

CONDOMINIUM REVIEW COMMITTEE
Real Estate Commission
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
State of Hawaii
www.state.hi.us/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: May 8, 2002

Time: 11:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: Peter Rice, Vice Chair
Michael Ching, Member
John Ohama, Member – early departure
Alfredo Evangelista, Member
Iris Okawa, Member
Patricia Choi, 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 Arata, Real Estate Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary

Others: None

Excused: Mitchell Imanaka, Chair
Charles Aki, Member

Call to Order: In the excused absence of Chair Imanaka, Vice Chair Rice called the meeting to order at 11:05 a.m., at which time quorum was established.

Chair's Report: Vice Chair Rice took the agenda out of order.

Condominium Project Registration - Public Reports Issued

Condominium Project Registration: Vice Chair Rice recused himself from voting as he is a CMA for The Villages of Mauna Lani which is up for ratification. Upon a motion by Commissioner Ohama, seconded by Commissioner Ching, it was voted on and carried to recommend approval to ratify issuance of effective dates for public reports for the month of April 2002 as follows:

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Proj No	Project Name	Project Address	TMK #	Report	Date
4827	1693 & 1693-A MOTT-SMITH	1693 & 1693A MOTT SMITH DR HONOLULU HI 96822	(1)2-04-029:041	Final	04/04/02
4818	2097 A AND B 10TH AVENUE	2097 A & B 10TH AVE HONOLULU HI 96816	(1)3-03-037:025	Final	04/30/02
4835	2828 KAIMUKI AVENUE CONDO	2828 & 2828-A KAIMUKI AVE HONOLULU HI 96816	(1)2-07-030:030	Final	04/24/02
3855	59-011 KAMEHAMEHA HIGHWAY	59-011 KAMEHAMEHA HWY HALEIWA HI 96712	(1)4-05-006:023	Suppl 1	04/10/02
4830	59-585 KE IKI ROAD	59-585 KE IKI RD HALEIWA HI 96712	(1)5-09-003:013	Final	04/05/02
4829	638 KAUAI STREET/2602 LILIHA ST	638 KAUAI ST & 2602 LILIHA ST HONOLULU HI 96817	(1)1-08-013:097	Final	04/16/02
4813	BECKWITH RESIDENCES	2373 & 2375 BECKWITH ST HONOLULU HI 968	(1)2-09-006:033	Final	04/24/02
4797	CORTEBELLA PHASE 12	91-1876 TO 91-1916 LUAHOANA ST EWA BEACH HI 96706	(1)9-01-010:048	Final	04/16/02
4812	CORTEBELLA PHASE 13	91-1881 LUAHOANA ST EWA BEACH HI 96706	(1)9-01-010:048	Final	04/30/02
4740	DESTINY AT MILILANI MAUKA - PH III	PUUANU ST MILILANI HI 96789	(1)9-05-002:034	Final	04/19/02
4834	DESTINY II AT MILILANI MAUKA PH I	KEKAHI ST & PUUKOA ST MILILANI HI 96789	(1)9-05-002:034	Prelim	04/15/02
4833	HU'ELANI PHASE 4	91-242 PUKINI PLACE EWA BEACH HI 96706	(1)9-01-116:007	Prelim	04/11/02
4809	ILIMA COURT	900 ALA NANALA ST & 3180 HONOLULU HI 96818	(1)1-01-059:001	Final	04/04/02
4819	KAIHEE STREET CONDOMINIUM	1338 & 1340 KAIHEE ST HONOLULU HI 96822	(1)2-04-021:007	Final	04/01/02
4839	KE NOHO KAI TOWNHOMES INCR 1	KEONE'ULA BLVD & KAILEOLE'A DR EWA BEACH HI	(1)9-01-012:005	Prelim	04/24/02
4822	KIKALA RESIDENCES	4841 KIKALA RD KALAHEO HI 96741	(4)2-04-005:137	Final	04/02/02
4828	KUMU LA'AU HALE	23 WA'A PLACE PAIA HI 96779	(2)2-06-011:023	Final	04/09/02
4824	LAE II CONDOMINIUM	LAE RD KALAHEO HI	(4)2-04-005:198	Final	04/01/02
2408	LIHUE VALLEY ESTATES	2891 PUANANI ST LIHUE HI 96766	(4)3-06-011:106	Suppl 2	04/17/02
4717	LOT 4 SLEEPING GIANT ACRES	LOT 4 SLEEPING GIANT ACRES SUB KAPAA HI	(4)4-04-011:001	Suppl 1	04/18/02
4421	MALUHIA AT WAILEA	3400 WAILEA ALANUI DR WAILEA HI 96753	(2)2-01-008:062	Suppl 1	04/19/02
4792	TERRAZZA, PHASE 13	LUAHOANA ST EWA BEACH HI 96706	(1)9-01-010:049	Final	04/08/02
4547	VILLAGES AT MAUNA LANI THE	LOT 4 N KANIKU DR KOHALA HI	(3)6-08-022:004	Suppl 2	04/25/02
4823	YONAFUTOKI BUSINESS CENTER	1811 WILI PA LOOP WAILUKU HI 96793	(2)3-04-020:036	Final	04/16/02

Preliminary Reports: 3
 Contingent Final Reports: 0
 Final Reports: 16
 Supplementary Reports: 5

Total: 24

Commissioner Ohama was excused from the meeting.

Condominium
 Specialist's
 Report:

Additional Distribution

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

- 5.a.3) Request for Informal Non-Binding Opinion §514A-39.5, HRS, Developer's Contingent Final Public Report

Minutes: Upon a motion by Commissioner Choi, seconded by Commissioner Ching, it was voted on and unanimously carried to accept the minutes of the April 9, 2002 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOAO / CMA / CHO Registrations

Specialist Leong reported that as of April 30, 2002, 1,436 AOAOs have successfully registered. Specialist Leong further reported that 111 CMAs are also currently registered.

Upon a motion by Commissioner Evangelista, seconded by Commissioner Choi, it was voted on and unanimously carried to recommend approval to ratify issuance of effective registration dates for Association of Apartment Owners through April 30, 2002 for the 2001-2003 registration. The associations are as follows:

Ala Wai Mansion	4/26/02	Cypress Gardens	4/19/02
Kauanui	4/16/02	Kokahi Garden	4/26/02
Miyashiro Acres	4/09/02		

Mediation and Arbitration – Contract Renewals

Upon a motion by Commissioner Okawa, seconded by Commissioner Ching it was voted on and unanimously carried to recommend approval, subject to the review, advice, and approval of the deputy attorney general, to automatically renew the Commission's Agreement for Consultant Service, for July 1, 2002 through June 30, 2003 subject to the same terms and conditions of the existing Agreements, and subject to the availability of the Condominium Management Education Funds for the following consultants:

- 1) Kauai Economic Opportunity, Inc.
- 2) Big Island Mediation, Inc., dba West Hawaii Mediation Services
- 3) Mediation Center of the Pacific, Inc.
- 4) Mediations Services of Maui, Inc.
- 5) The Island of Hawaii YMCA, Ku'ikahi Mediation Center

Contract Renewal - Community Association Institute Hawaii Chapter

Upon a motion by Commissioner Evangelista, seconded by Commissioner Choi, it was voted on and unanimously carried to recommend approval, subject to the review, advice, and approval of the deputy attorney general, to automatically renew the Commission's Agreement for Consultant Service, for July 1, 2002 through June 30, 2003 subject to the same terms and conditions of the existing Agreement, and subject to the availability of the Condominium Management Education Funds.

CAI Postponement of April 18, 2002 "Mediation, Arbitration or Litigation" CMEF subsidized seminar

The committee acknowledged receipt of CAI Hawaii's postponement of the April 18, 2002 seminar "Mediation, Arbitration, or Litigation."

Neighborhood Condominium Owners' Forum – CMEF Funding Proposal

Ms. Lois Janis submitted a request for CMEF funding of \$950 to provide a learning environment (two educational forums) that will motivate condominium owners to explore the basic principles of "self-governance" and "common interests," and to publish a twenty to thirty page, easy-to-understand handbook for the average condominium owner on the same subject.

Commissioners discussed the copyright issues in connection with if Ms. Janis intends to sell this publication.

Vice Chair Rice stated that not enough information has been provided for the committee to make an informed decision.

Upon a motion by Commissioner Okawa, seconded by Commissioner Evangelista, it was voted on and unanimously carried to recommend deferral of the request and decision. Request the submission of additional information to include: a detailed curriculum and statement of objectives, description and scope of Condominium Council of Maui's support and involvement, agreement to be bounded by the general conditions and terms of the State Contract including, copyright issues, and tax clearances.

Case Law Review Program

Article entitled "Mondo Condo: a tale of the city" from the *Honolulu Weekly*, April 10-16, 2002 was distributed for informational purposes.

SEO Kimura suggested staff consider including an article on this topic in a future issue of the Hawaii Condominium Bulletin.

CPR Registration:

Hawaii County Planning Department

Specialist Yee reported that Mr. Yuen has verbally responded to the Commission's reply to his last proposed Hawaii County ordinance. Mr. Yuen indicated that in response to the Commission's comments, Hawaii County Planning Department might now pattern regulating additional farm dwellings after Oahu's ohana ordinance, namely prohibiting the CPRing of additional farm dwellings.

Request for Informal Non-Binding Opinion, §514A-39.5, HRS, Developer's Contingent Final Public Report

Kimberly Yoshimoto of Imanaka, Kudo and Fujimoto submitted a written request for an informal non-binding opinion regarding whether §514A-39.5, HRS, permits a condominium developer to submit a registration packet to the Real Estate Commission for a second contingent final public report prior to the expiration of the effective date for the first contingent final public report issued for the project.

SEO Kimura reported that at the end of the 9 month period of the developer's contingent final public report, the purchaser has the right to walk away. During the 9 month period the consumer is locked in.

Commissioner Evangelista informed the committee members that HRS 514A-39.5(d) states "A contingent final public report shall expire nine months after the effective date of the report and, notwithstanding anything to the contrary in HRS 514A-43, may not be extended or renewed."

Vice Chair Rice reported that after reviewing the statute, it seems that the first developer's contingent final public report must expire prior to the developer resubmitting the paperwork to start the process of a new developer's contingent final public report again. The consumer must be given the opportunity to be refunded their money at that time.

Upon a motion by Commissioner Evangelista, seconded by Commissioner Ching, it was voted on and unanimously carried to recommend approval to issuing an informal non-binding opinion that §514A-39.5, HRS, does not permit filings of a developer's second contingent final public report prior to the expiration of the effective date for the developer's original contingent final public report issued for a particular project; provided that where all sales contracts have been rescinded and refunds and reimbursements have been made in accordance with §514A-64.5 (b) & (c), HRS, a developer may submit a separate new registration application for a developer's contingent final public report for that project.

Program of Work:

Hawaii Condominium Bulletin – Pioneer Ventures, Inc., dba Fisher Pioneer Printers Contract Renewal

Upon a motion by Commissioner Evangelista, seconded by Commissioner Choi, it was voted on and unanimously carried to recommend approval, subject to the review, advice, and approval of the deputy attorney general, to automatically renew the Commission's Agreement for Consultant Service, for July 1, 2002 through June 30, 2003 subject to the same terms and conditions of the existing Agreement, and subject to the availability of the Condominium Management Education Funds.

Recodification of Chapter 514A

Recodification Attorney Arakaki reported that the recodification project is still in the drafting stage with a target date of August 2002.

Interactive Participation with Organizations

Vice Chair Rice reported that both he and Mr. Arakaki attended CAI's conference, May 2 -5, 2002. A written report is forthcoming.

Legislative Acts and Resolutions

SEO Kimura reported that the department is waiting to see the money situation and whether the Governor will place any restrictions. The CRF fund, which pays for some of the Real Estate Branch's services and payroll has been affected by legislation.

Neighbor Island Outreach – Kauai, June 14, 2002

Vice Chair Rice announced that the CRC meeting for the month of June will be held on the island of Kauai on June 14, 2002, starting at 9:00 a.m.

Program of Work FY03

No comments or recommendations received.

CMEF Budget &
Finance Report:

No report presented.

Condominium
Organizations Forum:

There were no comments, recommendations or concerns 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.

Next Meeting:

June 14, 2002; 9:00 a.m.
Conference Room A, B & C
State Office Building
3060 Eiwa Street
Lihue, Kauai

Adjournment:

With no further business to discuss, Vice Chair Rice adjourned the meeting at 11:41 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

June 14, 2002

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____