

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: January 13, 2016

Time: Upon adjournment of the Laws and Rules Review Committee meeting scheduled to convene at 9:30 a.m.

Place: REALTORS® Association of Maui
441 Ala Makani Place
Kahului, Maui

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 / Honolulu Commissioner

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

Others: Sylvia Cabral, Realtor, RAM
Lisa Teichner, KW Island Living
Brett Fahnestock, Peake & Levoy, LLC
Brenden Morton, Haiku Properties
Leah Belmonte, Office of the Governor, Maui
Gerald Enriques, DCCA RICO

Absent: Michael Pang, Broker / Honolulu Commissioner

Call to Order: Chair Sherley called the meeting to order at 9:37 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.

Commissioner Pang was excused from the meeting. Prior notification of his non-attendance was received.

Condominium Specialist's Report: No report presented.

Minutes: Upon a motion by Commissioner Faulkner, seconded by Commissioner Klein, it was voted on and unanimously carried to accept the minutes of the December 2, 2015 Condominium Review Committee meeting as circulated.

Condominium Governance and Management: AOUO Registrations

It was reported that as of December 31, 2015, 1,524 AOUOs have successfully registered.

Condominium Seminars and Symposium - Report on "Learning from the Movies" - Kauai and Kona October 14, 15, 2015

CAI Hawaii has reported that they attempted to do the "Learning from the Movies" seminars in Kauai and Kona on October 14 and 15, 2015. There were not enough registrations at either location to proceed with the seminars.

Condominium Related Articles

The following articles were distributed for informational purposes: "Excuses, Excuses" by Robert M. Nordlund, PE, RS, CEO/Founder Association Reserves; referencing "California Department of Real Estate Warns of Dangers of Underfunded Reserve Accounts" (October 22, 2012) and "Avoiding & Responding to Recall Petitions" by Milton M. Motooka, Esq. - *CAI Hawaii* (December 2015); and *Community Association Management Insider* (Special Issue 2016) – "Use Audit to Test Association's Financial Health."

Condominium Project Registration - Public Reports Issued

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	RPT	DATE
7431	1118 ALA MOANA	1118 ALA MOANA BLVD HONOLULU HI 96814	123001001	178	B AMD 4	12/10/2015
7755	202 LAUNIUPOKO CONDOMINIUM	LOT 11-B MAHANALUA NUI SUB LAHAINA HI 96761	247009011	2	B REPT	12/22/2015
7707	6310 OLOHENA ESTATE	6310 OLOHENA RD KAPAA HI 96746	444003119	2	B REPT	12/3/2015
7482	801 SOUTH ST - BUILDING B	801 SOUTH ST HONOLULU HI 96813	121047004	789	B AMD 3	12/30/2015
7470	CLUB BUNGALOWS AT KUKUI'ULA PH 1A	KE ALAULA KOLOA HI 96756	426019017	5	B AMD 3	12/11/2015
7750	CYPRESS HALE CONDOMINIUM	37 A, B, C, D, E CYPRESS AVE WAHIAWA HI 96786	173003008	5	B REPT	12/3/2015
7738	HALE GOPAL CONDOMINIUM	1017 MOANAKAI RD KAPAA HI 96746	445001005	2	B REPT	12/11/2015
7749	HORIZON VIEW CONDOMINIUM	LOT 21 MAHANALUA NUI LAHAINA HI 96761	247010045	2	B REPT	12/22/2015
7742	KA MILO AT MAUNA LANI PHASE 14	68-1122 N KANIKU DR KOHALA COAST HI 96743	368022041	4	B REPT	12/8/2015
7740	KALAMA KAI	45 KANANI RD KIHEI HI 96753	239017002	40	B REPT	12/3/2015
7747	K-BAY	45-906B ANOI RD KANEHOE HI 96744	145022009	13	B REPT	12/16/2015
6398	KILAUEA RIVER FARMS CONDOMINIUM	4685 KUAVA RD KILAUEA HI 96754	452013005	5	B AMD 3	12/30/2015
6742	KIMANA AINA CONDOMINIUM	32 & 34 AWAIKU ST LAHAINA HI 96761	247009027	2	B AMD	12/30/2015
7743	KULALANI AT MAUNA LANI (PHASE 8)	68-1118 N KANIKU DR KAMUELA HI 96743	368022007	6	CONT	12/9/2015
4351	MAHINA KAUAPEA CONDOMINIUM	2752 KAUAPEA RD KILAUEA HI 96754	452005026	2	SUPPL	12/2/2015
7665	MAKENA BEACH CLUB AND RESIDENCES	5400 MAKENA ALANUI RD	221005086	64	B AMD 2	12/22/2015

7752	MAKENA BEACH CLUB AND RESIDENCES	WAILEA HI 96753 5400 MAKENA ALANUI RD	221005086	12	B REPT	12/22/201
7288	NEW CAMP AT KAHUKU VILLAGE	WAILEA HI 96753 56-419 KAMEHAMEHA WAY	156002027	52	B AMD 3	12/15/201
7701	OCEAN STAR CONDOMINIUM	KAHUKU HI 96731 217 PUA NIU WAY	247001057	3	B REPT	12/11/201
7582	OLINO AT MEHANA	LAHAINA HI 96761 801 KAKALA ST	191160051	172	B AMD 2	12/2/2015
7737	PALM PLACE	KAPOLEI HI 96707 68-069 & 68-071 AKULE ST	168011024	2	B REPT	12/11/201
1901	PAUOA HALE	WAIALUA HI 96791 2419 KANEALII AVE	122017059	2	SUPPL	12/2/2015
7408	PEACE OF PAI	HONOLULU HI 96813 4152 PAI ST	432002031	2	B AMD	12/2/2015
7726	SUMMIT AT WAIALAE NUI (ADDITION) THE	KALAHEO HI 96741 2500 AHA AINA PL	135064050	4	B REPT	12/2/2015
7231	SUMMIT AT WAIALAE NUI THE	HONOLULU HI 96821 2500 AHA AINA PL	135064050	4	B REPT	12/2/2015
7760	VILLA KAPIOLANI	HONOLULU HI 96821 2718 N & 2718 N1 KAPIOLANI BLVD	127018044	2	B REPT	12/16/201
0	Preliminary Reports					
1	Contingent Final Reports					
0	Final Reports					
2	Supplementary Reports					
14	B Reports					
9	B Amendment Reports					
26	TOTAL REPORTS					

Consultants

It was reported that the Condominium Consultants Forum will be held on Friday, January 15, 2016. Consultants will at that time meet with staff and go over project issues, including forms and new laws.

Chair Sherley noted that spatial issues will again be discussed at the forum.

Program of Work:

Rulemaking, Chapter 107/119 - Status Report on Blue Ribbon Committee Recommendations to the Real Estate Commission Relating to Condominium Project Registration and Issuance of Effective Date for A Developer's Public Report

SEO Fujitani reported that a redraft of the draft proposed condominium project registration and sales rules have been sent out to the Blue Ribbon Committee for review.

Government and Legislative Participation & Report

The 2016 Legislative Session opens on January 20th. It appears it will be a very busy session for the condominium section.

Top issues arising seem to be a movement towards the revival of condo court and the licensing of everyone in a management company including account executives.

SEO Fujitani reported that Senator Chun Oakland will be proposing a bill to establish the condominium court pilot program in the small claims division of district court. The bill proposes that the additional fee which had been dedicated to evaluative mediation also be used to fund the condominium court pilot program.

Commissioners questioned why the original condo court project died. SEO Fujitani responded that the original condo court pilot project was conducted by DCCA's Office of Administrative Hearings who reported a lack of use of the program.

Commissioner Klein noted that more awareness needs to be made of the availability of mediation or condo court.

SEO Fujitani responded that the scope of the evaluative mediation contracts includes language that the vendor conduct a proactive program of education and outreach focusing on evaluative mediation as an alternative to litigation for resolving condominium disputes. Staff also publicizes the information through its website, Condominium Bulletin and email blasts through its subscription list.

In regards to the licensing of everyone in a management company including account executives, as statutorily required, a sunrise review would need to be conducted by the Auditor.

SEO Fujitani noted the Consumer Protection Committee has scheduled an informational briefing for DCCA on Tuesday, January 19, 2016. Real Estate Branch staff will be present to discuss any condominium and real estate issues the committee may have.

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: February 10, 2016
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 9:58 a.m.

Respectfully submitted:

/s/ Neil K. Fujitani

Neil K. Fujitani
Supervising Executive Officer

January 20, 2016

Date

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