

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: November 9, 2016

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: Laurie A. Lee, Chair, Broker / Honolulu 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
Michael Pang, Broker / Honolulu Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Carole Richelieu, Senior Condominium Specialist
Benedyne Stone, Condominium Specialist
Dathan Choy, Condominium Specialist
Diane Choy Fujimura, Senior Real Estate Specialist
Amy Endo, Real Estate Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary
Dorothy Aquino, Office Assistant

Others: Lourdes Scheibert, Hui 'Oia'i'o
Dale Head, Hui 'Oia'i'o
Lila Mower, Hui 'Oia'i'o
Helen Wagner, Kokua Council
Kate Paine, Condo Owner
Marsha Shimizu, Hawaii Association of REALTORS®

Absent: Aleta Klein, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:10 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.

Commissioner Klein was excused from the meeting. Prior notification of her non-attendance was received.

Condominium
Specialist's
Report:

Minutes

Upon a motion by Commissioner Faulkner, seconded by Commissioner Pang, it was voted on and unanimously carried to accept the minutes of the October 12, 2016 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Stone reported that as of October 31, 2016, 1,689 AOUOs have successfully registered.

Condominium Seminars and Symposium – CAI Hawaii 2017 Seminars

The committee acknowledged receipt of CAI Hawaii's 2017 seminar proposal.

CAI Hawaii "Hot Button Items with Hawaii Civil Rights Commission" October 20, 2016 Seminar Evaluation

Staff's evaluation provided for informational purposes. Commissioner Wada reported that she attends these seminars as a condominium board member. At the end of this particular seminar, she noticed that there were many no shows, reflected by the number of name tags remaining at the sign in table. She commented that this could be from Associations who purchase an Annual Pass from CAI Hawaii but are unable at the time of the seminar to send a representative.

Ms. Lila Mower questioned the amount subsidized per person for attendance at these seminars.

Ms. Helen Wagner stated that she represents Kokua Council which is an advocate group for seniors. She commented that these seminars should be made available to all that are interested and not just board members.

Commissioner Arakaki responded that the seminars are open to all with a fee and not just board members. There are many resources available to consumers. He suggested that Ms. Wagner contact a Condominium Specialist who can provide additional information and guidance.

Ms. Wagner responded that many senior rights have been taken away; for example, free rubbish pick up. She questioned where was the Commission to back up the rights of senior condo owners. She noted that things are changing and that everyone needs to work together.

Commissioner Arakaki responded that under the law, there is only so much the Commission can do. The Commission and staff can direct consumers to additional resources which may assist in their inquiries.

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of October 2016 were distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNIT	REPORT	DATE
7910	142-C & 142-D MALUNUI AVENUE	142-C & 142-D MALUNUI AVE KAILUA HI 96734	143032002	2	B REPT	10/26/2016
7860	36-B AND 36-C BATES STREET CONDOMINIUM	36-B BATES ST HONOLULU HI 96817	117012023	2	B REPT	10/4/2016
7389	55-501 & 55-501A KAMEHAMEHA HIGHWAY	55-501 & 55-501A KAMEHAMEHA LAIE HI 96762		155011006	2	
7745	80 ILIAHI WAY CONDOMINIUM	80 ILIAHI WY LAHAINA HI 96761	247010067	3	B AMEND	10/11/2016
7382	COLLECTION (TOWER PHASE) THE	600 ALA MOANA BLVD HONOLULU HI 96813	121055004	400	B AMD 3	10/6/2016
7777	HALE HINAHINA	HINAHINA RD KAILUA-KONA HI 96740	373063015	24	B AMD	10/7/2016
7887	KAHUNA VALLEY CONDOMINIUM	LOT 43-A-2 KAPAA HOMESTEADS KAPAA HI 96746	446004048	2	B REPT	10/31/2016
7461	KAUAI KAILANI CONDOMINIUM	4-856 KUHIO HWY KAPAA HI 96746	443009050	59	B AMD 2	10/24/2016
7727	KUKUI TREE CPR	4981 C ALIOMANU RD ANAHOLA HI 96703	449004032	3	B REPT	10/4/2016
7884	LEI PAUKU AT HOAKALEI INCREMENT 2	91-2220 KAIWAWALO ST EWA BEACH HI 96706	191134017	12	B REPT	10/7/2016
7881	MEADOWS AT ROYAL KUNIA THE	HOAEAE & WAIKELE EWA HI	194002064	13	B REPT	10/24/2016
5898	PARK PLAZA	1300 N HOLOPONO ST KIHEI HI 96753	222024008	26	SUPPL 3	10/3/2016
7880	TAKENAKA ESTATES	6789 KUAMOO RD KAPAA HI 96746	442019021	2	B REPT	10/31/2016
3584	UCHIMURA-VAN PERNIS PROFESSIONAL BLDG	KAILUA-KONA HI 96740	75-167F	HUALALAI RD		375004051
7802	VILLAGE AT OLD KOLOA TOWN	5460 KOLOA RD KOLOA HI 96756	428008001	44	B REPT	10/17/2016
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
2	Supplementary Reports					
8	B Reports					
5	B Amendment Reports					
15	TOTAL REPORTS					

Specialist Richelieu noted that there were 6 2-unit projects issued effective dates in the month of October.

Commissioner Senter responded that we will see a lot of smaller CPRs with the baby boomers trying to get their estate planning in place. It is a popular exit strategy. Many smaller CPRs are created because the lot is too small to subdivide.

It was also noted that those 2, 3, and 4 unit condos can be simply run and self managed.

Commissioner Faulkner noted that he had suggested education via a brochure for those smaller condominium projects.

Condo Consultant Forum Report

A report on the Condominium Consultant's Forum held on October 5, 2016, was distributed for informational purposes. Staff noted that it was a very productive forum.

Staff is currently working with DCCA on the records retention policy for condominium projects.

Surveyor Scope of Practice

One of the consultants' concerns brought up at the forum was the expertise of surveyors in connection with the certification of a condominium map, especially floor plans and elevation as allowed by HRS §514B-34.

Specialist Richelieu discussed the consultants concerns with the Board of Engineers, Architects, Surveyors, and Landscape Architects (EASLA) Executive Officer. After a review of the strictures of HRS §514B-34, the Executive Officer of the EASLA Board opined that Hawaii licensed professional surveyors possess the expertise to fulfill the requirements therein and that the requirements are within the surveyors' scope of practice.

Case Law

The following case law was distributed for informational purposes: In the Intermediate Court of Appeals of the State of Hawaii, Robert D. Ferris Trust, Plaintiff-Appellant/Appellant, v. Planning Commission of the County of Kaua'i, County of Kaua'i Planning Department, and County of Kaua'i, Respondents-Appellees/Appellees, No. CAAP-115-0000581; Appeal from the Circuit Court of the Fifth Court (Civil No. 12-1-0349), August 9, 2016, Nakamura, C.J., Foley and Fujise, JJ.

Program of Work: **Interactive Participation with Organizations – HSBA Seminar Report**

Specialists Richelieu and Choy submitted a written report on their attendance at HSBA Convention's real estate seminars held on October 14, 2016.

Commissioner Lee noted the possibility of speakers for the upcoming ARELLO Conference in Hawaii.

Condominium
Organizations Forum: **Lourdes Scheibert**

Ms. Scheibert addressed the committee regarding her association concerns, her support of an Office of the Condominium Ombudsman and State licensing of property managers, and her objections to personal fines, penalties, interest, and legal fees converted into common area maintenance fees. Ms. Scheibert submitted and read from her written testimony.

Ms. Scheibert also noted that she attended the CAI Hawaii seminar "The Fundamentals of Serving on a Board" and found this to be an excellent seminar and suggested that it be made mandatory for every director to further their education. She also commented that CAI Hawaii has an upcoming seminar entitled "Why are They So Angry – Homeowner Concerns" and that the seminar should be advertised in the Star-Advertiser to invite all condominium owners to attend.

Executive Officer Ino commented that in her testimony regarding deferred maintenance, she noted that on November 5, 2012, she filed a complaint with the State of Hawaii Insurance Commissioner. He questioned the result of the Insurance Commissioner's investigation.

Ms. Scheibert responded that she was informed that there was a communication problem between her and the board. She was referred to legal counsel, and went to mediation, but the board refused to participate.

The committee thanked Ms. Scheibert for her attendance and comments.

CETF Budget &
Finance Report:

No report presented.

Next Meeting:

December 7, 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, the Chair adjourned the meeting at 9:47 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

Carole R. Richelieu
Senior Condominium Specialist

November 15, 2016

Date

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

CRR:tn/