

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 8, 2015

Time: Upon adjournment of 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: Scott Sherley, Chair, Broker / Hilo 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 / Interim Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Cynthia Yee, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Dathan Choy, 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
Kietsuda Soontornsatienchai, Office Assistant

Others: Marsha Shimizu, Hawaii Association of REALTORS®
Myoung Oh, Hawaii Association of REALTORS®
Frank Dugger, Pro R/E Inspectors
Abe Lee, Abe Lee Seminars

Absent: None.

Call to Order: Chair Sherley called the meeting to order at 9:07 a.m., at which time quorum was established.

Chair's Report: 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:

Minutes

Upon a motion by Commissioner Lee, seconded by Commissioner Senter, it was voted on and unanimously carried to accept the minutes of the March 11, 2015 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Stone reported that as of March 31, 2015, 1687 AOUOs have successfully registered for the 2013-2015 biennial registration. The 2015-2017 AOUO Biennial Registration website went live on April 1, 2015.

Mediation and Arbitration

Mediator services, pursuant to HAR §3-120-4, have been determined to be exempt from the procurement procedures of HRS Chapter 103D. Mediator services fall under Exhibit A, Exemption Number 10. The committee took note of the essential role and services performed by the mediation providers in the condominium community.

Commissioner Klein disclosed that she is a volunteer mediator with the Mediation Center of the Pacific. She informed the committee that she is able to make an unbiased decision relating to mediation providers.

What followed included a discussion about the Commission's previous review of the proposed mediation providers' qualifications and experience.

Upon a motion by Commissioner Cobb, seconded by Commissioner Faulkner, it was voted on and unanimously carried to enter into agreements with Mediation Center of the Pacific, Inc., Dispute Prevention and Resolution, Inc., Lou Chang, Esq., and Crumpton Collaborative Solutions, LLC (Charles Crumpton, Esq.), to provide evaluative mediation services to condominium owners of registered condominium associations for the period July 1, 2015 through June 30, 2016, subject to the State's option to renew the agreement for up to one fiscal year.

Upon a motion by Commissioner Faulkner, seconded by Commissioner Cobb, it was voted on and unanimously carried to enter into agreements with Mediation Center of the Pacific, Inc., Mediation Services of Maui, Kua'i Economic Opportunity, Inc., Ku'ikahi Mediation Center, and Big Island Mediation dba West Hawaii Mediation Center to provide facilitative mediation services to condominium owners of registered condominium associations for the period July 1, 2015 through June 30, 2016.

Condominium Seminars and Symposium - CAI Hawaii "Contracts, Bids, Finances" March 12, 2015 Seminar - Report and Evaluation

Seminar monitored by Chair Sherley, Senior Condominium Specialist Yee, and Condominium Specialist Choy. Completed evaluations had been distributed for the committee's information. Specialist Choy provided an oral evaluation of the seminar.

Condominium Related Articles

The following articles were distributed for informational purposes:

CAI Hawaii (February 2015) - "Utility Submetering in Hawaii" - Author Brian Stone; "Condominium Association Biennial Registration – 2015-2017;" and "Preventing Fraud and Embezzlement" – modified excerpt from "Whodunit" (July-August 2007 issue of *Common Ground*).

Community Association Management Insider - February 2015 - "Recognize Warning Signs, Get Help for Elderly Members;" and "Purchasing Property at Foreclosure Sales."

Community Association Management Insider – March 2015 - "Ensure Continuity of Operations During Management Transition" and "Use Member Volunteers to Rein in Community Costs."

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of March 2015 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPORT	DATE
7612	170 NANEVA AVENUE	170 NANEVA AVE WAHIAWA HI 96786	174015046	2	B REPT	3/18/2015
7595	1843 ALEWA	1843 AND 1843-A ALEWA DR HONOLULU HI 96814	118028027	2	B AMD	3/19/2015
7621	3233 AND 3233-A MELEMELE PLACE	3233 & 3233-A MELEMELE PL HONOLULU HI 96822	129070020	2	B REPT	3/20/2015
5478	77G SEA MOUNTAIN ESTATES	6206 HELENA LANE KAPAA HI 96746	446007085	2	SUPPL	3/27/2015
7607	94-478 AND 94-478A HEPIA PL CONDOMINIUM	94-478 & 94-478A HEPIA PL WAIPAHU HI 96797	194058024	2	B REPT	3/4/2015
6394	AHUIMANU PLACE ESTATES	47-414 AHUIMANU PL KANEHOE HI 96744	147003005	2	B AMD 2	3/18/2015
7613	GREEN ACRES CONDOMINIUM	1205 W KUIAHA RD HAIKU HI 96708	227012125	2	B REPT	3/17/2015
7610	HALE KULEA	53-852 KAMEHAMEHA HWY HAUULA HI 96717	153013013	4	B REPT	3/18/2015
7597	HALE OHANA CONDOMINIUM	100 KENUI ST LAHAINA HI 96761	245008004	40	B REPT	3/20/2015
7596	JAMES BOLDT CONDOMINIUM	311 AINA MANU PL KAPAA HI 96746	442015059	2	B REPT	3/12/2015
7609	KAMAKAHALA HOMES	66-912 KAMAKAHALA ST WAIALUA HI 96791	166033053	2	B REPT	3/23/2015
7618	KAUINOHEA PLACE	44-124A KAUIHOHEA PL KANEHOE HI 96744	144017097	3	B REPT	3/13/2015
7498	KIPUKA AT HOAKALEI INCREMENT 7	END OF KAIKOHOLA ST EWA BEACH HI 96706	191162015	8	B AMD	3/18/2015
7501	KIPUKA AT HOAKALEI INCREMENT 8	END OF KAIKOHOLA ST EWA BEACH HI 96706	191162006	9	B AMD	3/12/2015
7572	KULIOUOU ESTATES	510 KULIOUOU RD	138010004	5	B AMD	3/30/2015

6824	LOT 1 OLOWALU MAUKA CONDOMINIUM PROJ	HONOLULU HI 96821 256 LUAWAI ST LAHAINA HI 96761	248003010	2	B AMD	3/20/2015
7516	LOT 33 ESTATES	3657 ILIMA PL LAWAI HI 96765	425011033	2	B REPT	3/18/2015
7611	PALMORE CONDOMINIUM	2146 POLIPOLI RD KULA HI 96790	222004101	2	B REPT	3/27/2015
7537	THE CLUB BUNGALOWS AT KUKUI'ULA PHASE IB	KE ALAULA ST KOLOA HI 96766	426019017	6	B REPT	3/9/2015
7291	WAHIWA PLANTATION ESTATES	621 CLARK ST HONOLULU HI 96786	174010061	6	B AMD 2	3/4/2015
7615	WAHIKULI HILL CONDOMINIUM	164 166A 166B WAHIKULI RD LAHAINA HI 96761	245014030	3	B REPT	3/27/2015
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
1	Supplementary Reports					
13	B Reports					
7	B Amendment Reports					
21	TOTAL REPORTS					

Program of Work: **Government and Legislative Participation and Report**

Legislative Report No. 3 was included in the Laws and Rules Review Committee materials. The Commission as a body may submit testimony on bills that directly affect chapters 467, 514A, 514B and licensees or that affect the Commission's operations and staff will assist if requested by a legislator or legislative committee for the Commission's input regarding specific bills.

SEO Fujitani reported on the following bills:

HCR 134 – Requesting the Auditor to conduct an audit of policies, procedures, and management of the Real Estate Commission. The concurrent resolution seems to be focused on the condominium side of the Real Estate Commission. It seems as if unit owners are misinformed of the Commission's duties and wants the Commission to be involved in solving the individual issues within their own associations. The Commission is working on providing more information and education to the condominium community. The Commission needs an Education Specialist on staff to provide the greatest educational outreach to condominium unit owners and consumers.

SB 826 – Relating to condominiums. Although the bill affects Chapter 514B, it does not affect the Commission, as much of Chapter 514B is self-enforcement. Senator Baker requested the Commission to assist in drafting language for the measure which it complied with. Staff received a call from RICO's CEO requesting that the Commission provide testimony on the measure, but the Commission had already decided it would not provide testimony. Apparently RICO's CEO went to the Director's Office to request that the Commission provide testimony, at which time the Commission was directed to do so by the Deputy Director. The Commission as body should make its own decisions as to which measures it will and will not provide testimony on.

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:

May 13, 2015
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 9:26 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

April 10, 2015

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____