

**CONDOMINIUM REVIEW COMMITTEE**  
REAL ESTATE COMMISSION  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.hawaii.gov/hirec](http://www.hawaii.gov/hirec)

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor as required by Section 92-7(b), Hawaii Revised Statutes.

Date: March 10, 2010

Time: Upon adjournment of the Laws and Rules Review Committee meeting scheduled to convene at 9:00 a.m.

Place: Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, Hawaii

Present: Michele Sunahara Loudermilk, Chair, Public / Honolulu Commissioner  
Louis Abrams, Broker / Kauai Commissioner  
Carol Ball, Broker / Maui Commissioner  
Stanley Kuriyama, Broker / Honolulu Commissioner  
Frances Gendrano, Broker / Honolulu Commissioner  
Walt Harvey, Broker / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer  
Jon Ellis Pangilinan, Executive Officer  
Cynthia Yee, Senior Condominium Specialist  
Cheryl Leong, Condominium Specialist  
Benedyne Stone, Condominium Specialist  
Diane Choy Fujimura, Senior Real Estate Specialist  
Amy Endo, Real Estate Specialist  
David Grupen, Real Estate Specialist  
Shari Wong, Deputy Attorney General  
Tammy Norton, Recording Secretary

Others: Aron Espinueva, Hawaii Association of REALTORS®  
Sandra Roberts, Condominium Owner  
Pame Romano, Condominium Owner  
Philip Wilia, Dower Realty  
Marsha Shimizu, Hawaii Association of REALTORS®

Absent: Annette Aiona, Broker / Hilo Commissioner  
Trudy Nishihara, Broker / Honolulu Commissioner  
Mark Suiso, Vice Chair, Public / Honolulu Commissioner

Call to Order: Chair Loudermilk called the meeting to order at 9:14 a.m., at which time quorum was established.

Chair's Report: No report was presented.

The Chair announced that the Commission may move into executive session to consider and evaluate personal information relating to individuals applying for licensure in accordance with Section 92-5(a)(1), HRS, and/or to consult with the

Commission's attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities in accordance with Section 92-5(a)(4), HRS.

Commissioners Aiona and Nishihara were excused from the meeting. Prior notification of their non-attendance was received.

Condominium  
Specialist's  
Report:

### **Minutes**

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to accept the minutes of the February 10, 2010 Condominium Review Committee meeting as circulated.

Condominium  
Governance and  
Management:

### **AOUO Registrations**

Specialist Stone reported that as of February 28, 2010, 1,588 AOUOs have successfully registered.

### **Mediation and Arbitration**

Commissioner Kuriyama inquired about the cost of the mediation program being subsidized by the Condominium Education Trust Fund.

Specialist Stone reported that the CETF subsidizes between \$100 to \$300 per case. A full facilitative mediation is subsidized \$300 which includes initiation, contact and mediation whether agreement reached or not. An evaluative mediation is subsidized with a different amount.

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to extend the respective agreements with current mediation providers for one fiscal year for both facilitative and evaluative mediation services, subject to the terms, conditions, scope of service, compensation and payment schedule, or time frame as previously procured in fiscal year 2010 and further subject to the availability of Condominium Education Trust Funds, Commission's 2011 Fiscal Year Program of Work Budget Allocation for Mediation, and administrative approvals.

### **Condominium Seminars and Symposium**

CAI Hawaii will be presenting its seminar entitled "Challenges of Aging Buildings" on Thursday, March 11, 2010 from Noon to 1:30 p.m.

### **Case Law Review Program**

The following were distributed for informational purposes: *Alvarez Family Trust et al. vs. Association of Apartment Owners Of Kaaanapali Alii*, 221 P.3d 452 (Hawaii) 2009 WL 4726616 (Hawaii), and *Susan Cohn v. The Grand Condominium Association Inc. et. al.* 2009 WL 3763031 (Fla. App. 3 Dist.). Specialist Yee noted that the *Alvarez* case included a discussion about when board approval is required, § 44 of *Robert's Rules of Order* allows for the modification of a "simple majority vote" where an association's bylaws so provides.

**Condominium Related Articles**

The following article was distributed for informational purposes: "Condo Project Manager to Plead Guilty in Asbestos Case" *Community Association Management Insider* CAMI Online Exclusive, Posted on 2/3/2010.

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

A list of those condominium projects issued effective dates during the month of February 2010 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPT	DATE
6900	1821 WAIHEE STREET	1821 WAIHEE ST HONOLULU HI 96817	116016048	3	B REPT	2/11/2010
6911	2992 & 2992-A PACIFIC HEIGHTS DRIVE	2992 PACIFIC HEIGHTS DR HONOLULU HI 96813	122031073	2	B REPT	2/10/2010
6876	47-711 KAMEHAMEHA HIGHWAY	47-711 KAMEHAMEHA HWY KANEEOHE HI 96744	147014010	2	B REPT	2/16/2010
6934	61-237 KAMEHAMEHA HIGHWAY	61-237 KAMEHAMEHA HWY HALEIWA HI 96712	161003024	2	B REPT	2/16/2010
6913	915A AND 915B LOLENA STREET CONDOMINIUM	915A & 915B LOLENA ST HONOLULU HI 96817	116010086	2	B REPT	2/11/2010
6931	BACHELOT VILLA	2115 BACHELOT ST & 446 N JUDD ST HONOLULU HI 96817	118002032	2	B REPT	2/10/2010
6584	BALI HAI VILLAS PHASE XIII	4970 PEPELANI LP PRINCEVILLE HI 96722	454005036	14	B AMD 2	2/4/2010
6860	HANAIEI DREAM	5485 WEKE RD HANAIEI HI 96714	455004044	2	B REPT	2/11/2010
6924	HULAHULA PLACE	53-027A /B/C HULAHULA PL HAUULA HI 96717	153013040	3	B REPT	2/1/2010
6917	IIDA KAHINANI WAY DEVELOPMENT	45-153 & 45-153A KAHINANI WAY KANEEOHE HI 96744	144036105	2	B REPT	2/2/2010
6656	KALIHAIWAI BLUFFS CONDOMINIUM	05-2998 KUHIO HWY KILAUEA HI 96754	452010016	2	B AMD	2/1/2010
6174	KOLOA LANDING AT POIPU BEACH - PHASE I	2641 POIPU RD KOLOA HI 96756	428015025	86	B AMD 5	2/1/2010
6932	MIKALEMI GARDENS	99-147, A, B, C, D, E, E-1, F, G, H & I AIEA HI 96701	199041035	11	B REPT	2/22/2010
5265	MOANA PACIFIC	PENSACOLA & PIIKOI HONOLULU HI 96814	123010028	1404	SUPPL	2/26/2010
6926	NOHANA AT KAPOLEI - PHASE IV	KAIAU AVE KAPOLEI HI 96707	191016178	16	B REPT	2/3/2010
6103	PLANTATION TOWN APARTMENTS	94-979 KAUOLU PL WAIPAHU HI 96797	194017058	330	B AMD 5	2/25/2010
6898	POAMOHO CAMP	71-045 KAMEHAMEHA HWY WAHIAWA HI 96786	171001011	78	B AMD 1	2/4/2010
6733	SUGAR MILL AT MAIKOIKO	94-440 MAIKOIKO ST WAIPAHU HI 96797	194166004	8	B AMD	2/2/2010
6207	THE TOWN HOMES AT FAIRWAY'S EDGE INCR 5	KEONEULA BLVD EWA BEACH HI 96706	191012070	16	B AMD 3	2/11/2010
6872	THE TOWN HOMES AT KA MAKANA AT HOAKALEI INCREMENT 3	91-1371 & 91-1379 KEONEULA BLVD EWA BEACH HI 96706	191146027	12	B AMD 1	2/4/2010
6938	THE TOWN HOMES AT KA MAKANA AT HOAKALEI INCREMENT 6	KEONE'ULA BLVD & KAMAKANA ST EWA BEACH HI 96706	191134018	30	B REPT	2/11/2010
6821	THE TOWN HOMES AT KA MAKANA AT HOAKALEI INCREMENT 2	91-1355 & 91-1363 KEONEULA BLVD EWA BEACH HI 96706	191146027	10	B AMD 1	2/4/2010
6879	THE TOWN HOMES AT KA MAKANA AT HOAKALEI INCREMENT 4	91-1387 & 91-1395 KEONEULA BLVD EWA BEACH HI 96706	191146122	10	B AMD 1	2/4/2010
6472	VANGUARD LOFTS THE	720 KAPIOLANI BLVD HONOLULU HI 96813	121044035	37	B AMD 2	2/24/2010
6867	VILLAGE DELMONTE MANOA	3561 PINAO ST HONOLULU HI 96822	129069090	8	B REPT	2/18/2010
0	<b>Preliminary Reports</b>					
0	<b>Contingent Final Reports</b>					
0	<b>Final Reports</b>					
1	<b>Supplementary Reports</b>					
13	<b>B Reports</b>					
11	<b>B Amendment Reports</b>					
25	<b>TOTAL REPORTS</b>					

The following were distributed for informational purposes: "Federal Agencies Set Criteria for Drywall Diagnosis" *Apartment Building Management Insider* ABMI Online Exclusive posted on 2/9/2010, and "Interim Guidance - Identification of Homes with Corrosion from Problem Drywall" by the Consumer Product Safety Commission and the Department of Housing and Urban Development" Executive Summary January 28, 2010.

Program of Work: **Hawaii Condominium Bulletin**

It was reported that the current issue of the Hawaii Condominium Bulletin is at the printers. Delays have occurred due to misunderstandings between the editor and the printer regarding a "printer ready" document. The Hawaii Condominium Bulletin is expected to be mailed this month.

It was further reported that this will be the last printed copy of the Bulletin. All future quarterly issues will be available on the Commission's website in an effort to go green. Staff is looking into providing Associations additional notification that future issues will be available online at the Commission's website, [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

**Rulemaking, Chapter 107**

Specialist Stone reported that she was to receive an update by March 10, 2010, but as of the meeting, she has not received anything.

**Government and Legislative Participation and Report**

Condominium related legislation was reported earlier in the Laws and Rules Committee.

Specialist Leong reported that in response to SR 113 and HR 128 of the 2009 Legislative Session, although not concurrent resolutions, the Commission is working on a survey regarding e-filing of the developers public report registrations.

**Rulemaking, Chapter 53**

Specialist Yee reported that the public hearings for the Chapter 53 Fees have been delayed in part due to a change in administration.

Condominium  
Organizations Forum:

No comments, recommendations or concerns were received from the following: Community Associations Institute Hawaii Chapter, Alakahi Foundation, Hawaii Council of Association of Apartment Owners, Hawaii Independent Condominium and Cooperative Owners, Hawaii State Bar Association/Real Property & Financial Services Section, Land Use Research Foundation, Condominium Council of Maui, Hawaii Association of Realtors/Institute of Real Estate Management Hawaii Chapter/ Oahu Arm Committee, others.

Open Forum:

Ms. Pame Romano was present. Ms. Romano noted that she saw her name on the February 2010 agenda. Ms. Romano then went on to discuss her experience with mediation and her CDR case. The discussion included her opinion that mediation is not good and that the mediators are geared towards family arguments rather than condominium owner issues; mediators need to be

educated in the condominium law; mediation process should not be limited to 3 hours; in her case the mediation was not completed within the 3 hours but the mediation was ended and she was told to sign the mediation agreement form and although she did not know what she was signing, she did. Ms. Romano then reported her experience with CDR to include being informed by the Hearings Office that because the case was mediated and ended in "no agreement" the case did not qualify and that she would be fined for the other parties attorney fees; and the issues were never resolved.

Chair Loudermilk went on to inform Ms Romano that at this point in time the Commission has no jurisdiction over the CDR case and should she desire to pursue the matter further Ms. Romano should seek legal advice to navigate through any follow up courses of action including possible review by the circuit court.

Ms. Romano then expressed additional concerns with the involved mediators and the services provided.

Chair Loudermilk then requested Ms. Romano to place her concerns in writing to the Commission. The Commission, if possible, would conduct any follow up.

Ms. Romano went on to question why her case was listed on the committee's February agenda.

SEO Fujitani explained that the case was provided to the Condominium Review Committee for information only and not to re-hear the matter.

Ms. Sandra Roberts was present and informed the committee that she was there in support of Ms. Romano. Ms. Roberts then went on to express her opinion and concerns with the attorney whom Ms. Romano was up against. She noted that the attorney helped to rewrite the condominium law, Chapter 514A, HRS, to Chapter 514B, HRS. She then expressed her opinion that Chapter 514B supports the association and not the condominium owners. Ms. Roberts then elaborated on her opinion that the law firm of Motooka Yamamoto and Revere in receiving monies from the Condominium Education Trust Funds to provide condominium education, educated attorneys, boards, and vendors and do little for condominium owners. She then questioned the use of the CETF and the award of the seminar contract.

Chair Loudermilk went on to explain that the Commission provides subsidy for condominium education and seminars, solicits for such services through the use of the mandated procurement process, and that the Real Estate Commission has procured educational services with the Community Association Institute Hawaii Chapter and not Motooka Yamamoto and Revere. She further explained that Mr. Motooka did not write the law himself and that it was a long involved process involving many stakeholders and public hearings.

Ms. Roberts then questioned the amount paid to the Community Associations Institute Hawaii Chapter for their offering of educational seminars.

Specialist Yee reported that based on the Commission's financial report for the period ending December 31, 2009 the amount encumbered by the CETF for the

Committee's program of work item Seminars and Symposiums, of which these educational seminars fall under, was \$30,042.

Chair Loudermilk thanked Ms. Roberts for her comments.

CETF Budget & Finance Report: Upon a motion by Commissioner Abrams, seconded by Commissioner Kuriyama, it was voted on and unanimously carried to accept the Condominium Education Trust Fund Financial Report for the period ending December 31, 2009

Next Meeting: April 7, 2010  
Upon adjournment of the Laws and Rules Review Committee meeting scheduled to convene at 9:00 a.m.  
Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, Hawaii

Adjournment: With no further business to discuss, Chair Loudermilk adjourned the meeting at 9:53 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

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Cynthia M. L. Yee  
Senior Condominium Specialist

March 19, 2010

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Date

Minutes approved as is.  
 Minutes approved with changes; see minutes of \_\_\_\_\_