

Ken Lawson, Secretary

Rick Scott, Governor

**Amended Minutes of
THE FLORIDA REAL ESTATE APPRAISAL BOARD
February 9, 2016
General Meeting**

Chair Clay Ketcham called the meeting of the Florida Real Estate Appraisal Board to order at approximately 8:35 a.m., in Orlando, Florida, on this Tuesday, the ninth day of February, 2016.

The following Board members were present: Chair Clay Ketcham, Members Armando del Valle, Joshua Harris, Tamara McKee, Evalyn "Fran" Oreto, Michael Roy, and Matthew Simmons. Member Benjamin Bush had an excused absence. Assistant Attorney General Rachel Clark appeared as counsel for the Board. Director Watkins declared a quorum present.

Department and Division staff present at the meeting: Juana Watkins, Director; Denise Johnson, Deputy Director; Allison McDonald, Deputy Chief Attorney, and by teleconference Al Cheneler, Assistant General Counsel; Jocelyn Pomales, OMCII; Susan Bailey, Administrative Assistant II, Johanne Knudson, and Beverly Ridenauer, Government Analysts. American Court Reporting, Inc. (407.896.1813) provided court reporter services.

General Session

Approval of Minutes

The minutes of the December 7, 2015 General meeting and the November Teleconference were presented. Ms. Oreto moved, seconded by Mr. Harris to approve the minutes as presented. The motion carried without dissent.

Nominations for Chair and Vice-Chair

Acting Chair Clay Ketcham opened the floor for nominations for Chair for 2016. Ms. McKee nominated Ms. Oreto as Chair. Ms. Oreto accepted the nomination. There being no other nominations, Ms. McKee moved; Mr. del Valle seconded; motion carried unanimously.

Acting Chair Ketcham opened the floor for nominations for Vice-Chair for 2016. Ms. Oreto nominated Ms. McKee. Ms. McKee accepted the nomination. There being no other nominations, Ms. Oreto moved; Mr. del Valle seconded; motion carried unanimously.

Reports

Exam Performance Report

Director Watkins presented the Examination Performance Summary Reports for December, 2015. She addressed questions and comments from the Board.

Licensee Count Report

Ms. Watkins presented the Licensee Count Report and addressed questions and comments from the Board.

Legal Case Report

Ms. McDonald presented the Year Old Case report to the Board and addressed questions and comments from the Board.

Rules Report

Board Counsel Rachel Clark provided the Rules Report for December 2015 and reported on the status of rules that are being moved through the approval process.

Legal Appearance Docket

The Board addressed the Legal Appearance Docket, hearing fourteen docket items, with the following results:

Tab C thru O – Case Nos. 2015039729, 2015039740, 2015039752, 2015039769, 2015039774, 2015039784, 2015039796, 2015039815, 2015039830, 2015039919, 2015039929, 2015039936, 2015039940, Steven Van Heusen – Voluntarily Surrender

Steven Van Heusen was not present and was not represented by counsel. All members of the Board participated because there was no probable cause panel. Ms. McDonald represented the Department and presented the cases to the Board.

The Board discussed the cases. Following discussion, Ms. McKee moved, Ms. Oreto seconded; the motion carried without dissent to impose the following:

Penalty imposed: Relinquishment

Tab B – Case No. 2015006454, Donald E. Wright – Settlement Stipulation

Donald E. Wright was not present, but was represented by counsel, Daniel Villazon. Mr. Roy was recused due to participation on the probable cause panel.

Mr. Cheneler represented the Department and presented the case to the Board. The Board entered into discussion. Following discussion, Mr. Del Valle moved; Mr. Harris seconded; the motion carried without dissent to impose the following discipline:

Violation: Florida Statute 475.624(4) and Florida Administrative Code Rule 61J1-9.001 by failing to comply with the 2014-2015 USPAP. **Penalty imposed:** Counts One and Four are dismissed; \$1,500.00 fine, \$1,500.00 in costs; satisfactorily complete fifteen (15) hours of appraisal education and attend two (2) complete general FREAB meetings within 12 months; 12-month probation.

Tab A – Case No. 2013026042, Roberto J. Gilmore, Jr. –Request for Extension

Withdrawn

Special Agenda - Board Business
Correspondence

- A. The Board considered a communication from Mr. Jeremy Correia. Mr. Correia was present to discuss a Petition for rulemaking to amend reactivation education requirements with the Board. The Board heard and discussed Mr. Correia's comments. Following discussion, Ms. Oreto moved; Mr. Roy seconded; motion carried without dissent to deny the Petition.
- B. The Board considered a communication from Mr. Phillip F. Wilson. Mr. Wilson was not present to discuss his topic with the Board. Following discussion, the Board thanked Mr. Wilson for his kind comments, but took no further action.

Summary of Applicants Agenda - New Applicants

- A. Joshua J. Griggs, Certified Residential Appraiser by mutual recognition (MI) – The applicant was present. Following discussion, Mr. Simmons moved, Mr. Roy seconded; motion passed with one dissenting vote to approve the application.
- B. Jay S. Rothenthal, Certified Residential Appraiser by mutual recognition (NJ) – The applicant was present. Following discussion, Ms. McKee moved, Ms. Oreto seconded; motion passed with two dissenting votes to deny the application.

General Session Continued

Real Estate Appraisal Education Courses for Approval or Denial

- A. Advanced Concept & Case Studies – Synchronous / Appraisal Institute (new course, 20-hour, specialty) Application No. 5836

The Board discussed the education course as submitted. No representative from the organization was present in support the application. Following discussion Mr. Harris moved; Mr. Roy seconded a motion to conditionally approve the application for a period of 60 days for compliance with the pertinent application rules; failure to comply within that timeframe will result in a denied application. The motion carried without dissent.

- B. Advanced Concept & Case Studies – Synchronous / Appraisal Institute (new course, Pre-licensing / General) , Application No. 5836

The Board discussed the education course as submitted. No representative from the organization was present in support the application. Following discussion Mr. Harris moved; Mr. Roy seconded a motion to conditionally approve the application for a period of 60 days for compliance with the pertinent application rules; failure to comply within that timeframe will result in a denied application. The motion carried without dissent.

- C. Appraising Manufactured Homes – McKissock, LP (new course, 7 hour specialty, classroom), Application No. 5896

The Board discussed the education course as submitted. No representative from the organization was present in support the application. Following discussion Ms. Oreto moved; Mr. del Valle seconded a motion to approve the application for a total of four hours based upon the content of the course. The motion carried without dissent.

- D. Statistical Analysis and Expert Valuation – National Association of Independent Fee Appraisers (new course, 7 hour specialty classroom), Application No. 5719

The Board discussed the education course as submitted. No representative from the organization was present in support the application. Following discussion Mr. Harris moved; Mr. Roy seconded a motion to deny the application based upon the content of the course. The motion carried without dissent.

- E. Words of Wisdom from VA and FNMA - National Association of Independent Fee Appraisers (new course, 4 hour specialty classroom), Application No. 5721

The Board discussed the education course as submitted. No representative from the organization was present in support the application. Following discussion Mr. Harris moved; Mr. Roy seconded a motion to deny the application based upon the content of the course. The motion carried without dissent.

Special Agenda Continued **Board Business**

Director Watkins presented the following items. The Board considered these items to be informational only, taking no further action at this meeting.

- C. Appraisal Practices Board (APB) Exposure Draft Green High Performance Property
- D. Appraisal Qualifications Board (AQB) Q & A December 2015
- E. Appraisal Standards Board (ASB) Discussion Draft Potential Changes to 2018-19 USPAP
- F. Appraisal Standards Board (ASB) Q & A December 2015
- G. The Appraisal Foundation (TAF) Seeks Candidates for Boards
- H. AMC Regulation Opt-In /Opt-Out Topic - Director Watkins provided an update to the topic, noting the following:
 - Open topic until additional information is received
 - Relevant items are pending that need to be considered
 - Industry is considering introducing a plan independent of the Department's plan for legislation in 2017
 - The Department will take no legislative action in 2016
 - Awaiting clarity on the definition of federally related transaction from the Appraisal Subcommittee

Ms. Oreto asked the Board to keep an open mind and be amenable to considering changes to existing Statutes rather than moving away from the regulation of Appraisal Management Companies to protect the financial interests of the People of Florida.

The Board took comment from the audience. Those who spoke to the issue were Mr. Jeremy Correia, certified general appraiser; Mr. Scott DiBiasio, Appraisal Institute; Mr. Frank Gregoire, Former Chair of the Florida Real Estate Appraisal Board, Certified Residential Appraiser and Mr. Kevin Lahr of Digital Risk.

The Board discussed the topic in detail and asked that it be included on the April Meeting Agenda for further discussion with an objective of being prepared for the 2017 Legislative Session.

Director's Comments

Director Watkins' comments included the following:

- The Appraisal Subcommittee Priority Contact Visit for 2016 will take place on February 23rd.
- Legislative Update includes two Bills:

- House Bill 303 / SB 394 – Unlicensed Activity Fees – grants Department discretion to not collect the unlicensed activity fees in certain circumstances
- House Bill 47 / SB 214 – Enhanced penalties for crimes committed against real estate licensees, but not appraiser licensees
- Two boards of The Appraisal Foundation will hold meetings in Tampa, Florida in February 2016
- Industry Advisory Council meeting will be held on February 18th and the Appraisal Standards Board will meet on February 19th

General Session Continued

Rulemaking Workshop for Rule 61J1-9.001 Standards of Appraisal Practice

Board Counsel Clark noted that she has been contacted by several members of the public regarding the potential for bias in this process because four members of the Board are also members of the Appraisal Institute. The Appraisal Institute is the entity that filed a proposed rule and developed an alternate set of standards which the Board may or may not adopt.

Ms. Clark asked each of those members of the Board who are also members of the Appraisal Institute to place on the record the reasons why they feel they will not be biased in these proceedings. Members Michael Roy, Armando del Valle, Clay Ketcham and Matthew Simmons each stated their reasons for the record.

The Board took no action at this meeting. The Board did hear presentations from, and hold discussions with, industry participants who attended to speak to the issue. Speakers included representatives of the Appraisal Institute, the Appraisal Foundation, and members of the appraisal industry in Florida.

- Mr. Scott DiBiasio, Manager State & Industry Affairs, Appraisal Institute
- Mr. David Bunton, President, The Appraisal Foundation
- Ms. Maggie Hambleton, Chair, Appraisal Standards Board
- Ann Marie McCarthy, Appraisal Institute
- Wes Sanders, Appraisal Institute
- Nicholas Pilz, Appraisal Institute
- Wayne Miller, Appraisal Institute
- Herbert Jourdan, Appraisal Institute
- Steve Spangle, Appraisal Institute, Member of the Board of Trustees of the Appraisal Foundation
- Joni Herndon, Appraisal Institute
- Francois (Frank) K. Gregoire, Florida Certified Residential Appraiser

One item of discussion was the regulatory cost should this change take place in Florida. Director Watkins reminded the Board that the financial matters of this board are a reality that should be considered when any action is taken in this matter.

Following the presentations and discussions, Mr. Simmons moved; Mr. del Valle seconded to continue the rule workshop at the April meeting; the motion carried with a split vote of four yay votes to three nay votes.

Chair's Comments

Acting Chair Ketcham stated he has been grateful for the opportunity to serve as Vice-Chair for 2015 and congratulated Ms. Oreto in her capacity as Chair and Ms. McKee as Vice-Chair for 2016.

Public Comments

There were no public comments.

Adjournment

There being no other business, the Chair adjourned the meeting at approximately 5:00 pm. The next general meeting of the Florida Real Estate Appraisal Board will held April 4, 2016 in Orlando.

ATTEST:



Evelyn Franco-Oreto, Chair
Florida Real Estate Appraisal Board



Juana Watkins, Executive Director
Florida Real Estate Appraisal Board