

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: January 7, 2009

Time: Upon adjournment of the Education Review Committee meeting which follows the Laws and Rules Review Committee meeting scheduled to convene at 9:30 a.m.

Place: REALTORS® Association of Maui
441 Ala Makani Place
Kahului, Maui

Present: Mark Suiso, Vice Chair, Public / Honolulu Commissioner
Louis Abrams, Broker / Kauai Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Carol Ball, Broker / Maui Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner
Annette Aiona, Broker / Hilo Commissioner
Frances Gendrano, Broker / Honolulu Commissioner

Neil K. Fujitani, Supervising Executive Officer
Cynthia Yee, Senior Condominium Specialist
Diane Choy Fujimura, Senior Real Estate Specialist
Shari Wong, Deputy Attorney General
Karyn Takahashi, Recording Secretary

Others: Peter Rice
Russell Speck
Terry Tolman, REALTORS® Association of Maui
Dave DeLeon, REALTORS® Association of Maui
Sharon Viger
Cynthea Weldon
Virginia Brown
Melissa Namahoe
Steve Elijah, Esq.

Absent: William Chee, Chair, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner

Call to Order: Vice Chair Suiso called the meeting to order at 9:47 a.m., at which time quorum was established.

Chair's Report: No report was presented.

The Vice 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 Chee and Kuriyama 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 Loudermilk, it was voted on and unanimously carried to accept the minutes of the December 10, 2008, Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOAO Registrations

Specialist Yee reported that as of December 31, 2008, 1,626 AOAOs have successfully registered.

Ad Hoc committee on Condominium Education and Research

The Chair reported that the review of the condominium brochure updates are on-going and they are expecting another draft this month. He added that they requested a one page summation to be included in the brochures.

The Chair stated that he is pleased with the drafts and noted that they will be very handy references.

Condominium Seminars and Symposium— Exercise of Option to Renew Contract dated August 24, 2006 between the Real Estate Commission and Community Associations Institute Hawaii Chapter (2nd of 3 options)

Senior Specialist Yee reported that we are in the second year of the option to renew the condominium seminars and symposium contract. She reported that there has been good attendance at the seminars/symposiums, and for the most part, a sampling of the participants' evaluations indicates an overall satisfaction with the seminars.

At this time, Steve Elijah, representative of the Condominium Council of Maui ("Council") and a CAI member, addressed the committee and reported that in the past 2 ½ years the Council seminars have gone up in quality and they are getting really good crowds. He reported that the seminars are only going to get better and they try to avoid hitting the same topics as CAI but they do occasionally overlap.

Senior Specialist Yee noted that it appears the Council would like to be a current provider. In that case, they should explore sub-contracting with CAI, keeping in mind all requests and contracts are based on budgetary constraints.

Mr. Elijah indicated that they are reviewing the procurement code. The Chair indicated that he is also interested in CEF subsidized seminars on the neighbor islands. Mr. Elijah indicated that there is also a specific goal to bring over or utilize local speakers.

Senior Specialist Yee reported that CAI has conducted seminars on different islands. Mr. Elijah indicated that this is not a competition, but complimentary—the Council is not trying to conflict, but are trying to fill a void.

Some audience discussion followed on making education mandatory for condominium association board members. Senior Specialist Yee informed the audience that there is nothing now precluding the association's from amending their by-laws to require education of board members. Commissioner Loudermilk noted that if education is mandatory, boards may have a hard time finding volunteers, but agreed it was necessary to explore education on the neighbor islands.

Upon a motion by Commissioner Abrams, seconded by Commission Aiona, it was voted on and unanimously carried to exercise the option to renew the contract dated August 24, 2006, between the Real Estate Commission and Community Associations Institute Hawaii Chapter subject to the terms and conditions of the existing contract, any administrative approval, and funding.

Condominium Related Articles

The following articles from the December 2008 issue of *Common Ground* were distributed for informational purposes: "homefront Finance Cash Advance" and "Riding Out the Storm."

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of December 2008 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNT TTL	REPORT DATE
6728	1044 & 1044-A 12TH AVE	1044 & 1044-A 12 TH AVE HONOLULU HI 96816	132014033	2	B REPT 12/9/2008
6737	112 & 112A MELEANA PLACE	112 MELEANA PL HONOLULU HI 96817	119003004	2	B REPT 12/19/2008
6657	1675 AND 1677 MAHANI LOOP	1675 MAHANI LP HONOLULU HI 96819	114023001	2	B REPT 12/17/2008
6710	1735 MARQUES STREET	1735 & 1735A MARQUES ST HONOLULU HI 96822	128016079	2	B REPT 12/22/2008
6678	3029 AND 3033 ALAPALI PLACE	3029 & 3033 ALAPALI PL HONOLULU HI 96815	131034018	2	B REPT 12/30/2008
5584	625 A HALEKOU PLACE	45-625A HALEKOU PLACE KANE OHE HI 96744	145102009	2	SUPPL 12/29/2008
6723	740 AND 742 WILIWILI STREET CONDO	740 & 742 WILIWILI ST HONOLULU HI 96826	127003047	2	B REPT 12/29/2008
5978	85-065 KAULAWAHA	85-065 KAULAWAHA RD WAIANAE HI 96792	184016021	2	SUPPL 12/4/2008
6662	91-002 MUUMUU PLACE	91-002 MUUMUU PL EWA BEACH HI 96706	191028056	3	B REPT 12/19/2008
6707	COVE BEACH VILLAS	82 KANANI RD KIHEI HI 96753	239016004	32	B REPT 12/4/2008
6729	GARDENS AT MAKALEHA THE	6420 KAWAIHAU RD KAPAA HI 96746	446033031	2	B REPT 12/11/2008

Condominium Review Committee
 Minutes of the January 7, 2009 Meeting
 Page 4

2685	HALE O KE KOA MALUHIA	44-118 IKEANANI DR KANEHOE HI 96744	144013047	2	SUPPL	12/1/2008
6736	HANA HANAI	229 ULANA ST MAKAWAO HI 96768	224035092	2	B REPT	12/22/2008
6667	HGFE LOT 11 CONDOMINIUM	4721 HANAIEI PLANTATION RD HANAIEI HI 96714	454004050	2	B AMD	12/4/2008
6163	HONU KAI CONDOMINIUM (BLDG NE-A), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	191	B AMD 3	12/19/2008
6164	HONU KAI CONDOMINIUM (BLDG NE-B), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	61	B AMD 3	12/19/2008
6165	HONU KAI CONDOMINIUM (BLDG NE-C), KONEA ENCLAVE	LOT 4 KAANAPALI HI	244014006	61	B AMD 3	12/19/2008
6378	HONU KAI CONDOMINIUM (BLDG SE-A), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	195	B AMD	12/19/2008
6379	HONU KAI CONDOMINIUM (BLDG SE-B), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	76	B AMD	12/19/2008
6380	HONU KAI CONDOMINIUM (BLDG SE-C), HOKULANI ENCLAVE	130 KAI MALINA PKWY LAHAINA HI 96761	244014006	54	B AMD	12/19/2008
6725	KAIMUKI HILLSIDE HOMES	734 8TH AVE HONOLULU HI 96816	132023025	2	B REPT	12/29/2008
3103	KAPUNA PASTURES	LOT 11 WAIPAKE SUBDIV II HANAIEI HI 96714	451006011	2	SUPPL	12/16/2008
5583	KE KAILANI PHASE I	68-1029/1031/1033/1035 KE KAILANI KOHALA HI 96743	368022039	4	SUPPL	12/4/2008
6138	KE KAILANI PHASE II	68-1122 NA ALA HELE RD KOHALA HI 96743	368036016	4	B AMD	12/11/2008
6139	KE KAILANI PHASE III	68-1122 NA ALA HELE RD KOHALA HI 96743	368036016	4	B AMD	12/11/2008
6576	KE NOHO KAI TOWNHOMES INCR 5	91-1040 KAILEOLEA DR EWA BEACH HI 96706	191123115	20	B AMD	12/29/2008
6709	LAIE DRIVE CONDOMINIUM	577/579 LAIE DR MAKAWAO HI 96768	224009053	2	B REPT	12/4/2008
5597	LOFT @ WAIKIKI	427 LAUNIU ST HONOLULU HI 96815	126017068	36	SUPPL 3	12/24/2008
6679	LOT 40-B CONDOMINIUM	562 KAI HELE KU ST LAHAINA HI 96761	247009044	2	B REPT	12/10/2008
6708	MOANA VISTA	1015 KAPIOLANI BLVD HONOLULU HI 96814	123003072	564	B REPT	12/4/2008
6703	PEACE AND ALOHA PLANTATION	350 LUAWAI ST LAHAINA HI 96761	248003087	2	B REPT	12/8/2008
6686	WAIPOULI HILLS CONDOMINIUM	LOT 103 KAPAA HI 96746	444003056	5	B REPT	12/15/2008
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
6	Supplementary Reports					
16	B Reports					
10	B Amendment Reports					
32	TOTAL REPORTS					

Amendments to Developers' Public Reports for Chapter 514B, HRS Condominium Project Registrations

Senior Specialist Yee described some of the issues as developers are submitting amendments to the developer's public reports to report changes that are not "material." However, if left unreported, the report may become misleading and inaccurate. Often the changes/amendments are simple and can be handled by an amendment and not a full amended developer's public report. Examples of these include changes/amendments of listing broker, name of the mortgagor/lender, and changes to update the estimated budget.

The Senior Condominium Specialist described the current amendment policy carried over from the administration of HRS Chapter 514A. Where there is more than two material amendments, the current policy requires the developer to report the change/amendment via a full amended developer's public report. This warrants the payment of a \$1,000 consultant fee and \$75 application fee as compared to an application fee of \$75 and \$150 consultant fee for an amendment.

Commissioner Loudermilk moved to adopt a policy in which the developer may submit more than one amendment/change to the public report via superseding amendments where the developer has already submitted an amended developer's public report. The staff and assigned consultant will determine at what point and in what instances a restated full amended developer's public report is required. Commissioner Aiona seconded the motion. The motion was voted on and unanimously carried.

Consultants

Senior Condominium Specialist Yee reported that all new procured consultants have completed their orientation and are reviewing more project registrations.

Program of Work: **Condominium Reference Library**

Senior Condominium Specialist Yee reported that the library books have been ordered and staff is currently in the process of labeling each book with the Commission approved caveat.

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: None.

CEF Budget & Finance Report: No report presented.

Next Meeting: February 11, 2009
Upon adjournment of the Education Review Committee meeting which follows 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

Condominium Review Committee
Minutes of the January 7, 2009 Meeting
Page 6

Adjournment: With no further business to discuss, Vice Chair Suiso adjourned the meeting at
10:31 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

January 29, 2009
Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____

CV/tkt 012309