

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: July 10, 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
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
Derrick Yamane, Broker / Interim Honolulu 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: Ethel Keyes, Hawaii Association of REALTORS®
Chatney Pacheco, Hawaii Association of REALTORS®

Absent: None

Call to Order: The Chair called the meeting to order at 9:22 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:

Announcements

Senate Bill 381 relating to agricultural lands became law without the Governor's signature as Act 278; House Bill 61 clarifying the allocation of payments made by a condominium owner that are in excess of any common expenses was signed by the Governor as Act 192; Senate Bill 272 relating to solar energy devices, photovoltaics; installation by condominium unit owners was signed as Act 243; Senate Bill 552 reviving for one year the specified sections of the repealed chapter 514A was signed as Act 223; and Senate Bill 551 relating to nonjudicial foreclosures, although on the Governor's list of intent to veto, became law without his signature as Act 282.

Minutes

Upon a motion by Commissioner Faulkner, seconded by Commissioner Kyono, it was voted on and unanimously carried to accept the minutes of the June 12, 2019 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

AOUO Registrations

Specialist Stone reported that as of June 28, 2019, 1,676 AOUOs have successfully registered for the 2017-2019 biennial registration. 1,503 AOUO re-registration applications have been received for the 2019-2021 biennium.

The 2019-2021 AOUO online reregistration site is no longer live, those who did not meet the registration deadline can contact the REB and request a hard copy registration application. Completed AOUO registrations are currently being posted to the REB website.

Condominium Seminars and Symposium - CAI Hawaii "Hot Buttons in Insurance" – June 13

Staff's evaluation of the seminar was distributed for informational purposes. Specialist Richelieu commented with only 2 speakers the time allotment was greatly improved and much more beneficial to attendees.

Condominium Seminars and Symposium - CAI Hawaii annual program meeting – July 6

Specialists Sides and Richelieu attended CAI Hawaii's annual program meeting. CAI Hawaii will bring in one national speaker for its seminar in October.

Case Law Review Program

The following cases were distributed for informational purposes: Curto et al. v. A Country Place Condominium Association et al., United States Court of Appeals for the Third Circuit, April 22, 2019; Durant Towers Owners Association v. Winchester, California, March 29, 2019; Sands et al. v. Walnut Gardens Condominium Association Inc., California, May 13, 2019; and Malabe et al. v. Association of Apartment Owners of Executive Centre, Hawaii, May 23, 2019.

Condominium Related Articles

The article entitled "Homeowner Associations: \$19,233 in Attorney's Fees and \$815 in Litigation Costs to HOA Obtaining Injunction to Require Access to Condo

Unit to Make Repairs Affirmed," dated March 30, 2019 was distributed for informational purposes.

Commissioner Klein asked Specialist Richelieu for an understanding of the changes to nonjudicial foreclosure.

Specialist Richelieu responded that the Real Estate Commission was not involved with Senate Bill 551 relating to nonjudicial foreclosure, but the new law does make changes to Ch. 514B to a degree. Specialist Richelieu referred Commissioner Klein to Civil Beat's articles on nonjudicial foreclosure that provide two different view-points.

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT	DATE
8349	2350 BALDWIN CONDOMINIUM	2350 BALDWIN AVE MAKAWAO HI 96768	225003040	2	B REPT	6/7/2019
8347	2820 & 2822 BOOTH ROAD	2820 & 2822 BOOTH RD HONOLULU HI 96813	122027034	2	B REPT	6/25/2019
8363	54-309D KAMEHAMEHA HIGHWAY	54-309D KAMEHAMEHA HWY HAUULA HI 96717	154012082	2	B REPT	6/25/2019
8114	91-18 AND 91-18A PARISH DRIVE	91-18 & 91-18A PARISH DR EWA BEACH HI 96706	191007025	2	B AMD	6/14/2019
8288	CENTRAL ALA MOANA THE	1391 KAPIOLANI BLVD HONOLULU HI 96814	123039011	522	B AMD	6/3/2019
8276	KAHUKU VILLAS	56-420 KAMEHAMEHA HWY KAHUKU HI 96731	156011001	16	B REPT	6/12/2019
8343	KULAMALU PLAZA	KULAMALU SUBDIVISION LOT 7-A HAIKU HI 96708	223066007	22	B REPT	6/14/2019
8304	LBR FAMILY CONDOMINIUM	LOT 2-A PHILLIPS MAUKA SUB KULA HI 96790	223003228	6	B REPT	6/13/2019
8357	LOT 23 OLOWALU CONDOMINIUM	11630 HONOAPIILANI HWY LAHAINA HI 96761	248003016	2	B REPT	6/24/2019
8247	MANAGER'S RANCH	OFF PUALALEA ST KAHUKU HI 96731	156006057	6	B AMD	6/21/2019
8361	NORTH SHORE VIEWS	940 AUWAHA ST HAIKU HI 96708	227038020	2	B REPT	6/13/2019
8355	OCEANSIDE CENTER	4525, 4533 AKIA RD KAPAA HI 96746	445005004	12	B REPT	6/12/2019
8273	THE VIEW AT NA'IO	1905 NA'IO ST HONOLULU HI 96817	116017001	4	B AMD	6/4/2019
8368	WAHIKULI VIEW CONDOMINIUM	123 WAHIKULI RD LAHAINA HI 96761	245014007	3	B REPT	6/3/2019
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
0	Supplementary Reports					
10	B Reports					
4	B Amendment Reports					
14	TOTAL REPORTS					

Program of Work: **Condominium Laws and Education**

Hawaiiana Board Training – May 18

Specialist Sides attended and participated in the May 18th Hawaiiana Board Training. There were approximately 400 attendees, of which Specialist Sides

made contact with 74 and added 16 to the condominium subscription email blast. The Commission's condominium subscription list is up to 917.

Legal Navigator portal project – Housing information provided

The pilot program to establish statewide legal portals will be available in Hawaii and Alaska and will simplify the process of finding legal help and access to information and services. The REB submitted an article and 18 links to its brochures.

Rulemaking, Chapter 107/119

Adoption of new section 16-119.2-3 ("Name on advertising")

The proposed new section, 16-119.2-3, name on advertising is to ensure that the project name as indicated on the application to the developer's public report and the project's declaration are the same.

Executive Office Ino questioned how prevalent of a problem it is.

Specialist Choy responded that it is a continuing problem that arises multiple times a month. DPRs come in with a name different than that of the declaration.

Commissioner Love commented that not all projects are registered with the Commission, but to be consistent he would amend the proposed language to include "if any."

Upon a motion by Commissioner Klein, seconded by Commissioner Ginoza, it was voted on and unanimously carried to amend the proposed language to read: "An advertisement must use the same project name as indicated on the first page of the application for the developer's public report, if any, and the declaration."

Amendment of section 16-119.8-1 ("Registration of an association")

Due to unnecessary regulation, staff is proposing to amend proposed section 16-119.8.1 by deleting section (c).

Commissioner Love commented that he would suggest replacing section (c) with language found in §514B-101 - Applicability; exceptions.

Upon a motion by Commissioner Arakaki, seconded by Commissioner Pang, it was voted on and unanimously carried to approve replacing section 16-119.8-1(c) with the language found in §514B-101 – Applicability; exceptions; specific language to be finalized by Commissioner Love.

Legislative Acts and Resolutions

Act 111 (correct statutory references)

The Act corrects the statutory reference in Section 514B-143(e) to read "The flood insurance policy shall comply with the requirements of the National Flood Insurance Program and the Federal Insurance and Mitigation Administration."

SB 551, SD 1, HD 2, CD 1 Relating to Condominiums (nonjudicial foreclosure)

Notice of intent to veto Senate Bill 551 SD1 HD2 CD1 via Gov. Msg. No. 1202 was issued on June 24, 2019. The Governor did not veto the bill and it became law without his signature on July 10, 2019, as Act 282.

Condominium Specialist Office for the Day – Kona – June 12

The committee acknowledged receipt of the Kona June 12, 2019 Specialists' office for the day report prepared by Specialists Choy and Fujimura.

Hawaii Condominium Bulletin – June 2019 issue posted online

The June 2019 issue of the Hawaii Condominium Bulletin is currently available on the Commission's website at www.hawaii.gov/hirec.

Condominium
Organizations Forum:

Lourdes Scheibert letter dated May 8, 2019

The committee acknowledged receipt of Ms. Scheibert's May 8, 2019 letter requesting the Commission's support of HB 347 and SB 724 to be heard during the 2020 legislative session.

Next Meeting:

August 7, 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 9:50 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

Carole R. Richelieu
Senior Condominium Specialist

July 17, 2019

Date

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

CRR:tn/