

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: Monday, April 7, 2003

Time: 11:00 a.m.

Place: Kapuaiwa Room
HRH Princess Victoria Kamamalu Building
1010 Richards Street, Second Floor
Honolulu, Hawaii

Present: John Ohama, Chair Pro Tem
Iris Okawa, Member
Louis Abrams, Member
Patricia Choi, Member – late arrival
Kathleen Kagawa, Member
Vern Yamanaka, Member

Alan Taniguchi, Executive Officer
Cynthia Yee, Senior Condominium Specialist
Cheryl Leong, Condominium Specialist
David Grupen, Condominium Specialist
Gordon Arakaki, Condominium Recodification Attorney
Diane Choy Fujimura, Senior Real Estate Specialist
Russell Wong, Real Estate Specialist
Lorene Arata, Real Estate Specialist
Shari Wong, Deputy Attorney General
Tammy Norton, Recording Secretary

Excused: Mitchell Imanaka, Chair
Peter Rice, Vice Chair
Marshall Chinen, Member

Real Estate Commission Chair Ohama designated himself Chair Pro Tem for the April 7, 2003 Condominium Review Committee meeting in the absence of Chair Imanaka and Vice Chair Rice.

Call to Order: Chair Pro Tem Ohama called the meeting to order at 11:02 a.m., at which time quorum was established.

Chair's Report: No report was presented.

Condominium Specialist's **Additional Distribution**

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

4.d.1) Evaluation, "Getting the Lead Out of Your Golden Years" CAI Hawaii Chapter, March 20, 2003

5.a.1) Condominium Projects and Developer's Public Reports – March 2003

Minutes:

Upon a motion by Commissioner Abrams, seconded by Commissioner Yamanaka, it was voted on and unanimously carried to accept the minutes of the March 12, 2003 Condominium Review Committee meeting as circulated.

Condominium
Governance and
Management:

Mediation and Arbitration – Contract Renewals

Specialist Leong informed the committee of the following per the first quarter report of the mediation vendors: Kauai Economic Opportunity, Inc. – 1 case pending; Mediation Services of Maui, Inc. – 3 cases closed, 1 pending; Mediation Center of the Pacific, Inc. – 3 cases mediated, 1 denied; Big Island Mediation, Inc. and Ku'ikahi Mediation Center – 0 cases.

Specialist Leong further noted that should the committee elect to terminate a mediation contract, the vendor would need to be given 30 days notice.

Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried that pursuant to the automatic renewal for successive one year term provisions of the following respective existing contract agreements with the Commission, recommend approval respectively to automatically renew the Commission's Agreement for Consultant Services from July 1, 2003 through June 30, 2004, subject to the same terms and conditions of the existing Agreements, and subject to the availability of the Condominium Management Education Fund for the following entities: Mediation Center of the Pacific, Inc.; Big Island Mediation, Inc.; The Island of Hawaii YMCA – Ku'ikahi Mediation Center; Kauai Economic Opportunity, Inc.; and Mediation Services of Maui, Inc.

AOAO Registrations

Specialist Grupen reported that the AOAO reregistration applications were mailed out March 31, 2003 with a cover letter dated April 1, 2003 and the ehawaii.gov flyer in bright orange with instructions on the online reregistration process. Online registrations were intended to go live on April 1st. However, the vendor reported delays in setting up the payment options. Payment options include credit card or electronic bank check. Online registrations went live on April 3, 2003 with Beaumont Woods being the first AOAO to register online. The registrant can print a receipt upon completion of the online registration and also request to receive an email receipt.

To date 4 registrations have been received online and one hand delivered.

Education Advisory Group – Report

Specialist Yee reported that the condominium education survey has been mailed out with the return deadline of April 4, 2003. Of the 2100 surveys mailed out, 377 surveys were returned by the deadline. The resulting end product represents the combined efforts of the subcommittee and the Commission, including Richard Emery, liaison with the HPU students, and Richard Port (a condominium owner and

former board member) who assisted the students in getting a representative sampling. Staff worked with the HPU students in formulating survey questions, obtaining a mailing list through a separate vendor and the printing and mailing of the survey.

Condominium Seminars and Symposium – Evaluation, "Getting the Lead Out of Your Golden Years" CAI Hawaii Chapter, March 20, 2003

Evaluation forms completed by Specialists Yee, Leong and Grupen for the March 20, 2003 CAI Hawaii seminar "Getting the Lead Out of Your Golden Years" were distributed for informational purposes.

Condominium Seminars and Symposium – Contract Renewals (Community Associations Institute – Hawaii Chapter; Hawaii Association of Realtors)

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted on and unanimously carried that pursuant to the automatic renewal for successive one year term provisions of the following respective existing contract agreements with the Commission, recommend approval respectively to automatically renew the Commission's Agreement for Consultant Services from July 1, 2003 to June 30, 2004 subject to the same terms and conditions of the existing Agreements, and subject to the availability of the Condominium Management Education Fund for the following entities: Community Associations Institute – Hawaii Chapter and the Hawaii Association of Realtors.

Condominium Related Articles

The article entitled "Association Website Can Reduce Legal Costs" from the February/March 2003 issue of *Building Management Hawaii* was distributed for informational purposes.

Commissioner Choi arrived at 11:12 a.m.

Condominium
 Project
 Registration:

Condominium Project Registration - Public Reports Issued

Upon a motion by Commissioner Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to recommend approval to ratify issuance of effective dates for public reports for the month of March 2003 as follows:

Proj No	Project Name	Project Address	TMK #	Report	Date
5026	1243 MANU MELE	1243 MANU MELE ST KAILUA HI	(1)4-02-051:062 96734	Final	03/03/03
5024	366 & 368 N SCHOOL STREET	366 & 368 N SCHOOL ST HONOLULU HI	(1)1-07-018:006 96817	Final	03/18/03
5031	4491 MAMO ROAD	4491 MAMO RD KEKAHA HI	(4)1-03-005:044 96752	Final	03/12/03
5008	472 & 470 NORTH KAINALU DRIVE	472 & 470 N KAINALU DR KAILUA HI	(1)4-03-025:043 96734	Final	03/21/03
4936	BAMBOO	LOT 78-D-1 KAPAA HMSTD 1ST KAPAA HI	(4)4-06-07:076	Final	03/27/03
5003	HALEKAUWILA	45-528 PAHIA RD KANEHOE HI	(1)4-05-019:003 96744	Final	03/07/03
5034	HAVENS OF I'I VISTAS II - PHASE II	KO'OLANI DRIVE MILILANI HI	(1)9-05-049:056 9678	Prelim	03/12/03
4323	HO'OMAU CONDOMINIUM PROJECT	LOT 48 KONA COASTVIEW	(3)7-03-022:097	Suppl 1	03/10/03

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4910	HONO KAUAI	N KONA HI HONO O'HALA PLACE	(4)4-04-009:009	Final	03/17/03
5044	HU'ELANI PHASE 12	KAPAA HI LAUNAHELE ST	96746 (1)9-01-110:001	Prelim	03/12/03
5020	KILA' KILA' O' KALIIHAWAI CONDO	EWA BEACH HI LOT 11 KALIIHAWAI RIDGE PH II	96706 (4)5-02-022:011	Final	03/06/03
2490	KOLO KAI	KILAUEA HI 1980 A C E G & J KOLO RD	(4)5-02-012:001	Suppl 3	03/27/03
5039	LAS BRISAS PHASE 6	KILAUEA HI 91- MAKALE'A ST	96754 (1)9-01-010:082	Prelim	03/17/03
5021	LIHOLIHO CONDOMINIUM	EWA BEACH HI 1466 LIHOLIHO ST	96706 (1)2-04-020:047	Final	03/05/03
4878	MANGO HILLS (APT 3 THRU 10)	HONOLULU HI 2506 N SCHOOL ST	96822 (1)1-03-011:078	Final	03/21/03
4877	NANEA KAI	HONOLULU HI HAWAII KAI DR	96819 (1)3-09-08:063	Final	03/12/03
4997	PAH	HONOLULU HI 82-5844 MAMALAHOA HWY	96825 (3)8-02-011:005	Final	03/27/03
5030	POINTE AT WAIKOLOA THE	CAPTAIN COOK HI 68-1785 MELIA ST	96704 (3)6-08-003:023	Prelim	03/17/03
4975	TIBURON PHASE 2	WAIKOLOA HI 91-3001 MAKALE'A LOOP	96738 (1)9-01-010:082	Final	03/14/03
4984	TIBURON PHASE 3	EWA BEACH HI 91-3021 MAKALE'A LOOP	96706 (1)9-01-010:082	Final	03/14/03
5043	TIBURON PHASE 4	EWA BEACH HI MAKALI'A LP	96706 (1)9-01-010:082	Prelim	03/12/03
5033	VELZYVIEW ESTATES IV	EWA BEACH HI 58-254 & 58-254A KAM HWY	96706 (1)5-08-004:002	Final	03/11/03
5023	WAIAWA VILLAGE	HALEIWA HI 96-239 WAIAWA RD	96812 (1)9-06-003:008	Final	03/21/03
		PEARL CITY HI	96782		

Preliminary Reports: 5
 Contingent Final Reports: 0
 Final Reports: 16
 Supplementary Reports: 2

Total: 23

Informal Non-Binding Interpretation - §514A-40(b)(1), HRS, Request from Jeffrey S. Grad, Esq.

Specialist Yee informed the committee that §514A-40(b)(1), HRS, requires among other requirements, that no effective date shall be issued by the Commission for a final public report of a converted project unless the Commission is in receipt of a statement signed by an appropriate county official stating that the project is in compliance with all zoning and building ordinances and codes. She further informed the committee that Mr. Grad, in his letter of March 18, 2003 is bringing to the Commission's attention the current difficulty in obtaining from the Building Department of the City and County of Honolulu the letter of compliance required under Section 514A-40(b)(1). Mr. Grad states that the delay in receiving the compliance letter causes financial hardship on a developer who is often making monthly mortgage payments and is yet unable to offer the condominium apartment for sale.

Mr. Grad has requested that the Real Estate Commission consider that where a developer had requested the issuance of a compliance letter at least 60 days prior to the date when issuance of a public report is sought, that the public report be issued with a caveat that the letter has not been received, but that when the letter is received, the letter would be subject to the approval of a prospective buyer.

Executive Session: Upon a motion by Commissioner Abrams, seconded by Commissioner Choi, it was voted on and unanimously carried to enter into executive session pursuant to Section 92-5(a)(4), "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 Okawa, seconded by Commissioner Abrams, it was voted on and unanimously carried to move out of executive session.

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend approval to issue an informal non-binding opinion that §514A-40(b)(1), HRS, restricts the Real Estate Commission from issuing an effective date for a developer's public report for a converted condominium project when the developer, among other requirements, has not submitted a statement signed by an appropriate county official that the project is in compliance with all zoning and building ordinances and codes applicable to the project. The Real Estate Commission cannot exceed its authority as specifically set forth in §514A-40(b), HRS.

Program of Work: **Hawaii Condominium Bulletin – Pioneer Ventures, Inc.**

Upon a motion by Commissioner Okawa, seconded by Commissioner Kagawa, it was voted on and unanimously carried to recommend approval to informally solicit quotations from interested vendors for printing and mailing of the Hawaii Condominium Bulletin.

Recodification of Chapter 514A and Recodification Attorney Report

Recodification Attorney Arakaki reported the he is currently working on finalizing draft 2 and will meet with Chair Imanaka later this week to discuss the work product. A finalized copy of draft 2 should be distributed to Commissioners and the Blue Ribbon Panel by the end of this week and will be the copy used for distribution for the public hearings. The public hearing is tentatively scheduled for the neighbor islands in late May and June 4 for the island of Oahu.

Neighbor Island Outreach

The May 8, 2003 committee meetings will be held in Kona at the Kona Board of Realtors office.

Condominium Organizations Forum: There were no comments, recommendations or concerns received from the following: Community Associations Institute Hawaii Chapter, Alakahi Foundation, Hawaii Council of Association of Apartment Owners, Hawaii Independent Condominium and Cooperative Owners, Hawaii State Bar Association/Real Property & Financial Services Section, Land Use Research Foundation, Condominium Council of Maui, Hawaii Association of Realtors/Institute of Real Estate Management Hawaii Chapter/Oahu Arm Committee, others.

Open Forum: No discussion presented.

CMEF Budget & Finance Report: No report presented.

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Next Meeting: Thursday, May 8, 2003; 9:30 a.m.
Conference Room
Kona Board of REALTORS
75-240 Nani Kailua Drive, Suite 157
Kailua-Kona, Hawaii

Adjournment: With no further business to discuss, Chair Pro Tem Ohama adjourned the meeting at 11:20 a.m.

Respectfully submitted:

/s/ Cynthia M. L. Yee

Cynthia M. L. Yee
Senior Condominium Specialist

May 8, 2003

Date

Minutes approved as is.

Minutes approved with changes; see minutes of _____

CY/tn/030408