

**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: May 11, 2011

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  
Scott Sherley, Broker / Hilo Commissioner  
Frances Gendrano, Broker / Honolulu Commissioner  
Walt Harvey, Broker / Honolulu Commissioner  
Donna Apisa, Broker / Kauai 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: Randy L. Prothero, Century 21 Liberty Homes  
Aron Espinueva, Hawaii Association of REALTORS®

Absent: Trudy Nishihara, Broker / Honolulu Commissioner  
Carol Ball, Broker / Maui Commissioner  
Mark Suiso, Vice Chair, Public / Honolulu Commissioner  
Stanley Kuriyama, Broker / Honolulu Commissioner

Call to Order: Chair Loudermilk called the meeting to order at 9:10 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 Nishihara, Ball, Kuriyama and Suiso were excused from the meeting. Prior notification of their non-attendance was received.

Condominium  
Specialist's  
Report:

#### **Additional Distribution**

The following materials were distributed prior to the start of the meeting:

4. Condominium Governance and Management
  - d. Condominium Seminars and Symposium
6. Program of Work, FY11
  - e. Rulemaking, Chapter 107

Minutes:

Chair Loudermilk noted that she wanted to ensure that the minutes regarding Mr. Grad's issue of delays in Condominium "Conversion" Projects reflect that it was suggested that staff contact Mr. Grad and Mr. Challacombe to see if there is a way to streamline the process within the bounds of the statute.

Upon a motion by Commissioner Harvey, seconded by Commissioner Apisa, it was voted on and unanimously carried to accept the minutes of the April 13, 2011 Condominium Review Committee meeting.

Condominium  
Governance and  
Management:

#### **AOUO Registrations**

Specialist Stone reported that as of April 30, 2011, 269 AOUOs have successfully registered for the 2011-2013 biennium. During the month of April, 279 applications were received on-line and 50 applications were received by mail or over the counter.

#### **Mediation and Arbitration**

It was reported that the mediation agreements are being processed.

#### **Condominium Seminars and Symposiums**

Specialist Yee reported that the seminar procurement has been posted to the HePS site with a deadline date of May 20, 2011, 4:30 p.m. Those interested must be registered through HePS as a vendor and submit an electronic proposal through HePS. The Commission may award more than one contract either by island or statewide. The scope, term, and compensation have been included with the solicitation.

#### **Case Law Review Program**

The following articles from the April 2011 issue of *Community Association Management Insider* were distributed for informational purposes: "Member Liable for Unpaid Dues and Late Fees," "Association Lien Superior to Tax Lien Before Recorded Date," and "Underinsured Association Liable for Limited Flood-Related Damage."

#### **Condominium Related Articles**

The following condominium related articles were distributed for informational purposes: "Use Licensed Structural Engineer to Assess Concrete Cracks in

Condo Building" *Community Association Management Insider Common Ground* (April 2011), "The Two Biggest Mistakes Community Association Make Involving Directors & Officers Liability Insurance" – *CAI Hawaii* (April 2011), and "Financial Reform for Consumers: An Overview of the Dodd-Frank Act and the Consumer Protection Bureau" *Hawaii Bar Journal* (April 2010).

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

A list of those condominium projects issued effective dates during the month of April 2011 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPORT	DATE
7073	"KEANIANI CONDOMINIUM"	418-420 KEANIANI ST KAILUA HI 96734	143049002	2	B REPT	4/11/2011
7081	3337A AND 3337B KANAINA AVENUE	3337A & 3337B KANAINA AVE HONOLULU HI 96815	131002043	2	B REPT	4/8/2011
7076	45-621 AND 45-623 PAHOLEI STREET	45-621 & 45-623 PAHOLEI ST KANEHOE HI 96744	145087103	2	B REPT	4/15/2011
7077	45-625 AND 45-627 PAHOLEI STREET	45-625 & 45-627 PAHOLEI ST KANEHOE HI 96744	145087102	2	B REPT	4/15/2011
7049	ANDERSON ESTATES	6447 and 6457 KAHUNA RD KAPAA HI 96746	446006058	2	B REPT	4/21/2011
5778	BENNETT ESTATES	LOT 110 KOLOA HI 96756	428015012	2	SUPPL	4/19/2011
6289	HO'ONANEA AT LAHAINA	KEAWE ST LAHAINA HI 96761	245011010	100	B AMD 3	4/26/2011
7057	KAHU'AINA FAMRS (PHASE 3)	7480 KOOLAU RD KILAUEA HI 96754	451003006	7	B REPT	4/19/2011
7056	KAHU'AINA GROVE	7480 KOOLAU RD KILAUEA HI 96754	451003006	33	B REPT	4/19/2011
5630	KUAHIWI OMAO CONDOMINIUM	3732 OMAO RD KOLOA HI	427004067	2	SUPPL	4/27/2011
7082	KURISU ESTATES	5825 OLOHENA RD KAPAA HI 96746	444006003	2	B REPT	4/18/2011
7034	LONGHI CONDOMINIUM	40 KALAI PL LAHAINA HI 96761	248003088	2	B REPT	4/7/2011
7064	MAKANA MAKALAE`A	7138 C KAHUNA RD KAPAA HI 96746	446004050	2	B REPT	4/12/2011
7088	MAKILA RIDGE LOT 5 CONDOMINIUM	390 PUNAKEA LP LOT 5 MAKILA LAHAINA HI 96761	247001048	2	B REPT	4/21/2011
7086	MELE WAI CONDOMINIUM	LOT 41-A KAPAA HOMESTEADS 1ST KAPAA HI	446004030	2	B REPT	4/26/2011
6367	NANALA AT MEHANA	MANAWAI ST KAPOLEI HI 96707	191016131	100	B AMD 4	4/14/2011
6777	NISHIDA CONDOMINIUM	PUUPILO RD KAPAA HI 96746	442022071	2	B AMD	4/21/2011
5316	OCEAN VILLAS AT TURTLE BAY RESORT	TURLTLE BAY RESORT KAHUKU HI 96731	157001013	57	SUPPL 2	4/19/2011
7030	PULEWA AT MEHANA	KAKALA, MANAWAI, KUNEHI, KUKULU KAPOLEI HI 96707	191016160	120	B AMD	4/1/2011
6966	SIXTY PARKSIDE (PHASE 1)	95-060 WAIKALANI DR MILILANI HI 96789	195012020	18	B AMD	4/11/2011
6967	SIXTY PARKSIDE (PHASE 2)	95-060 WAIKALANI DR MILILANI HI 96789	195012020	30	B AMD	4/11/2011
4529	THE PLACE	LOT 24 HUALALAI FARMS N KONA HI	375013047	2	SUPPL	4/12/2011
6199	THE VILLAS AT KEHALANI - PHASE I	KEHALANI PKWY WAILUKU HI 96793	235001074	41	B AMD 6	4/14/2011
6712	THE VILLAS AT KEHALANI - PHASE II	KEHALANI PKWY WAILUKU HI 96793	235001074	62	B AMD 4	4/14/2011
6373	WAINIHA HUI ESTATES	WAINIHA POWER HOUSE RD WAINIHA HI 96714	458004027	3	B AMD 2	4/19/2011
0	<b>Preliminary Reports</b>					
0	<b>Contingent Final Reports</b>					
0	<b>Final Reports</b>					
4	<b>Supplementary Reports</b>					
12	<b>B Reports</b>					
9	<b>B Amendment Reports</b>					
25	<b>TOTAL REPORTS</b>					

Program of Work: **Rulemaking, Chapter 107**

A preliminary rough draft of the proposed rules for Chapter 514B, HRS, Part VIII incorporating any overlooked informal non-binding interpretations posted on the REC website was distributed to the committee for review. Comments to be provided to Specialist Yee. Targeting conclusion of this portion is mid-June.

Commissioner Apisa noted the progress staff has made with rulemaking.

**Legislative Acts and Resolutions**

It was reported that Act 48 relating to mortgage foreclosures makes amendments to both Chapters 514A and 514B.

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.

Next Meeting: June 8, 2011  
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 9:21 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

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Cynthia M. L. Yee  
Senior Condominium Specialist

May 13, 2011

\_\_\_\_\_  
Date

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