#### **CONDOMINIUM REVIEW COMMITTEE**

REAL ESTATE COMMISSION

Professional and Vocational Licensing Division Department of Commerce and Consumer Affairs State of Hawaii

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## **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: September 11, 2019

Time: Upon adjournment of the Laws and Rules Review Committee meeting scheduled to

convene at 9:30 a.m.

Place: Grove Farm Building Conference Room

3-1850 Kaumuali'i Hwy.

Lihue, Kauai

Present: John Love, Vice Chair, Public / Honolulu Commissioner

Bruce Faulkner, Broker / Maui 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 Carole Richelieu, Senior Condominium Specialist Diane Chov Fujimura, Senior Real Estate Specialist

Shari Wong, Deputy Attorney General Tammy Norton, Recording Secretary

Others: Karen Ono. Kauai Board of REALTORS®

Patrick Henriques, County of Kauai Planning Department

Absent: Laurie A. Lee, Chair, Broker / Honolulu Commissioner

Derrick Yamane, Broker / Interim Honolulu Commissioner

Scott Arakaki, Public / Honolulu Commissioner

Call to Order: The Vice Chair called the meeting to order at 9:35 a.m., at which time quorum was

established.

Chair's Report: The Vice Chair welcomed those in attendance and thanked the Kauai Board of

REALTORS® and the Grove Farm for allowing the Commission to hold its meetings and Specialists Office for the day in their offices. It was announced that those wishing to meet with the condominium specialist may do so following the Condominium Review

Committee meeting.

The Vice 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.

Chair Lee, Commissioner Yamane, and Commissioner Arakaki were excused from the

meeting. Prior notification of their non-attendance was received.

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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 August 7, 2019 Condominium Review Committee meeting.

Condominium
Governance and
Management:

#### **AOUO Registrations**

It was reported that as of August 31, 2019, 1,206 AOUOs have successfully registered.

#### Ad Hoc Committee on Condominium Education and Research

The Ad Hoc Committee on Condominium Education and Research met on August 29, 2019. A written report will be provided at the next meeting. Staff is working on its action plan and is currently investigating doing a block article in the Star Advertiser. Staff has also completed a simplified fact sheet for DPRs.

# Condominium Seminars and Symposium – CAI Hawaii "Ready or Not, HEAR it Comes!" – August 8, 2019

Staff's evaluation of the seminar was distributed for informational purposes. Specialist Richelieu commented that the presenter for the seminar was Julie Adamen, a nationally recognized professional speaker. It was a dynamic presentation with a different perspective which engaged the audience into participation. The seminar drew over 300 attendees.

#### Case Law Review

The following cases were distributed for informational purposes: Orchard Estate Homes, Inc. v. The Orchard Homeowner Alliance, California, January 29, 2019, and Fox Bay Civic Association, Incorporated v. Creswell, Michigan, May 30, 2019.

Condominium Project Registration:

## Condominium Project Registration - Public Reports Issued

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

PROJ#	PROJECT NAME	PROJECT ADDRESS	TMK#	UNITS	REPORT	DATE
7429	1108 AUAHI	1108 AUAHI ST HONOLULU HI 96814	123005013	320	B AMEND 6	8/20/2019
8370	1561 HALIIMILE CONDOMINIUM	1561 HALIIMAILE RD MAKAWAO HI 96768	225003046	2	B REPT	8/6/2019
8390	2158 AND 2160 AWIKIWIKI PLACE	2158 & 2160 AWIKIWIKI PL PEARL CITY HI 96782	197049018	2	B REPT	8/8/2019
8397	2390 BALDWIN CONDOMINIUM	2390 BALDWIN AVE MAKAWAO HI 96768	225003042	2	B REPT	8/26/2019
8183	AZURE ALA MOANA	641 KEEAUMOKU ST HONOLULU HI 96814	132021037	410	B AMEND	8/19/2019
8337	DOWSETT ESTATES CONDOMINIUM 3-8	3151, 3161 PUU PAKA DR, 3300 HONOLULU HI 96817	122047008	6	B REPT	8/5/2019
8367	DOWSETT ESTATES CONDOMINIUM 9-16	HONOLULU HI 96817	122047011	8	B REPT	8/12/2019
8360	HAULANI KAI CONDOMINIUM	187 HAULANI ST MAKAWAO HI 96768	223049015	2	B REPT	8/5/2019
8371	I CAN LLC LOT 1 OF KUA`AINA MAUKA	55-064, 55-064A KAMEHAMEHA HWY LAIE HI 96762 107 TAM YAU PL	155001063	2	B REPT	8/9/2019
7839	LOT 2 OF KUA`AINA MAUKA	MAKAWAO HI 96768	223043051	2	B REPT	8/13/2019
7840		115 TAM YAU PL MAKAWAO HI 96768	223043051	2	B REPT	8/13/2019
7841	LOT 3 OF KUA`AINA MAUKA	131 TAM YAU PL MAKAWAO HI 96768	223043051	2	B REPT	8/13/2019
7842	LOT 4 OF KUA`AINA MAUKA	123 TAM YAU PL MAKAWAO HI 96768	223043051	2	B REPT	8/13/2019

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TOTAL REPORTS

6802	MAKONA AND LILIANA ST CONDO (PH I)	87-153 MAKONA ST & 87-154 WAIANAE HI 96792	187001003	5	B AMEND	8/14/2019
7132	MAKONA AND LILIANA ST CONDO (PH II)	87-153 MAKONA ST & 87-154 WAIANAE HI 96792	187001003	4	B AMEND	8/14/2019
8366	MOCHI LAND CONDOMINIUM	155 HAIKU RD HAIKU HI 96708	227009033	3	B REPT	8/5/2019
8252	MP LLC CONDOMINIUM	PIKAKE ST LIHUE HI 96766	436010001	5	B AMEND	8/19/2019
8399	OLINDA AG CONDOMINIUM	74 ALALUANA RD MAKAWAO HI 96768	224015026	2	B REPT	8/27/2019
8274	PUNCHBOWL ESTATES	1060 SPENCER ST HONOLULU HI 96822	124016020	16	B AMEND	8/30/2019
8388	RATHBURN ESTATES	58-001 & 58-002 MAKANALE ST HALEIWA HI 96712	158003012	3	B REPT	8/9/2019
8404	SEABRIDGE BY GENTRY V	91-1159 KAMAKANA ST EWA BEACH HI 96706	191069023	36	B REPT	8/28/2019
7922	THE BLOCK 803 WAIMANU	803 WAIMANU ST HONOLULU HI 96813	121049050	153	B AMEND 3	8/15/2019
0	Preliminary Reports					
0	Contingent Final Reports					
0	Final Reports					
0	Supplementary Reports					
15	B Reports					
7	B Amendment Reports					

#### **Case Law Review**

The following case law was distributed for informational purposes: <u>Kowalski v. Toa Pa V, L.P., et al.</u>, Pennsylvania, March 27, 2019.

## Program of Work: Condominium Laws and Education

Staff has or will participate in the following condominium related educational outreach events: Hawaiian Properties Annual Board seminar – August 9, 2019, 250 attendees, 150 contacts, 31 email subscribers; BIA Show – August 9-11, 2019, shared a booth with DCCA divisions, 15 contacts and 18 email subscribers; Hawaii Island Realtors Home Expo – Hilo – September 7, 2019, Specialist Sides participated; and Community Council of Maui – Wailuku – to be held September 13, 2019.

## Rulemaking, Chapter 107/119

#### REB request for REC approval for proposed HAR chapter titles

Due to the severing of the original chapter 119 into eight chapters, staff is requesting clear titles by inserting "Condominiums," which is the title of HRS 514B, before the current titles so users would know to what the chapter references.

Upon a motion by Commissioner Klein, seconded by Commission Ginoza, it was voted on and unanimously carried to accept the chapter titles for chapters 119.1 through 119.8 as follows:

Chapter 119.1	Condominiums – General Provisions
Chapter 119.2	Condominiums – Advertisement
Chapter 119.3	Condominiums – Project Registration
Chapter 119.4	Condominiums – Developer's Public Reports
Chapter 119.5	Condominiums – Sales to Owner-Occupants
Chapter 119.6	Condominiums – Requirements for Replacement Reserves
Chapter 119.7	Condominiums – Managing Agent
Chapter 119.8	Condominiums – Association Registration.

#### REB request for REC approval for amendment to proposed HAR section 16-119.1-1

The purpose of the amendment to the proposed HAR section 16-119.1-1 is to make clear that the general provisions apply to each of the eight chapters.

Upon a motion by Commissioner Klein, seconded by Commissioner Faulkner, it was voted on and unanimously carried to approve the amendment to proposed HAR section 16-119.1-1 to read: This chapter Chapters 16-119.1 through 16-119.8, HAR, shall apply only to chapter 514B, HRS, and this chapter shall apply to chapters 16-119.1 through 16-119.8, HAR, which chapters must be read in conjunction.

#### **Legislative Acts and Resolutions**

Staff will be participating in meetings on Act 278 relating to agricultural lands. The initial meeting with the Office of Planning, Land Use Commission, Real Estate Commission and the Honolulu Department of Planning and Permitting was held on August 9<sup>th</sup> with a second meeting scheduled for September 20, 2019. The purpose of the Act is to study the subdivision and CPR laws as they relate to agricultural land on Oahu and how the laws interact with the city and county of Honolulu zoning ordinances. Real Estate Branch staff clarified that CPRs are a form of ownership.

## Condominium Specialist Office for the Day – Kauai

The condominium specialist will be available to meet with interested parties at the conclusion of the Condominium Review Committee meeting.

## **Condominium Speakership Program**

Staff has been invited to participate as a speaker at the following programs: Hawaiian Properties Annual Board Seminar: Legislative Update Forum – Honolulu - August 9, 2019; Title Guaranty Educational Session: Legislative Update – Kauai – September 11, 2019; and Community Council of Maui: Legislative Update – Wailuku – September 13, 2019.

Condominium Organizations Forum:

No comments, recommendations, or concerns were received.

Next Meeting: October 9, 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 Vice Chair adjourned the meeting at 9:58 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

Carole R. Richelieu

Senior Condominium Specialist

September 18, 2019