

**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: January 8, 2020

Time: Upon adjournment of the Laws and Rules Review Committee meeting scheduled to convene at 9:00 a.m.

Place: UHMC Molokai Education Center  
375 Kamehameha V Highway  
Kaunakakai, HI 96748

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  
Michael Pang, Broker / Honolulu Commissioner  
Derrick Yamane, Broker / Interim Honolulu 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: Carol Gartland, Molokai Island Realty  
Suzanne O'Connell, Tropical Island Properties  
Lisa N. Willing, Tropical Island Properties  
Rob Stephenson, Honolulu Board of REALTORS®, Tropical Island Properties

Absent: Russell Kyono, Broker / Kauai Commissioner  
Sean Ginoza, Vice Chair, Broker / Hawaii Island Commissioner  
Aleta Klein, Broker / Honolulu Commissioner

Call to Order: The Chair called the meeting to order at 9:27 a.m., at which time quorum was established.

Chair's Report: Chair Lee welcomed and thanked those in attendance. She further announced that anyone interested in meeting with staff for the specialist of the day program may meet with the condominium specialist following the condominium review committee (CRC) meeting. Those wishing to meet with the real estate specialist may do so during the CRC meeting or following the education review committee meeting.

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 Kyono, Ginoza, and Klein were excused from the meeting. Prior notification of their non-attendance was received.

Condominium  
Specialist's  
Report:

#### **Additional Distribution**

The following materials were distributed prior to the start of the meeting:

- 4.b. Condominium Seminars and Symposium - CAI Hawaii's "Do's and Don'ts in Design Review" – February 6, 2020
- 5.a. Condominium Projects and Developer's Public Reports – December 2019

Minutes:

Upon a motion by Commissioner Faulkner, seconded by Commissioner Pang, it was voted on and unanimously carried to accept the minutes of the December 11, 2019 Condominium Review Committee meeting as circulated.

Condominium  
Governance and  
Management:

#### **AOUO Registrations**

It was reported that as of December 31, 2019, 1,489 AOUOs have successfully registered.

#### **Condominium Seminars and Symposium**

CAI Hawaii will be holding their "Do's and Don'ts in Design Review" seminar on February 6, 2020, at the Japanese Cultural Center. The seminar is subsidized by the condominium education trust fund. Commissioners interested in monitoring the seminar on behalf of the Commission please let staff know.

#### **Case Law Review Program**

The following case law was distributed for informational purposes: [Channel View East Condominium Association, Inc., v. Ferguson](#), Michigan, July 2, 2019.

It was announced that those with condominium or condominium association inquiries are invited to contact a condominium specialist at the real estate branch or attend one of its educational outreach events. The real estate branch website, [www.hawaii.gov/hirec](http://www.hawaii.gov/hirec) also contains a lot of educational information and brochures for both owners and board members.

Mr. Stephenson questioned if the real estate branch also regulated homeowner associations.

Specialist Richelieu responded that homeowner associations fall under chapter 421J and there currently is no state agency with jurisdiction over that chapter. She would encourage mediation, although mediation for homeowner associations would not be subsidized by the REC.

Deputy Attorney General Wong commented that homeowner associations are planned community associations governed under a separate chapter.

**Condominium Related Articles**

The following articles from the November 2019 issue of *Building Management Hawaii* were distributed for informational purposes: "7 Reasons to Avoid Litigation in Association Disputes;" "Alternative Dispute Resolution;" "Talk it Out, Don't Fight it Out;" "Guidelines for Mediating Condominium Disputes;" and "Tips for Property Managers Caught in the Middle." The real estate branch has also been requested to do a monthly "All About Condos" article in its magazine.

Ms. Willing commented that in some instances, association documents received from the management company are incomplete or missing pages. She asked whether it is proper for the broker to retain a complete set of all documents to provide to prospective purchaser or should the documents be provided by the management company.

Ms. Willing was informed that the documents should be provided by the management company. It was noted that problems may arise when transitioning from one management company to another and that the management company would more than likely appreciate the licensee doing due diligence by providing notification that the documents are not complete.

It was reported that a real estate branch article aimed towards prospective buyers of condominiums will be included in the January 26, 2020 Sunday paper, real estate section.

Condominium  
 Project  
 Registration:

**Condominium Project Registration - Public Reports Issued**

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

PROJ #	PROJECT NAME	PROJECT ADDRESS	TMK #	UNITS	REPORT DATE
8418	1142 MOKAPU BOULEVARD	1142 MOKAPU BLVD KAILUA HI 96734	144031016	2	B REPT 12/3/2019
8416	130 DOLE ROAD	122,126,130,134 DOLE RD WAHIAWA HI 96786	175023033	4	B REPT 12/30/2019
8441	1645 AND 1645A KAIKUAHINE STREET	1645 & 1645A KAIKUAHINE ST HONOLULU HI 96817	116027068	2	B REPT 12/10/2019
8231	3621-D OMAO ROAD	3621-D OMAO RD KOLOA HI 96756	427004002	5	B REPT 12/30/2019
8348	443 AND 443A KAWAINUI STREET	443 & 443A KAWAINUI ST KAILUA HI 96734	143053048	2	B AMD 12/9/2019
6026	725 AND 727 HAUSTEN STREET CONDOMINIUM	725 AND 727 HAUSTEN ST HONOLULU HI 96826	127011023	2	SUPPL 12/9/2019
8430	738 AND 738A 22ND AVENUE	738 & 738A 22ND AVE HONOLULU HI 96816	132057076	2	B REPT 12/3/2019
5833	84-485 FARRINGTON HIGHWAY	84-485 FARRINGTON HWY WAIANAE HI 96792	184008016	2	SUPPL 12/3/2019
8465	87-1430 AND 87-1432 AKOWAI ROAD	87-1430 & 87-1432 AKOWAI RD WAIANAE HI 96792	187017026	2	B REPT 12/26/2019
8305	91-173 EWA BEACH ROAD	91-173 EWA BEACH RD EWA BEACH HI 96706	191023010	2	B AMD 12/26/2019
8459	ALENUI MAKAI CONDOMINIUM	16 ALENUI ST & 21 LANA ST PAIA HI 96779	226012015	2	B REPT 12/23/2019
8422	IKAPELA	47-374 MAWAENA ST KANEOHE HI 96744	147045009	2	B REPT 12/3/2019
8443	KR7A CONDOMINIUM	2759 BALDWIN AVE MAKAWAO HI 96768	225004094	2	B REPT 12/10/2019
8444	KR7D CONDOMINIUM	2759 BALDWIN AVE MAKAWAO HI 96768	225004096	2	B REPT 12/16/2019
8432	LONDON ESTATES	29 HOLOPUNI RD KULA HI 96790	223060079	3	B REPT 12/26/2019
8440	MUUMUU	91-003 & 91-003A MUUMUU PL EWA BEACH HI 96706	191028020	2	B REPT 12/19/2019
2575	PANORAMA ESTATES CONDOMINIUM	1059 PUU RD KALAHEO HI 96741	423008003	4	SUPPL 2 12/16/2019

8449	SCHOOL VILLAS	2420,2426,2428 NORTH SCHOOL HONOLULU HI 96819	113021007	3	B REPT	12/30/2019
7823	THE CLUB BUNGALOWS AT KUKUI'ULA PHASE II	KE ALA ULA ST KOLOA HI 96756	426019017	9	B AMD 2	12/9/2019
5079	WILD COFFEE CONDOMINIUM	73-1129 AHULANI ST KAILUA-KONA HI 96740	373023099	2	SUPPL	12/24/2019
0	<b>Preliminary Reports</b>					
0	<b>Contingent Final Reports</b>					
0	<b>Final Reports</b>					
4	<b>Supplementary Reports</b>					
13	<b>B Reports</b>					
3	<b>B Amendment Reports</b>					
<b>20</b>	<b>TOTAL REPORTS</b>					

**Consultants' Forum**

Staff will be conducting a condominium consultants' forum on February 6, 2020, to provide continuity between consultants, review new legislation, new forms and procedures, and recent committee decisions.

The condominium consultants are retained by the Real Estate Commission to review developer's public reports for accuracy, disclosure, and consumer protection. The consultants then make a recommendation to the Commission to issue an effective date for the developer's public report.

Program of Work:

**Condominium Laws and Education – Maui Condorama**

The Commission's Maui Condorama presented by CAI Hawaii will be held on Friday, January 24, 2020, at the J. Walter Cameron Center in Wailuku, Maui. Topics will include avoiding annual meeting blunders, construction contracts, insurance contractors, and nonjudicial foreclosure – where are we now.

**Government and Legislative Participation & Report**

Staff has been invited and will attend the Federal Housing Administration briefing regarding implementation of the condominium project approval final rule and updates to Single Family Housing Policy Handbook (new condo project approval requirements effective October 15, 2019) on January 14, 2020.

**Legislative Acts and Resolutions**

A report of the Office of Planning's December 19, 2019 meeting regarding Act 278, the study of subdivision and CPR on agricultural lands on Oahu, was distributed for informational purposes.

Specialist Richelieu reported that the REC is involved to provide education and information on condominium property regimes (CPR). It was explained that CPR is a form of ownership and not the division of land. With the numerous amount of layers between the State and the County, it is helpful to have the agencies communicating during these meetings.

Commissioner Faulkner questioned if there were many CPR properties on Molokai as they are very prevalent on Maui.

Mr. Stephenson responded that there are only a handful of CPR properties on Molokai. He noted that there are 2 subdivision on the west end of Molokai developed in the 1970s and 1980s intended as residential gentleman farms. The properties still lie undeveloped. It is very difficult to purchase with all of the agricultural enforcements. Many properties are not suitable for ag as there is no

water, etc. Back then there were four types of land: urban; rural; conservation; and ag. Ag was the catch-all if it did not fit in the first three. The properties are either impractical or impossible to fit in an ag subdivision.

Specialist Richelieu commented that the office of planning should be made aware of the situation and noted that she will provide Mr. Stephenson with contact information.

Mr. Stephenson further commented that in the homeowners' association bylaws, it states that the property is meant for residential use and can only have a certain number of animals, no ag animals shall cause a noise nuisance, etc. There are many conflicting requirements.

Specialist Richelieu responded that HRS Ch. 514B includes language that you cannot restrict agricultural uses on agricultural land.

### **2020 Legislature**

January 15, 2020 is the opening day of the Thirtieth Legislature, regular session of 2020.

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

Next Meeting: February 12, 2020  
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 10:07 a.m.

Respectfully submitted:

/s/ Carole R. Richelieu

---

Carole R. Richelieu  
Senior Condominium Specialist

January 17, 2020

---

Date

Minutes approved as is.  
 Minutes approved with changes; see minutes of \_\_\_\_\_

CRR:tn/