Arizona Real Estate Advisory Board

Meeting Minutes

Wednesday May 10, 2023 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

I. Call to Order – Charlie Bowles, Vice Chair Vice Chair Bowles called the meeting to order at 10:08 am.

II. Introductions & Welcome
Kim Clifton, Chair - Telephonically
Charlie Bowles, Vice Chair
Carla Bowen - Telephonically
Bill Gray - Telephonically
Luis Ramirez Thomas - Telephonically
Matias Rosales - Telephonically
Christine Shipley

Absent:

Judy Jackson

ADRE Representatives present:

Susan Nicolson, Commissioner James Knupp, Deputy Commissioner (DC) Abby Hansen, Chief of Staff (COS) Marlee McCormick, Manager Licensing Services (MLS) Chandni Bhakta, Legislative Liaison

Members of the Public present:

None

III. Commissioner Nicolson: Intro and Agency Update:

Commissioner Nicolson provided a summary of her professional background and work history and what she foresees going forward with the Department. Commissioner Nicolson and the Department will be transparent, have clear communication and be proactive. Commissioner Nicolson noted that today was State Employee Recognition Day and that she inherited a great staff.

IV. Approval of January 18, 2023 Meeting Minutes.

Vice Chair Bowles asked for a Motion to approve the January 18, 2023 Meeting Minutes. Upon a motion by Member Shipley, seconded by Member Bowen, the Minutes of January 18, 2023 meeting were unanimously approved.

V. Advisory Board member Facilitator Reports.

Chair Clifton and Member Rosales were attending the National Association of REALTORS[®] 2023 Legislative Meetings in Washington DC and Member Rosales noted that Yuma currently had a low inventory of homes.

Member Ramirez Thomas stated that the San Luis Port of Entry will be undergoing major expansion with a timeline of five years to complete and noted that land prices have increased significantly due to the activity.

Vice Chair Bowles indicated that he had recently approved development of residential, RV, and Commercial building in that area.

Chair Clifton asked the Commissioner if she was planning on attending the Arizona Mexico Real Estate Summit on June 9th, 2023. Commissioner Nicolson indicated that she had it on her calendar.

Member Shipley stated that within the property management sector they are still working through supply chain issues and referenced electrical panels for one example. Member Shipley noted that safety of agents is still a heightened concern due to aggressive interactions with tenants.

Member Shipley asked if would be possible to submit quarterly trust account notifications electronically, she indicated that she had asked COS Hansen and was informed that she could at least send them through the message center in lieu of USPS.

Member Bowen stated deed fraud is alive and well in the White Mountains and Tucson. Commissioner Nicolson noted that she had recently met with a licensee that it happened to personally and who is actively trying to raise awareness and effect change to stop deed fraud. Commissioner Nicolson stated one of the easiest ways to reduce deed fraud is to require two pieces of identification to ensure that you are working with the owner of the property. Chair Gray stated he had a call inquiring whether someone who lived on tribal land would need to provide legal presence but noted he had found that Native Nations do issue an acceptable card. VI. Arizona Department of Real Estate Reports;

DC Knupp provided the following updates;

- The Department will be releasing the revised ED102 later this month.
- Invited all Members to hold September 20th for a possible presentation by the Federal Reserve Bank of San Francisco, he will keep the Board posted.
- The current Legislative Session was coming to a close and noted the budget had been passed. The Department has been very involved with many water bills with none having resolution at this time but DC Knupp is still involved.
- Commissioner Nicolson's confirmation has not occurred yet and there is no timeline at this time.
- A commercial water bill is anticipated to be brought forward next session by Senator Griffin.

Vice Chair Bowles asked if the pipeline for desalinated potable water is moving forward. DC Knupp stated that he and Commissioner Nicolson recently attended a water event hosted by WESTMARC and a speaker from SRP indicated that the project is progressing but will take 10-15 years.

Member Ramirez Thomas stated that although there have been public statements made that it could be done in 2027 he agreed with SRP's expected timeline.

COS Hansen provided the following updates;

- Hiring 2 Compliance Specialists
- Hiring a second Deputy Commissioner
- 2 Unpaid Interns
- Fiscal year end approaching, working through orders and tenant improvement.
- Commissioner Nicolson asked for a call center modification which has been completed and will launch 5/17/2023. All staff will now be on the call center which will allow telecommuting.

MLS McCormick provided a brief overview is licensing, education and development services.

VII. Consideration/Discussion of key topics for next scheduled meeting.

Member Grey mentioned the need to have the sales and broker licensing curriculum reviewed.

VIII. Call to the Public

None

IX. Next Scheduled Meeting – July 19, 2023

X. Adjournment 11:10ment.

Respectfully submitted this 19th day of July, 2023 Real Estate Advisory Board

Kim Clifton, Chair