

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: March 6, 2019

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
John Love, Vice Chair, Public / Honolulu Commissioner
Bruce Faulkner, Broker / Maui Commissioner
Aileen Wada, Broker / Honolulu Commissioner
Scott Arakaki, Public / Honolulu Commissioner
Aleta Klein, Broker / Honolulu Commissioner
Michael Pang, Broker / Honolulu Commissioner
Sean Ginoza, Broker / Hawaii Island Commissioner
Russell Kyono, Broker / Kauai Commissioner

Neil Fujitani, Supervising Executive Officer
Miles Ino, Executive Officer
Carole Richelieu, Senior 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

Others: None

Absent: None

Call to Order: The Chair called the meeting to order at 9:42 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:

Additional Distribution

The following was distributed prior to the start of the meeting:

4.a. Condominium Projects and Developer's Public Reports – February 2019

Minutes:

Upon a motion by Commissioner Klein, seconded by Commissioner Kyono, it was voted on and unanimously carried to accept the minutes of the February 6, 2019 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Richelieu reported that as of February 28, 2019, 1,591 AOUOs have successfully registered.

Ad Hoc Committee on Condominium Education and Research

A written report of the February 6, 2019 meeting of the Ad Hoc Committee on Condominium Education and Research was distributed for informational purposes. The next meeting is tentatively scheduled for May.

Commissioner Faulkner questioned if there is a generic protocol for board members.

Specialist Richelieu responded that the members of the Ad Hoc Committee are volunteer members selected by the Commission. The members of the current Ad Hoc Committee on Education and Research are very engaged and interested in the Committee's mission.

Commissioner Faulkner clarified that it seems to be problematic when condominium association board members are not in tune with what they should be doing in their position.

Commissioner Wada responded that most homeowners do not want to serve on a board of the association.

Specialist Richelieu responded that the Branch has been providing educational outreach which is inline with the concerns mentioned by Commissioners. She also noted that you always hear about the bad apples, but not all associations have rogue boards.

Commissioner Wada suggested looking into beefing up the broker requirement and questioned if this ad hoc committee will only work on condominium education.

Specialist Richelieu responded that the ad hoc committee may broach on education of licensees as it relates to condominium education.

Condominium Seminars and Symposium

CAI Hawaii Case Law Presentation February 7, 2019 – Chair Lee and Commissioner Arakaki monitored CAI Hawaii's seminar entitled "Important Hawaii Appellate Court Cases Related to Community Associations, Past and Present" on February 7, 2019. Copies of their evaluations were distributed for informational purposes. Chair Lee commented that the seminar was one of the best presentations she has attended. It contained a lot of information and would suggest more time allotment. Commissioner Arakaki commented that it did not meet his

expectations as it seemed to be similar to another seminar that he monitored and would have thought it would cover newer cases or what is coming around the corner. Specialist Richelieu commented that this seminar had the largest number of attendees at 315.

Commissioner Klein questioned if it is a possibility for CAI Hawaii to create courses that could go up in levels and step up in complexity.

Specialist Richelieu responded that she will raise the issue with CAI Hawaii at their annual seminar planning session.

CAI Hawaii Going Green presentation – CAI Hawaii will be holding their "Going Green to Save Green" seminar on March 7, 2019, at the Neal Blaisdell Exhibition Hall, in conjunction with the Hawaii Building Facilities and Property Management Expo. Specialist Richelieu will monitor the seminar.

Case Law Review Program

The following cases were distributed for informational purposes: Spiegel v. McClintic et al., Seventh Circuit, February 14, 2019, and In Re Accetta v. Brooks Towers, Colorado, February 11, 2019.

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

A list of those condominium projects issued effective dates during the month of February 2019, was distributed for informational purposes.

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT	DATE
7675	1001 QUEEN	1001 QUEEN HONOLULU HI 96814	123001001	471	B AMD 2	2/14/2019
8264	2407A AND 2407B ST. LOUIS DRIVE	2407A & 2407B ST LOUIS DR HONOLULU HI 96816	133059050	2	B REPT	2/6/2019
8254	ALOHIA KAI	2630 ALOHIA PL HAIKU HI 96708	227016003	2	B REPT	2/7/2019
8292	HAIKU TOWN LOT 7 CONDOMINIUM	205 HEKUAWA ST HAIKU HI 96708	227038007	2	B REPT	2/26/2019
8285	HAIKU TOWN LOT 1 CONDOMINIUM	100 HEKUAWA ST HAIKU HI 96708	227038001	2	B REPT	2/11/2019
8284	HAIKU TOWN LOT 2 CONDOMINIUM	184 HEKUAWA ST HAIKU HI 96708	227038002	2	B REPT	2/11/2019
8289	HAIKU TOWN LOT 3 CONDOMINIUM	218 HEKUAWA ST HAIKU HI 96708	227038003	2	B REPT	2/4/2019
8286	HAIKU TOWN LOT 30 CONDOMINIUM	486 AUWAHA ST HAIKU HI 96708	227038030	2	B REPT	2/19/2019
8293	HAIKU TOWN LOT 32 CONDOMINIUM	428 AUWAHA ST HAIKU HI 96708	227038032	2	B REPT	2/11/2019
8295	HAIKU TOWN LOT 39 CONDOMINIUM	653 AUWAHA ST HAIKU HI 96708	227038039	2	B REPT	2/22/2019
8296	HAIKU TOWN LOT 40 CONDOMINIUM	729 AUWAHA ST HAIKU HI 96708	227038040	2	B REPT	2/26/2019
8297	HAIKU TOWN LOT 41 CONDOMINIUM	631 AUWAHA ST HAIKU HI 96708	227038041	2	B REPT	2/12/2019
8233	HALIIMAILE OCEAN VIEW CONDOMINIUM	1501 HALIIMAILE RD MAKAWAO HI 96768	225003053	2	B REPT	2/8/2019
8094	HAPUNA BEACH RESIDENCES	66-84 KAUNAOA DR KAMUELA HI 96743	366002047	68	B AMD 2	2/4/2019
8005	KAHOMA VILLAGE	FRONT ST LAHAINA HI 96761	245008001	203	B AMD	2/4/2019

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8213	KOHINA AT HO'OPILI	ROAD E EWA BEACH HI 96707	191017138	276	B REPT	2/7/2019
6174	KOLOA LANDING AT POIPU BEACH - PH 1	2641 POIPU RD KOLOA HI 96756	428015025	87	B AMD 11	2/22/2019
6616	KOLOA LANDING AT POIPU BEACH - PH II	2641 POIPU RD KOLOA HI 96756	428015025	242	B AMD 7	2/22/2019
7220	LANIPO AT MAUNALANI CIRCLE	4967 MAUNALANI CIR HONOLULU HI 96816	133028056	3	B AMD 2	2/4/2019
8280	LUANA ESTATES	45-850 LUANA PL KANEHOE HI 96744	145020001	7	B REPT	2/6/2019
8281	PILI MAI AT PO'IPU (PHASE 13)	2611 KIAHUNA PLANTATION DR KOLOA HI 96756	428014033	13	B REPT	2/15/2019
8262	RESIDENCES AT MAKAHA	84-570 FARRINGTON HWY WAIANAE HI 96792	184018002	7	B REPT	2/11/2019
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
0	Supplementary Reports					
16	B Reports					
6	B Amendment Reports					
22	TOTAL REPORTS					

Consultants – Lloyd K. Sodetani request for informal non-binding interpretation regarding developer's public report – 35 Mahanalua Nui Condominium Project – Reg. No. 5696

The Commissioners reviewed Mr. Sodetani's request for an informal non-binding interpretation regarding the issuance of an effective date for developer's public report - 35 Mahanalua Nui Condominium project.

Executive Session:

Upon a motion by Commissioner Pang, 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."

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

Upon a motion by Commissioner Pang, seconded by Commissioner Kyono, it was voted on and unanimously carried that the Committee reaffirmed the Commission's March 10, 2004 informal non-binding interpretation regarding the conveyance of a unit to a co-developer relevant to this project:

"Upon a motion by Commissioner Okawa, seconded by Commissioner Nishihara, it was voted on and unanimously carried to recommend approval to issue an informal non-binding interpretation that pursuant to §514A-31(b), HRS, the conveyance of an apartment(s) to a co-developer is not an initial or first time sale to the public; thus the developer is required to reactivate an expired public report prior to selling or offering to sell a condominium apartment for the first time to the public."

The committee also reiterated the contents of its November 16, 2018 letter to the developers and asked that Mr. Sodetani return the file.

Program of Work: **Consumer Education**

Staff will be providing consumer education and outreach at the DCCA Consumer Fair happening today in the King Kalakaua Building courtyard and at the Hawaii Buildings, Facilities & Property Management Expo at the Neal Blaisdell Center today and tomorrow.

Commissioner Klein commented to the neighbor island Commissioners that the Expo has building materials, carnival like booths, a drawing for prizes, and is really interesting. She spent three hours there. This is something you may not get on the neighbor islands.

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

Next Meeting: April 17, 2019
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 10:17 a.m.

Respectfully submitted:

Carole R. Richelieu
Senior Condominium Specialist

March 13, 2019

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____

CRR:tn/