

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: November 12, 2008

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: Imiloa Astronomy Center of Hawaii
600 Imiloa Place
Hilo, Hawaii

Present: William Chee, Chair, Broker / Honolulu Commissioner
Mark Suiso, Vice Chair, Public / Honolulu Commissioner
Louis Abrams, Broker / Kauai Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Michele Sunahara Loudermilk, Public / Honolulu Commissioner
Annette Aiona, Broker / Hilo Commissioner
Frances Gendrano, Broker / Honolulu Commissioner

Neil Fujitani, Executive Officer
Cynthia Yee, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Diane Choy Fujimura, Senior Real Estate Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary

Others: Al Inoue, Hilo Lagoon Centre
Bonnie Limatoc-DePonte, Hilo Lagoon Centre
Pat Scullary, Hale Moana, Hilo Lagoon Centre
Barbara Gillaspie-Hargas, Hilo Lagoon, Bayshore Towers, etc.
Barbara Engle, Day Lum Rentals & Management
Nancy Cabral, Day Lum Rentals & Management

Absent: Carol Ball, Broker / Maui Commissioner

Call to Order: Chair Chee called the meeting to order at 9:39 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.

Commissioner Ball was excused from the meeting. Prior notification of her non-attendance was received.

Condominium
Specialist's
Report:

Additional Distribution

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

- 6. Program of Work, FY09
 - I. Rulemaking, Chapter 53, Fees

Minutes:

Upon a motion by Commissioner Nishihara, seconded by Commissioner Aiona, it was voted on and unanimously carried to accept the minutes of the October 8, 2008 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOAO Registrations

Specialist Yee reported that as of October 31, 2008, 1,619 AOAOs have successfully registered.

Mediation and Arbitration

Specialist Yee reported that staff has been meeting with an industry group of mediation providers, property managers, and attorneys on the Condominium Dispute Resolution program. The group is looking into recommendations to change the mediation process and may come before the Commission seeking CMEF/CETF subsidy for a different model of mediation.

Condominium Seminars and Symposium – Defending and Winning Suits Against Boards

Staff's written evaluation was submitted for informational purposes. Included also for information was CAI Hawaii response to Commission's letter request requesting a fair treatment of the subject matter at the October 25, 2008 "Defending and Winning Suits Against Boards" seminar.

Condominium Seminars and Symposium – CAI Hawaii's Request for Approval of 2009 CAI Seminars

CAI Hawaii Chapter submitted its request for approval of 2009 CAI Hawaii seminars for seminar subsidy per its contract with the Real Estate Commission, State of Hawaii. The current contract has been extended to June 30, 2009 and the State has the option to renew this contract for up to two successive one fiscal year terms, subject to the availability of the CMEF/CETF, etc.

The Chair postponed considering action on this agenda item to the later part of the agenda, item 6. I. Rulemaking, Chapter 53 Fees.

Condominium Related Articles

The following were distributed for informational purposes:

Community Association Management Insider (October 2008)

- 1) "Governing Documents Allow Assessments for Legal Fees"
- 2) "Association Can Amend Governing Documents"
- 3) "Verifying Member's Military Service for SCRA"

Hawaii Community Associations (August 2008) - "Renovation Guidelines: A Set of Documents Your Association Shouldn't Be Without"

Condominium
 Project

Condominium Project Registration - Public Reports Issued

Registration:

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPORT DATE
6646	1136 & 1138 PIIKOI PLACE CONDO	1136 PIIKOI PL HONOLULU HI 96814	124019058	2	B REPT 10/28/2008
6698	2476 B & 2476 C NORTH SCHOOL ST	2476 B N SCHOOL ST HONOLULU HI 96819	113021030	2	B REPT 10/21/2008
6695	44-430 AND 44-430A KANEOHE BAY DR	44-430 & 44-430 A KANEOHE BAY DR KANEOHE HI 96744	144035013	2	B REPT 10/15/2008
6713	45-481 & 45-481A APIKI STREET	45-481 APIKI ST KANEOHE HI 96744	145091025	2	B REPT 10/21/2008
6687	634B AND 634C 9TH AVENUE CONDO	634B & 634C 9TH AVE HONOLULU HI 96816	132027065	2	B REPT 10/2/2008
6701	690 AWALAU CONDOMINIUM	690 AWALAU RD HAIKU HI 96708	227030005	2	B REPT 10/15/2008
6582	AGUERA CONDOMINIUM	2780 HANA HWY HAIKU HI 96708	227004021	3	B REPT 10/10/2008
6523	ALAHOU VILLAS	75-5754 ALAHOU ST KAILUA KONA HI 96740	375022067	8	B AMD 10/31/2008
2947	ANNAPURNA	LOT 14 WAIPAKE SBDV II HANALEI HI 96714	451006028	4	SUPPL 10/16/2008
6620	CABANA AT WAIKIKI THE	2551 CARTWRIGHT RD HONOLULU HI 96815	126027027	16	B REPT 10/13/2008
6622	FINLAY ESTATES	5353 MAKALOA ST KAPAA HI 96746	446042049	2	B REPT 10/2/2008
6621	HALE MAKANI CONDOMINIUM	167 & 169 HANAMU RD MAKAWAO HI 96768	224011017	2	B REPT 10/24/2008
5724	HALI'I KAI (PHASE IIB)	69-1029 NAWAHINE PL WAIKOLOA HI 96738	369010001	16	SUPPL 5 10/30/2008
5892	HALI'I KAI (PHASE III)	69-1029 NAWAHINE PL WAIKOLOA HI 96738	369010001	32	SUPPL 5 10/30/2008
5911	HALI'I KAI (PHASE IV)	69-1029 NAWAHINE PL WAIKOLOA HI 96738	369010001	32	SUPPL 5 10/30/2008
5671	HALI'I KAI (PHASE V)	69-1029 NAWAHINE PL WAIKOLOA HI 96738	369010001	41	SUPPL 5 10/30/2008
6579	HAMAI-WALSH CONDOMINIUM	1533 & 1535 PIIHOLO RD MAKAWAO HI 96768	224014029	2	B AMD 10/31/2008
6697	HEULU STREET CONDOMINIUM	1430 & 1432 HEULU ST HONOLULU HI 96822	124024059	2	B REPT 10/21/2008
6666	HGFE LOT 10 CONDOMINIUM	HANALEI PLANTATION RD HANALEI HI 96714	454004049	2	B REPT 10/17/2008
6667	HGFE LOT 11 CONDOMINIUM	4721 HANALEI PLANTATION RD HANALEI HI 96714	454004050	2	B REPT 10/17/2008
6668	HGFE LOT 13 CONDOMINIUM	HANALEI PLANTATION RD HANALEI HI 96714	454004052	2	B REPT 10/17/2008
6700	HIGH TIDE APARTMENTS	403 HOBRON LN HONOLULU HI 96815	126012031	12	B REPT 10/24/2008
6143	HOAPILI CONDOMINIUM	4410 HOOKUI RD HANALEI HI 96754	452011013	2	SUPPL 10/24/2008
22	ILIKAI APARTMENT BUILDING	1777 ALA MOANA BLVD HONOLULU HI 96815	126010007	1025	SUPPL 4 10/24/2008
6677	KA HALE ANUHEA CONDOMINIUM	KAUKINI LOOP KAHAKULOA HI	231001062	2	B REPT 10/30/2008
440	KAHANA BEACH RESORT CONDOMINIUM	4221 L HONOAPILANI HWY LAHAINA HI 96761	243001025	84	SUPPL 3 10/30/2008
6428	KAHU'AINA FARMS (PHASE 1)	7480 KOOLAU RD KILAUEA HI 96754	451003006	10	B AMD 10/31/2008
6711	KAHU'AINA FARMS (PHASE 2)	7480 KOOLAU RD KILAUEA HI 96754	451003006	3	B REPT 10/31/2008

Condominium Review Committee
 Minutes of the November 12, 2008 Meeting
 Page 4

4160	KAUMANA HEIGHTS	1688 A & B KAUMANA DR HILO HI 96720	325040021	2	SUPPL	10/15/2008
6279	KEALANANI KUMUKUMU PH 1 AND 2	2371 KEALIA RD KEALIA HI 96751	447004001	94	B AMD 2	10/21/2008
6290	KEALANANI MAKEE PH 1 AND 2	2371 KEALIA RD KEALIA HI 96751	447003002	96	B AMD 2	10/21/2008
6630	KOLOA MAKAI	MAKAI RD KOLOA HI 96756	428007002	3	B REPT	10/29/2008
6508	LEHUA POINTE	99-144 WAIAKEA PL AIEA HI 96701	199009015	12	CONT	10/6/2008
6694	LOKELANI	1611 A PAULA DR HONOLULU HI 96816	133020044	2	B REPT	10/16/2008
6684	MAKAI ESTATES	PAI ST KOLOA HI 96756	423002108	3	B REPT	10/15/2008
2272	MAMAO KOMOHANA	KALIHUWAI KILAUUEA HI 96754	452017023	5	SUPPL 2	10/3/2008
6513	NEX GENERATION KAPOLEI	1019 LAUIA ST KAPOLEI HI 96707	191075021	10	B AMD	10/29/2008
5737	OCTAVIO ESTATES	LOT 47-H KOLOA HI	424001050	2	SUPPL	10/24/2008
6318	OLOHENA GARDENS	6695 OLOHENA RD KAPAA HI 96746	444002099	2	B AMD	10/16/2008
6224	PENSACOLA CHELSEA CONDOMINIUM	1310 PENSACOLA ST HONOLULU HI 96814	124013021	44	B AMD 2	10/30/2008
6103	PLANTATION TOWN APARTMENTS	94-979 KAUOLU PL WAIPAHU HI 96797	194017058	330	B AMD 3	10/10/2008
6624	RAZALAN ESTATES	278 HUEHU RD ELEEELE HI 96705	421001019	2	B REPT	10/2/2008
6670	SEABREEZE APARTMENTS	3065 KALAKAUA AVE HONOLULU HI 96815	131033059	15	B REPT	10/21/2008
6354	SEASCAPE CONDOMINIUM PH II, III IV	NUUANU ST KAILUA KONA HI 96740	373010051	68	B AMD	10/24/2008
6430	WAIALUA WAI VILLAS	66-449 WAIALUA BEACH RD HALEIWA HI 96712	166021001	3	B AMD	10/24/2008
6640	WAILUA ALII CONDOMINIUM PROJECT	LANI ALII PL KAPAA HI 96746	442005028	2	B REPT	10/17/2008
5411	WAIPOULI BEACH RESORT (PHASE IV)	4-818 KUHIO HWY KAPAA HI 96746	443008001	44	SUPPL 3	10/6/2008
5412	WAIPOULI BEACH RESORT (PHASE V)	4-818 KUHIO HWY KAPAA HI 96746	443008001	21	SUPPL 3	10/6/2008
5413	WAIPOULI BEACH RESORT (PHASE VI)	4-818 KUHIO HWY KAPAA HI 96746	443008001	16	SUPPL 3	10/6/2008
5414	WAIPOULI BEACH RESORT (PHASE VII)	4-818 KUHIO HWY KAPAA HI 96746	443008001	28	SUPPL 3	10/6/2008
5390	WAIPOULI BEACH RESORT (PHASE VIII)	4-818 KUHIO HWY KAPAA HI 96746	443008001	26	SUPPL 3	10/6/2008
0	Preliminary Reports					
1	Contingent Final Reports					
0	Final Reports					
16	Supplementary Reports					
23	B Reports					
11	B Amendment Reports					
51	TOTAL REPORTS					

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

The selected contractor for the brochure updates, Ekimoto and Morris, LLLC, has submitted their draft updates of the brochures "Condominium Board Member Powers and Duties" and "Condominium Owner Rights and Responsibilities" which will be circulated for review and comments.

Condominium Specialist Office for the Day

Condominium Specialists in conjunction with the real estate renewal workshops have been holding the condominium specialist office for the day at the various neighbor island sites. There were no participants at the Kona site.

Condominium Reference Library

Staff has received word from CAI Hawaii and will participate in the circulation of the reference materials to the selected libraries. The Commission will also purchase additional reference materials to distribute to the Mediation Center of the Pacific and other locations as selected by the Commission. Staff will include the REC approved caveat language in all copies of the reference materials.

Rulemaking Chapter 53, Fees

It was reported to the committee that based on staff's budget projections, it appears the condominium management education fund and the condominium education trust fund will run a deficit. The committee reviewed the historical and projected information provided by staff relating to the CMEF/CETF.

Executive Session:

Upon a motion by Commissioner Abrams, seconded by Commissioner Gendrano, it was voted on and unanimously carried to enter into executive session pursuant to section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities and liabilities."

Upon a motion by Commissioner Suiso, seconded by Commissioner Gendrano, it was voted on and unanimously carried to move out of executive session.

Chair Chee appointed Vice Chair Suiso to work with staff on the budget issue and report back to the next Condominium Review Committee meeting his recommendations and suggestions to address the issue.

SEO Fujitani explained to those present that the Condominium Management Education Fund / Condominium Education Trust Fund which funds educational programs pursuant to the original condominium statute and the recodified Chapter 514B, HRS, will be running into a deficit in the year 2015 or as early as 2012 depending on which projection is used as a basis. The committee discussed a number of ways to fix the shortfall.

Interactive Participation with Organizations

Information on the upcoming 30th Annual Community Association Law Seminar was distributed for informational purposes.

Condominium
Governance and
Management:

Condominium Seminars and Symposium – CAI Hawaii's Request for Approval of 2009 CAI Seminars

Upon a motion by Commissioner Kuriyama, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval for CETF to subsidize the following CAI Hawaii seminars subject to the terms and conditions of the existing contract and the availability of the CMEF and CETF funds:

January 22, 2009 (Oahu)	Annual Meetings & Recalls
Date to be determined (Kona)	Annual Meetings & Recalls

March 12, 2009	Issues Related to Aging Buildings
May 16, 2009	ABC's – Basic Course for New Board Members
May 21, 2009	Insurance Contracts & Pitfalls.

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. Pat Scullary of Hale Moana and Hilo Lagoon Centre referenced the article mentioned under Condominium Governance and Management from the October 2008 issue of *Community Association Management Insider* entitled "Verifying Member's Military Service for SCRA." Ms. Scullary questioned whether the association is expected to have compassion under the Servicemember's Civil Relief Act (SCRA) while the member is on active duty.

Commissioner Abrams summarized the article for Ms. Scullary and provided her and those present with a copy of the article for further reference.

CEF Budget & Finance Report: No report presented.

Next Meeting: December 10, 2008
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

Adjournment: With no further business to discuss, Chair Chee adjourned the meeting at 10:48 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

November 18, 2008

Date

Minutes approved as is.
 Minutes approved with changes; see minutes of _____