

CONDOMINIUM REVIEW COMMITTEE
REAL ESTATE COMMISSION
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
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: August 11, 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
Trudy Nishihara, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Scott Sherley, Broker / Hilo 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: Myoung Oh, Hawaii Association of REALTORS ®

Absent: Carol Ball, Broker / Maui Commissioner
Mark Suiso, Vice Chair, Public / Honolulu Commissioner

Call to Order: Chair Loudermilk called the meeting to order at 9:35 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 Ball and Suiso were excused from the meeting. Prior notification of their non-attendance was received.

Condominium
Specialist's
Report:

Minutes

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Harvey, it was voted on and unanimously carried to accept the minutes of the July 14, 2010 Condominium Review Committee meeting.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Stone reported that as of July 31, 2010, 1,654 AOUOs have successfully registered.

Condominium Seminars and Symposium - "Legislative Update" CAI Hawaii July 22, 2010 –Evaluation

Staff's evaluation was distributed for informational purposes. Staff reported that the scope of the Legislative Update covered more than what was included in the handouts.

Case Law Review Program

The following articles from the *Community Association Management Insider* (July 2010) was distributed for informational purposes: Association Must Grant Member Access to Records – *Palm v. 2800 Lake Shore Drive Condominium Association* (May 2010); and Members May Not Be Required to Pay Quarterly Assessments - *The Meadows Condo Unit Owners Association v. Blakely*, June 2010.

Condominium Related Articles

The following articles were distributed for informational purposes: "How to Respond to Dangers Caused by Compulsive Hoarders" and "How to Prevent Unacceptable Behavior Toward Board Members" *Community Association Management Insider* (July 2010); "Bully No More" – *Common Ground* (July/August 2010); "Task force tackles state's foreclosure ills" - *Star Advertiser* posted July 28, 2010; and "Foreclosures hurt condos" – *Star Advertiser* posted August 1, 2010.

Condominium
Project
Registration:

Condominium Project Registration - Public Reports Issued

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPORT	DATE
6991	1333 & 1333A ALA AMOAMO	1333 & 1333A ALA AMOAMO ST HONOLULU HI 96819	111026005	2	B REPT	7/9/2010
6977	99-1230 HALAWA HEIGHTS ROAD	99-1230 HALAWA HGTS RD AIEA HI 96701	199009118	2	B REPT	7/15/2010
5474	BREAKERS THE	3702 LWR HONOAPIILANI RD LAHAINA HI 96731	243006002	24	FINAL	7/8/2010

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6620	CABANA AT WAIKIKI THE	2551 CARTWRIGHT RD HONOLULU HI 96815	126027027	16	B AMD	7/20/2010
6163	HONUA KAI CONDOMINIUM (BLDG NE-A), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	184	B AMD 5	7/15/2010
6164	HONUA KAI CONDOMINIUM (BLDG NE-B), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	61	B AMD 5	7/15/2010
6165	HONUA KAI CONDOMINIUM (BLDG NE-C), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	68	B AMD 5	7/15/2010
6378	HONUA KAI CONDOMINIUM (BLDG SE-A), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	195	B AMD 3	7/15/2010
6379	HONUA KAI CONDOMINIUM (BLDG SE-B), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	76	B AMD 3	7/15/2010
6380	HONUA KAI CONDOMINIUM (BLDG SE-C), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	54	B AMD 3	7/15/2010
6982	KAALA VIEW FARM LOTS #2	KAUKONAHUA RD WAIALUA HI 96791	165001033	9	B REPT	7/15/2010
6978	KAWAILOA MAUKA RANCHES	62-194 KAWAILOA DR HALEIWA HI 96712	161005020	3	B REPT	7/1/2010
6961	KOULA ESTATES	3917 KOULA RD HANAPEPE HI 96716	419005029	2	B REPT	7/2/2010
6918	LAGUNDINO CONDOMINIUM	LOT 14-A-2 KANU RD WAIMEA HI 96796	416003068	3	B REPT	7/14/2010
6983	MAKENA FOUR HOME CONDOMINIUM	201 MAKENA RD KIHEI HI 96753	221007066	4	B REPT	7/9/2010
6990	MOKULUA BROTHERS CONDOMINIUM	1336 & 1336-A MOKULUA DR KAILUA HI 96734	143004078	2	B REPT	7/20/2010
6505	MORNING WOOD ESTATES	6125 KOLOPUA ST KAPAA HI 96746	442010018	2	SUPPL	7/29/2010
5705	NIHILANI AT PRINCEVILLE RESORT PH II	4919 PEPELANI LP PRINCEVILLE HI 96722	454005024	51	SUPPL 2	7/26/2010
6857	NINAULIA STREET CONDOMINIUM	6482 NINAULIA ST KAPAA HI 96746	446006069	2	FINAL	7/14/2010
6845	NIUMALU 2371 CONDOMINIUM	2371 E NIUMALU RD LIHUE HI 96766	432002031	3	B AMD	7/2/2010
6981	NOURY CONDOMINIUM	120 KUMU NIU PL LAHAINA HI 96761	247010033	2	B REPT	7/1/2010
5898	PARK PLAZA	590 LIPOA PKWY KIHEI HI 96753	222024008	26	SUPPL 2	7/22/2010
6979	PBE 182 CONDOMINIUM	LOT 182 KOLOA HI 96756	428031182	2	B REPT	7/21/2010
6224	PENSACOLA CHELSEA CONDOMINIUM	1310 PENSACOLA ST HONOLULU HI 96814	124013021	46	B AMD 3	7/15/2010
6819	PIILA'A LUNA RANCH CONDOMINIUM	PILA'A HANALEI HI 96754	451002005	49	B REPT	7/28/2010
6472	THE VANGUARD LOFTS	720 KAPIOLANI BLVD HONOLULU HI 96813	121044035	37	B AMD 4	7/1/2010
0	Preliminary Reports					
0	Contingent Final Reports					
2	Final Reports					
3	Supplementary Reports					
11	B Reports					
10	B Amendment Reports					
26	TOTAL REPORTS					

Condominium Consultants

Staff announced that the Condominium Consultant's Information and Update Session is scheduled for September 1, 2010. Priority on the agenda will be a discussion of the proposed rules and spatial units.

Program of Work: **Condominium Laws and Education**

Specialist Yee reported that response to the "Visiting Condominium Specialist" pilot program has been minimal. At the request of HCAAO, all three condominium specialists will attend HCAAO's seminar on August 12th and elaborate on the pilot program.

Hawaii Condominium Bulletin

Specialist Stone reported that a protest was received regarding the award of the Bulletin Layout/Editor. The protest was reviewed and determined that the Award was made in compliance with all relevant laws, rules and internal procedures set forth by SPO.

Rulemaking, Chapter 107

Preliminary rough draft Part II of the proposed rules relating to release of completion, performance bond, letter of credit or other alternative security; project registration application; documents and information; and content of developers public report was circulated for review and comments.

The preliminary rough draft will also be provided to the condominium consultants for discussion and comments at the September 1, 2010 Condominium Consultant Information and Update Session.

Commissioner Kuriyama questioned whether staff will be reconstituting the Blue Ribbon Committee to assist in the review of the proposed rules.

Chair Loudermilk indicated that once a complete draft is in place a committee will be established to assist in the review of the proposed rules.

SEO Fujitani initiated discussion about the coexistence of Chapter 514A and Chapter 514B, HRS.

The discussion that followed included the constitutional impairment of contracts.

Commissioner Sherley suggested that we provide information to the Associations in regards to opting into Chapter 514B.

Specialist Yee noted that §514B-23 allows by majority vote to adopt Chapter 514B.

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Sherley, it was voted on and unanimously carried to reconstitute an ad hoc "Blue Ribbon" committee to assist in the rulemaking process.

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.

CETF Budget &
Finance Report:

No report presented.

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Next Meeting: September 8, 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 9:51 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

August 18, 2010

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____

CY/tn/100818