



RESIDENTIAL REAL ESTATE BROKER INDUSTRY COUNCIL

9:00 am, Tuesday, June 13, 2023

Virtual Teams Meeting

MINUTES

In Attendance:	Bill Briggs Brad Hamdon Brad Kopp Erika Ringseis Sano Stante, <i>Chair</i>
Resources:	Russ Morrow Warren Martinson Stacy Paquin Rina Hawkins
Absent:	Janice Harrington
Recording Secretary:	Christina Harrington

1. Call to Order

The meeting of the Residential Real Estate Broker Industry Council ("Industry Council") was called to order at 9:00 a.m.

2. In-Camera Session with the Industry Council Only

The Industry Council moved in camera, and reconvened at 9:15 a.m.

3. Approval of Agenda

Agenda item *Real Estate Act Rules Feedback from Industry Council* was advanced on the agenda, to precede *Real Estate Act Rule Amendments – Incentives and Inducements*.

***MOTION:** The Residential Real Estate Broker Industry Council approves the June 13, 2023 meeting agenda, as amended.*

*Moved by Bill Briggs,
Seconded by Brad Hamdon
Carried*

4. Conflict(s) of Interest Declared

No conflicts of interest were declared.

5. Chair's Opening Remarks

The Chair welcomed the Industry Council members to the meeting.

6. Consent Agenda

The Industry Council reviewed the Consent Agenda, which included the minutes of the March 14, 2023 meeting, the Consent Resolution - Real Estate Act Bylaws – Errors and Omissions Insurance, the Action Register Update, and the Regulatory Activity Scorecard.

***MOTION:** The Residential Real Estate Broker Industry Council approves the minutes of the meeting of March 14, 2023, and receives the Action Register Update, and the Consent Resolution, Real Estate Act Bylaws – Errors and Omissions Insurance, Regulatory Activity Scorecard as information, as presented within the meeting package.*

***Moved by Brad Hamdon,
Seconded by Erika Ringseis
Carried***

7. Industry Council Calendar

With the upcoming election of Industry Council members and re/appointments of public members in late November 2023, management recommended that the December 2023 Industry Council meeting be moved to November 2023. The Industry Council agreed with the recommendation, and a new date was set.

8. RECA Board of Directors Report

The Industry Council's Board member provided a report on the activities of the RECA Board of Directors ("Board").

9. Residential Real Estate Ad Hoc Committee Terms of Reference

Management discussed the Residential Real Estate Education Advisory Committee (the "Committee") Terms of Reference for the Industry Council's comments. The Committee's mandate is to ensure that the education framework for licensing achieves the outcome of the industry by equipping new practitioners with the knowledge, skills and professionalism needed to be successful in the real estate industry and to serve the public well.

ACTION: Industry Council recommends an amendment to Residential Real Estate Education Advisory Committee Terms of Reference to add Industry Council Chairman, Sano Stante, as an ex-officio, non-voting member. Management will raise the proposed amendment to the Board for review and approval.

MOTION: *That the Residential Real Estate Broker Industry Council appoints Bill Briggs as the Residential Real Estate Education Advisory Committee ("Committee") Chair and appoints Brad Hamdon as the public member of the Committee.*

Moved by Brad Kopp,

Seconded by Erika Ringseis

Carried

10. Credentialing Report and Learner Success Rates

Management presented the credentialing report and learner success statistics. The report was received as information.

11. Mentorship

The Industry Council considered the development of a mentorship program for residential real estate licensees. The Industry Council discussed mentorship programs of other Alberta regulators.

ACTION: Industry Council will gather preliminary stakeholder opinions on a mentorship licensing structure or mentor/mentee volunteer program in the residential real estate sector.

The Industry Council recessed at 10:23 a.m.

The Industry Council resumed at 10:39 a.m.

12. Rules Review Steering Committee

The Industry Council was provided with all responses received to date by the Rules Review Steering Committee, in response to the [Phase One Discussion Paper](#). The responses and analysis were received as information.

13. Real Estate Act ("REA") Rules Feedback from Industry Council

The Industry Council was encouraged to hold its own working session to formulate submissions to the Rules Review Steering Committee.

ACTION: Management will compile a list of REA Rules that garnered the most attention and interest resulting from Industry Council discussions and provide it to the Rules Review Steering Committee.

14. *REA* Rule Amendments – Incentives and Inducements

At a meeting with Service Alberta and the Alberta Real Estate Association (“AREA”), RECA committed to raise the matter of *REA* Rules relating to incentives and inducements to the Industry Council, for discussion. Specifically, to consider implementing a set threshold value on incentives, to allow real estate practitioners to offer incentives below a certain dollar-value without broker approval. The topic was discussed at length and was determined that the suggested rule may be too broadly defined to best serve the industry and that the Rules Review Steering Committee may best equipped to review AREA’s suggestions on incentives and inducements.

***MOTION:** The Residential Real Estate Broker Industry Council refers the Real Estate Act Rules regarding incentives and inducements as proposed by the Alberta Real Estate Association (“AREA”) to the Rules Review Steering Committee for review.*

*Moved by Bill Briggs,
Seconded by Brad Kopp
Carried*

15. Broker Forum Update

The Industry Council discussed trends emerging from the Calgary and Edmonton Broker Forum discussions. Of interest were mentorship, *REA* Rules on incentives and inducements, guaranteed sales, residential measurement standards, notice periods, and registering team names.

***ACTION:** Management will create a new Broker Forum, to encourage broader Brokerage participation and to capture a wider audience.*

16. Residential Measurement Standards (“RMS”) Ad-Hoc Committee

The Industry Council received the report and recommendations of the RMS Committee. The RMS Committee was established to review the current [Residential Measurement Standards](#) and to consider the recommendations of the past advisory committee (since dissolved) which were made prior to the *Real Estate Amendment Act, 2020*.

The Industry Council considered the RMS Committee’s recommended amendments to the RMS Principles specific to semi-detached properties and townhouses. To accomplish this a new principle specific to semi-detached and townhouses would be inserted, and references to semi-detached and townhouses removed from the current RMS Principle 4. The revised RMS Principle 4, now Principle 5, would then only apply to apartment style condominiums.

The Industry Council accepted the proposed amendments to the RMS Principles proposed by the RMS Committee.

MOTION: *That the Residential Real Estate Broker Industry Council approves the amendments to the Residential Measurement Standards ("RMS") Principles as follows, which will replace the current numbers 3, 4, and 5. The amendments will be effective November 1, 2023:*

- 3. For detached properties, measure the property using the exterior wall at the foundation.*
- 4. For semi-detached and townhouse properties, measure the property using the exterior wall at the foundation. If the thickness of the demising wall(s) cannot be determined the thickness of an exterior wall shall be used.*
- 5. For apartment style condominiums, measure the interior perimeter walls (paint-to-paint) at floor level. An additional area representation may be made assuming exterior measurements.*

***Moved by Brad Kopp,
Seconded by Bill Briggs
Carried***

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The Industry Council considered the RMS Committee's recommendations of a Below Grade Measurement Standard ("BGMS"). In the interest of simplicity, red-tape reduction, and to encourage builders to adopt a uniform measurement, the Industry Council amended the BGMS recommendations of the RMS Committee.

MOTION: *The Residential Real Estate Broker Industry Council approves the Below Grade Measurement Standard ("BGMS") as described below to be included with the RMS Principles documentation, with inclusion of BGMS effective November 1, 2023:*

BGMS Principle 1 – *The BGMS only applies to floor levels below grade.*

Any areas that are below the highest elevation/grade of the property is deemed below grade. With the exception that if any level below the highest elevation is completely at or above the grade for that level.

BGMS Principle 2 – *All measurements are to be taken at the exterior of the foundation.*

For walls that are not accessible from the exterior, interior measurements may be used and the thickness of the wall added to the interior measurement.

BGMS Principle 3 – All developed floor areas included in the measurements must have a ceiling height of no less than 60 inches or 1.52 meters.

The ceiling height is measured from the floor, not from any raised area. Floor areas with a ceiling height less than the minimum must not be included in the floor area.

BGMS Principle 4 – All measurements must be clearly shown on a diagram, with the excluded areas identified.

Below grade diagram/measurements must form part of the listing file.

***Moved by Brad Kopp,
Seconded by Bill Briggs
Carried***

The Industry Council recessed at 12:27 p.m.
The Industry Council resumed at 12:33 p.m.

17. Utility of Plain Language of RECA Forms

The Industry Council discussed amending RECA real estate forms to encourage plain language and to reduce red tape.

ACTION: RECA staff will review the current RECA forms to simplify more and align with plain language and propose any recommended amendments to the Industry Council.

18. Course Provider Conflict of Interest for Industry Council Members

The Industry Council considered whether the REA or REA Bylaws prohibit an Industry Council member from acting in an advisory capacity for a recognized course provider on advanced professional education, unrelated to the pre-licensing courses. The Industry Council received management's recommendation and the consideration of the Board Chair that, if the Chair of an Industry Council is engaged with a recognized course provider even on matters unrelated to the pre-licensing courses, they should recuse themselves from any future approvals of application from any course providers. Procedurally, the Vice-Chair would be responsible to sign any future course providers/course applications as per the authority of the Vice-Chair in accordance with s. 3.21 of the REA Bylaws.

The Industry Council agreed with the recommendations of management and the Board Chair on this matter.

19. Information Shared with Industry Council Regarding Complaints and Investigations

Management presented that an Industry Council member received an email from a complainant about a decision issued by the Registrar. Management advised that, under *REA* sections 37 (3) and (4), an Industry Council can ask for information on complaints related to licensees of the Industry Council. However, the Industry Council cannot ask for information about a specific investigation that is or has been conducted. If the Registrar concludes there is insufficient evidence of a breach of the *REA*, the Regulations or the Rules, a complainant is provided the available options including the right to appeal the Registrar's decision as outlined in section 40 of the *REA*. The overview of the complainant's appeal process was received by the Industry Council as information.

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20. In-Camera Session with RECA CEO

The Industry Council moved in-camera with the CEO.

21. In-Camera Session with Industry Council Only

The Industry Council moved in-camera.

22. Final Adjournment

***MOTION:** The Residential Real Estate Broker Industry Council approves the final adjournment of the June 13, 2023 meeting.*

Moved by Bill Briggs,

Seconded by Brad Kopp

Carried

The meeting adjourned at 1:06 p.m.

23. Next Meeting(s)

September 12, 2023

Approved at Calgary, Alberta on September 12, 2023

Sano Stante, Industry Council Chair