

**CONDOMINIUM REVIEW COMMITTEE**  
REAL ESTATE COMMISSION  
Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii  
[www.hawaii.gov/hirec](http://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 17, 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  
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  
Benedyne Stone, Condominium Specialist  
Dathan Choy, Condominium Specialist  
Lorie Sides, Condominium Education 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: Daryl Nishizawa, Honolulu Board of REALTORS®  
Lynn Murison, Honolulu Board of REALTORS®

Absent: Aleta Klein, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:17 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 Klein was excused from the meeting. Prior notification of her non-attendance was received.

Condominium  
Specialist's  
Report:

### **Minutes**

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

Condominium  
Governance and  
Management:

### **Mediation and Arbitration – Request for Approval to Enter into Mediation and Arbitration Agreements**

Current agreements with the facilitative and evaluative mediation providers will expire June 30, 2019. The Commission's approval is requested to enter into agreements with the mediation providers for the period beginning July 1, 2019, through June 30, 2021, for both facilitative and evaluative mediation and voluntary binding arbitration. Facilitative mediation has been subsidized since 1992 and evaluative mediation since 2015.

Act 196 (2018) expands the subsidized mediation program to include voluntary binding arbitration up to an amount of \$6,000. It also limits evaluative mediation to \$3,000 and expands the scope of who can participate in mediation or arbitration. Commission staff can continue to observe the mandate contained in HRS §514B-71 by subsidizing mediation and arbitration services for condominium disputes with the various providers.

Staff was asked for the number of evaluative mediations completed this fiscal year. Specialist Stone responded that 19 evaluative mediations have been completed to date. It was also reported that the neighbor island mediation providers do a tremendous amount of outreach on mediation.

Commissioner Wada commented that HCCA puts on a seminar to make boards aware that mediation is available.

Deputy Attorney General Wong suggested including language in the scope of services for the agreements to add more mediation outreach.

Specialist Stone responded that the language is included in the agreements' scope of services for each of the mediation and arbitration providers.

Upon a motion by Commissioner Kyono, 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 and arbitration services to those parties noted in HRS §514B-161 for the period July 1, 2019, through June 30, 2021, and to enter into agreements with Mediation Center of the Pacific, Inc., Mediation Services of

Maui, Kaua'i Economic Opportunity, Inc., Ku'ikahi Mediation Center, and Big Island Mediation dba West Hawaii Mediation Center to provide facilitative mediation services to those parties noted in HRS §514B-161 for the period July 1, 2019, through June 30, 2021.

### **AOUO Registrations**

Specialist Stone reported that as of March 31, 2019, 1,598 AOUOs have successfully registered for the period July 1, 2017, to June 30, 2019.

The 2019-2021 AOUO re-registration went live at [aouo.ehawaii.gov](http://aouo.ehawaii.gov) on Monday, April 1, 2019. Registration deadline is May 31, 2019.

### **Condominium Seminars and Symposium**

CAI Hawaii Going Green presentation March 7, 2019 – Staff's evaluation of the seminar was provided for informational purposes. Specialist Richelieu commented that the seminar was geared more towards site managers and high rises.

REC/CAI Hawaii Condorama V April 13, 2019 – Specialist Stone reported that a formal report will be submitted at the next CRC meeting. To date, Condorama V has had the largest attendance at 132 participants. Chair Lee opened the seminar with a welcome and introduction of the speakers and moderator. Topics covered were non-judicial foreclosure, covenant enforcement, shorter effective meetings, and insurance. The Condorama V seemed well received.

Advertisement of the Condorama was also done through the Star Advertiser and MidWeek publications. More participants saw the ad in the Star-Advertiser than MidWeek.

CAI Hawaii Request for Approval of Estimated Expenses for Maui Seminar – Staff reported that the seminar slated for Kona has been cancelled due to low registration. The Maui seminar is scheduled to occur and CAI Hawaii is requesting approval of estimated expenses of \$900 for the air fare of 4 speakers and car rental.

Commissioner Pang questioned the requisite number of registrants required to hold a neighbor island seminar.

Specialist Richelieu responded that she will need to check with CAI Hawaii, but presumed it was dependent upon the venue.

Commissioner Arakaki questioned if the seminar would be able to be live streamed for those on the neighbor islands.

Specialist Richelieu commented that the Commission is tech-wise limited.

Upon a motion by Commissioner Pang, seconded by Commissioner Kyono, it was voted on and unanimously carried to approve, subject to the terms and conditions of the existing contract between the Real Estate Commission and CAI

Hawaii Chapter dated July 23, 2018, the following estimated expenses for the delivery of the CETF neighbor island approved seminar on Maui, "Important Hawaii Appellate Court Cases Related to Community Associations, Past and Present": air fare for 4 speakers \$800 and car rental of \$100 for a total of \$900.

**Case Law Review**

The following were distributed for informational purposes: Obduskey v. McCarthy & Holthus LLP, United States Supreme Court, March 20, 2019, and Turtle Rock III Homeowners Association v. Fischer, Arizona, October 26, 2017.

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT	DATE
8253	2052 AND 2052A 10TH AVENUE	2052 & 2052A 10TH AVE HONOLULU HI 96816	134002010	2	B AMND	3/19/2019
8307	22 KAIHOLU PLACE	22 KAIHOLU PL KAILUA HI 96734	143020028	2	B REPT	3/11/2019
8275	4050 KEANU STREET	4050-B KEANU ST HONOLULU HI 96816	133013030	4	B REPT	3/11/2019
8321	51-451 HAAHAA STREET	51-451 HAAHAA ST KAAAWA HI 96730	151014033	2	B REPT	3/28/2019
8310	692 & 694 ULUOA STRET	692 & 694 ULUOA ST KAILUA HI 96734	142051060	2	B REPT	3/15/2019
8306	902 AND 904 PROSPECT STREET	902 & 904 PROSPECT ST HONOLULU HI 96822	122004012	2	B REPT	3/6/2019
8305	91-173 EWA BEACH ROAD	91-173 EWA BEACH RD EWA BEACH HI 96706	191023010	2	B REPT	3/1/2019
7977	99-049 KUPONO PLACE	99-049 & 99-051 KUPONO PL AIEA HI 96701	199018015	2	B AMND	3/8/2019
8302	AINA LOLI ESTATES CONDOMINIUM	320 AINA LOLI PL KAPAA HI 96746	442015006	2	B REPT	3/18/2019
8180	EHILANI ESTATES CONDOMINIUM	391 EHILANI ST PUKALANI HI 96768	223047067	2	B AMND	3/11/2019
8320	ELILANI VIEW CONDOMIUM	206 ELILANI ST A MAKAWAO HI 96768	223045059	2	B REPT	3/18/2019
8290	HAIKU TOWN LOT 38 CONDOMINIUM	599 AUWAHA ST HAIKU HI 96708	227038038	2	B REPT	3/1/2019
8311	KAI HELE KU CONDOMINIUM	550 KAI HELE KU ST LAHAINA HI 96761	247009030	2	B REPT	3/15/2019
8325	KAMANI AT KEHALANI (PHASE 12)	OMA'OMA'O ST WAILUKU HI 96793	235001090	4	B REPT	3/27/2019
8309	KAPALUA BAY CONDOMINIUM PHASE II	1 BAY DR LAHAINA HI 96761	242004028	151	B REPT	3/19/2019
8301	LOT 31 CONDOMINIUM	1328 KIOWAI PL KAPAA HI 96746	444005117	2	B REPT	3/19/2019
8314	MANOA NUI	3596 NIPO ST HONOLULU HI 96822	129075064	8	B REPT	3/13/2019
7988	NANIALII PLACE CONDOMINIUM	PARCEL 4 WAIAKOA HOUSE LOTS KIHEI HI 96753	239006004	5	B AMND	3/27/2019
8259	POLAKOW PUKALANI	35 MOHALA PL MAKAWAO HI 96768	223010015	3	B REPT	3/4/2019
8274	PUNCHBOWL ESTATES	1060 SPENCER ST HONOLULU HI 96822	124016020	16	B REPT	3/6/2019
8308	SKY ALA MOANA WEST	1400 KAPIOLANI BLVD HONOLULU HI 96814	123016003	392	B REPT	3/20/2019
8278	WAIALUA BEACH COLONY MAUKA	67-431 WAIALUA BEACH RD WAIALUA HI 96791	167013005	2	B REPT	3/25/2019
0	<b>Preliminary Reports</b>					
0	<b>Contingent Final Reports</b>					
0	<b>Final Reports</b>					
0	<b>Supplementary Reports</b>					

18	<b>B Reports</b>
4	<b>B Amendment Reports</b>
22	<b>TOTAL REPORTS</b>

### **CPR Project – Ke Kilohana Site Visit March 28, 2019**

Specialist Choy did a site tour of the nearly completed Ke Kilohana affordable condominium housing project. The project was duly registered with the Commission in 2016. The project is on time and on budget.

#### Program of Work:

### **Hawaii Condominium Bulletin**

The March 2019 issue of the Hawaii Condominium Bulletin has been posted to the Commission's website at [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec).

### **Rulemaking, Chapter 119**

The proposed rules are currently back with the department's Administrative Services Office for formatting.

### **Interactive Participation with Organizations**

The committee acknowledged receipt of the CAI 2019 Law Seminar report prepared by Commissioners Lee, Pang, and Wada, and Specialist Richelieu.

Chair Lee and Commissioner Pang commented that the seminar provided good basic information and is well worth attending if you are an attorney.

Commissioner Wada added that attending the sessions helps with understanding condominium and community association issues. She further commented that it is worth going to at least once.

Chair Lee reported that the CAI Annual Conference would be a better conference for non-attorney Commission members to attend as it is geared more towards the practitioner.

### **Consumer Education**

Staff provided condominium educational outreach at the following functions: DCCA Consumer Fair, March 6, 2019; Hawaii Buildings, Facilities & Property Management Expo, March 6 and 7, 2019; and DCCA Financial Literacy Fair, April 5, 2019.

### **Condominium Speakership Program**

As part of the Commission's Condominium Speakership Program, staff will be guest speakers at Hawaiian Properties, Ltd.'s New Board Member Orientation on April 20, 2019, and Associa Hawaii AAMC®'s Community Managers presentation on April 30, 2019.

#### Condominium Organizations Forum:

No comments, recommendations, or concerns were received.

CETF Budget & Finance Report: It was noted that in the budget handout, some totals did not auto-sum and have been corrected.

Upon a motion by Commissioner Faulkner, seconded by Commissioner Kyono, it was voted on and unanimously carried to accept the Condominium Education Trust Fund Financial Report as corrected for the period ending December 31, 2018.

Next Meeting: May 8, 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 9:45 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

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Carole R. Richelieu  
Senior Condominium Specialist

April 18, 2019

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Date

Minutes approved as is.

Minutes approved with changes; see minutes of \_\_\_\_\_

CRR:tn/