



Oregon

Kate Brown, Governor

AGENDA ITEM NO.

I.D.

Real Estate Agency

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OREGON REAL ESTATE BOARD

Regular Meeting Minutes
Oregon State Bar Center
16037 SW Upper Boones Ferry Road
Tigard, OR 97224

Monday, April 2, 2018

BOARD MEMBERS PRESENT:

Jef Farley, Chair
Debra Gisriel
Jose Gonzalez
Dave Hamilton
Pat Ihnat
Dave Koch
Alex MacLean
Coni Rathbone

BOARD MEMBERS ABSENT:

Lawnae Hunter, Vice-Chair

OREA STAFF PRESENT:

Gene Bentley, Commissioner
Dean Owens, Deputy Commissioner
Selina Barnes, Regulations Division Manager
Michael Hanifin, Land Development Division Manager
Leandra Hagedorn, Board Liaison

GUESTS PRESENT:

Cheryle Clunes, Portland Metropolitan Association of REALTORS®
Rosemary Crites, Portland Metropolitan Association of REALTORS®
Tammie Ellis, Portland Metropolitan Association of REALTORS®
Alaina Giguiere, Clatsop Association of REALTORS®
Martin Giguiere, Clatsop Association of REALTORS®
Michele Gila, Portland Metropolitan Association of REALTORS®
Michael Hall, Portland Metropolitan Association of REALTORS®
Michael Hobson, Portland Metropolitan Association of REALTORS®
Michele Holen, Portland Metropolitan Association of REALTORS®
Jessica Karman, Portland Metropolitan Association of REALTORS®
Franki Keefe, Portland Metropolitan Association of REALTORS®
Eric Kvernland, Portland Metropolitan Association of REALTORS®
Julie Long, Portland Metropolitan Association of REALTORS®
Lane Mueller, Portland Metropolitan Association of REALTORS®
Wayne Olson, Portland Metropolitan Association of REALTORS®
Victoria Owen, Portland Metropolitan Association of REALTORS®
Susan Peters, Portland Metropolitan Association of REALTORS®
Anthony Polito, Portland Metropolitan Association of REALTORS®
Lisa Santana, North Willamette Association of REALTORS®
Kay Lynn Schwab, Portland Metropolitan Association of REALTORS®
Darcy Shetler, Portland Metropolitan Association of REALTORS®
Sherie Star, Portland Metropolitan Association of REALTORS®
Marlyn Weaver, Willamette Association of REALTORS®
Mark Wheeler, Portland Metropolitan Association of REALTORS®
Susan Wolfe, Portland Metropolitan Association of REALTORS®
Stacey Harrison, A-1 Superior Schools

I. BOARD BUSINESS – Chair Farley

- A. Call to Order. Chair Farley called the meeting to order at 10am.
- B. Chair Edwards comments/Roll Call. Chair Farley asked the board liaison to take roll call, board members to introduce themselves, and explained the role/function of the board.
- C. Approval of the Agenda and Order of Business.

**MOTION TO APPROVED AGENDA AND ORDER OF BUSINESS AS SUBMITTED BY CONI RATHBONE
SECOND BY PAT IHNAT
MOTION CARRIED BY UNANIMOUS VOTE**

- D. Approval of 2.5.18 regular meeting minutes.

**MOTION TO APPROVE 2.5.18 REGULAR MEETING MINUTES AS SUBMITTED BY CONI RATHBONE
SECOND BY DAVE HAMILTON
MOTION CARRIED BY UNANIMOUS VOTE**

- E. Date of the Next Meeting: 6.4.18 at the Central Oregon Association of REALTORS®, 2112 NE 4th Street, Bend, OR 97701, to begin at 10am.

II. PUBLIC COMMENT – Chair Farley

- This time is set aside for persons wishing to address the Board on matters not on the agenda. Speakers will be limited to five minutes.
- The Board Chair reserves the right to further limit or exclude repetitious or irrelevant presentations. If written material is included, 12 copies of all information to be distributed to board members should be given to the Board Liaison prior to the meeting.
- Action will not be taken at this meeting on citizen comments. The Board, however, after hearing from interested citizens, may place items on a future agenda so proper notice may be given to all interested parties.
- If no one wishes to comment, the next scheduled agenda item will be considered.

III. REQUESTS FOR WAIVERS – Chair Farley

- A. Ross Kelley requests a waiver of experience to become a principal broker. Mr. Kelley explained his request was based on his legal experience on both residential and commercial real estate and also that his business model would be a small scale of commercial properties. Dave Koch asked Mr. Kelley about his attitude towards managing and Mr. Kelley responded that his goal would be to provide exemplary service and he has reviewed ORS Chapter 696. Mr. Koch asked Mr. Kelley if he had supervision experience and Mr. Kelley responded that has supervised paralegals, attorneys and in his current position as well. Alex MacLean asked Mr. Kelley if he has had any experience with day to day transaction activity and Mr. Kelley responded he has worked with many brokers as well as buyers and sellers.

**MOTION TO DENY MR. KELLEY’S REQUEST FOR WAIVER OF EXPERIENCE AND RECOMMEND MR. KELLEY MAKE HIS REQUEST AFTER ONE YEAR OF EXPERIENCE BY DAVE KOCH
SECOND BY PAT IHNAT
MOTION CARRIED BY UNANIMOUS VOTE**

IV. PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER– Chair Farley

- A. Stephanie Shapiro will appear in person. Ms. Shapiro explained she has been involved in some capacity of teaching since 2007. She also explained she has been teaching home energy classes and would like to expand her courses. Chair Farley asked Ms. Shapiro if her company provided services to real estate brokers and Ms. Shapiro indicated that she does provide services to real estate industry. Ms. Shapiro has taught courses under the following topics: consumer protection, disclosure requirements, and real estate law/regulation, which are acceptable course topics.

**MOTION TO APPROVE MS. SHAPIRO’S PETITION TO QUALIFY AS A CONTINUING EDUCATION
PROVIDER BY DAVE HAMILTON
SECOND BY ALEX MACLEAN
MOTION CARRIED BY UNANIMOUS VOTE**

- B. Sirmon Training & Consulting Group, Jason Sirmon will appear by phone. Mr. Sirmon explained that his goal was to educate licensees about veterans who are currently on active duty or recently discharged.

Chair Farley asked Mr. Sirmon if he was aware he could provide courses as an instructor rather than an continuing education provider and Mr. Sirmon responded that his reason for his petition was based on his approval in 20 different states as a provider and since he is not an instructor it is difficult to manage out of state instructors. Mr. Sirmon offers courses that cover the following topics: NC Mandaotry Update, NC Broker-in-Charge Update, REBAC-Green and Sustainable Housing, REBAC-Short Sales and Foreclosures, Client-Level Negotiation, Commercial and Investment Real Estate, and Ethics in Today's Real Estate, which are acceptable course topics.

**MOTION TO APPROVE SIRMON TRAINING & CONSULTING GROUP'S PETITION TO QUALIFY AS A CONTINUING EDUCATION PROVIDER BY CONI RATHBONE
SECOND BY DAVE HAMILTON
MOTION CARRIED BY UNANIMOUS VOTE**

V. BOARD ADVICE/ACTION – Commissioner Bentley. None.

VI. NEW BUSINESS – Chair Farley. None.

VII. COMMUNICATIONS – Administrative Actions Summary – Chair Farley

VIII. REPORTS – Chair Farley

- A. Qualifications and structure of property management licenses – Dave Hamilton. Mr. Hamilton explained after meetings and discussion on this issue the workgroup decided to rely on the Agency's current process/procedures in place to regulate client trust accounts.
- B. Commissioner Bentley
 - Summary of license statistics/counts.
 - HB 4048 proposed the requirement of principal brokers to complete an advanced practices course within 1 year of obtaining license. The Agency developed a draft course content and formed a workgroup which will meeting on 4.18.18 to discuss/review the draft. The Agency will present the draft to the board at the 6.4.18 board meeting.
 - ARELLO Mid-Year Conference will be held later this week in New Orleans at which time one of the issues to be discussed will be mandatory E & O insurance.
 - RBN annual renewals have resulted in a significant increase in the number of client trust accounts being registered.
- C. Agency division reports – Deputy Commissioner Dean Owens
 1. Regulation Division – Selina Barnes. Ms. Barnes explained after reviewing resources and staff duties at the Agency some changes were implemented such as, client trust account audits are now referred to as client trust account reviews and all phone calls relating to compliance with laws/rules outside of licensing are now handled by regulation staff. She also referred to one of the Administrative Action orders included in the packet which dealt with an expired licensee and the summary of administrative actions for past 5 years. Debra Gisriel asked Ms. Barnes if there are violations that are more common and Ms. Barnes responded that the vast majority of the allegations the Agency receives relate to advertising or property management activity and summarized the statistics provided in the written division report. Dave Koch asked Ms. Barnes to explain the process in place when licensees are suspended for child support non-compliance and Ms. Barnes responded that once the Agency is notified of the non-compliance and request for immediate suspension of license, a suspension is entered at that time. Ms. Barnes announced that she would be presenting the "Attention Violation Prevention" class following the board meeting.
 2. Land Development Division – Michael Hanifin. Mr. Hanifin explained the function and role of the division and reported an increase in condominium filings. He also summarized the statistics and information provided in the written division report. Mr. Hanifin presented the following legislation update:
 - Agency Housekeeping Bill - Introduced *Exhibit A (REA Legislative Concept 1 2019 Session)* and summarized the proposed amendments to ORS 94.980 sub-section (2) and also ORS 696.030 sub-section (13).

- HB 4048 – Passed in the 2018 regular session, which required Principal Brokers to complete an advanced practices course prior to their first active renewal or upon their first active renewal after renewing inactive.

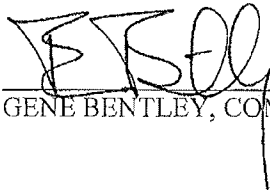
**MOTION TO MAKE RECOMMENDATION FOR AGENCY TO FILE REA LEGISLATIVE CONCEPT 1 2019 WITH DEPARTMENT OF ADMINISTRATIVE SERVICES BY CHAIR FARLEY
SECOND BY CONI RATHBONE
MOTION CARRIED BY UNANIMOUS VOTE**

3. Education, Licensing, and Administrative Services Division – Deputy Commissioner Owens provided the report in the absence of Anna Higley and Maddy Alvarado who were both en route to the ARELLO Mid-Year Conference in New Orleans. Mr. Owens summarized the statistics and information provided in the written division reports and also reiterated that the Agency has been working on developing draft content outline regarding HB 4048.

IX. ANNOUNCEMENTS – Chair Farley. Next board meeting: 6.4.18 at the Central Oregon Association of REALTORS®, 2112 NE 4th Street, Bend, OR 97701, to begin at 10am.

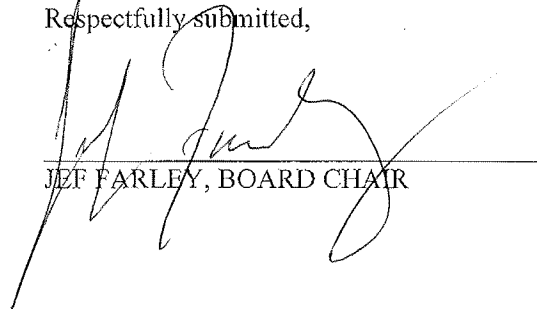
X. ADJOURNMENT – Chair Farley.

Respectfully submitted,



GENE BENTLEY, COMMISSIONER

Respectfully submitted,



JEF FARLEY, BOARD CHAIR

Exhibits provided electronically:

- A. REA Legislative Concept 1 2019 Session, *Agenda Item No. VIII. C. 2., Exhibit A*