

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING  
4

5 REAL ESTATE COMMISSION  
6 Property Management Committee  
7 MEETING MINUTES  
8

9 October 29, 2020  
10

11 By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
12 scheduled teleconference meeting of the Real Estate Commission Property Management  
13 Committee was held October 29, 2020, at the State of Alaska Atwood Building, 550 W. 7<sup>th</sup>  
14 Avenue, Suite 1560, Anchorage, Alaska.  
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16  
17 **Thursday, October 29, 2020**

18 **Agenda Item 1 – Call to Order**

19 Chair, Cassandra Taggart, called the meeting to order at 12:08 p.m.  
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21 Attendees present via ZOOM:

22 Cassandra Taggart, Broker, Real Property Management Last Frontier, Anchorage  
23 Cheryl Markwood, Commission Member, Broker, Markwood Realty, Fairbanks  
24 Sam Goldman, Commission Member, Broker, Alaska Built Real Estate, Wasilla  
25 Kris Abegg, Broker, Paragon Properties, Anchorage  
26 Eric Bushnell, Broker, Lee Realty, Wasilla  
27 Stacie Krause, Associate Broker, Jack White Real Estate, Soldotna  
28 Tracy Scott, Associate Broker, Real Estate Solutions of Alaska, Anchorage  
29 Maude Morse, Alaska Housing Finance Corporation  
30 Laura McMillon, Compliance Administrator, The CE Shop  
31

32 Staff Present:

33 Shyla Consalo, Executive Administrator  
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36 **Agenda Item 2 – Approval of Agenda**

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38 On a motion duly made by, Mr. Goldman, seconded by Ms. Abegg, it was,

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40 RESOLVED to approve the meeting agenda.  
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43 **Agenda Item 3 – Approval of August 20, 2020 Meeting Minutes**

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45 On a motion duly made by, Ms. Abegg, seconded by Ms. Markwood, it was,

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47 RESOLVED to approve the August 20, 2020 meeting minutes as presented.  
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50 **Agenda Item 4 – Public Comment**

51 There were no public comments.  
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55 **Agenda Item 5 – Summary of Mission Statement & Top 5 Goals**

56 Ms. Taggart stated the mission statement: Licensed property and association managers be well  
57 informed, educated, and supportive of real estate needs for Alaskans.

58

59 Ms. Taggart stated the top 5 goals as a summary:

- 60 1. Clarity and best practices on security deposits and management of client accounts.
- 61 2. Advocacy for education of all property and association management.
- 62 3. Audit of Alaska of real estate property management and association regulations to bring  
63 up the standards to today's practice. (12 AAC 64.550 - 580).
- 64 4. Research what other states have done in property management and association  
65 management, specifically through ARELLO and Florida.
- 66 5. Connecting property and association management resources to the public.

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69 **Agenda Item 6 – Review Goal #1 – Best Practice**

70 **Agenda Item 6(a) – Contracts and Disclosures**

71 Goal #1 is to create clarity and best practices on security deposits and management of client  
72 accounts.

73

74 Ms. Taggart stated the document being reviewed is best practices regarding Property  
75 Management Contracts and Disclosures. Ms. Taggart explained the best practice document is  
76 regarding generally accepted practices in the property management industry around the topic of  
77 Property Management Reporting for any or all parties involved in property management contracts.  
78 Ms. Taggart suggested the best way to review the document would be to go through each section  
79 individually and work through any suggestions or edits there may be. The goal is to see if there's  
80 enough put together to get an approval through the Committee, to provide to the Commission for  
81 consideration at their next meeting in December.

82

83 Ms. Taggart started with the statute and regulation reference section. There were no suggested  
84 changes to be made to this section.

85

86 Ms. Taggart moved to the Purpose and Disclosure sections. There were no suggested changes to  
87 be made to these sections.

88

89 Ms. Taggart moved on to the Broker/Licensee Policy Handbook and/or Contract section. She  
90 explained this section's purpose is to encourage brokers to consider things to address within their  
91 brokerage to avoid potential problems, complaints, and challenges. Each subsection was looked  
92 at and worked through individually:

93 a. There were no suggested changes to this section.

94 b. There were no suggested changes to this section.

95 c. There were no suggested changes to this section.

96 d. There were no suggested changes to this section.

97 e. Additional information and examples will be added to this subsection to include a list of  
98 different insurance coverages brokers should be considering.

99 f. There were no suggested changes to this section.

100 g. There were no suggested changes to this section; however, Ms. Markwood commented  
101 that it's good to have this defined in broker policy; but, it should also be noted that every  
102 condo association is different. So, while there may be a broker policy on something, each  
103 condo association and/or property management contract may stipulate something  
104 different. Ms. Taggart acknowledged that issue, and stated that would also be something  
105 to consider defining in the management contract, so there are no surprises; however, it's  
106 something that should also be defined in broker policy to avoid disputes and conflicts.

- 107 h. An additional subsection will be added to address FDIC insurance and the correct way
- 108 to label trust accounts. Ms. Abegg commented that large balances are carried in trust
- 109 accounts, and each client is considered individual under FDIC insurance as long as the
- 110 accounts are labeled correctly. If the accounts aren't labeled correctly, then FDIC
- 111 insurance may not be in place. She further stated the information she received from FDIC
- 112 was not an easy thing to extract, and the banks told her different things than FDIC, so she
- 113 thinks it's important for licensees to be aware of this issue. Ms. Abegg stated she would
- 114 forward the correspondence she had on the matter, so Ms. Taggart could add the
- 115 additional information to reference.
- 116 i. There were no suggested changes to this section.
- 117 j. There were no suggested changes to this section.
- 118 k. There were no suggested changes to this section.
- 119

120 Ms. Taggart moved on to the Management Contract section. She explained this section's purpose  
121 is to encourage brokers to consider things to address within their management contracts to avoid  
122 potential problems, complaints, and challenges. Each subsection of this section was looked at  
123 and worked through individually:

- 124 a. Additional examples were added to include a broader list of financial duties brokers
- 125 should be considering.
- 126 b. There were no suggested changes to this section.
- 127 c. There were no suggested changes to this section.
- 128 d. Additional examples were added to include a broader list of operational expenses
- 129 brokers should be considering.
- 130 e. An additional example was added to include records requests.
- 131 f. There were no suggested changes to this section.
- 132 g. There were no suggested changes to this section.
- 133 h. There was a grammatical change made to this subsection for better clarity.
- 134 i. Additional examples were added to include a broader list of items to include in the
- 135 disclosures at termination of a management contract brokers should be considering.
- 136

137 Ms. Taggart moved on to the Lease Contract section. She explained this section's purpose is to  
138 encourage brokers to consider things to address within their lease contracts to avoid potential  
139 problems, complaints, and challenges. Each subsection of this section was looked at and worked  
140 through individually:

- 141 a. There were no suggested changes to this section.
- 142 b. There were no suggested changes to this section.
- 143 c. There were no suggested changes to this section.
- 144

145 Ms. Taggart moved on to the Management Contract Disclosures section. She explained this  
146 section's purpose is to encourage brokers to consider things to disclose within their management  
147 contracts to avoid potential problems, complaints, and challenges. Each subsection of this section  
148 was looked at and worked through individually:

- 149 a. There were no suggested changes to this section.
- 150 b. There were no suggested changes to this section.
- 151 c. There were no suggested changes to this section.
- 152

153 Ms. Taggart moved on to the last portion of the document, Lease Contract Disclosures section.  
154 She explained this section's purpose is to encourage brokers to consider things to disclose within  
155 their lease contracts to avoid potential problems, complaints, and challenges. Each subsection of  
156 this section was looked at and worked through individually:

- 157 a. There were no suggested changes to this section.
- 158 b. There were no suggested changes to this section.

- 159 c. There were no suggested changes to this section.
- 160 d. There were no suggested changes to this section.
- 161 e. Property condition report was added.
- 162 f. Military relocation clause (SCRA) was added.

163  
164 **On a motion duly made by, Ms. Markwood, seconded by Ms. Abegg, it was,**

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166 **RESOLVED to approve the best practice document on Property Management**  
167 **Contracts and Disclosures as amended, and submit to the Commission for**  
168 **consideration at their December meeting.**

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170 **All in favor; Motion passed.**

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173 **Agenda Item 7 – Discuss/Draft Information Piece Re: Rent Assistance**

174 Ms. Taggart explained that 211 has been having issues trying to keep up with the volume of the  
175 rent relief questions going on, and the volume of the unpaid utilities and everything happening  
176 with COVID. United Way & Ms. Taggart did a presentation to the Commission asking for  
177 permission to prepare a list of resources that can provide relief and have it sent out in a ListServ  
178 announcement. There are a lot of property managers out there that may or may not know about  
179 some of these resources, so they wanted to participate in helping people connect the dots. She's  
180 been working with United Way and several other people to create a statewide list of resources  
181 that property managers can use to connect with their tenants, homeowners, or property owners  
182 that may help them during these unprecedented times. If anyone know of any additional  
183 resources, please email them to her or Ms. Consalo so they can be added to the list. Her goal is  
184 to have the list given to Ms. Consalo by next Friday.

185  
186 Ms. Morse asked Ms. Taggart to clarify what types of resources she was referring to, as Alaska  
187 Housing Finance Corporation (AHFC) has a lot of information on their website for temporary relief  
188 for homeowners and renters. Ms. Taggart stated she did have AHFC on the list, but if Ms. Morse  
189 had a resource link to add or additional information they wanted then she could add it. Ms.  
190 Taggart explained the list is an excel spreadsheet with the name and type of relief, website  
191 information, phone number, and any other helpful information she can put in a notes section. Ms.  
192 Taggart stated she could send the spreadsheet she currently has drafted out to everyone, so they  
193 can provide their input if they prefer to do it that way. Ms. Morse and Ms. Abegg stated they would  
194 like to see the spreadsheet, so they can have a visual of what is listed so far, and offer additional  
195 information that isn't already provided.

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198 **Agenda Item 8 – Adjourn**

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200 **On a motion duly made by Ms. Abegg, seconded by Mr. Goldman, it was,**

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202 **RESOLVED to adjourn.**

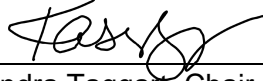
203  
204 **Meeting adjourned at 1:08 p.m.**

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Prepared and submitted by:  
Real Estate Commission Staff

Approved:



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Kasandra Taggart, Chair  
REC Property Management Committee

Date: 01.26.21