

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: April 12, 2006

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: Stanley Kuriyama, Chair, Broker / Honolulu Commissioner
Michele Sunahara Loudermilk, Vice Chair, Public / Honolulu Commissioner
Louis Abrams, Broker / Kauai Commissioner
Kathleen Kagawa, Broker / Honolulu Commissioner
Carol Mae Ball, Broker / Maui Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Iris Okawa, Public / Honolulu Commissioner

Calvin Kimura, Supervising Executive Officer
Neil Fujitani, Executive Officer
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
David Grupen, Condominium Specialist
Diane Choy Fujimura, Senior Real Estate Specialist
Ryan Yamashiro, Real Estate Specialist
Irene Kotaka, Recording Secretary

Others: None

Excused: Vern Yamanaka, Broker / Hilo Commissioner

Call to Order: Chair Kuriyama called the meeting to order at 10:23 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Condominium Specialist's Report: **Additions to the Agenda**

Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to add the following item to the agenda:

5. CPR Registration and Developer's Public Reports
 - a. Condominium Projects and Developer's Public Reports
 - 1) Informal Non-Binding Interpretation Request §514A-107(b), HRS, "no action letter" – PY, Inc.

Additional Distribution

The following material was distributed prior to the start of the meeting:

6. Program of Work, FY06
 - g. Government and Legislative Participation Report
 - 1) House Bill No. 3225, H.D. 1, S.D. 1

Minutes:

Upon a motion by Commissioner Nishihara, seconded by Commissioner Abrams, it was voted on and unanimously carried to accept the minutes of the March 8, 2006 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOAO Registrations

Specialist Grupen reported that as of March, 2006, 1,518 AOAOs representing 140,627 apartments, have successfully registered.

Condominium Seminars and Symposium

Commissioner Loudermilk reported that the procurement process has been initiated for the condominium seminars and symposiums to be offered in FY07. The Commission hopes to have the process completed prior to the start of FY07.

Case Law Review

The following case law review articles were distributed to the Commissioners for their information:

1. *Association of Apartment Owners of Ahuimanu Gardens, by its Board of Directors v. Elizabeth Flint* 109 Hawaii 83, 123 P.3d 207 WL 3257520 (Table)(Hawaii 2005), Unpublished Disposition; and
2. *Vladimir and Elizabeth BOGOMOLOV et al v. Lake Villas Condominium Association of Apartment Owners et al.* 131 Wash App. 353, 127 P.3d 762 (2006)

Condominium Related Articles

The March 2006 issue of *Hawaii Flood Management News* was distributed for informational purposes.

Condominium
Project
Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of March 2006 was distributed for informational purposes.

Chair Kuriyama recommended that the regular monthly CPR effective date listing be included in the minutes and noted as circulated for information only.

5914	1403 AHEAHE AVENUE	1403 AHEAHE AVENUE WAHIAWA HI 96786	(1)7-01-005:028	Final	03/07/06
5921	2370 & 2372 PALOLO COURT	2370 & 2372 PALOLO AVE HONOLULU HI 96816	(1)3-04-011:005	Final	03/20/06
2093	2726 MANOA ROAD	2726 MANOA RD HONOLULU HI 96822	(1)2-09-016:007	Suppl 1	03/13/06

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5858	3147 DIAMOND HEAD ROAD	3147 DIAMOND HEAD RD HONOLULU HI 96815	(1)3-01-036:005	Final	03/07/06
5925	3668 AND 3668A LILINOE PLACE	3668 LILINOE PL HONOLULU HI 96816	(1)3-03-030:053	Final	03/17/06
5927	51-412 & 51-412A KEKIO ROAD	51-412 KEKIO ROAD KAAAWA HI 96730	(1)5-01-011:030	Final	03/20/06
5881	58-354 KAMEHAMEHA HIGHWAY	58-354 KAMEHAMEHA HWY HALEIWA HI 96712	(1)5-08-005:085	Final	03/03/06
5932	84-1054 LAHAINA STREET	94-1054 LAHAINA ST WAIANAI HI 96792	(1)8-04-021:070	Final	03/21/06
5816	84-843 HANA STREET	84-843 HANA STREET WAIANAE HI 96792	(1)8-04-014:014	Final	03/13/06
5734	900 ALEWA DRIVE LOT C	900 C ALEWA DR HONOLULU HI 96817	(1)1-08-023:003	Final	03/17/06
5913	968 SPENCER	968 SPENCER ST HONOLULU HI 96822	(1)2-04-015:016	Final	03/01/06
5709	BEACH VILLAS AT KAHALU'U (PH 2)	78-6721 ALI' I DR KAILUA KONA HI 96740	(3)7-08-014:086	Final	03/02/06
5708	GLACIER BAY CONDOMINIUM	LOT 7 KALIHUWAI RD KILAUEA HI 96754	(4)5-03-003:047	Suppl 1	03/01/06
5911	HALI' I KAI (PHASE IV)	69-1029 NAWAHINE PL WAIKOLOA HI 96738	(3)6-09-010:001	Final	03/14/06
5405	HANA LEI LANI	5343 WEKE RD HANA LEI HI 96714	(4)5-05-003:022	Suppl 1	03/13/06
5765	HOKULANI SQUARE	1415 MIDDLE ST HONOLULU HI 96819	(1)1-03-012:021	Final	03/07/06
5884	IKEMOTO CONDOMINIUM I	4640 WAIMEA CANYON DR WAIMEA HI 96796	(4)1-02-009:019	Final	03/13/06
5885	IKEMOTO CONDOMINIUM II	4640 WAIMEA CANYON DR WAIMEA HI 96796	(4)1-02-009:018	Final	03/13/06
5900	KAPALUA BAY CONDOMINIUM	1 BAY DR KAPALUA HI 96761	(2)4-02-004:028	Prelim	03/14/06
5928	KAPOLEI INDUSTRIAL COURT	1030 OPULE ST KAPOLEI HI 96707	(1)9-01-075:015	Final	03/13/06
5933	KAPOLEI SPECTRUM II BUS. PARK	1042 MUNU ST* KAPOLEI HI 96707	(1)9-01-075:022	Cont. Final	03/24/06
5591	KO OLINA HILLSIDE VILLAS (PH III)	92-1520 ALII NUI DR KAPOLEI HI 96707	(1)9-1-056:013	Final	03/16/06
5924	LAKEVIEW CIRCLE ESTATES	14C LAKEVIEW CIR WAHIAWA HI 96786	(1)7-03-008:011	Final	03/14/06
5901	LOT 14 ESTATES	6693 KUHOHO ST KAPAA HI 96746	(4)4-02-011:062	Final	03/17/06
5941	MAKANA KAI AT WEHILANI- PHASE I INCR 1-B	WAIKOLOA RD KOHALA HI	(3)6-08-002:027	Prelim	03/30/06
5902	MAKANA KAI ESTATES CONDO	LOT 6 PUU RD KALAHEO HI 96741	(4)2-03-005:017	Final	03/14/06
5920	MAKANA MAUKA ESTATES	6455 MAKANA RD KAPAA HI 96746	(4)4-02-022:036	Final	03/09/06
5896	MELCHOR ESTATES	KALAMA RD KAPAA HI	(4)4-04-002:117	Final	03/16/06
5828	MERMAID HOUSE CONDOMINIUM	7341 ALEALEA RD HAENA HI 96714	(4)5-08-009:022	Final	03/24/06
5705	NIHILANI AT PRINCEVILLE (PH II)	4919 PEPELANI LP PRINCEVILLE HI 96722	(4)5-04-005:024	Final	03/30/06
5462	PALMS AT MANELE - PHASE I	MAUNA LEI DRIVE LANAI HI 96763	(2)4-09-017:008	Final	03/24/06
5897	PALMS AT MANELE - PHASE II	MAUNA LEI DR LANAI HI	(2)4-09-017:008	Prelim	03/29/06
5889	POHAKUPUNA OCEANVIEW EST.	91-693 POHAKUPUNA RD EWA BEACH HI 96706	(1)9-01-028:009	Final	03/13/06
5934	POIPU AINA ESTATES LOT 1	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:002	Final	03/30/06
5935	POIPU AINA ESTATES LOT 2	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:031	Final	03/30/06
5936	POIPU AINA ESTATES LOT 3	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:032	Final	03/30/06
5937	POIPU AINA ESTATES LOT 4	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:033	Final	03/30/06
5938	POIPU AINA ESTATES LOT 5	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:034	Final	03/30/06
5939	POIPU AINA ESTATES LOT 6	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:035	Final	03/30/06
5940	POIPU AINA ESTATES LOT 7	2800 ALA KINOIKI RD KOLOA HI 96756	(4)2-08-022:036	Final	03/30/06
5930	PU'U LOLO VIEW ESTATES	LOT 5 PU'U LOLO SUBDIVISION KALAHEO HI 96741	(4)2-03-008:067	Final	03/13/06

4688	PUUWAI ESTATES	LOTS 4 & 5/SUBDIV OF LOT 89 KALAHEO HI	(4)2-04-004:052	Suppl 1	03/24/06
5908	TETER ESTATES	8772 KEKAHA RD KEKAHA HI 96752	(4)1-03-005:052	Final	03/13/06
5853	THE TOWN HOMES AT FAIRWAY'S EDGE	KEONE`ULA BLVD EWA BEACH HI 96706	(1)9-01-012:058	Final	03/30/06
5179	VILLAS AT PUALI THE	4261 PUHI ROAD LIHUE HI 96766	(4)3-03-003:039	Cont. Final	03/29/06
5912	WAIAKOA CONDOMINIUM	5173 ANNIE RD KAPAA HI 96746	(4)4-06-027:019	Final	03/29/06

Preliminary Reports: 3
 Contingent Final Reports: 2
 Final Reports: 37
 Supplementary Reports: 4

Total: 46

Request for Informal Non-Binding Interpretation - Owner-Occupant No Action Request §514A-107, HRS – Tam Minh Tran

Specialist Yee reported that Tam Minh Tran has submitted a request to the committee for a waiver to the owner occupant affidavit due to an extenuating medical condition. Mr. Tran has also provided the committee with a letter from his physician.

Commissioner Okawa expressed her concerns with the increasing number of “no action requests” that the Commission is receiving. In the past the Commission has entertained requests due to military transfers.

The statute specifies that a request could be made in the case of a serious illness or any unforeseeable occurrence, subject to the submission of an affidavit. The Commission must decide what a serious medical illness is. It was suggested that the treating physician submit a clear statement on behalf of the patient that it is a result of a serious illness that the person cannot reside in the unit that they purchased for the required time before selling. The Commission does not have the expertise in determining what a serious illness is and would prefer to leave it up to the treating physician to make that determination.

Upon a motion by Commissioner Kagawa, seconded by Commissioner Ball, it was voted on and unanimously carried to recommend deferral of this issue for more study, research and recommendations.

Request for Informal Non-Binding Interpretation – Owner-Occupant No Action Request §514A-107, HRS – PY, Inc.

Specialist Yee reported that PY, Inc., on behalf of an owner-occupant, has submitted a request to the committee for a waiver to the owner-occupant affidavit due to an extenuating medical condition, together with a letter from a physician.

Upon a motion by Commissioner Okawa, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend deferral of this issue for more study, research and recommendations.

Program of Work: **Recodification of Chapter 514A**

Commissioner Loudermilk updated the Commissioners on the progress of the recodification of Chapter 514A project. CRC Chair Kuriyama described that the

recodification is separated into two components. The Commission is developing summaries of the law, forms, and public education programs.

Galen Leong was contracted by the Commission to develop the forms. It has been a long, slow process. A status report included a notation of the unanticipated longer time required for drafts and revisions. The first draft of the forms was sent out to the former members of the Blue Ribbon Recodification Advisory Committee, CAI-Hawaii Chapter and the Hawaii State Bar Association for their review and comments. Commissioner Loudermilk reported that she had hoped that the consultant would have had a summary of the management changes already available in final form.

A copy of the flyer informing the public of the Commission's New Condominium Law seminars to be held during the months of April and May were distributed to the Commissioners for their information. The seminar will be held on the island of Kauai on April 19, 2006 and in Hilo, Hawaii, on May 10, 2006.

As to the other educational programs, an announcement was made that the Hawaii State Bar Association, with REC co-sponsorship, will be holding a session for their members in May 2006. CAI-Hawaii Chapter reports that it would like to produce a seminar after the law has become effective to address their members' concerns.

Staff will be soliciting feedback from the seminars that will be held and reevaluating the need for more seminars. Publicity about the seminars include advertisements in the newspapers.

Government and Legislative Participation & Report

A copy of House Bill No. 3225, H.D. 1, S.D. 1, was distributed to the Commissioners for their information. The SEO reported that Representative Herkes has requested that the affected parties work together to provide consensus agreements. The bill currently has an effective date of 2050. The parties have an opportunity to work together prior to the Conference Committee hearing to agree on an effective date.

The Commission has not yet received information on the vacant Commissioner positions.

Neighbor Island Outreach & Specialists Office of the Day

The May 10, 2006 committee meetings and Specialists Office of the Day are scheduled to be held in Hilo on the island of Hawaii.

Program of Work, FY07

The Committee is working on the Program of Work and Budget for FY07 and requests that all interested parties, including Commissioners, submit their comments and recommendations on existing programs and proposals for new programs immediately. The FY06 Program of Work and Budget is available at www.hawaii.gov/hirec for review. The goal is to finalize the FY07 Program of Work by the May 26, 2006 meeting or no later than the June 14, 2006 meetings for submission to the Licensing Administrator and the Director before July 1, 2006.

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.

CEF Budget & Finance Report: No report was presented.

Next Meeting: May 10, 2006
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.
Campus Center Conference Rooms 306/307
University of Hawaii at Hilo
200 W. Kawili Street
Hilo, Hawaii

Adjournment: With no further business to discuss, Chair Kuriyama adjourned the meeting at 11:01 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

May 10, 2006

Date

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