

State of Oregon Real Estate Agency

REAL ESTATE BOARD

**Regular Meeting Minutes
February 4, 2008**

MEMBERS PRESENT: Troy Costales, Vice Chair
Warren (Lee) Dunn
Robert LeFeber
Art Kegler
Marianne Wood

MEMBERS ABSENT: Michael Graeper, Chair (Excused)
Kim Medford (Excused)
Byron Hendricks (Excused)
Chris Hermanski (Excused)

STAFF PRESENT: Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Licensing Division Manager
Becky Osborne, Regulations Division Manager
Louann Rahmig, Board Liaison
Leandra Cooley, Administrative Specialist

GUESTS PRESENT: Nick Krautter
Shawn Jillions, Oregon Association of Realtors

I. BOARD BUSINESS

- A. Call to Order.** Vice Chair Costales called meeting to order at 10 a.m. at the Real Estate Agency, 1177 Center Street NE, Salem, Oregon.
- B. Roll Call.** Chair Graeper, Kim Medford, Byron Hendricks, and Chris Hermanski all excused.
- C. Approval of the Agenda and Order of Business.** The Amended Agenda was approved and submitted.
- D. Approval of the 1-14-08 regular meeting minutes.** After discussion, no changes were made and the minutes were approved as submitted.
- E. Date of Next Meeting.** April 7, 2008, at 10 a.m. in Eugene, Oregon at the Eugene Association of Realtors office.

II. PUBLIC COMMENT. None.

III. REQUESTS FOR WAIVER.

A. Waiver request log. The log was included in the board packet.

B. Nick Krautter requests experience waiver for a principal broker license. Vice Chair Costales invited Mr. Krautter to address the Board. Mr. Krautter introduced himself. He indicated that he wants to hire an assistant. He has closed 46 transactions. He indicated that he wants to further his business and be a better broker to his clients. Robert LeFeber indicated that he has had contact with Mr. Krautter on a professional level. Art Kegler asked Mr. Krautter if he intended to create a team. Mr. Krautter indicated that his intention is to create a team rather than open his own business and all transactions would continue to be reviewed by a principal broker. Art Kegler asked about the size of the team and if all team being supervised by principal broker. Mr. Krautter indicated that team is being supervised. Lee Dunn asked about the organization of the teams. Commissioner Bentley asked Mr. Krautter about his obtaining a principal brokers' license. Mr. Krautter gave further information regarding his back ground.

**MOTION TO GRANT WAIVER REQUEST MADE BY ART KEGLER.
SECOND MOTION BY ROBERT LEFEBER
MOTION CARRIED BY UNANIMOUS VOTE**

IV. BOARD ADVICE/ACTION.

A. Proposed structure for Property Managers and Brokers. Commissioner Bentley summarized the issues. There are a number of issues that come up through regulation division that fall short. The work group explored developing a parallel structure. Robert LeFeber asked what the final conclusion was on obtaining two licenses versus one. Lee Dunn commented that having two separate licenses sets up potential conflict of interest. Commissioner Bentley pointed out that this will involve a legislative change. Discussion.

B. Possibility of Special Meeting in March to address legislative concepts. Commissioner Bentley explained the purpose of holding a special meeting in March. Deputy Commissioner Owens explained the Web-Ex availability for the special meeting. Further discussion. Art Kegler asked for more clarification regarding web accessed meetings. Discussion regarding potential date of meeting.

C. Waiver Request Forms. Selina Barnes asked Board for input on the content of the form. Vice Chair Costales indicated that the current form is much better than the older version. Ms. Barnes asked for Board input on the Waiver Request Log Form. Vice Chair Costales offered suggestions and Ms. Barnes will make appropriate changes. Robert LeFeber suggested that findings for denial should be specified.

D. Joint Meeting of OAR Education Task Force & REA Board Work Group recommendations. Lee Dunn summarized the work group's recommendations and conclusions. Discussion. Vice Chair asked when next meeting is scheduled. Lee Dunn indicated that final meeting date to be announced.

V. NEW BUSINESS. None.

VI. COMMUNICATIONS.

Administrative Actions Summary. Provided in board packet. Art Kegler asked about unlicensed activity criteria regarding Deanna Hoover and Jeff McDowell. Discussion.

VII. REPORTS

- A. Vice Chair Costales.** Vice Chair Costales presented a certificate of appreciation to Laurie Skillman on behalf of the Board for her facilitation capabilities. Vice Chair Costales noted that the request for the presentation was initiated and approved by the Board.
- B. Commissioner Gene Bentley.**
- 1. Feedback on Education Sub Groups.** Commissioner Bentley reviewed the status of the rule review process. Art Kegler asked for clarification. Discussion. Deputy Commissioner Owens summarized and explained the Customer Service Survey results. Commissioner Bentley continued to give updates on Rule Review work group meeting schedules.
 - 2. Gifts from brokers to clients.** Commissioner Bentley asked for input from the Board on the issue of gifts from brokers to clients. Discussion. Robert LeFeber asked about federal taxes guidelines in relation to this issue. Discussion. Vice Chair Costales asked for clarification. Marianne Wood suggested that the dollar amount cut off should be \$100. Lee Dunn suggested that definition of what a gift is should be included in the rules/regulations. Discussion.
 - 3. State of Oregon's 150th Birthday.** Commissioner Bentley informed the Board that Oregon will celebrate its' 150th birthday next year and the Governor has asked Agencies to recognize this. Commissioner Bentley asked for the Board's assistance and/or participation.
- C. Deputy Commissioner Dean Owens**
- 1. Update on improved Information Systems.** Deputy Commissioner Owens distributed **EXHIBIT 1** and indicated that internal and external network activity will be tracked with new system. Vice Chair Costales asked about data collections. Deputy Commissioner Owens explained the data collection process. Vice Chair Costales added some clarification. Commissioner Bentley addressed the capabilities of the new phone system regarding tracking. Deputy Commissioner Owens reported that new phone system will mean changes to phone numbers and extensions for the Agency.
- D. Agency Division reports/Deputy Commissioner Dean Owens**
- 1. Land Development Division.** Laurie Skillman distributed **EXHIBIT 2** reflecting statistical summary. Art Kegler asked about the percentage of time Ms. Skillman spends on reviewing the condominium filings. Ms. Skillman responded that the hand out is a work load measure. Ms. Skillman clarified the Agency's role in the review of condominium filings. Discussion.
 - 2. Licensing Division.** Selina Barnes distributed **EXHIBIT 3**. Deputy Commissioner Owens clarified the numbers that media is using regarding decreased percentage of brokers in Oregon. Ms. Barnes explained the background check process and reviewed statistical information.
 - 3. Education Division.** Deputy Commissioner Owens distributed **EXHIBIT 4** on behalf of Mesheal Heyman and reviews statistical information.

4. **Regulation Division.** Becky Osborne distributed **EXHIBIT 5** and reported on Regulations Division statistics and current work load. Art Kegler asked if work groups have had further discussion regarding the limit on the amount of times someone can take the examination. Discussion.
5. **Administration/Information System Technology.**
 - Quarterly Budget Report. Kate Nass distributed **EXHIBIT 6** and reported on the 2007- 2009 budget update. Discussion. Deputy Commissioner Owens pointed out that the Agency will be looking at how we can sustain the services that we have in light of our budget.

VIII. ANNOUNCEMENTS.

Next board 10 a.m., April 7, 2008, in Eugene, Oregon at the Eugene Association of Realtors. Discussion regarding a potential special board meeting in March to address legislative concepts.

IX. ADJOURNMENT

Respectfully submitted:

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GENE BENTLEY
COMMISSIONER

MIKE GRAEPER
BOARD CHAIR

Exhibits distributed:

1. CISCO Data Tracking Summary-Information Technology Division Report, *Agenda Item No. VII. D. 5.*
2. Land Development Division Report, *Agenda Item No. VII. D. 1.*
3. Licensing Division Report, *Agenda Item No. VII. D. 2.*
4. Education Division Report, *Agenda Item No. VII. D. 3.*
5. Statistical Reporting-Regulation Division, *Agenda Item No. VII. D. 4.*
6. Real Estate Agency 2007-2009 Budget-Biennium to Date as of December 2007, *Agenda Item No. VII. D. 5.*