Arizona Real Estate Advisory Board Meeting Minutes

Wednesday January 19, 2022 10:00 a.m. - Noon Arizona Department of Real Estate Telephonically- Google Meet and In Person 100 North 15th Avenue Suite 201 Phoenix, Arizona 85007

 Call to Order – Kim Clifton, Chair Chair Clifton called the meeting to order at 10:05 am.

II. Introductions & Welcome Kim Clifton, Chair - Telephonically Carla Bowen, Vice-Chair – Telephonically Karen Bohler - Telephonically Charlie Bowles - Telephonically Bill Gray - Telephonically Nedra Halley – Telephonically Luis Ramirez - Telephonically Randy Rogers - Telephonically Justin Rollins - Telephonically D. Christopher Ward

Absent:

ADRE Representatives present:

Louis Dettorre, Commissioner James Knupp, Deputy Commissioner (DC) Abby Hansen, Chief of Staff (COS) Liz Hill, Assistant Commissioner (AC)

III. Approval of October 20, 2021 Meeting Minutes.

Chair Clifton asked for a Motion to approve the October 20, 2021 Meeting Minutes. Upon a motion by Vice-Chair Bowen, seconded by Member Rogers, the Minutes of October 20, 2021 meeting were unanimously approved.

IV. Call to the public-

Member of the public and Executive Director of the Arizona Industrial Development Authority (AZIDA) and Arizona Finance Authority, under Arizona Commerce Authority, Dirk Swift attended the meeting to present information that could benefit many within the housing industry and would like assistance in promoting an under-utilized opportunity for home buyers. Mr. Swift also represents Home Plus, a division under the Arizona Commerce Authority. He indicated he would like to improve the synergy with ADRE – especially as it relates to continuing education. Mr. Swift gave a brief overview of the Home Plus program and how it may assist homebuyers.

Member Ward asked where more information regarding the program could be obtained. Mr. Swift indicated <u>https://homeplusaz.com/</u>

Chair Clifton asked if a course had been submitted to ADRE. Mr. Swift indicated he had not, but will follow up with ADRE to determine the steps to do so. AC Hill provided Mr. Swift with her contact information.

Commissioner Dettorre stated that he had met Mr. Swift in October at the National Association of Hispanic Real Estate Professionals event where the focus was on affordable housing.

Member of the public Nikki Salgat, Assistant General Counsel for the Arizona Association of REALTORS[®] asked if Mr. Swift could provide publications. Mr. Swift indicated he could.

Mr. Swift noted that this is not taxpayer funded.

V. Advisory Board Member Facilitator Reports

Member Gray has had meetings with staff at Arizona State University (ASU) to discuss current topics in real estate. He indicated that there were many questions regarding the use of 3-D printed homes to assist with affordable housing and asked Member Ward if they had utilized that technology. Member Ward indicated nothing at this time but would put Member Gray in touch with the Pulte technology development group in Atlanta. Member Ward did indicate that Pulte has a national initiative to have 2% of homes sold to income-qualified households. Vice-Chair Bowen suggested also sending a memo to the California Department of Real Estate clarifying the requirements to conduct real estate activity in Arizona, noting that they may have dual licenses in both states.

Member Gray's other matter as discussed in his ASU meetings was regarding how they feel that Continuing Education (CE) courses are becoming obsolete and is ADRE looking at revamping CE categories. Member Gray asked if it should be placed on the next Advisory Board agenda. Vice-Chair Bowen indicated there is a moratorium on rulemaking. Member Gray asked if it was statutory and would require a change. Commissioner Dettorre indicated he was open to the conversation on reviewing the CE categories. Chair Clifton asked if it had been brought up at the Education Advisory Board Committee. Member Bohler and Member Bowles stated it should be added to the next agenda and motioned and seconded it. It was noted that there will be a discussion on revamping the education categories on the next agenda.

Member Bohler indicated that she felt that the Commissioner did have the authority to change the categories under ARS 32-2107. Commissioner Dettorre indicated that the Department would prepare for a dialogue around the topic. Review of the stated statute reveals it provides only for the authority for the Commissioner to set CE categories but that in order to implement that statute the Department has historically used rulemaking.

Vice-Chair Bowen stated that her area Pinetop/Showlow has been inundated with unlicensed activity, mainly commercial property. Commissioner Dettorre stated they would have an article in the Bulletin to educate licensees. Chair Clifton stated the Tucson Association of REALTORS[®] would also publish an article. Member of the Public, Nikki Salgat stated they had an article in the latest AAR publication. Member Ramirez asked what the consequences are for unlicensed activity and stated that should be included in the publications. Commissioner Dettorre stated that was an excellent point and we need to make that more widely known. Chair Clifton received two calls and passed the information on to ADRE and the caller received an immediate response from ADRE, she stated kudos to the Department for the quick response.

VI. Arizona Department of Real Estate Reports

Commissioner Dettorre provided the Advisory Board with a brief presentation of ADRE accomplishments and activities since the last meeting.

Commissioner Dettorre read the 2021 Advisory Board Chair letter. An ADRE Bulletin was published in the fourth quarter of 2021, with the next anticipated before the next meeting.

Commissioner Dettorre has traveled throughout the state, and participated virtually, in presenting to the brokerages, local associations, stakeholder meetings with multi-housing, development services, county planning and zoning divisions, and other real estate partners on topics including, how to be successful in an ADRE audit, affordable housing, agency performance updates, and development/builder services.

Commissioner Dettorre was elected to the ARELLO Board of Directors, representing Arizona in District 4. The Arizona Real Estate Commissioner has represented Arizona in this capacity since 2015.

Commissioner Dettorre shared that the Department received a recommendation from the House of Representatives and Senate for an eight-year agency continuation last week. ADRE will now follow the introduced agency continuation bill as it moves through the Legislature.

COS Hansen shared an update on complaints and topics received. Commissioner Dettorre shared the ADRE Strategic Plan and focus priortities, including,

- Provide Excellent Customer Service
- Drive Innovation Through Technological Advancement
- Strengthen Real Estate Education
- Lead All National Real Estate Agencies in Operational Efficiency and Effectiveness
- Develop an Engaged, Professional Workforce

DC Knupp provided an overview from the 2021 ADRE Annual Report, the 2022 Legislative session, shared successes in streamlining processes, and the Department's focus on customer services and continuous agency improvement.

AC Hill gave a brief overview of education, licensing and development services statistics.

VII. Election of the 2022 Advisory Board Chair & Vice Chair
Member Ward nominated Member Bowles for Chair
Member Bowles nominated Member Gray for Chair

Vice-Chair Bowen made a motion for the 2022 election only, if all were agreeable the most votes becomes Chair then the other becomes Vice-Chair. Member Ward seconded the motion. All members were in favor.

A verbal vote was taken;

Member Gray 6 votes, Member Bowles 4 votes.

Motion to approve Chair Gray and Vice-Chair Bowles was unanimously approved by all.

- VIII. Chair Clifton stated the next meeting, April 20, 2022 will be in person. Commissioner Dettorre added that there will be a virtual meeting option as well, and that the next meeting may be held in an Innovative state building across the street from the Department.
- IX. The meeting Adjourned at 12:00 p.m.

Respectfully submitted this 20th day of April, 2022 Real Estate Advisory Board

Bill Gray, Chair