

**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: March 10, 2004

Time: 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.

Place: Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, First Floor  
Honolulu, Hawaii

Present: Mitchell Imanaka, Chair  
Peter Rice, Vice Chair  
Louis Abrams, Member  
Marshall Chinen, Member  
John Ohama, Member  
Iris Okawa, Member  
Vern Yamanaka, Member  
Trudy Nishihara, Member

Calvin Kimura, Supervising Executive Officer  
Alan Taniguchi, Executive Officer  
Cynthia Yee, Senior Condominium Specialist  
Cheryl Leong, Condominium Specialist  
Gordon Arakaki, Condominium Recodification Attorney  
Diane Choy Fujimura, Senior Real Estate Specialist  
Lorene Kimura, Real Estate Specialist  
Ryan Yamashiro, Real Estate Specialist  
Shari Wong, Deputy Attorney General  
Tammy Norton, Recording Secretary

Others: Rodd Yano, Carlsmith Ball, LLP  
Brian Thomas

Excused: Kathleen Kagawa, Member

Call to Order: Chair Imanaka called the meeting to order at 10:25 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Condominium Specialist's Report: **Additional Distribution**  
The following materials were distributed prior to the start of the meeting:

4.c. Educational Advisory Group  
5.a.4) Request for Opinion "Initial Conveyance" – 3170 Jerves St, CPR # 2363

Specialist Yee announced the withdrawal of agenda item 4.a.2) and that agenda item 6.h. relates to agenda item 5.d.

**Additions to the Agenda**

Upon a motion by Commissioner Ohama, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to recommend to accept an addition to the agenda as follows:

5.a.5) Las Brisas, Phase 14, CPR No. 5293 – Part VI, Sales to Owner-Occupant

Chair Imanaka took the agenda out of order at this time.

Condominium  
Project  
Registration:

**Request for Opinion “Initial Conveyance” – 3170 Jerves St., CPR No. 2363**

Rodd Yano, Esq. was present to represent his clients Thomas and Sachiko Grollman. The Grollmans are co-developers, along with Thomas and Pamela Hazelton, of a two unit condominium. The two apartments were conveyed by the developers to each co-developer respectively pursuant to the then current developer’s final public report. The Grollmans are seeking guidance as to whether the conveyance by the developer to the Grollmans, a co-developer, constituted an initial conveyance of apartment B which obviated the need for the developer to maintain an effective date for a developer’s public report.

Specialist Yee clarified with Mr. Yano that the Grollmans and Hazeltons are co-developers. Mr. Yano responded in the affirmative.

Upon a motion by Commissioner Ohama, seconded by Commissioner Okawa, it was voted on and unanimously carried to take the matter under advisement.

Minutes:

Upon a motion by Commissioner Rice, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to accept the minutes of the February 11, 2004 Condominium Review Committee meeting as circulated.

Condominium  
Governance and  
Management:

**AOAO Registrations**

Specialist Leong reported that as of February 29, 2004, 1,450 AOAOs have successfully registered.

Upon a motion by Commissioner Abrams, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval to ratify issuance of effective registration dates for Association of Apartment Owners through February 29, 2004 for the 2003-2005 registration. The associations are as follows:

47-501 Ahuimanu Road	2/04/2004	Honoka’a Hale	2/24/2004
Kauaiana	2/04/2004	Old Mill Camp	2/04/2004
Pono Kai	2/19/2004		

**Mediation and Arbitration – Mediation Center of the Pacific**

Commissioner Okawa reported that during the legislative session, many issues have been brought up in regards to condominium disputes. Commissioner

Okawa noted that the Commission should consider increasing its efforts in seeing that mediators and arbitrators are trained well. Commissioner Okawa reported that she has been involved on both the board and resident side of mediation. Commissioner Okawa also noted that when someone purchases into a condominium that someone gives up some of their freedom.

Chair Imanaka thanked Commissioner Okawa for her suggestions and suggested that the committee explore in collaboration with interested parties and organizations the issues relating to the education and training of mediators as a program of work item for the next fiscal year.

### **Educational Advisory Group**

Chair Imanaka reported that the Educational Advisory Group held a meeting on Monday, March 8<sup>th</sup> which was very productive. The group appeared to have reached a consensus on the scope of the print media project, a program of work item including the communication with a broader audience on condominium governance issues.

Specialist Yee reported that those serving on the educational advisory group included representatives from condominium boards, owners, managing agents and related professionals. She further reported that the group has articulated some guiding principles for the "Condominium Corner" (print media project) to include that:

- The target population is an ever changing population requiring education on a continuum, in need of education designed to provide information about the realities of living in a "condominium community" with emphasis on community;
- The population should include condominium owners, board members, prospective purchasers and purchasers of condominium apartments;
- Information should appear in a question and answer format with questions designed to catch the immediate attention and interest of the population;
- Commission's existing educational publications including its "Ask the Condominium Specialist" articles as good sources from which to draw Q&A's for the "Condominium Corner" and could be immediately reformatted for use in the corner;
- The resulting products of the "Condominium Corner" could be the basis of other educational publications that may be used by developers and real estate licensees in their sales and resales of condominium projects where early education about the realities of living in a condominium may best be made;
- Explore expanding the products of the "Condominium Corner" to "Olelo" public broadcasting station and "Action Line."

The group also made the following suggestions for inclusion in the Commission's Condominium Review Committee program of work for fiscal year 2005:

- Development of a pamphlet or brochure designed to educate prospective purchasers and purchasers about condominium living that is drafted and supported by real estate licensees, condominium board members, owners and developers;

- Include in the educational target prospective purchasers and subsequent purchasers not only initial purchasers;
- Delay conducting an additional educational survey until such time as the "Condominium Corner" has established some track record.

The committee acknowledged receipt of the recommendations from the group's March 8, 2004 meeting.

The group also reported on its discussion relating to the condo court issue being proposed at the legislature. Specialist Yee reported that Jane Sugimura, a proponent of the condo court bill was present and dialogued with the group and staff on the proposal. Ms. Sugimura and her constituents were unaware of the financial impact that the proposed condo court would have on the condominium management education fund. Ms. Sugimura did not expect the bill to create a full time hearings officer.

**Condominium Seminars and Symposium – Conference Report “Aging in Place: How to Cope”**

Upon a motion by Commissioner Okawa, seconded by Commissioner Rice, it was voted on and unanimously carried to recommend approval to accept the report and authorize payment to the vendor.

**Condominium Related Articles**

The following were distributed for informational purposes: “Your Condo Is a Mansion-at least in Japan” (*Hawaii Community Associations* February 2004 issue); and *Ledger Quarterly*, Winter 2004 issue.

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and carried to recommend approval to ratify issuance of effective dates for public reports for the month of February 2004 with Commissioner Imanaka recusing himself from voting on project numbers 5284, 5205 and 4521 and Commissioner Yamanaka recusing himself from voting on project number 5244. The projects are as follows:

Proj No	Project Name	Project Address	TMK #	Report	Date
5244	17TH FAIRWAY VILLAS AT WAIKOLOA	68-3888 LUA KULA ST WAIKOLOA HI	(3)6-08-003:009 96738	Suppl 1	02/25/04
5268	66-219&66-219A&66-219B KAM. HWY	66-219 KAMEHAMEHA HWY HALEIWA HI	(1)6-06-009:025 96712	Final	02/17/04
5205	909 KAPIOLANI	909 KAPIOLANI BLVD HONOLULU HI	(1)2-03-003:073 96814	Suppl 1	02/26/04
5291	942 8TH AVENUE	942 8TH AVE HONOLULU HI	(1)3-02-017:043 96816	Final	02/20/04
5262	DEN-LIN CONDOMINIUM	51 PAIA POHAKU PL LAHAINA HI	(2)4-07-010:023 96761	Final	02/13/04
2012	GRINPAS FARM CONDOMINIUM	6186 HELENA LANE KAPAHI KAPAA HI	(4)4-06-007:087 96746	Suppl 1	02/13/04
5035	HALE 'OLI O MANU MELE	2919 KALIIHWAI RD HANALEI HI	(4)5-02-010:021 96714	Final	02/25/04
5290	HALE KANANI	40 KANANI RD KIHEI HI	(2)3-09-016:002 96753	Prelim	02/11/04
5235	HU'ELANI PHASE 15	91-748 TO 91-817 LAUNAHELE ST EWA BEACH HI	(1)9-01-116:001 96706	Final	02/02/04
5289	HU'ELANI PHASE 16	91-758 TO 91-788 LAUNAHELE ST EWA BEACH HI	(1)9-01-116:005 96706	Prelim	02/09/04
5296	HU'ELANI PHASE 17	91-764 TO 91-786 LAUNAHELE ST EWA BEACH HI	(1)9-01-116:005 96706	Prelim	02/25/04

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5295	ISLAND CLASSICS AT KAPANOE-PH II	HAULELAU ST MILILANI HI	(1)9-05-002:049 96789	Prelim	02/24/04
5280	J TUDOR ESTATE	74-4934 & 74-4944 MAMALAHOA HWY	(3)7-04-006:015	Final	02/13/04
5298	KAMIYA CONDOMINIUM	HOLUALOA HI 980 MAKANI RD	96725 (2)2-03-033:007	Final	02/26/04
5286	KEALIA KAI 1	PUKALANI HI LOT 1 KEALIA MAKAI SUBDIVISION	96768 (4)4-07-007:001	Final	02/05/04
5287	KEALIA KAI 27	KEALIA HI LOT 27 KEALIA MAKAI SUBDIVISIO	(4)4-07-007:027	Final	02/05/04
5285	KELLOG STREET ESTATES	215 KELLOG ST WAHIAWA HI	(1)7-04-009:040 96786	Final	02/05/04
5284	KO OLINA KAI GOLF ESTATES & VILLAS	92-1065 KOIO DRIVE KAPOLEI HI	(1)9-01-056:005 96707	Prelim	02/06/04
5293	LAS BRISAS PHASE 14	MAKALE'A ST EWA BEACH HI	(1)9-01-010:111 96706	Prelim	02/12/04
5182	LAS BRISAS PHASE 12	91-510 TO 91-530 MAKALE'A ST EWA BEACH HI	(1)9-01-010:082 96706	Final	02/03/04
5256	MAKAHA RESORT&GOLF CLUB CONDO	84-626 MAKAHA VALLEY RD WAIANAHI HI	(1)8-04-002:051 96792	Final	02/12/04
5282	MOANA KAI	HAWAII KAI DRIVE HONOLULU HI	(1)3-09-008:040 96825	Cont Final	02/25/04
5152	MOEAUOA-MAKAI	75-5270 MAMALAHOA HWY HOLUALOA HI	(3)7-05-002:042 96725	Suppl 1	02/23/04
5251	MOLOAA GATEWAY	MOLOAA ROAD KAWAIIHAU HI	(4)4-09-011:005	Final	02/20/04
5294	NA HALE O KEAUHOU	ALII DR KAILUA KONA HI	(3)7-08-010:093 96740	Prelim	02/13/04
5271	NUUANU PLACE	24 HIALOA ST HONOLULU HI	(1)2-02-001:074 96817	Final	02/17/04
5260	PAVILIONS ATSEA CLIFF ESTATES	2445 MAKANA'ANO PLACE KILAUEA HI	(4)5-02-004:076 96754	Final	02/18/04
4431	PUNALEI TERRACE I	5123 ANNIE RD KAPAA HI	(4)4-06-028:017 96746	Suppl 1	02/06/04
5281	PUU PILO #3 ESTATES	LOT 3 NONAKA SUBDIV II WAILUA HI	(4)4-02-022:045	Final	02/02/04
5270	THE WAILANA KAI	34 WAILANA PLACE KIHEI HI	(2)3-09-001:128 96753	Final	02/10/04
5301	TIBURON PHASE 1	91-1051 TO 91-1069 KAMAILIO ST EWA BEACH HI	(1)9-01-010:089 96706	Prelim	02/25/04
5189	TIBURON PHASE 12	91-666 TO 91-684 MAKALE'A ST EWA BEACH HI	(1)9-01-010:117 96706	Final	02/25/04
5274	U'U ESTATE	48-477 & 48-477A KAMEHAMEHA HWY HONOLULU HI	(1)4-08-003:028 96744	Final	02/05/04
5228	VILLAS AT KAHANA RIDGE THE	LOT 196 KAHANA RIDGE SUBDIV KAHANA HI	(2)4-03-021:082	Prelim	02/26/04
5259	WAILUKU MAUKA	LOT 12 MOUNTAIN VIEW WAILUA HI	(4)4-02-014:039	Final	02/06/04
4521	WAIHAI BEACH CLUB	2249 POIPI RD KOLOA HI	(4)2-08-017:012 96756	Suppl 2	02/09/04
5004	WINSOR THE (FKA HALENOHONA)	343 HOBROTON LANE HONOLULU HI	(1)2-06-012:047 96815	Final	02/10/04
Preliminary Reports:		9			
Contingent Final Reports:		1			
Final Reports:		21			
Supplementary Reports:		6			
Total:		37			

**Las Brisas, Phase 14, CPR No. 5293 – Part VI, Sales to Owner-Occupant**

Executive Session: Upon a motion by Commissioner Abrams, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to enter into executive session pursuant to Section 92-5(a)(4), "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 Abrams, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to move out of executive session.

Upon a motion by Commissioner Okawa, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval to issue a no action letter where the current concrete strike has caused the developer to miss

the projected construction start date and made it uncertain as to an estimated completion date for this project and the published sales to owner-occupants announcement indicated that the public lottery would soon be conducted on March 13, 2004; subject to the developer immediately publishing a notice announcing the postponement of the lottery until further notice.

**Request for Opinion “Initial Conveyance” – 3170 Jerves St., CPR No. 2363**

Upon a motion by Commissioner Okawa, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval to issue an informal non-binding interpretation that pursuant to §514A-31(b), HRS, the conveyance of an apartment(s) to a co-developer is not an initial or first time sale to the public; thus the developer is required to reactivate an expired public report prior to selling or offering to sell a condominium apartment for the first time to the public.

**Case Law – “Kona Horse Owner to Wrangle with Neighbors in Court”  
Starbulletin.com, February 2, 2004; Act 5 (SpSLH 2003)**

The article entitled “Kona Horse Owner to Wrangle with Neighbors in Court” from the February 2, 2004 issue of Starbulletin.com was distributed for informational purposes.

Program of Work:

**Recodification of Chapter 514A**

Recodification Attorney Arakaki announced that the recodification bill has moved through the senate and will crossover to the house tomorrow. The next hearing may be scheduled for the week of March 15, 2004. Mr. Arakaki further reported that he met with the board of Honolulu Towers and will be meeting, along with Chair Imanaka, with HCAAO on Thursday, March 11, 2004 to go over the recodification issue. A meeting is also scheduled for March 29 with Kukui Plaza and March 30 with Harbor Square.

**Hawaii Condominium Bulletin and Real Estate Bulletin**

Specialist Leong reported that requests for proposals to assist in the publication of the Real Estate Commission’s Hawaii Condominium Bulletin and Real Estate Bulletin were mailed out to four interested vendors in February. The Commission received only one proposal from its current contractor, John D. Ramsey. Mr. Ramsey’s proposal remained at the same cost for the Real Estate Bulletin but decreased by \$100 per issue for the Hawaii Condominium Bulletin in contrast to the current contract.

Upon a motion by Commissioner Rice, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend approval to accept the proposal from John Ramsey Enterprises, dated February 24, 2004, to assist with the publication of the Commission’s Hawaii Condominium and Real Estate Bulletins subject to the terms and conditions as specified in the Commission’s memorandum dated February 10, 2004; and to execute a contract accordingly.

**Legislative Acts and Resolutions**

SEO Kimura reported on the status of condo related bills earlier at the Laws and Rules Review Committee meeting.

**Neighbor Island Outreach**

The next neighbor island outreach is scheduled for May 11, 2004 to be held in Hilo, Hawaii. Commissioner Nishihara reported that she will be unable to attend the meeting due to a conflict in her schedule.

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: No discussion presented.

CMEF Budget & Finance Report: No report presented.

Next Meeting: April 14, 2004  
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 Imanaka adjourned the meeting at 11:04 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

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Cynthia M. L. Yee  
Senior Condominium Specialist

April 14, 2004

\_\_\_\_\_  
Date

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