brokers – Individual</u>	<u>Effective Date</u>
Van E. Ko	01/04/2016
Janel Loyrn Kalikookapua Romero	01/05/2016
Corey Matthew Cazares	01/05/2016
Phoebe Margaret Nikolakakis	01/05/2016
Julia Napua Fetzer	01/05/2016
Ayumi Yamane	01/05/2016
Jessica Hoi Lam Chiu	01/06/2016
Ebonee Crystal-Hayman Barbadillo	01/07/2016
Elaine Liu Chow	01/08/2016
Ryan Duck Quon Yee Marn	01/08/2016
Yu Lin	01/11/2016
Thomas Gale Fisher	01/11/2016
Timothy Robert Myers	01/12/2016
Debra Sue Parmley	01/12/2016
Pamela Marie Blas Tom	01/14/2016
Aliko Ban	01/15/2016
Christine Garganta Adderley	01/15/2016
Joanna Kahealani Zietz	01/15/2016
Micah Christensen	01/27/2016
Jay Wan Park	02/11/2016
<u>Brokers – Corporations and Partnerships</u>	<u>Effective Date</u>
Paradise in Hawaii Luxury Homes, LP Patrick Callahan, PB	01/06/2016
<u>Brokers – Limited Liability Company (LLC)</u>	<u>Effective Date</u>
Mello Properties of Oahu, LLC Toni Rae Mello Mendez, PB	12/22/2015
Hawaii International Real Estate Services, LLC Elle Phillips, PB	12/29/2015
Allure Realty LLC Gina Ann M. Apana, PB	01/05/2016
Hawaiian Vacation Rentals LLC dba Maui Luxury Resorts Marc Zarembo, PB	01/20/2016
Building Solutions, LLC Michael YM Loo, PB	01/04/2016
Hawaiian Dream Investment Properties, LLC Ming Graham Ting, PB	01/05/2016
Inspired Life Realty, LLC Ebonee Barbadillo, PB	01/07/2016
Kauai Surf Properties, LLC John Mendivil, PB	01/14/2016
Sonoma Creek Realty, LLC Micah Christensen, PB	01/27/2016

<u>Brokers – Limited Liability Company (LLC)</u>	<u>Effective Date</u>
MPI Consulting, LLC Michael E. Pang, PB	01/29/2016
OpenHouse Realty Hawaii, LLC Donald L. Plunkett, Jr., PB	02/03/2016

<u>Brokers – Sole Proprietor</u>	<u>Effective Date</u>
David G. Gravelle dba Gravelle Group	01/26/2016
Neil Zaslow dba Poipu Beach Condo.com	02/13/2016

<u>Trade Name</u>	<u>Effective Date</u>
Island Pacific Real Estate, LLC fka Takanishi Real Estate dba Island Pacific	01/19/2016
Michael B. Shewmaker dba Shewmaker Real Estate	01/28/2016

<u>Corp/Partnership/LLC/LLP - Legal Name Change</u>	<u>Effective Date</u>
Island Pacific Real Estate LLC fka Island Pacific – Realtors LLC	01/19/2016
Oahu Property Management LLC fka Alliance Island Properties LLC	02/05/2016

<u>Educational Equivalency Certificate (EW)</u>	<u>Expiration Date</u>
Tina Leung	01/15/2018
Kevin Eugene Moore	01/15/2018
Kimberly Ann Graves	01/15/2018
Jaysen Emmanuel Schaffer	01/15/2018
Ernest F. Kong	01/15/2018
Bernard Kane Brown	01/20/2018
Sheryl Lynne Bright	01/21/2018
Daniel D. Mickelson	01/25/2018
Kelly Patricia Chaplin	01/26/2018
Peter K. Park	01/26/2018
Ryan Eugene Vaught	01/26/2018
Kirsten Marie Stout	01/26/2018
Carol Marie Hershey	01/26/2018
Christopher E. Benetos	01/26/2018
Barbara A. White	01/26/2018
Kashia Brenae Jones	01/26/2018
Angie Happie Lieuw	01/27/2018
Douglas Cochran Grimes	02/02/2018
Cherrie Marie Brown	02/05/2018
Lena Makhaldiani	02/05/2018
Jerry Chia Jui Bien	02/08/2018
Patrick Tate Matthews	02/08/2018
Todd Lee Plumer	02/09/2018
Francis Joseph Gargani	02/09/2018
David Findley	02/09/2018
Jordan Christopher Brant	02/09/2018
Paul Aker	02/09/2018

<u>Equivalency to Uniform Section of Examination Certificate (UEE)</u>	<u>Expiration Date</u>
Kimberly Ann Graves	01/15/2018
Ernest F. Kong	01/15/2018
Bernard Kane Brown	01/20/2018
Daniel D. Mickelson	01/25/2018
Kelly Patricia Chaplin	01/26/2018
Peter K. Park	01/26/2018
Ryan Eugene Vaught	01/26/2018
Kirsten Marie Stout	01/26/2018
Carol Marie Hershey	01/26/2018
Christopher E. Benetos	01/26/2018
Barbara A. White	01/26/2018
Angie Happie Lieuw	01/27/2018
Jodi Lee Mews	02/01/2018
Douglas Cochran Grimes	02/02/2018
Cherrie Marie Brown	02/05/2018
Lena Makhaldiani	02/05/2018
Jerry Chia Jui Bien	02/08/2018
Francis Joseph Gargani	02/09/2018
David Findley	02/09/2018

<u>Real Estate Broker Experience Certificate (BE)</u>	<u>Expiration Date</u>
Susie My Vo-Le	01/15/2018
Kimberly Ann Graves	01/15/2018
Saeid Pourjalali	01/15/2018
Bernard Kane Brown	01/20/2018
Sisi Maw Takaki	01/22/2018
Peter K. Park	01/26/2018
Ryan Eugene Vaught	01/26/2018
Yan-Yan Scherman	01/26/2018
John Stephen Gephart Jr.	01/26/2018
Angie Happie Lieuw	01/27/2018
Jodi Lee Mews	02/01/2018
Douglas Cochran Grimes	02/02/2018
Benjamin David Wachler	02/03/2018
Lena Makhaldiani	02/05/2018

<u>Restoration – Real Estate Salesperson</u>	<u>Effective Date</u>
Michael Lloyd Buller	01/01/2016
Shawn Matthew Smith	01/26/2016
Terrie Misoon Jang	01/28/2016
Erin Hirozaku Koshi	02/02/2016
Monica Bejarano-Goodnight	02/05/2016
Kauanoë L. Maunakea	02/10/2016
Janelle Kuualohailani Emery	02/11/2016

<u>Restoration – Real Estate Broker</u>	<u>Effective Date</u>
David G. Gravelle	01/26/2016