

**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: August 13, 2014

Time: Upon adjournment of the Laws and Rules Review Committee meeting scheduled to convene at 9:00 a.m.

Place: Hawaii Island REALTORS®  
1321 Kinoole Street  
Hilo, Hawaii

Present: Scott Sherley, Chair, Broker / Hawaii Island Commissioner  
Bruce Faulkner, Vice Chair, Broker / Maui Commissioner  
Nikki Senter, Public / Honolulu Commissioner  
Rowena Cobb, Broker / Kauai Commissioner  
Aileen Wada, Broker / Honolulu Commissioner  
Scott Arakaki, Public / Honolulu Commissioner  
Laurie A. Lee, Broker / Honolulu Commissioner  
Aleta Klein, Broker / Honolulu Commissioner  
Michael Pang, Broker / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer  
Diane Choy Fujimura, Senior Real Estate Specialist  
Cynthia Yee, Senior Condominium Specialist  
Shari Wong, Deputy Attorney General  
Tammy Norton, Recording Secretary

Others: Susan Lee Loy, President-Hawaii Island REALTORS®  
Marsha Shimizu, Hawaii Association of REALTORS®  
Aron Espinueva, Hawaii Association of REALTORS®  
Mary Begier, Hawaii Association of REALTORS® member  
Gregg Morimoto, Regulated Industries Complaints Office  
Forrest Arnold, Hawaii Green Realty  
Zach Mermel, OLA Design Group

Absent: None

Call to Order: Chair Sherley called the meeting to order at 9:44 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.

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
    - 4) Owner-Occupant - Request of Sean Simko for a Real Estate Commission No Action Letter For Alleged Violations of the Owner Occupant Requirement Sales To Owner-Occupants, Part VI Chapter 514A, HRS
- 6. Program of Work, FY15
  - p. Records Management - Document Retention 514B Condominium Project Files

Minutes:

Upon a motion by Commissioner Faulkner, seconded by Commissioner Lee, it was voted on and unanimously carried to accept the minutes of the July 9, 2014 Condominium Review Committee meeting as circulated.

Condominium  
 Governance and  
 Management:

**AOUO Registrations**

Specialist Yee reported that as of July 31, 2014, 1,612 AOUOs have successfully registered.

**Condominium Related Articles**

The following articles were distributed for informational purposes: "New Law Clarifies Information Available to Isle Condo Owners" - *Star Advertiser*, Posted July 13, 2014; "One Lawsuit Dismissed In Battle Over Country Club Building" - *Hawaii Tribune Herald* posted July 23, 2014; "Employees Renting Association-Owned Units" - *CAI Hawaii* (June 2014); and "2014 Legislative Update For Association Directors, Property Managers and Homeowners" - *CAI Hawaii* (June 2014).

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

A list of those condominium projects issued effective dates during the month of July 2014 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT	DATE
7520	1118 AND 1120 21ST AVENUE CONDO	1118 & 1120 21ST AVE HONOLULU HI 96816	132040033	2	B REPT	7/10/2014
7536	1381 AND 1381A AKALANI LOOP CONDO	1381 & 1381A AKALANI LP KAILUA HI 96734	142030016	2	B REPT	7/21/2014
7542	1806, 1806-A AND 1806-B NAI0 STREET	1806 1806-A & 1806-B NAI0 ST HONOLULU HI 96817	116013044	3	B REPT	7/2/2014
7448	2733 KAPIOLANI BOULEVARD	2733 KAPIOLANI BLVD HONOLULU HI 96826	127025022	6	B REPT	7/29/2014
7534	47-371 & 47-371A KAPEHE STREET	47-371 KAPEHE ST KANE0HE HI 96744	147055093	2	B REPT	7/8/2014
7513	494 KUMULANI DRIVE	494 & 492 KUMULANI DR KIHEI HI 96753	221013075	2	B REPT	7/1/2014
7519	533 MIKIOI PLACE	533 MIKIOI PL KIHEI HI 96753	221014042	2	B REPT	7/7/2014
7149	59-740 KANALANI PLACE	59-740 KANALANI PL HALEIWA HI 96712	159031022	2	B AMD	7/9/2014
5969	91-434 AND 91-434A EWA BEACH ROAD	91-434 EWA BEACH RD	191024034	2	SUPPL	7/22/2014

Condominium Review Committee  
 Minutes of the August 13, 2014 Meeting  
 Page 3

7470	CLUB BUNGALOWS AT KUKUI'ULA PH 1A	EWA BEACH HI 96706 KE ALAULA	426019017	5	B AMD	7/25/2014
7468	FARIAS HIKINA CONDOMINIUM	KOLOA HI 96756 KAHUNA RD	446004063	2	B REPT	7/22/2014
7467	FARIAS KOMOHANA CONDOMINIUM	KAPAA HI 96746 KAHUNA RD	446004062	2	B REPT	7/22/2014
7515	GRIER/WEBB CONDOMINIUM	KAPAA HI 96746 1807 HAIKU RD	227007077	3	B REPT	7/1/2014
7384	HAILIMA HIGHLANDS ESTATES	HAIKU HI 96708 HAILIMA RD	426013053	2	B AMD	7/25/2014
5726	HILLSIDE ESTATES	LAWAI HI 96765 1548 LAUMAILE ST	113036068	2	SUPPL 2	7/9/2014
7528	HO'ONANI I - PHASE I	HONOLULU HI 96819 91-1259-A KILIPUE ST	191163006	6	B REPT	7/24/2014
7529	HO'ONANI II	EWA BEACH HI 96706 91-1249-A - B KILIPUE ST	191163006	2	B REPT	7/16/2014
7530	HO'ONANI III	EWA BEACH HI 96706 91-1248-A-B KILIPUE ST	191163006	2	B REPT	7/11/2014
6526	KALANIPU'U CONDOMINIUM	EWA BEACH HI 96706 HOOLAULEA WAY	435001027	79	B AMD 4	7/29/2014
7497	KAPIWAI	KALAPAKI HI 96766 2914 BOOTH RD	122040005	25	B REPT	7/7/2014
6364	KARGAS	HONOLULU HI 96813 76-6015 MAMALAHOA HWY	376005004	2	SUPPL	7/10/2014
7465	KIPIKA AT HOAKALEI INCREMENT 5	HOLUALOA HI 96725 END OF KAIKOHOLA ST	191162013	8	B AMEND	7/16/2014
7522	KOLANI PLACE TERRACE	EWA BEACH HI 96706 45-512 & 45-512A KOLANI PL	145071074	2	B AMEND	7/29/2014
5183	KT CONDOMINIUM	KANEHOE HI 96744 2005 KALIA ROAD	126009013	46	SUPPL 2	7/1/2014
7474	KULALANI AT MAUNA LANI (PHASE 5)	HONOLULU HI 96815 68-1118 N KANIKU DR	368022007	6	FINAL	7/23/2014
7511	KUPA'A OHANA	KAMUELA HI 96743 1894 NAALAE RD	222015007	4	B REPT	7/3/2014
7454	LOT 1 MAKILA RIDGE CONDOMINIUM	KULA HI 96790 LOT 1 MAKILA RIDGE	247001002	2	B REPT	7/3/2014
5902	MAKANA KAI ESTATES CONDOMINIUM	LAHAINA HI 96761 LOT 6 PUU RD	423005017	4	SUPPL 2	7/16/2014
7502	MOHALALANI CONDOMINIUM	KALAHEO HI 96741 83 HOOLAUA RD	229003064	2	B REPT	7/16/2014
7390	NIUMALU 2371 CONDOMINIUM (PHASE II)	HAIKU HI 96708 2371E NIUMALU RD	432002031	2	B REPT	7/31/2014
7524	PAKIOLANI ESTATES	LIHUE HI 96766 45-591 45-593 45-593A -D	145022023	5	B REPT	7/10/2014
4176	PUE HUE HU CONDOMINIUM PROJECT	PALEKA RD KANEHOE HI 96744 POR LOT 52 KAAUHUHU HMSTD	355002006	2	SUPPL	7/21/2014
7382	THE COLLECTION (TOWER PHASE)	N KOHALA HI 600 ALA MOANA BLVD	121055004	400	B AMD	7/31/2014
7171	WAIHONUA	HONOLULU HI 96813 1189 WAIMANU ST	123006017	345	B AMD 3	7/23/2014
7181	WAIPIO BUSINESS CENTER	HONOLULU HI 96814 94-1388 MOANIANI ST	194128011	20	B AMD 2	7/16/2014
6305	WAIPIO BUSINESS CENTER	WAIPIHAU HI 96797 94-1388 MOANIANI ST	194128005	79	B AMD 9	7/16/2014
		WAIPAHU HI 96797				

0	<b>Preliminary Reports</b>
0	<b>Contingent Final Reports</b>
1	<b>Final Reports</b>
6	<b>Supplementary Reports</b>
19	<b>B Reports</b>
10	<b>B Amendment Reports</b>
36	<b>TOTAL REPORTS</b>

Program of Work: **Rulemaking, Chapter 107/119 – Additional Member Representation for Blue Ribbon Committee**

The Committee discussed the benefits of increasing the number of participants on the Blue Ribbon Committee for rulemaking.

Upon a motion by Commissioner Wada, seconded by Commissioner Cobb, it was voted on and unanimously carried to increase the Blue Ribbon Committee by up to three additional members.

### **Records Management – Document Retention 514B Condominium Project Files**

The Committee discussed the document retention policy for Chapter 514B condominium project files and the need to determine whether the ten year document retention policy for condominium project files as set forth under the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Records Schedule for Ch. 514A condominium project files applies to Chapter 514B condominium project files.

Deputy AG Wong discussed two options: 1) revise the existing schedule to include Ch. 514B condominium project files, or 2) create a new policy for Ch. 514B condominium project files.

Specialist Yee noted that the difference between the Ch. 514A condominium project filings and Ch. 514B condominium project filings in that Ch. 514B condominium public reports are "evergreen" (non-expiring).

#### **Executive Session:**

Upon a motion by Commissioner Arakaki, seconded by Commissioner Faulkner, it was voted on and unanimously carried to enter into executive session, pursuant to section 92-5(a)(4), HRS, "To consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities" on the following agenda items:

- 6.p. Records Management - Document Retention 514B Condominium Project Files
- 5.a.4) Owner-Occupant - Request of Sean Simko for a Real Estate Commission No Action Letter For Alleged Violations of the Owner Occupant Requirement Sales To Owner-Occupants, Part VI Chapter 514A, HRS

Upon a motion by Commissioner Arakaki, seconded by Commissioner Faulkner, it was voted on and unanimously carried to move out of executive session.

#### **Condominium Project Registration:**

### **Owner-Occupant - Request of Sean Simko for a Real Estate Commission No Action Letter For Alleged Violations of the Owner Occupant Requirement Sales To Owner-Occupants, Part VI Chapter 514A, HRS**

Upon a motion by Commissioner Arakaki, seconded by Commissioner Faulkner, it was voted on and unanimously carried to defer deciding on Mr. Simko's request and request that he submit to the Real Estate Commission additional information and documents including:

- o Copy of signed loan application and approval letter;
- o Copy of purchase contract for the unit;
- o Notarized, signed declaration subject to §514A-107, §514A-107.5, §514A-107.6, HRS, that the information contained in the letters dated May 23, 2014, June 16, 2014, July 18, 2014, and the August 11, 2014 email are true and correct;
- o Mr. Simko's Father's notarized, signed declaration subject to §514A-107, §514A-107.5, §514A-107.6, HRS, that the information contained in his

undated and unsigned letter "To Whom It May Concern" are true and correct;

Mr. Simko's personal appearance or appearance by telephone conference before the Real Estate Commission at either its next regular monthly scheduled Commission's Condominium Review Committee meeting or at its regular monthly scheduled Commission meeting.

Program of Work: **Records Management – Document Retention 514B Condominium Project Files**

The issue was discussed and no action taken. The records management issue for Ch. 514B condominium project files to be researched further.

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: September 10, 2014  
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 10:40 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

\_\_\_\_\_  
Cynthia M. L. Yee  
Senior Condominium Specialist

August 18, 2014

\_\_\_\_\_  
Date

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