

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: June 13, 2018

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

Place: Hawaii Island REALTORS®
1321 Kino'ole Street
Hilo, 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
Sean Ginoza, Broker / Hawaii Island Commissioner

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

Others: Rollie Litteral, American Dream Real Estate School
Nancy Cook Lauer, West Hawaii Today
Andrea Vasconcellos, Clark Realty
Nancy Cabral, Day-Lum Rentals & Management, Inc.

Absent: Scott Arakaki, Public / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:37 a.m., at which time quorum was established.

Chair's Report: Chair Lee thanked the Hawaii Island REALTORS® for use of their facilities to hold the monthly committee meetings, and welcomed all those in attendance.

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.

Commissioners Arakaki, Klein, and Pang were excused from the meeting. Prior notification of their non-attendance was received.

Condominium
Specialist's
Report:

Minutes

Upon a motion by Commissioner Faulkner, seconded by Commissioner Cobb, it was voted on and unanimously carried to accept the minutes of the May 9, 2018 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Richelieu reported that as of April 30, 2018, 1,548 AOUOs have successfully registered and as of May 31, 2018, 1,553 AOUOs have successfully registered.

Condominium Seminars and Symposium

CAI Hawaii "Avoid, Defend, Prosecute Lawsuits", May 17, 2018

Staff's evaluation of CAI Hawaii's May 17, 2018 seminar entitled "Avoid, Defend, Prosecute Lawsuits" was distributed for informational purposes. Specialist Richelieu reported that it was an excellent seminar which also included 3 new speakers with fresh perspectives.

CAI Hawaii notice of cancellation of Kauai seminar

The committee acknowledged receipt of CAI Hawaii's letter informing the committee of its cancellation of the seminar scheduled for May 19, 2018 in Kauai due to low registration count. Despite the concerted effort by the management companies in Kauai, only 17 registrations were received of which 12 were condominium owners.

Staff will work with CAI Hawaii to brainstorm an increase in activity.

CAI Hawaii contract option exercised

Specialist Richelieu reported that the contract has been drafted and was delivered to the Attorney General's office on May 31, 2018, for review.

Case Law Review Program

The following were distributed for informational purposes: Derosa v. Ass'n of Apartment Owners of Golf Villas, 185 F. Supp. 3d 1247 (2016); and Harrison v. Casa de Emdeko, Hawaii Supreme Court (April 26, 2018).

Condominium
Project
Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of May 2018, was distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	TOTAL	REPORT	DATE
8155	1310 AND 1310A MAALAH STREET	1310 & 1310A MAALAH ST HONOLULU HI 96819	111034021	2	B REPT	5/2/2018
8118	1812A AND 1812B HOUGHTAILING STREET	1812A & 1812B HOUGHTAILING ST HONOLULU HI 96817	116016107	2	B REPT	5/3/2018
8060	2202 CALIFORNIA AVENUE	2202 & 2202A CALIFORNIA AVE WAIHAWA HI 96786	175024002	2	B AMEND	5/11/2018
8164	4760 ANALII STREET	4760 & 4760A ANALII ST HONOLULU HI 96821	135021037	2	B REPT	5/21/2018
8166	59-621 B KEIKI ROAD	59-621 B KE IKI ROAD HALEIWA HI 96712	159003077	2	B REPT	5/30/2018
8154	84-738 & 84-738A LAHAINA STREET	84-738 & 84-738A LAHAINA ST WAIANAE HI 96813	184025003	2	B REPT	5/24/2018
8114	91-18 AND 91-18A PARISH DRIVE	91-18 & 91-18A PARISH DR EWA BEACH HI 96706	191007025	2	B REPT	5/8/2018
8139	C.K. HALE	75-5648 OLOLI RD KAILUA-KONA HI 96740	375004024	9	B REPT	5/7/2018
8144	HALE LOKAHI 19TH AVENUE	733,735,737,739 19TH AVE HONOLULU HI 96816	132057028	4	B REPT	5/25/2018
7541	HANAIEI RIVER CONDOMINIUM	5219 HANAIEI PLANTATION RD HANAIEI HI 96714	454004009	5	B AMEND	5/30/2018
8167	KAMANI AT KEHALANI (PHASE 9)	OMA' OMA' O ST WAILUKU HI 96793	235001090	8	B REPT	5/16/2018
3947	KAPAHI FARM LOTS 9D	5859 KAWAIIHAU RD KAPAA HI 96746	446011061	2	SUPPL	5/24/2018
3120	MALUHIA	LOT 29 KALIHUWAI RIDGE II KILAUEA HI 96754	452022027	5	SUPPL	5/2/2018
8136	SJTWO LLC	2640 LAI RD HONOLULU HI 96816	134019056	7	B REPT	5/14/2018
0		Preliminary Reports				
0		Contingent Final Reports				
0		Final Reports				
2		Supplementary Reports				
10		B Reports				
2		B Amendment Reports				
14		TOTAL REPORTS				

Consultants – contract renewal status

Supplemental Contract No. 1 to the Contract for Professional Services for the current condominium consultants have been fully executed and will be effective July 1, 2018.

Program of Work:

Condominium Laws and Education – status of 514A repeal outreach

Staff has completed additional outreach mailouts to timeshare developers and unregistered 6 plus units. The Branch has made a total of 8,000 plus contacts on its outreach program notifying possible affected parties of the January 1, 2019 drop dead date.

SEO Fujitani also noted that with the large mailouts, many have come back as returned. Specialist Choy has worked diligently to cross reference and locate current addresses for those developers whose mail was returned.

Specialist Richelieu reported that developers have an obligation to notify the Commission and keep their contact information current. Staff is still receiving many calls in response to the outreach mailout. Most are from mature people who may not be very computer literate. Staff has been as informative as possible while walking individuals through the process and explaining options if it affects them.

Commissioner Cobb stated that she received a call from a client who contacted the Real Estate Branch regarding the repeal of Chapter 514A. The individual was assisted by Specialist Choy who was very explicit on what needed to be done. The downfall her client noted was the costly expense to go from 514A to 514B.

SEO Fujitani reported that at the request of the Senate President, staff met with the Senate President and Kauai Representatives to go over the repeal of Chapter 514A and suggested that they refer their constituents to contact the Real Estate Branch directly for assistance.

The department will begin its media campaign on the repeal of Chapter 514A with a taping tomorrow at Hawaii Public Radio.

Government and Legislative Participation – legislative briefings re: Ch. 514A repeal

Specialist Richelieu noted, as reported earlier, staff met with legislators on May 31st and June 1st regarding the repeal of Chapter 514A and encouraged them to have their constituents concerned with the repeal and how it may affect them to contact the Real Estate Branch directly for assistance.

SEO Fujitani reported that the department's Communications Officer will issue a press release to Hawaii media, but due to the complicated story, some may or may not want to pick up on the story.

Chair Lee noted that Specialist Richelieu and Specialist Choy were guest speakers on ThinkTech Hawaii's Condo Insider video regarding the repeal of HRS Chapter 514A. The video is a part of ThinkTech Hawaii's playlist online.

Education and Referral

Staff will be participating in DCCA's Consumer Fair on Saturday, July 7, 2018, at the Windward Mall. Staff will be on site with condominium educational materials and available to assist consumers with inquiries.

Rulemaking, Chapter 119

Staff received approval from the Director to renumber new Title 16, Chapter 119 into separate chapters as recommended by the Legislative Reference Bureau. Chapter 119 relating to Condominiums will be numbered as Chapter 119.1 through Chapter 119.8 to facilitate any future amendments.

Specialist Richelieu further reported that language from Senate Bill 2524 may need to be included if it becomes an Act.

Condominium Specialist Office for the Day

Those wanting to meet with the Condominium Specialist may do so following the Condominium Review Committee meeting. The Specialist Office of the Day program provides real estate licensees, condominium owners, educational

providers, or anyone else interested in real estate licensing or condominium issues with an opportunity to meet with the Specialists to discuss their concerns.

Condominium Organizations Forum: No comments, recommendations or concerns were received.

Next Meeting: July 11, 2018
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 10:06 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

Carole R. Richelieu
Senior Condominium Specialist

June 18, 2018

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____

CRR:tn/