

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 9, 2008

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

Present: Mark Suiso, Vice Chair, Public / Honolulu Commissioner
Louis Abrams, Broker / Kauai Commissioner
Trudy Nishihara, Broker / Honolulu Commissioner
Carol Ball, Broker / Maui 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
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: none

Absent: William Chee, Chair, Broker / Honolulu Commissioner

Call to Order: Vice Chair Suiso called the meeting to order at 11:04 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.

Chair Chee was excused from the meeting. Prior notification of his non-attendance was received.

Condominium
Specialist's
Report:

Senior Condominium Specialist Report

Specialist Yee reported that at the March CRC meeting, the committee requested that staff develop a checklist for condominium projects with fractionalized ownership interests for the condominium consultants to consider in their review and work towards the inclusion of disclosure language in the public report. Staff has drafted a checklist and circulated it to the condominium consultants, CRC Chair and Deputy Attorney General Wong for their review and comments by April 15th.

Minutes

Upon a motion by Commissioner Abrams, seconded by Commissioner Loudermilk, it was voted on and unanimously carried to accept the minutes of the March 12, 2008 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOAO Registrations

Specialist Stone reported that as of March 31, 2008, 1,577 AOAOs have successfully registered.

Condominium Seminars and Symposium

Staffs' written evaluations of their attendance at the March 27, 2008 seminar "Legal Aspects of Condominium and Homeowners' Associations" offered by Lorman Education Services was provided for informational purposes.

Case Law Review Program

The article entitled "A Survey of Cases and Tips to Minimize Member-Initiated Lawsuits" from the 2008 Special Issue of *Community Association Management Insider* was distributed for informational purposes.

Upon a motion by Commissioner Loudermilk, seconded by Commissioner Ball, it was voted on and unanimously carried that based on a case by case basis to include noteworthy condominium governance articles in the Hawaii Condominium Bulletin and other Commission sources of education subject to budget constraints and to pay for any copyright permission.

Condominium Related Articles

The following articles were distributed for informational purposes: 1) "Limits of FCC's Exclusive Cable Ban" *Community Association Management Insider* (February 2008); 2) "Some Members Angry over Tough New Parking Rules" and 3) "HUD AND DOJ Release New 'Reasonable Modifications' Guidance" *Community Associations & Apartment Building Management E-Alert Vendome Group* (March 17, 2008).

Deputy Attorney General Wong departed the meeting at 11:14 a.m.

Condominium
Project
Registration:

Condominium Project Registration - Public Reports Issued

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

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PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	TOTAL	REPORT DATE
6519	1402 PIIKOI STREET	1402 PIIKOI ST HONOLULU HI 96822	124019036	20	B REPT 3/14/2008
6497	4196 HUANUI STREET	4196 & 4196A HUANUI ST HONOLULU HI 96816	132064131	2	B REPT 3/4/2008
6571	6090 LOKOMAIIKAI	6090 LOKOMAIIKAI PL KAPAA HI 96746	444010047	2	B REPT 3/31/2008
6523	ALAHOU VILLAS	75-5754 ALAHOU ST KAILUA KONA HI 96740	375022067	8	B REPT 3/31/2008
6568	BALI HAI VILLAS PHASE XII	4970 PEPELANI LP PRINCEVILLE HI 96722	454005036	32	B REPT 3/19/2008
6550	BRP	73-5590 KAUHOLA ST KAILUA KONA HI 96740	373051084	6	B REPT 3/19/2008
6198	GOLDEN POND ESTATES	5904 WAIPOULI RD KAPAA HI 96746	444003162	2	B REPT 3/5/2008
6492	HAKU MAKANA	2241 MAKANA ANO PL KILAUEA HI 96754	452004091	2	B REPT 3/5/2008
6403	HONOKAHUA BEACH HOTEL	ONE RITZ CARLTON DR LAHAINA HI 96761	242004015	135	B AMD 3/14/2008
6559	HOOKAHI LLC WAREHOUSE	207 KUPUOHI ST LAHAINA HI 96761	245010058	7	B REPT 3/19/2008
6285	IOLANI REGENT	2522 DATE ST HONOLULU HI 96826	127022014	82	B AMD 3 3/11/2008
6285	IOLANI REGENT	2522 DATE ST HONOLULU HI 96826	127022014	82	B AMD 2 3/3/2008
6529	JADE GARDEN CONDOMINIUM	653 AND 655 KAIEMI STREET KAILUA HI 96734	143081021	2	B REPT 3/3/2008
6410	JUAREZ CONDOMINIUM	10 WAILAU PL LAHAINA HI 96761	247009047	2	B AMD 3/19/2008
2138	KALIIHWAI PALMS	KAHILIHOLE ROAD KILAUEA HI 96754	452017008	2	SUPPL 3/31/2008
3077	KALIIHWAI RIDGE MAUKA CONDOMINIUM	KALIIHWAI RIDGE PH II KALIIHWAI HI	452022022	5	SUPPL 3/5/2008
5551	KIHEI COMMERCIAL PLAZA	KAHAKULANI PLACE KIHEI HI 96753	239045012	73	SUPPL 3 3/28/2008
6528	LOKELANI ESTATES CONDOMINIUM	5780 LOKELANI RD KAPAA HI 96746	444005102	2	B REPT 3/13/2008
6531	MANANA FARMS	1132 & 1133 AWAHIWA ST PEARL CITY HI 96782	197025015	4	B REPT 3/5/2008
6511	MANCUSO ESTATES	4855 NONOU RD KAPAA HI 96746	441007009	4	B REPT 3/20/2008
6415	MAUKA 40 CONDOMINIUM	ILIAHI WAY LAHAINA HI 96761	247001025	2	B AMD 3/19/2008
6505	MORNING WOOD ESTATES	6125 KOLOPUA ST KAPAA HI 96746	442010018	2	FINAL 3/25/2008
2763	NIKU FARMS CONDOMINIUM	EAST WAIKALUA HANALEI HI 96714	451005037	4	SUPPL 3/14/2008
6533	OLOWALU KAI CONDOMINIUM	801 OLOWALU RD LAHAINA HI 96761	248004001	2	B REPT 3/13/2008
6553	PAANAU I CONDOMINIUM	5266 PAANAU RD KOLOA HI 96756	426008028	2	B REPT 3/20/2008
6335	PILI MAI AT PO'IPU PHASE I	2611 KIAHUNA PLANTATION DR KOLOA HI 96756	428014033	52	FINAL 3/4/2008
6520	RUMI ESTATE	1419 & 1419 A 16TH AVE HONOLULU HI 96816	133014029	2	B REPT 3/28/2008
6560	SIERRA VISTA	3896 & 3898 SIERRA DR HONOLULU HI 96816	133016018	2	B REPT 3/28/2008
6535	WAIKALUA BAYSIDE	45-079 W WAIKALUA RD KANEOME HI 96744	145005029	20	B REPT 3/19/2008
6556	WAIMEA POINT	59-781 KAMEHAMEHA HWY HALEIWA HI 96712	159004028	2	B REPT 3/14/2008
6500	WAINIHA WATERFRONT	5-6636 KUHIO HWY HANALEI HI 96714	458006024	2	B REPT 3/27/2008
0	Preliminary Reports				
0	Contingent Final Reports				
2	Final Reports				
4	Supplementary Reports				
20	B Reports				
5	B Amendment Reports				
31	TOTAL REPORTS				

Consultants - Procurement

It was reported that the Deputy Attorney General has returned her suggested changes to the procurement notice and contract attachments. Staff will review the recommended changes and revise accordingly.

Case Law

The following case laws were distributed for informational purposes:

- 1) *ASSOCIATION OF APARTMENT OWNERS OF 1251 HEULU, a Hawaii nonprofit corporation, Plaintiff-Appellant, v. Thomas D.M. Chung et al.* 116 Hawaii 72, 169 P.3d. 1024 (Table), 2007 WL 3044468 (Hawaii App.) (October 18, 2007) (Unpublished Disposition)
- 2) *The ASSOCIATION OF APARTMENT OWNERS OF NEWTOWN MEADOWS, by its BOARD OF DIRECTORS, Plaintiff-Appellant/Cross-Appellee, v. VENTURE 15, INC., Royal Contracting Co., Ltd., A.W. Associates, Inc. dba Geolabs Hawaii, and R.H.S. Lee, Inc., Defendants-Appellees/Cross-Appellees, and et.al.* 115 Hawaii 232, 167 P.3d 225 (July 31, 2007).

A discussion followed relating to the developer's public report and warranty disclosures.

CPR Related Articles

The following condominium project related article was distributed for informational purposes: "Coastal Building Materials Flood-Resistant Materials" *Wai Halana Hawaii Flood News* January 2008.

Program of Work:

Government and Legislative Participation and Report

Staff's 2008 Legislative Report No. 4 was distributed at the Laws and Rules Review Committee meeting for information. Acting SEO Fujitani reported the following:

HCR 118, companion SCR 85 – Urging Associations of Apartment Owners and Condominium Unit Owners' Associations in the State to Develop Emergency and Evacuation Plans for Residents, Including Provisions for Seniors and Residents with Special Health Needs. Senate committee made changes and the Commission has the following initial concerns: Associations do not file annual reports. There may be unintended consequences if associations submit private sensitive information; information submitted will not follow any uniform standard which may create chaotic results; and correction of information may create staffing and budgetary problems.

HB 2460 – Allows condominium associations to invest funds in certificates of deposit through the CDARS network. Bill is going to conference.

HB 3331 – Specifies matters that are subject to mediation. Permits unsatisfied parties to mediation to pursue arbitration after 30 days. Originally the Commission monitored this bill but then provided testimony when the proponents requested that the REC provide a separate report about mediation. This information is included in the Commission's Annual Report with similar information. The Commission was able to get that section deleted.

SB 2401 – Makes various technical amendments to the Hawaii Revised Statutes for the purpose of correcting errors and references, and clarifying language. LRB clean up bill. Has been sent to the Governor.

Interactive Participation with Organizations

Commissioner Mark Suiso, Specialist Yee and Specialist Leong will be participating in CAI's 57th National Conference and Exposition in Orlando, Florida, April 30 – May 3, 2008.

Neighbor Island Outreach – Condominium Specialist Office for the Day

The Condominium Specialist Office for the Day in conjunction with the Neighbor Island Outreach committee meetings will be held on May 7, 2008 on the island of Maui at the REALTORS Association of Maui offices.

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 presented.

Next Meeting: May 9, 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.
REALTORS Association of Maui
441 Ala Makani Place
Kahului, Maui

Adjournment: With no further business to discuss, Vice Chair Suiso adjourned the meeting at 11:34 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

April 10, 2008

Date

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