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## FINANCING BASICS THAT ARE AVAILABLE FOR HAWAII CONDOMINIUM ASSOCIATIONS

*By Erik Fairfax and Steve Isobe*

The cost of a large capital improvement project, such as re-piping, spalling repair, elevator modernization, railing replacement or a fire alarm system, often exceeds an association's budgeted capital reserves. When an association does not have adequate reserves to pay for the necessary repairs, its board of directors may be faced with levying a special assessment against individual unit owners.

Special assessments can be challenging for unit owners on fixed incomes and those who cannot qualify for individual financing to help pay for the special assessments. Special assessments can result in increased delinquencies and lengthy foreclosures. Fortunately, there is a way that associations can avoid special assessments.

Banks offer capital improvement loans that allow associations to spread the cost of a large project over many years. Financing is available for all types of properties, including fee simple, leasehold, condotel, timeshare and co-ops, and can be customized for each association's unique situation.

### ***Types of Projects That Might Need Financing:***

- *Re-piping*
- *Sprinkler systems*
- *Fire alarm systems*
- *Spalling repairs*
- *Painting*
- *Elevator Modernizations*
- *Purchases of a Resident Manager Unit*
- *Railing Replacements*
- *Equipment*
- *Any Reserve Study Items*

For example, if a 100-unit apartment association is faced with a \$3 million re-piping project, a special assessment would result in a one-time average assessment of \$30,000 per individual unit owner. The special assessments would need to be levied before the start of the project to ensure adequate funding is available to complete the repairs. If 20 percent of individual owners are unable to pay the special assessment, the association would be \$600,000 short, and the project could be delayed.

*continued on page 4*





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The Hawaii Community Associations newsletter is published for association leaders and other related professionals of CAI. Authors are encouraged to submit articles for publishing consideration.

This publication is designed to provide accurate and authoritative information regarding the subject matter covered. It is issued with the understanding that the publisher is not engaged in rendering legal, accounting or other professional services.

CAI Hawaii Community Associations newsletter provides an opportunity for information and/or comment.

Articles do not necessarily reflect the viewpoint of the Chapter. The reader should not act on information contained herein without seeking more specific professional advice.



## President's Message



Welcome to our Fall 2023 edition of the CAI Hawaii newsletter.

Aloha and mahalo to all our Newsletter Committee Members: Mike Ayson, Terry Schulze, Roy Dela Cruz, Jonathan Billings, and our CED Lindsay Green. We appreciate their time, support, and efforts dedicated to providing our members with relevant, up-to-date, and impactful content for our readers. Our Fall 2023 edition includes an article from our CAI National Senior Editor, Laura Otto, regarding national resources for Maui wildfire assistance and information. Relief efforts will continue for years to come. Please consider visiting CAI Hawaii's initial list of non-profit organizations for your support by donating time, money, or resources during this marathon of support to Maui's rebuilding efforts:

- Maui Economic Opportunity (MEO): <https://www.meoinc.org>
- Maui Strong - Hawaii Community Foundation: <https://www.hawaiicommunityfoundation.org/maui-strong>
- Maui Humane Society: <https://www.mauihumanesociety.org/>
- Maui Food Bank: <https://mauifoodbank.org/>
- HUGS Hawaii: <https://www.hugshawaii.org/>

Breast Cancer awareness is important for all and we want to remind you of this fact by encouraging you to read an article provided by the wife of one of our chapter board members, which you will find in our Community Corner. We continue our education of aging and defective buildings with the second article in a 3-part series from Lulima Asset Management. Eric Fairfax and Steve Isobe pen an article regarding financing basics for capital improvement projects. The Real Estate Branch (REB) provides information on outstanding issues impacting condo associations. Hawaii Legislative Action Committee (LAC) provides you with an overview of the end of legislative session, and bills that impact the more than 397,000 Hawaii residents who live in association communities across the State of Hawaii. Hauoli La Hanau (Happy Birthday) to The Purchasing Hui of Hawaii, who celebrated their 30th birthday in July of this year and continues as the #1 provider of group buying services.

*continued on page 5*





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**HAWAIIAN PROPERTIES** held its annual seminar for board members on August 23, 2023 at Ala Moana Hotel. The seminar was very informative and attendees were treated to a delicious buffet lunch and lots of giveaways.

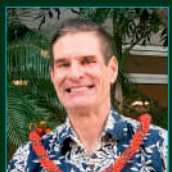


## Speakers:



**John Knorek, Attorney**  
Torkildson, Katz, Hetherington,  
Harris & Knorek  
Attorneys At Law  
A Law Corporation

**H. Maxwell Kopper,  
Attorney**  
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**Christopher Shea Goodwin,  
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**Michael Gill, Director**  
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Food was really good. Vendors and speakers were excellent.

**Niome Queypo, President**  
Wai Kalo'i at Makakilo Community  
Association

Excellent topics and speakers. Great way to introduce the vendors and their products with prize giveaways.

**Deborah Lau Okamura, Secretary**  
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## FINANCING BASICS *continued from page 1*

Alternatively, that apartment association could take out a bank loan, eliminating the risk of a funding shortfall and spreading the project cost over the useful life of the repairs. The loan can be structured with an interest-only disbursement period to minimize the interest expense to the association. During the disbursement period, the association draws funds only as needed and only pays interest on the outstanding loan balance. Contractor fees, as well as related engineering, permitting and third-party construction consultant costs, can all be financed.

Once the project is complete, monthly payments of principal and interest gradually pay off the loan over the useful life of the repairs. For example, a \$3 million re-piping project amortized over 20-years would result in monthly payments of less than \$25,000 to the association, or less than \$250 for each of its 100 individual units.

### **Benefits of a Loan:**

- *Lowers the financial impact to individual owners*
  - *E.g.: Monthly payments of \$250 vs. a one-time special assessment of \$30,000*
- *Spreads the cost over the useful life of the repair*
- *100 percent financing available*
- *Easy to apply*

The bank loan can also be structured to accommodate owners who prefer not to incur interest expense over the life of a loan. At the discretion of the board, owners can be given the option to pay off their unit's portion of the loan. This hybrid approach minimizes the financial impact to owners who cannot afford a special assessment, while also accommodating owners who prefer to avoid interest expense.

Applying for a bank loan is simple. Lenders will typically ask for the association's most recent two years of financial statements, including delinquency report, operating budget and reserve study. Individual unit owners are not required to submit any personal financial information. Banks are most

interested in the association's delinquency rate and in the ownerships' ability to absorb the increase in maintenance fees due to the loan payments. Some associations are hesitant to apply due to their financial condition, but there is no harm in inquiring and the process is easy.

If an association decides to move forward with a bank loan, it should check to see whether ownership approval is required. HRS-514B requires 50 percent of the common interest vote or give written consent to borrow money. Associations should consult their attorney on what is required.

### **Tips for Financing:**

- *Communicate with owners early and often*
- *Obtain ownership approval for the loan*
- *Include contingency in the loan amount for unanticipated costs. Banks will not charge interest on undisbursed funds*
- *Consult the experts, including bankers and your association's attorney*

Capital reserve shortfalls among apartment associations in Hawaii are common. Many associations feel like they are the only ones facing a shortfall, but the reality is that most associations experience this problem at one time or another. A bank loan could be a great alternative to levying owners with special assessments.

### **Current Interest Rate Environment**

The Federal Reserve has been increasing short term rates since March 2022 in an effort to tame high inflation. In March 2022, the Federal Funds Rate was at 0% to 0.25%, and now sits at 5.25% to 5.50% following the Fed's meeting in July 2023. Long-term rates have also risen during that period as indicated by the 10-year Treasury Rate going from 1.97% in March 2022 to 3.97% at the end of July 2023. Subsequently, interest rates for condominium loans have also increased from the historically low rates 1-2 years ago.



Higher interest rates should not be the primary reason not to move forward with necessary capital improvement projects. Other factors associations should consider include:

- Rise in construction costs. Per University of Hawaii Economic Research Organization (UHERO) economic forecast dated March 10, 2023, construction costs are expected to increase 5.1% in 2023 and another 3.9% in 2024.
- Insurance costs. Insurance premiums and/or deductibles are increasing due to delays in major capital projects such as re-piping and life safety improvements.
- Associations may be able to refinance loans if interest rates decrease in the future.

Boards will need to weigh all these considerations in determining whether it makes sense to move forward with the projects. Working with the experts including property managers, consultants, insurance agents, engineers, contractors, and bankers can help with this process.



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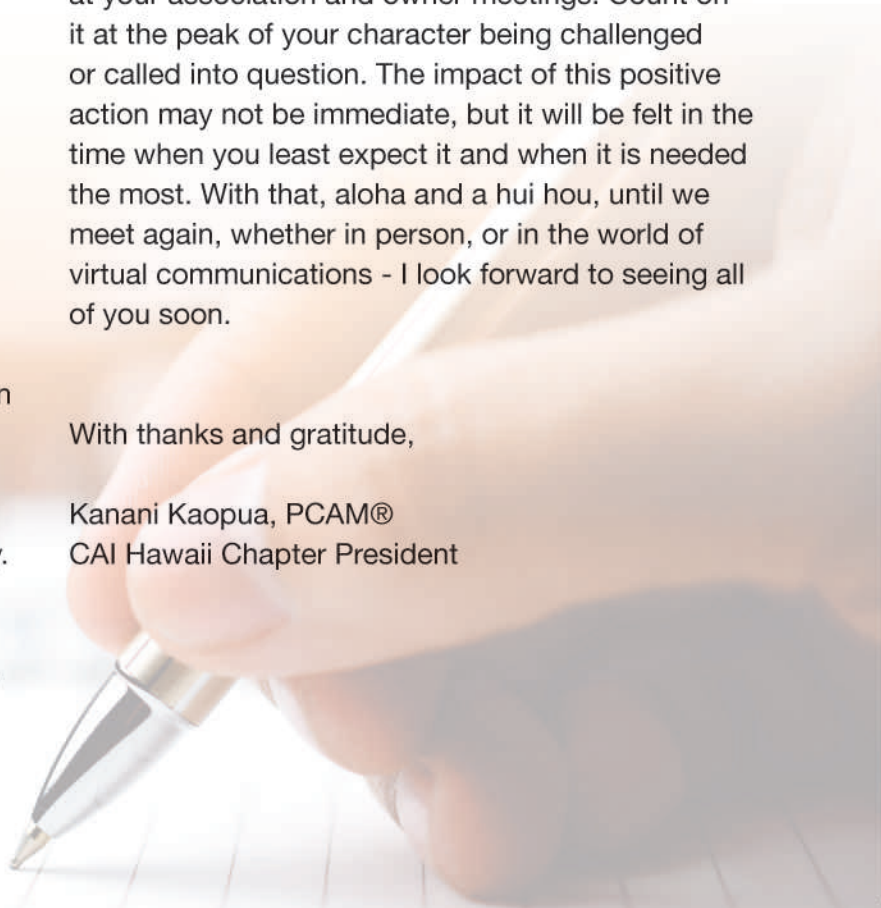
## President's Message continued from page 2

This is my A Hui Hou message, since my term as your CAI Hawaii Chapter President comes to an end at the November 2023 Annual Meeting. I am beyond honored to close out my term with such a great Chapter. A special mahalo to past board members: Jim Dodson, David Talbert, Kapono Kiakona, Jonathan Billings, Sue Savio, Christian Porter, Bernie Briones, Carol Rosenberg, and Bryan Liu, and present board members: Melanie Oyama, Mike Ayson, Randy Au, Keven Whalen, Terry Schulze, Roy Dela Cruz, Pauli Wong, and Christopher Goodwin. Most importantly, to Hawaiian Properties, Ltd. and many of my professional peers across management companies, businesses, and communities, who encouraged me to serve in this capacity, and supported me throughout this journey. Please join me in welcoming your President-Elect, Melanie Oyama, whose volunteerism spans almost two decades of dedication to the Board Leadership Development Workshop Committee as Co-Chair, along with serving as Chair for our Neighbor Island Committee and Programs Committee.

The Aloha Spirit lives within all of us. Spread it out at your association and owner meetings. Count on it at the peak of your character being challenged or called into question. The impact of this positive action may not be immediate, but it will be felt in the time when you least expect it and when it is needed the most. With that, aloha and a hui hou, until we meet again, whether in person, or in the world of virtual communications - I look forward to seeing all of you soon.

With thanks and gratitude,

Kanani Kaopua, PCAM®  
CAI Hawaii Chapter President





## CAI Hawaii's 2024 — 2026 Board Election Results

Congratulations to John Baleix, Christopher Goodwin, and Pauli Wong who were elected for the 2024-2026 term. Chris, who currently serves on the board, was re-elected to serve a second term in the Business Partner category. Pauli Wong, who also currently serves on the board, was re-elected to serve a second term in the At-Large category.

John is the newest member, in the At-Large category currently held by Kanani Kaopua. Kanani is the 2023 Board President, and served for the maximum six years on the Board.

Continuing on the Board for 2024 are: At-Large: Melanie Oyama (2023 President elect and 2024 President); Business Partner: Mike Ayson; Community Association Volunteer: Terry Schulze (2023 Secretary) and Randy Au (2023 Treasurer); Property Manager: Roy Dela Cruz, Keven Whalen.



**John Baleix**



**Chris Goodwin**



**Pauli Wong**

John Baleix, MD, MPH completed a Bachelor's in Biochemistry at Cal Poly, a Medical Degree at Baylor, and a Master's in Public Health at the Uniformed Services University. He is a 29-year veteran of the US Navy Medical Corps. As a Navy physician, Dr. Baleix learned the foundational relation of organizational structure and function, and the leader's role in supporting staff's ability to excel. He deployed with Marines to the Persian Gulf and with Joint Forces to Afghanistan. He taught Physical Diagnosis at the Naval School of Health Sciences, chaired Hospital Infection Control and developed International Occupational

Safety and Health protocols for Navy Medicine in Italy. He directed Occupational Medicine, Public Health and Community Services for Naval Health Clinics, Hawaii, led shipboard health services for Military Sealift Pacific, and mentored the Afghan military Surgeon General in Kabul. After 2 years as the Medical Director for Tricare-Hawaii's Multi-Service Market Management Office, John joined HMSA in 2011 to lead healthcare transformation toward more continuous, comprehensive, coordinated, and patient-centered primary care. He served over a decade as a director and then president of a large AOA in Honolulu.





## Breast Cancer Hawaii Supports Hawaii's Breast Cancer Patients, Survivors, and Families

Many in our community know a close friend or family member with a history of breast cancer. After all, 1 of out 8 women are diagnosed with breast cancer in their lifetime in the US<sup>1</sup>. In Hawaii, this translates to nearly 1,500 women being diagnosed with breast cancer this year<sup>2</sup>.

A cancer diagnosis is life-altering. I know this first-hand, having gone through a diagnosis myself at the age of 33. From the moment of suspicion through diagnosis and treatment, the amount of information to sift through, decisions to make, and medical specialists to meet with – on top of the physical and emotional toll of treatment, are all completely overwhelming.

Breast Cancer Hawaii is a local grassroots nonprofit that I co-founded to help reduce this overwhelm. Our mission is to

connect those affected by breast cancer in Hawaii with relevant resources and meaningful support. Our programs are built based on the needs of the local community and include the CARE Closet - connecting patients in treatment with treatment equipment such as wigs, wedge pillows, and reference books; HEARTS for Ohana - providing support to young survivors and thrivers and their children; and Project PROTEA - educating the community on cancer research and clinical trials. We also host educational workshops and survivor support events throughout the year.

Due to the prevalence of breast cancer, it is likely that there are those that you work and live with – clients, board members, unit owners, and residents that are impacted by breast cancer as patients/survivors themselves or as supporters/caregivers. Breast

Cancer Hawaii can partner with you to support these individuals in a number of ways:

- In-person or virtual informational sessions
- Educational materials to distribute
- Peer support matching for patients, survivors, and caregivers

You can also support our local programs through volunteering, fundraising, and donations. For more information on our programs and ways to support us, please visit [breastcancerhawaii.org](https://breastcancerhawaii.org). For partnership opportunities, please contact us at [hello@breastcancerhawaii.org](mailto:hello@breastcancerhawaii.org).

<sup>1</sup> American Cancer Society, *Key Statistics for Breast Cancer*: <https://www.cancer.org/cancer/types/breast-cancer/about/how-common-is-breast-cancer.html>

<sup>2</sup> American Cancer Society, *Cancer Statistics Center*: <https://cancerstatisticscenter.cancer.org/#/state/Hawaii>

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# Dangerous and Defective Condominium Buildings in Hawaii: Part 2

By Dennis Olmstead

In building terms, the words “dangerous” and “defective” could be thought of as one and the same; however, there is a difference. Condominium buildings are built differently and vary in age; therefore, dangerous and defective will mean something different for each building.

In this three-part series we will look at ways that a building can be deemed dangerous, concerns surrounding defects, and corrective strategies for associations to explore.

Condominiums make up an important part of the residential infrastructure in Honolulu and the vast majority of condos in Hawaii are now considered to be “aged” buildings. In fact, a 50-year-old building in Hawaii is now considered to be historic. Many of the dangerous situations

discussed in these articles occur in aged buildings and defective conditions, yet can also be found in buildings of all ages.

Classifying a building as defective is something of a misnomer because it is too broad of a term. Having a defective building is possible but at that point the building is beyond practical repair and should be demolished. In Part 2 of this 3-part series of articles we will be looking at various aspects of defectiveness and what it means for “aged” condominium buildings.

In aged buildings we see two basic kinds of defects. First, physical defects which can be obvious or hidden. Secondly, an administrative defect which creates a resistance to progress. Over time, physical defects typically reveal themselves

in some fashion and require restorative actions. Hidden defects can remain hidden and only after an event are they revealed. Administrative defects pertain to the attitudes of homeowners and how they manage their buildings.

To appreciate what a building defect represents for an aged building, we have to go back in time. Naturally buildings built in the 60’s and 70’s had to meet the standards of the day. It is important to know the difference between something that has occurred naturally over time and something that has been brought on by a newer set of circumstances. For example, a crack in a concrete slab can have two very different root causes requiring two different remedies.

Factors such as structural theory





and computations, material performance, communication procedures and economics all play a role in influencing the decisions that developers make when they build a new condominium. Developers primarily make decisions based on the return on the investment (ROI) and that usually means making choices that keep costs down. This may not be the best philosophy for the long-term but it is common practice.

Buildings are not made to last forever. In fact, they are made to last a lot shorter than most people think - about 80 years. During a building's lifetime, major building components will wear out. After 40-45 years, a number of components will have reached the end of their useful lifespan and require replacement. Unfortunately, for those homeowners who find themselves in aged buildings today, the responsibility of replacement now falls on their shoulders.

Associations with aged buildings really have no recourse but to fix their problems. However,

not all associations are willing to act in a timely fashion nor solicit professional advice. Board members come and go and many are not equipped to appreciate what it takes to properly manage a multi-million dollar real estate asset; especially an aged building that needs to be restored to last for another 40-50 years.

Association governing documents and policies can also have a negative impact on an association's ability to make needed repairs. For example, a much needed window replacement project may be necessary; however, if the windows have been declared to be the unit owner's responsibility, then a building-wide window replacement project may be next to impossible to complete.

To take a building component like windows one step further: building codes have changed over the years and that includes the strength of glass to resist wind. Keeping water out is one thing, but there are hundreds of high-rise buildings that were built with windows that do not meet

today's wind resistance standards. These windows deteriorated over the decades and offer even less protection.

Defects can occur in many forms and for associations with aged buildings "awareness" is key. Depending on what is at stake, the first step is to create a 5-10 year improvement plan. It is critical to understand how to manage the amount of time it takes to resolve an issue. Consequently, a critical path strategy that identifies all the physical and administrative challenges will be essential for communicating the needs of the building and the intentions of the Board of Directors to its ownership.

#### **About the Author:**

*Dennis Olmstead is a licensed architect with four decades of experience in design, construction and project management. At Laulima Asset Management, he assists associations with their building improvement projects and provides long-term building asset strategies for managing operations and budgets. For assistance contact: [shawna@laulimaam.com](mailto:shawna@laulimaam.com)*

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# Outstanding Issues in Condominium Governance from The Real Estate Branch

The Real Estate Branch is the state office that has limited oversight over condominium associations. Here are some of the outstanding issues and concerns that Branch staff often receive as part of their daily duties.

## Documents

The key to proper condominium self-governance is access to information. Boards cannot make good decisions and owners cannot stay involved or informed without information. All owners, including board members, are legally entitled to many association documents. Branch staff will often field many calls about an association or managing agent not providing documents pursuant to §§514B-150 to-154.5, HRS, including but not limited to contracts, the audit, meeting minutes, most current financials, chronological records of receipts and expenditures, proxies, and ballots. The regulated industries complaints office (RICO) is tasked with directly assisting owners and board members in exercising their legal right to association documents should the board or managing agent not timely comply with a request.

## Board Secrecy

A common complaint Branch staff hear is about board secrecy. These range from inappropriate use of executive session for items outside

of the permitted uses pursuant to §514B-125(c), HRS, to boards refusing to provide minutes or the budget, failing to notify owners of meetings, holding meetings via email, or simply ignoring owners at meetings. Boards are required to hold meetings where all participating directors can simultaneously hear each other (§514B-125(d), HRS), to notify owners seventy-two hours prior to the meeting (§514B-125(e), HRS), and create transparent rules for owner participation in the meeting (§514B-125(b), HRS). Boards are also supposed to approve minutes and provide them to owners within seven days after approval and drafts no later than thirty days after the meeting (§514B-126(c), HRS).

## Parking

Parking in condominiums can be a confusing issue, leading to conflict. Overwhelmingly the parking issues that the Branch hears about is some variation of, "which parking stall is mine?" The first step to resolving this outstanding issue is to understand that the unit deed and declaration should state which parking stall belongs to which unit. Sometimes, owners will trade stalls but not record updates to their respective deeds or the declaration. In those cases, that trade is not legally binding or enforceable and the last recorded declaration and deeds

details stand. Always go back to your governing documents and the relevant property deeds.

Second, be aware that some condominium projects have floating assignments, in that no specific parking stall is deeded to that unit, but up to the association to determine which stall is assigned. The unit has a right to a parking stall or stalls, but which stall is not defined in the documents and generally left to the association to determine. In this case, it is best to consult with the board or managing agent to determine the last documented parking assignment.

"The Akamai Buyer," a regular feature of the Condominium Bulletin, discusses the importance of determining the correct parking stall for prospective purchasers in the 2023 September issue.

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## ASSOCIA HAWAII HOSTS SUCCESSFUL ANNUAL BOARD TRAINING AND VENDOR BLENDER



PHOTO BY HILLARY BENSON, DIAMOND HEAD CONDOS @ PUALEI



**Bottom row, left to right:** Branch President Pauli Wong extends a warm aloha;

Yvette Soares, director of communications and client services and Laurie Tomihama, executive assistant expertly handle event planning and execution;

"Mahalo and more Power to Associa Hawaii! My fellow directors and I are walking away with valuable info to make us better board members!" - Gen Malihan, *Board President of Plantation Town Apartments*

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RB14949



# Hawai'i 2023 End of Legislative Session Report

The CAI Hawaii Chapter Legislative Action Committee (LAC) actively advocated on behalf of the approximately 397,000 Hawaii residents living in 135,000 homes in more than 2,000 community associations across the Aloha State during the 2023 state legislative session. CAI Hawaii LAC was able to block many bills which would have had a negative impact on Hawaii community associations, and was also able to pass key pieces of legislation. Below is a brief overview from the 2023 Hawai'i State Legislature:

## **SB 921 RELATING TO LIMITATIONS OF ACTIONS-**

This bill clarifies that no statute of repose shall affect a condominium association's right of action against a condominium developer sooner than two years after the period of developer control terminates.

**Status: Successfully PASSED; Governor vetoed April 21, 2023. Veto overridden May 4, 2023. Effective immediately. Act 29.**

## **SB 729/HB 1161 RELATING TO BOARD**

**MEMBERS-** This bill requires the Real Estate Commission to develop a training curriculum for condominium boards of directors, mandated to include information on relevant state laws, association governing documents, and the fiduciary duties of board members. The training is NOT mandated for board members. CAI Hawaii LAC supported this bill with amendments, which were successfully adopted.

**Status: Successfully PASSED; Governor signed June 29, 2023. Effective July 1, 2023. Act 149.**

## **SB 855/HB 803 RELATING TO CONDOMINIUM RESERVE REQUIREMENTS-**

This bill allows a condominium association to provide a summary of the reserve information in its budget, and authorizes a condominium association's reserve study to forecast a loan or special assessment to fund life safety equipment or installations for any building located in a county with a population greater than five hundred thousand. The bill also authorizes a condominium association to use a third party to conduct a reserves study on behalf of the condominium. The bill also contains a clarified formula for how estimated replacement reserves assessments are computed. CAI Hawaii LAC supported this bill with amendments, which were successfully adopted.

**Status: Successfully PASSED; Governor signed July 3, 2023. Effective upon signing. Act 199.**

## **SB 1202/HB 176 RELATING TO CONDOMINIUM ASSOCIATIONS-**

This bill would have expanded the real estate commissions enforcement authority to include violations of requirements for meetings and board elections. It would have also required newly elected or appointed condominium association board members to certify in writing compliance with specified duties and obligations. The bill also clarified electronic voting device procedures, and would have eliminated proxy voting. It also contained additional requirements and procedures for association meetings and board of director elections,



and new penalties for improper voting and forgery of ballot envelopes. This bill was an overreach by lawmakers, and CAI Hawaii LAC opposed this measure.

**Status: Successfully DIED in Committee.**

**HB 1509 RELATING TO COMMON-INTEREST DEVELOPMENTS-** This bill establishes a Planned Community Association Oversight Task Force, charged with evaluating the differences between the rights afforded to condo owners versus HOAs in order to determine the feasibility of extending any of those rights to HOA members. The bill also establishes a Condominium Property Regime Task Force to examine and evaluate issues regarding condominium property regimes and conduct an assessment of the alternative dispute resolution systems that have been established in Hawaii. The task forces would be expected to produce interim reports by the time the State Legislature convenes in 2024, with final reports to be produced in 2025. The mandates of both task forces expire June 30, 2025. CAI Hawaii LAC opposed this bill.

**Status: Successfully PASSED; Governor signed July 3, 2023. Effective upon signing. Act 189.**

**HB 1501 RELATING TO CONDOMINIUM ASSOCIATIONS-** This bill would have established a condominium ombudsman office within the Department of Commerce and Consumer Affairs, with authority to investigate complaints and enforce compliance. The bill would have also

required condominium board members to attend an education course provided by the state. CAI Hawaii LAC worked hard to oppose this bill, and lawmakers listened, preventing what would have been a very negative bill from moving forward.

**Status: Successfully DIED in Committee.**

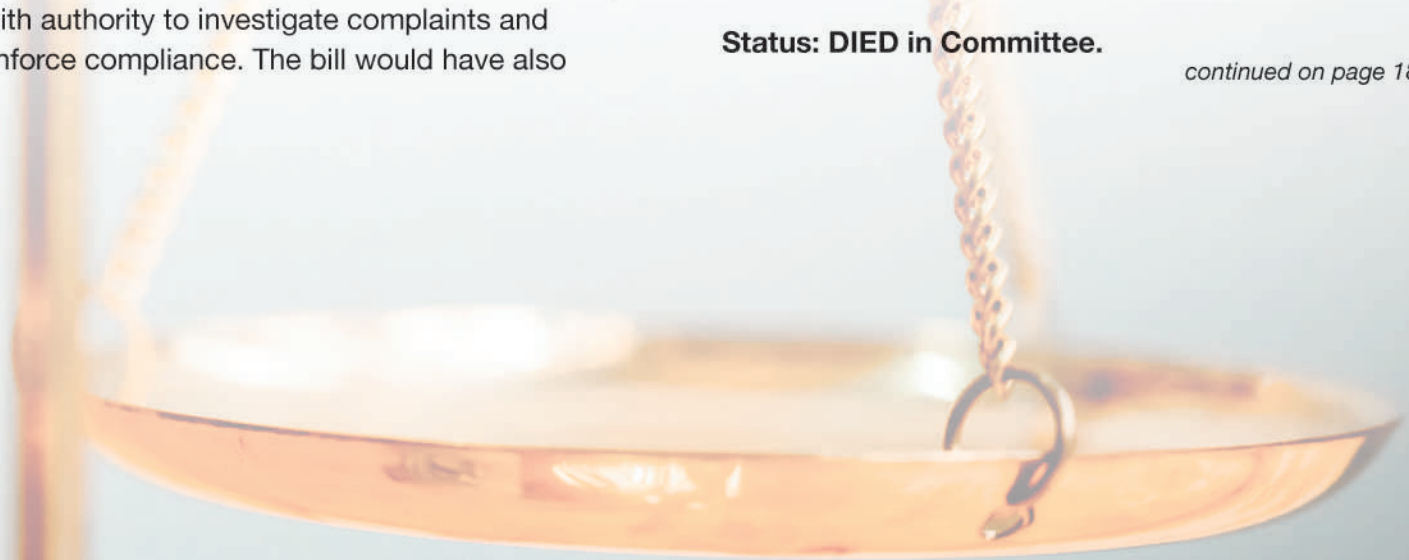
**HB 381/SB 594 RELATING TO CONDOMINIUMS-** This bill would have eliminated the current June 30, 2023 deadline for the use of funds from the Department of Commerce's Condominium Education Trust Fund to support voluntary binding arbitration programs. Had this bill passed, it meant that current dispute resolution programs supported by the state would have been able to receive funding from the Department of Commerce in perpetuity. CAI Hawaii LAC was supportive of this bill.

**Status: Unsuccessfully DIED in Committee.**

**SB 1234/HB 351 RELATING TO TAX CREDITS-** This bill establishes a nonrefundable income tax credit for owners of condominium units whose condominium association is increasing maintenance fees or imposing a special assessment to comply with a county ordinance requiring an automatic fire sprinkler system or alternative fire prevention and fire safety system, to be applied to taxable years beginning after December 31, 2023. CAI Hawaii LAC provided testimony on this bill, as representatives of condominium owners across the state.

**Status: DIED in Committee.**

*continued on page 18*





# Maui Wildfire Creates Need for Relief for Community Association

By Laura Otto – CAI National

The wildfires on Maui that tore through the historic town of Lahaina have become the deadliest in modern U.S. history, reports *The Washington Post*. Homes, condominiums, schools, and businesses were reduced to rubble by the fast-moving inferno.

“The devastation is unreal. I know of six condo associations that burned to the ground. Many people lost everything,” says Bill Dix, CMCA®, AMS®, PCAM®, who spent 20 years living on the island of Maui and 12 years as a community manager managing several condo associations in the Lahaina area.

According to the [Foundation for Community Association Research](#), there are between 2,000 and 3,000 community associations in Hawaii with 28% of the population living in homeowners associations or condominiums.

Dix, now general manager of SunRiver St. George Community Association in St. George, Utah, recently spoke with Doug Lefler, CMCA®, vice president of the

Maui division of Hawaiiana Management Company, Hawaii’s largest association management company. “They have lost several entire communities, burned to the ground. Owners and residents lost homes; many lost their jobs and pets. Business partners lost their businesses.” Hawaiiana provides management services for more than 100 properties on Maui, Lanai, and Molokai, according to the company’s website.

Kanani Kaopua, PCAM®, president of the [CAI Hawaii Chapter](#), says community managers are a part of the thousands who lost their homes and loved ones. “It is difficult to sum up what a community manager is to do under this level of immense devastation,” she adds. “Resiliency is a word I hear every day in news stories and reports from those on the ground, including those with loved ones missing or confirmed dead.”

Like the Maui wildfires, disasters can be devastatingly quick. That’s why experts say it is crucial for community associations to

prepare for worst-case scenarios, including clearing debris within 5 feet of a home, replacing mulch with gravel or stone, cleaning out gutters regularly, and moving wood fencing attached to a home.

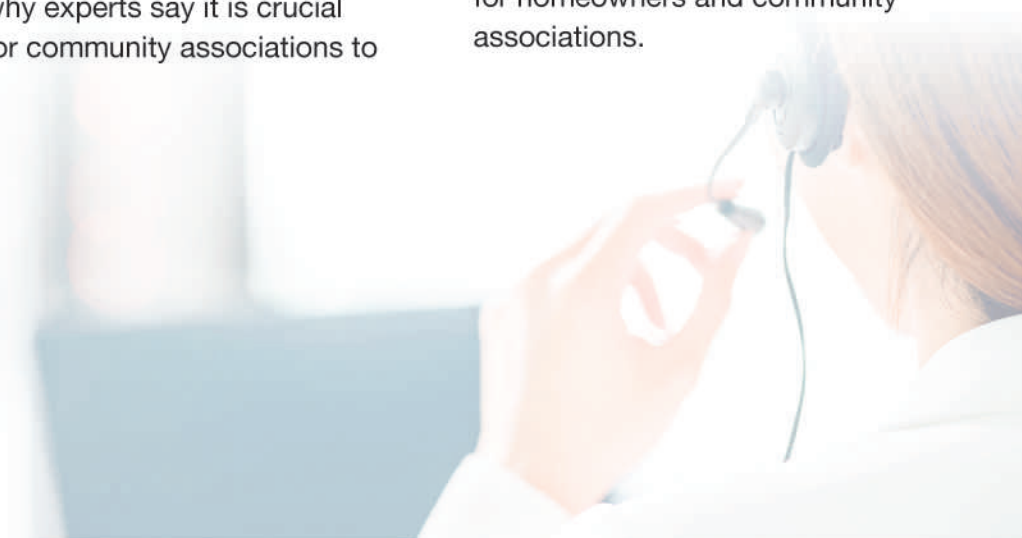
## Resources for Maui Residents

Visit Maui Strong – [Hawaii Community Foundation](#) (<https://www.hawaiicomunityfoundation.org/maui-strong>) to help residents recover.

The [Maui Emergency Management Agency](#) (<https://www.mauicounty.gov/CivicAlerts.aspx?AID=12649>) has set up a webform for residents to report property damage due to the wildfire.

[FEMA](#) (<https://www.fema.gov/disaster/4724>) has disaster assistance and housing counseling for qualifying households.

CAI created a list of [relief and recovery programs](#) ([https://www.caionline.org/Advocacy/LAC/HI/Documents/Maui\\_Wildfire\\_Relief\\_for\\_Community\\_Associations.pdf](https://www.caionline.org/Advocacy/LAC/HI/Documents/Maui_Wildfire_Relief_for_Community_Associations.pdf)) for homeowners and community associations.



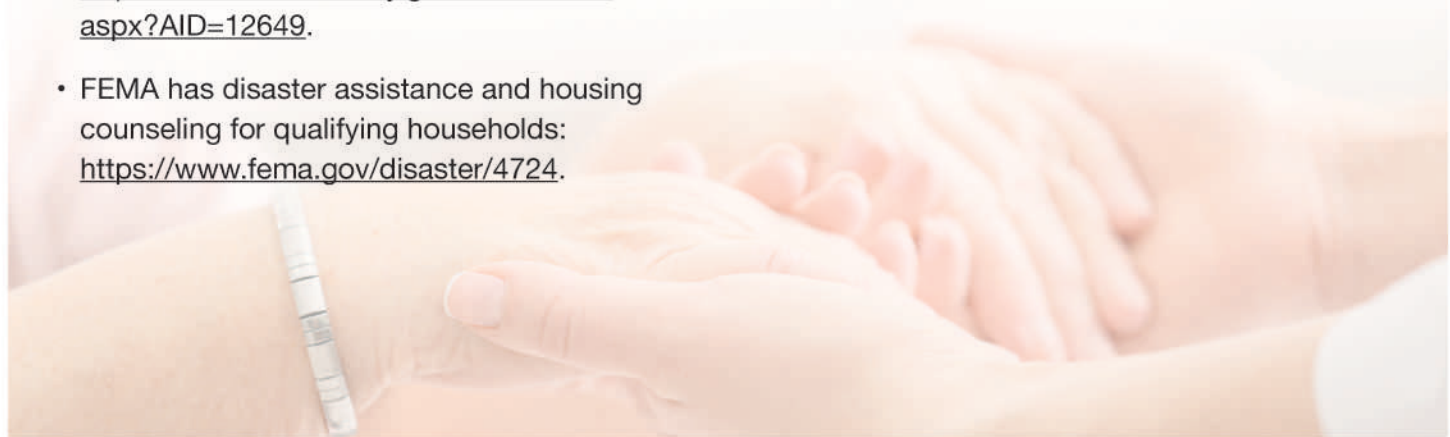


# Maui Wildfire Relief for Community Associations

Maui County is currently experiencing a devastating wildfire event which has claimed many lives, destroyed property, and caused the loss of forests and cultural heritage sites. Communities across the island of Maui have been impacted by this tragedy, and recovery/relief efforts are now starting to take shape. Community associations in Maui County should be aware of the following current relief/recovery efforts:

- The Maui Emergency Management Agency has set up a webform for residents to report property damage due to the wildfire:  
<https://www.mauicounty.gov/CivicAlerts.aspx?AID=12649>.
- FEMA has disaster assistance and housing counseling for qualifying households:  
<https://www.fema.gov/disaster/4724>.

- The US Small Business Administration (SBA) has a loan program for eligible homeowners to help cover the cost of replacing their primary residence:  
<https://disasterloanassistance.sba.gov/ela/s/article/Home-and-Personal-Property-Loans>.
- Maui County has partnered with After the Fire USA and Fannie Mae to bring the HERE2HELP Program to Maui County. HERE2HELP is a free disaster recovery counseling service with support from HUD-Approved housing counselors and can be reached at 855-437-3243.





# HUD Programs for Eligible Maui County Homeowners

On August 10th, the Biden Administration issued a major disaster declaration for the State of Hawaii, opening up certain federal assistance programs to Maui County homeowners: <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/08/10/president-joseph-r-biden-jr-approves-hawaii-disaster-declaration-3/>.

Per both the declaration and HUD's subsequent press release, eligible homes must be located in Maui County.

Below is a summary of programs currently being supported through the US Department of Housing and Urban Development to Maui County homeowners for CAI member's information:

## **Mortgage Insurance for Disaster Victims Section 203(K):**

The US Department of Housing and Urban Development has activated Section 203(K), which enables homebuyers and homeowners to finance both the purchase (or refinancing) of a house, and the cost of its rehabilitation through a single mortgage or to finance the rehabilitation of their existing home. Eligible homes. Section 203(k) insures mortgages covering the purchase or refinancing and rehabilitation of a home that is at least a year old. A portion of the loan proceeds is used to pay the seller, or, if a refinance, to pay off the existing mortgage, and the remaining funds are placed in an escrow account and released as rehabilitation is completed.

Homes must be at least one year old, the total value of the property must fall within the FHA mortgage limit for the area, and must, at the bare minimum, have an intact foundation. Rehabilitation work must exceed \$5,000 in cost, and the work can include structural alterations and reconstruction, elimination of health and safety hazards, major landscape work and site improvements, and reconstruction of walls/roof. HUD requires that properties rehabilitated under this program meet certain energy efficiency standards, and retrofits to meet these standards are projects which are included in the overall scope

of eligible activities. More information is available at: [https://www.hud.gov/program\\_offices/housing/sfh/203k/203k--df](https://www.hud.gov/program_offices/housing/sfh/203k/203k--df).

Applications must be submitted through an FHA approved lender.

## **203(K) Rehabilitation Mortgage Insurance:**

The Limited 203(K) program allows homeowners to finance up to \$35,000 into their mortgage to repair, improve, or upgrade a single-family property via the FHA. Unlike 203(K) Mortgage Insurance for Disaster Victims, the Limited 203(K) program is intended to finance less extensive repairs to single-family properties, and can be used outside of disaster situations, such as for neighborhood rehabilitation.

Eligible activities include structural reconstruction, elimination of health and safety hazards, major landscape work and site improvements, and replacing floors. HUD requires that properties rehabilitated under this program meet certain energy efficiency standards, and retrofits to meet these standards are projects which are included in the overall scope of eligible activities. More information is available at: [https://www.hud.gov/program\\_offices/housing/sfh/203k/203k--df](https://www.hud.gov/program_offices/housing/sfh/203k/203k--df) and [https://www.hud.gov/program\\_offices/housing/sfh/203k](https://www.hud.gov/program_offices/housing/sfh/203k).

Applications must be submitted through an FHA approved lender.

## **Mortgage Insurance for Disaster Victims Section 203(H):**

While this program provides mortgage insurance to protect lenders against the risk of default on mortgages to qualified disaster victims, it is also open to homeowners whose homes are located in an area that was designated by the President as a disaster area and if their homes were destroyed/damaged to such an extent that reconstruction or replacement is necessary. Insured mortgages issued under Section 203 (H) may be used to finance the purchase or reconstruction of the principal residence of the homeowner.



No down payment is required, however mortgages collect from the borrowers an up-front insurance premium (which may be financed) at the time of purchase, as well as monthly premiums that are not financed, and are instead added to the regular mortgage payment.

This program is designed to assist low- and moderate-income households, meaning that the FHA does limit the dollar amount of mortgages issued.

Borrowers must submit applications to mortgage lenders within one year of the President's disaster declaration, and applications are made through an FHA approved lending institution. More information is available at: [https://www.hud.gov/program\\_offices/housing/sfh/ins/203h-dft](https://www.hud.gov/program_offices/housing/sfh/ins/203h-dft).

### 90-Day Moratorium on Mortgage Foreclosures in Maui County:

Additionally, beginning August 8th, HUD has announced a 90-day moratorium on the foreclosures of mortgages in Maui County insured by the Federal Housing Administration

(FHA), and a 90-day extension granted automatically for Home Equity Conversion Mortgages: [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/ HUD No 23 169](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_23_169).

The extension is currently set to expire on November 9th, however the Biden Administration has the authority to issue extensions.



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# Hawai'i 2023 End of Legislative Session Report

*continued from page 13*

## HB 178 RELATING TO HOMEOWNERS

**ASSOCIATIONS-** This bill would have established a HOA ombudsman office within the Department of Commerce and Consumer Affairs, with authority to investigate complaints and enforce compliance. The bill would have also required HOA board members to attend an education course provided by the state. CAI Hawaii LAC worked hard to oppose this bill, and lawmakers listened, preventing what would have been a very negative bill from moving forward.

**Status: Successfully DIED in Committee.**

## SB 1203/HB 296 RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING-

This was a manager licensure bill; community association managers would have had to go through a state-mandated licensure program, under this bill. CAI Hawaii LAC was opposed to this bill, due to the effective, internationally recognized self-regulation which already exists for community managers nationwide.

**Status: Successfully DIED in Committee.**

## HB 299 RELATING TO PROPERTY

**MANAGEMENT-** This bill would have required each member of a community association board to attend a training and certification course provided by the state within one year of appointment or election or one year of the effective date of the bill. It would have required the Real Estate Commission to establish and administer a training and certification program on legal and fiduciary requirements. CAI Hawaii LAC opposed this bill due to the burden it would have placed on the homeowner volunteers who help make community association living possible.

**Status: Successfully DIED in Committee.**

For more information on community association legislation in Hawai'i, visit <https://www.caionline.org/Advocacy/LegalArena/Laws/Pages/HI.aspx>.

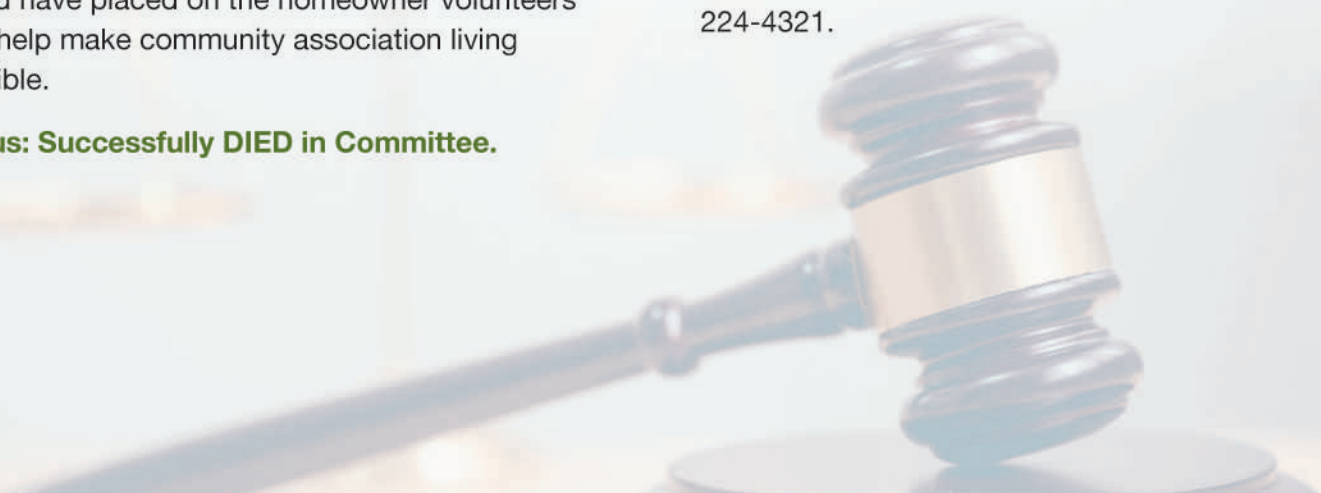
## Your Assistance is Needed

CAI relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. CAI needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from Hawai'i community associations, business partners, and individuals. Please visit [www.caionline.org/lacdonate/](https://www.caionline.org/lacdonate/) and donate to CAI's Hawaii Legislative Action Committee to support our continued efforts.

We need YOUR voice! **Sign up today** to become a CAI Advocacy Ambassador and help shape legislation in your state!

## Hawai'i Contact Information

- Visit <https://www.caionline.org/Advocacy/LAC/HI/Pages/default.aspx>
- CAI Hawaii Chapter email- [caihawaii@hawaiiantel.net](mailto:caihawaii@hawaiiantel.net)
- CAI Hawaii Chapter website- <https://www.caihawaii.org/>
- Contact CAI's Government and Public Affairs Team at [government@caionline.org](mailto:government@caionline.org)
- To find the chapter nearest you, please call (888) 224-4321.





# Happy Birthday Purchasing Hui of Hawaii

By James Von Rohr

The Purchasing Hui of Hawaii celebrated its 30th birthday in July 2023. Founded by Noreen Hong-Von Rohr in 1993 with 4 original members (Mauna Luan AOA, Yacht Harbor Towers AOA, Kukui Plaza AOA, and Marco Polo AOA), it has grown to become Hawaii's premier group buying organization. It has over 700 members that include condominiums, restaurants, hotels, nonprofit organizations, and other businesses.

The Hui offers cost containment contracts to its members that are designed to save time and money. In an effort to reduce costs, the original 4 buildings agreed to buy their light bulbs, toilet paper, and janitorial supplies together as a group to get better pricing. It worked. The rest, as they say, is history.

Group buying is not a new concept. Farmers, hotels, hospitals and even states have been using cooperatives for many years. Farmers typically buy fertilizer, seed, and even equipment together to get better prices. The idea is to offer sellers (vendors) volume in exchange for discounted rates. Many farmers could not survive without them.

Noreen realized that condominiums were stand-alone entities with very little negotiating power when it came to goods and services. She understood that the only way they would ever have

the leverage needed to get better pricing was to organize and form a buying "Hui" (group). It was an incredibly difficult thing to do. She didn't have any contracts to offer potential members, therefore she had to get them to agree to the idea first. Luckily for her and the rest of the condominium industry in the state, the original 4 managers had the foresight and willingness to give it a shot. The Hui and the industry owe a great deal of gratitude and thanks to those 4 men: Michael Shimoda (Yacht Harbor Tower), Randy Weikert (Mauna Luan), Russ Hoselton (Kukui Plaza) and Jim Poorbaugh (Marco Polo)...thank you so much for believing and supporting us in the early years.

The Hui is different from other cooperatives because all contracts are member driven. Members decide the types of contracts and which vendors are awarded -- not a board of directors or a committee. It's important that the members make these decisions because they are the ones who are going to use the products and services. They are also the ones with the experience and expertise in building management. Members meet the last Tuesday of each month to conduct business. These meetings can be contentious at times because the managers are savvy and passionate about their role in the process.

Once a company is vetted and

awarded a contract, it goes into the Hui contract portfolio and includes the price. It's available to members in a binder or online. All vendors must be properly licensed and insured to participate. The Hui facilitates the contracts and monitors expiration dates, contract specs, complaints, and service issues. It can also mediate disputes between members and vendors. Contracts can and have been cancelled based on poor performance or quality of goods.

Members can use the contracts at their discretion. If they choose not to use them, there is no Hui fee. Therefore, there is no risk in joining the group. If they use a contract, they are charged a fee. Contracts offer 5%-75% savings depending on the type of product or service. Vendors submit a monthly report stating which members used their service and how much they were charged. Based on those numbers, the member is sent a bill from the Hui.

*continued on page 20*





# Happy Birthday Purchasing Hui of Hawaii

continued from page 15

The contract portfolio offers a wide array of product and service options for members to use. Plumbing service, bulk cable and internet service, elevator maintenance service, electrical service, swimming pool supplies, janitorial supplies, trash can liners, tree trimming service and light bulbs are some example of offerings. There are 141 cost containment contracts to choose from. In many cases members will use the same vendors they've been using but get better prices. Over the years the contracts have provided vendors with over \$200,000,000 worth of business and saved Hui members an estimated \$40,000,000 on products and services.

The Hui prides itself on transparency, accountability, and service to its members and vendors. As of this writing, to our knowledge, there has not been a single complaint filed with the Department of Commerce and Consumer Affairs or the Better Business Bureau in our 30 years of business -- not one. We take great pride in this.

Recently, the Hui has expanded its service to Maui, Kauai, and the Big Island and now has 55 members on the neighbor islands.

The Purchasing Hui team consists of: President Noreen Hong-Von Rohr, VP of Membership Weylin Hokutan and Office Manager Juliet Von Rohr. Former President James

Von Rohr retired in 2019 after guiding the company for 25 years.

If you're a property or resident manager, sit on a board of directors for an AOA, or own or manage a business and are not familiar with the Hui, please contact us at 808-487-0525 or [info@purchasinghui.com](mailto:info@purchasinghui.com). Check out our website [www.purchasinghui.com](http://www.purchasinghui.com). We're confident we can save you time and money.

## About the Author:

*James Von Rohr was born in Stockton, CA. and came to Hawaii when he was 6 months old. He attended Radford High School and Eastern Arizona College. He worked at the Purchasing Hui from 1994 to 2019. He and Noreen own the company.*



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# RICHARD MURRAY GOURLEY DISTINGUISHED SERVICE AWARD

## Gourley Award Nominations

Nominations are open for the Richard M. Gourley Distinguished Service Award. This award serves to recognize an individual, group, or organization for outstanding service to the community association industry as a whole, including CAI Hawaii Chapter.

Nominations must include a description of the contributions that reflect outstanding service to the community association industry. You can take this opportunity to nominate the one individual, group, or organization that you feel has provided outstanding service to the community association industry, including CAI Hawaii Chapter.

Written nominations must be submitted to the Awards Committee by Friday, October 6, 2023, using this nomination form. The Board of Directors will select the recipient(s), and the award will be presented at the 2023 Annual Meeting on Friday, November 3, 2023.

The Awards Committee would like to encourage all CAI Hawaii Chapter members to submit a nomination for an individual, group or organizations that embodies the spirit of the award in providing outstanding service the community association industry.

## NOMINATIONS INFORMATION

Name \_\_\_\_\_ Company \_\_\_\_\_

Position or Type of Organization \_\_\_\_\_

Address \_\_\_\_\_

Phone: (B) \_\_\_\_\_ (H) \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

INDUSTRY ACTIVITIES; BUSINESS ACCOMPLISHMENTS/PROFESSIONAL DESIGNATIONS and  
OTHER QUALIFYING INFORMATION (Use separate sheet(s) as necessary)

## SPONSOR INFORMATION

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Company Address: \_\_\_\_\_

Phone: (B) \_\_\_\_\_ (H) \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_



# Risk Management in Community Associations: The Link Between Insurance and Mortgages

By Elaine Panlilio, CRM, CIC, CISR

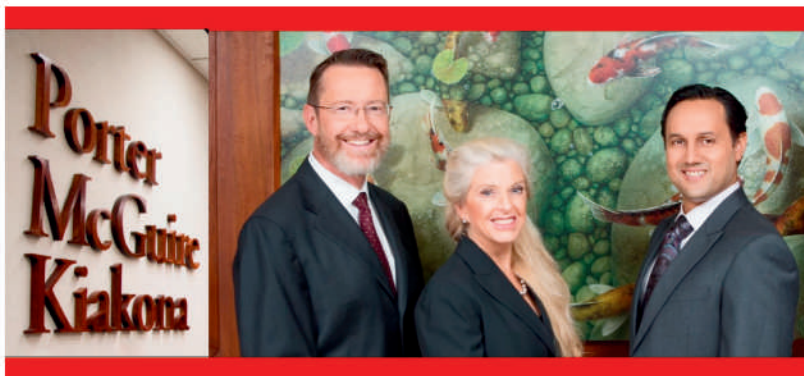
Insuring to value is a fundamental principle in insurance that ensures your policy will adequately protect your assets and financial investment. The role of insurance is to be that safety net to help condominium associations and homeowners rebuild their property after a loss or a natural disaster. To rebuild the property to its condition before the loss occurred, the property will need to be insured for its replacement cost. The replacement cost valuation should take into consideration the current cost of labor and materials and in some cases, even budget for a little extra cushion for demand surge when the demand and cost for labor and materials spike after an area wide disaster. A best practice for Community Associations would be to obtain a replacement cost appraisal every 3 to 5 years from a qualified and licensed appraiser.

Here in Hawaii, an emerging issue that many community association boards are now facing is the lack of affordability and availability of Hurricane Insurance. Due to the very limited number of insurers that are still writing Property Insurance for Condominiums, these insurers are assuming a very large portion of the risk should a Hurricane make landfall and cause property damage in Hawaii. With the aggregation of these risks, combined with large claim payouts from other perils such as fire and water damage, some insurers have stopped writing Property Insurance for condominiums and one insurer has started to limit their Hurricane coverage and are only offering limits at a fraction of the overall replacement cost of the building. For example, a building with a total replacement cost value of \$300 Million, may only have \$25 Million limits for Hurricane coverage. There are additional

hurricane limits available from the excess and surplus lines insurance market, however, the premiums for these additional coverage limits are very expensive.

To understand the importance of this coverage, we need to understand the peril. Hurricanes are one of the major catastrophic perils in Hawaii. For 2023, the National Oceanic and Atmospheric Administration (NOAA) predicts a 50% more chance of above normal tropical cyclone activity in the central Pacific than usual, due to it being an El Nino summer which typically contributes to an increase in tropical cyclone activity across the Pacific Ocean basin.

For other hurricane vulnerable states like Florida and South Carolina, they are already feeling the impact of the unintended consequences from the lack of availability and affordability of Hurricane Insurance. These



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states are experiencing restrictions in obtaining financing for condominium unit owners and we are starting to see this trend in Hawaii. Recently, some lenders are starting to issue internal memos to their loan officers with a list of buildings that may be ineligible for traditional financing since these buildings are carrying lower hurricane limits than the replacement cost value of the building. Banks will begin to scrutinize the insurance coverages to ensure it meets lender guidelines to avoid any mid-escrow headaches that will prevent a loan from closing. Why is this important? Banks customarily package their loans to sell to Fannie Mae. Fannie Mae requires the master property policy for condominiums to be written on a special coverage form including coverage for Named Storms or Hurricanes at full Replacement Cost. Furthermore, it requires that if a master property insurance policy excludes or limits coverage on any of the required perils, the association must obtain an acceptable stand-alone property insurance policy which provides adequate coverage for the limited or excluded peril. If associations do not meet these requirements, loans in these condominiums are deemed undesirable.

Community Association Boards are tasked with an important responsibility of acting in the best interest of their association to ensure financial stability, smooth operation, and maintenance of their community. This is their duty to their community and their fellow owners. To fulfill this duty, the board must engage in strategic planning and work their legal counsel, insurance professional, property manager and even banking professionals to determine if their decision to purchase Hurricane Coverage limits at less than the replacement cost will ultimately impact the ability of the unit owners to sell or refinance their units.

Reference:

<https://selling-guide.fanniemae.com/Selling-Guide/Origination-thru-Closing/Subpart-B7-Insurance/Chapter-B7-3-Property-and-Flood-Insurance/2704219411/B7-3-03-Master-Property-Insurance-Requirements-for-Project-Developments-12-14-2022.htm>

### About the Author:



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Direct Line: (808)533-8766

*Elaine Panlilio, CRM, CIC, CISR is the AOA Unit Manager at Atlas Insurance Agency, the largest locally owned insurance agency in Hawaii. Elaine has 17 years of insurance experience and holds the Certified Risk Manager, Certified Insurance Counselor and Certified Insurance Service Representative professional designations from the National Alliance for Insurance Education and Research. She is a member of the CAI Legislative Action Committee and the State of Hawaii DCCA Condominium Task Force.*



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## Tips and Tricks for Complying with Ordinance 22-17

*By Adrian Hong*

If your association hasn't started talking about complying with Ordinance 22-17 (Bill 22) you should start soon. Ordinance 22-17 requires Oahu building owners to submit a benchmarking report to the City & County of Honolulu (C&C) on an annual basis. The report contains metrics regarding the building's energy usage, water usage, and greenhouse gas (GHG) emissions.

Buildings with a gross floor area of over 100,000 square feet have already started submitting their benchmarking reports in 2023. Buildings with a gross floor area of over 50,000 square feet will have to start submitting their benchmarking reports by June 30th, 2024. The following is a list of tips and tricks for complying with the ordinance based on Hong Consulting's experience assisting over a dozen properties in submitting their benchmarking reports.

1. Do not wait till June to start the benchmarking process. It can take over a month for the utilities to provide you with the electricity, water, and gas usage you need to submit your benchmarking report if you don't already have your usage. I recommend starting the process in March.
2. Use the following website to create a document with a list of all the data you need to collect in order to file: <https://portfoliomanager.energystar.gov/pm/dataCollectionWorksheet>. The website also has links to definitions of important terms such as "gross floor area." Condominium associations should select multifamily housing as their property type.
3. Do not have any gaps in your monthly electricity, water, or gas usage. EnergyStar Portfolio Manager, the system the C&C uses to collect the data and issue the reports, does not allow for any gaps in usage. If you can't find one of your monthly utility bills, then your association will have to request the annual usage from the utilities themselves.
4. Your electricity, water, and gas usage must cover from January 1st to December 31st. If your utility bills start after the beginning of the year or cut off before the end of the year, then you will need the previous month's bill or next month's bill to get all the required



usage. EnergyStar Portfolio Manager will spit out an error if the usage for a particular meter does not cover every day of the calendar year being reported on. It is okay if the previous month's bill or the next month's bill covers periods outside of the calendar year as long as every day in the calendar year is covered.

5. The benchmarking report covers the whole property, not just the condominium association. If you have businesses such as gyms, restaurants, and salons on your property, you must include their usage in the benchmarking

report. You will also need to allocate the gross floor area of your property to the different property types that exist on your property (ex. multifamily housing and restaurant/bar).

6. If you cannot find the gross floor area or the irrigated area for your property in the association's documents, you can estimate gross floor area using Google Earth's Measure function. The measure function can help you determine from satellite imagery the distance and area between selected points. It is a useful and free tool to use.

For more information about Ordinance 22-17, please click on the following link: <https://www.resilientoahu.org/benchmarking>. It will take you to OCCSR's website about the ordinance and its benchmarking program.



#### About the Author

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## CAI Website — Convenient Registration for Webinars

CAI Hawaii's website – [www.caihawaii.org](http://www.caihawaii.org) includes flyers and forms for our seminars on the home page to make it easy to register for our programs. Sign up on line, mail in your payment – or ask your Property Manager if you are representing your association. You'll receive an immediate email confirmation and reminders with your link a few days before and an hour before the webinar.

Annual Pass members are automatically registered. Of course, you can also still submit your questions using our online Information Request Form.

Past issues of our newsletters and program handouts are also available in the Resource Center. Any questions or problems, please email us at [caihawaii@hawaiiantel.net](mailto:caihawaii@hawaiiantel.net).

### 2024 Annual Pass for Webinars

CAI Hawaii's popular annual pass program will return for 2024. Sign up once for 2024 and you get an entire year of webinars and save money! The pass is fully transferable; just let us know who will take your place for any of the programs.

2024 will include three in-person events on Oahu. These will be recorded and available for viewing for up to one year after the scheduled event.

We know how busy everyone gets, so we automatically register you for each webinar and email a reminder that you're registered. Do you want a certificate of attendance? Just note on the 2024 registration form.

On-line registration will open no later than 10/15/2023.

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## Among Hawaiiana's Accolades:

- PBN Best Workplace 2023
- Honolulu Star Advertiser "Top Workplace" 2022
- #1 – PBN's Condominium Association Managers List

## What Makes an Award-Winning Management Company? Its People

At Hawaiiana Management Company, we truly believe the key to our success lies in our people. Hawaiiana has received many accolades over the years, and the reason is clear: our award-winning staff. Our work-ethic and ohana culture has brought us several "best workplace" awards, and is best expressed by employees themselves:

*Working here for the past 20 years has been awesome, and the time has flown by. I have seen so many wonderful changes and growth in*

*the company. Working is great when you have a "good vibe" environment like we do. You want to come to work! T.L.*

*I love working at Hawaiiana because all employees, regardless of position, help you whenever you need it. Aloha is sincerely practiced and spoken here, without a second thought. It's genuine, and I've never seen anything like it elsewhere! AC*

We know that success is not measured by awards or mere statistics, but by

the value we are able to provide to those we serve. Hawaiiana is grateful for the opportunity to serve over 750 associations in Hawaii, translating to approximately 120,000 residences – all with a stellar client retention rate near 99%. Our continuing mission is to serve our clients!

For more information on Hawaiiana's award-winning services, contact: Mele Heresa, CCIM®, CPM®, Real Estate Broker RB-21752, at meleh@hmcmt.com or (808) 593-6827.



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## 2023 - 2024 Calendar of Events

**October 25\***

### **Association Fundamentals**

Lance Fujisaki, Melanie Oyama,  
Co-Chairs

**November 3**

### **Annual Membership Meeting**

**December 7**

### **Managers' Forum**

**December 14\***

### **Cyber Threats**

Richard Ekimoto, Steve Glanstein,  
Co-Chairs

**January 25\***

### **Get your Act Together—Tips for a successful Annual and Board Meeting Season**

Kanani Kaopua, Rachel Glanstein,  
Co-Chairs

**March 7\***

### **Ask the Consultants and Contractors**

Milton Motooka, Bernie Briones,  
Co-Chairs

**May 16\***

### **Association and Homeowner Insurance Policies Explained**

Josh German, Mike Ayson, Co-Chairs

**June 22, 29\***

### **Two half day webinars covering the basics of board leadership responsibilities**

Melanie Oyama, Keven Whalen,  
Co-Chairs

**July 18**

### **Legislative Update presented by the Legislative Action Committee**

**August 22**

### **Reserves and Budgets**

Jonathan Billings, Carol Rosenberg,  
Co-Chairs

**September 26**

### **Employment/Labor Law—Hiring, Firing, and Supervising**

Paul Ireland Koftinow, Melanie  
Oyama, Co-Chairs

**October 24**

### **Covenant Enforcement: Case Law Update**

Anne Anderson, Chair

**November 1**

### **Annual CAI Membership Meeting**

\*This seminar or educational presentation is entirely or partly funded by funds from the Condominium Education Trust Fund (CETF), for condominium unit owners whose associations are registered with the Real Estate Commission. The CETF is administered by the Real Estate Commission which is attached to the Department of Commerce and Consumer Affairs, State of Hawaii, through the Professional and Vocational Licensing Division.