

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: February 6, 2013

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: Scott Sherley, Chair, Broker / Hilo Commissioner
Bruce Faulkner, Vice Chair / Maui Commissioner
Nikki Senter, Public / Honolulu Commissioner
Stanley Kuriyama, Broker / Honolulu Commissioner
Walt Harvey, Broker / Honolulu Commissioner
Aileen Wada, Broker / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, 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: Marsha Shimizu, Hawaii Association of REALTORS®

Absent: Frances Gendrano, Broker / Honolulu Commissioner
Rowena Cobb, Broker / Kauai Commissioner
Scott Arakaki, Public / Honolulu Commissioner

Call to Order: Chair Sherley called the meeting to order at 9:21 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 Cobb, Arakaki and Gendrano 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:

5. CPR Registration and Developer's Public Reports
 - a. Condominium Projects and Developer's Public Reports
 - 1) January 2013

Minutes:

Upon a motion by Commissioner Faulkner, seconded by Commissioner Harvey, it was voted on and unanimously carried to accept the minutes of the January 9, 2013 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Stone reported that as of January 31, 2013, 1,661 AOUOs have successfully registered.

Condominium Seminars and Symposium

CAI Hawaii's seminar "Almost Free Legal Advice" will be held on February 21, 2013, 12-1:30 p.m. at the Japanese Cultural Center. The seminar is partly funded by funds from the Condominium Education Trust Fund for condominium apartment owners whose associations are currently registered with the Real Estate Commission.

Case Law Review

The following from the February 2013 issue of *Community Association Management Insider* were distributed for informational purposes: "Member Can't Sue Association for Punitive Damages" and "Unit Owners Liable for Worker's Nail Gun Injury."

Condominium Related Articles

The following were distributed for informational purposes:

Community Association Management Insider (February 2013) - "Fla. HOA's Get Right to Demand Rent From Tenants" and "Keep Restricted Breed Dogs on Short Leash in Community;" *CAI Hawaii* (December 2012) - "Act 182 (SLH 2012): Analysis of New Nonjudicial Foreclosure Law Provisions and Additional Collections Options for Condominium and Planned Community Associations," "The Community Association Insurance Puzzle," and "Association Charitable Donations;" "*Wai Halana*" *Hawaii Flood News* (January 2013) - "January 1, 2013 New Legislation to take Effect," and "How to Record Electrical System as "Lowest Machinery or Equipment Servicing the Building" on an Elevation Certificate?"

Condominium
Project
Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of January 2013 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT DATE
5764	227 LEWERS HONOLULU	227 LEWERS ST HI	126002015 96815	195	SUPPL 1/28/2013
7310	315 KEAELOA LANE HONOLULU	315 KEAELOA LANE HI	118008018 96817	2	B REPT 1/28/2013
6185	ALLURE WAIKIKI HONOLULU	1837 KALAKAUA AVE HI	126013001 96815	292	B AMEND 9 1/15/2013
7264	KAAAWA OCEAN VIEW ESTATES KAAAWA	51-328 B KAMEHAMEHA HWY HI	151002011 96730	2	B AMEND 1/22/2013
4853	KALAHEO MACADAMIA PRESERVATION KALAHEO	IHU RD HI	423007002 96741	4	SUPPL 1/31/2013
5183	KT CONDOMINIUM HONOLULU	2005 KALIA ROAD HI	126009013 96815	46	SUPPL 1/25/2013
7323	LEIALOHA PARKSIDE HONOLULU	2738 LEIALOHA AVE HI	127031004 96816	9	B REPT 1/23/2013
7292	OMAO VISTA KOLOA	4041 OMAO RD HI	427005022 96756	5	B REPT 1/2/2013
7297	PALOLO PARADISE PLACE HONOLULU	2123 10TH AVE HI	133037011 96816	4	B REPT 1/17/2013
7171	WAIHONUA HONOLULU	1189 WAIMANU ST HI	123006017 96814	345	B AMEND 2 1/22/2013
0	Preliminary Reports				
0	Contingent Final Reports				
0	Final Reports				
3	Supplementary Reports				
4	B Reports				
3	B Amendment Reports				
10	TOTAL REPORTS				

**CPR Workshops and Meetings—Condominium Project Registration
 Application Reminders Real Estate Commission Memorandum 2013-1
 (01/14/13)**

Distributed for the Committee's information was a copy of the Real Estate Commission's memorandum 2013-1 regarding Condominium Project Registration Application Reminders. The memorandum implements the Commission's decision of December 12, 2012 which decision accepted the condominium consultant's November 1, 2012 "Condominium Consultants' Forum/Information Session" recommendations.

Program of Work: Government and Legislative Participation & Report

Legislative Report No. 1 was distributed to the Commissioners for their information. SEO Fujitani reported on the bills that were affecting the Commission.

SB 1368 Relating to Condominiums. Permits the real estate commission to ensure compliance by enforcing any rule, order, decision, demand, or requirement of the Commission issued pursuant to Chapter 514B, HRS. The Bill was introduced by Senator Baker. The Bill opened a discussion with the Regulated Industries Complaints Office in regards to association complaints. The bill was held.

SB 505 Relating to Condominiums. Specifies that a percentage of fees paid into the condominium education trust fund shall be used to support mediation of condominium related disputes. Its companion bill is HB 24. The bill as drafted required the Commission to annually put aside \$1 of the \$2 collected per unit for mediation. The Commission provided testimony and suggested amendments to the bill to clarify that the amount requested is new and in addition to what is already collected, to be earmarked for mediation. Funds not utilized shall be made a part of the CETF. It was noted that mediation appears to be on a decline.

Deputy Attorney General Wong questioned why the proponents would want to earmark revenue when in the past, the amount budgeted has not been used.

The Commission already subsidizes facilitative and evaluative mediation, with evaluative mediation up to \$500. The Commission has never received a bill for evaluative mediation through any of the providers. The proponents testified that the current funding is insufficient to subsidize professional mediators including retired judges.

Rulemaking, Chapter 53, Fees

Specialist Yee reported that the amendment to HAR, Chapter 53, Section 16.8 (1), (3), and (4) relating to the condominium fee increase has been approved by the Governor and became effective December 31, 2012.

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: March 6, 2013
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 Sherley adjourned the meeting at 9:42 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

February 12, 2013

Date

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