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## HOUSE CONCURRENT RESOLUTION

REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO IDENTIFY ALL PLANNED COMMUNITY ASSOCIATIONS IN HAWAII, THEIR SIZE, AND THE LAWS UNDER WHICH THEY ARE REGULATED.

WHEREAS, there is an increasing trend for families to live in common interest developments (CIDs) of which there are many types, including detached house estates, townhouse complexes, and high rise apartments; and

WHEREAS, the outstanding characteristic of a CID is that the owners of individual units in the CID share ownership and use of common elements which may include properties such as recreational facilities, roadways, parking areas, gardens, and fences; and

WHEREAS, this common ownership is the basis for many of the advantages of a CID, and allows owners to enjoy recreational facilities that may have otherwise been unaffordable, maximize their property values by standardizing the design of units within the CID, and enjoy landscaped gardens and open spaces without having to personally maintain those spaces; and

WHEREAS, the community association, an association composed of all CID unit owners, governs the CID, manages its common elements, and represents the common interests of the owners; and

WHEREAS, the key to a unit owner's full enjoyment of their CID property is accordingly tied to the owner's ability to participate in the governance of the CID; and

WHEREAS, Hawaii's condominium law helps owners of units in high-rise and townhouse developments to participate in the governance of their CID by establishing, among other things, a condominium dispute resolution process that gives owners an

alternative to costly and time consuming arbitration or litigation procedures; and

WHEREAS, the condominium law does not encompass planned community associations (PCAs), a type of CID that features free-standing homes and common areas within a single development, that is governed by the PCA law in Chapter 421J, Hawaii Revised Statutes; and

WHEREAS, the PCA law contains less protections for unit owners than the condominium law, and most notably lacks the administrative dispute resolution procedure that gives owners an alternative to costly and time consuming arbitration or litigation; and

WHEREAS, the protections afforded unit owners in a CID should not vary merely because the units in CIDs take different physical forms; and

WHEREAS, the number of PCAs and PCA unit owners in Hawaii who might benefit from laws enhancing unit owner participation in PCA governance is unknown, because unlike the condominium law, the PCA law contains no method to register PCAs; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2007, the Senate concurring, that the Legislative Reference Bureau shall prepare and submit to the Legislature 20 days prior to the convening of the 2008 Regular Session, a report on planned community associations governed by Chapter 421J, Hawaii Revised Statutes; and

BE IT FURTHER RESOLVED that the report:

(1) Identify all PCAs within the State of Hawaii by name and location;

(2) Describe each PCA's size in terms of owners and units; and

(3) Identify the laws under which PCAs are currently regulated.

HCR HMS 2007-1046



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and

BE IT FURTHER RESOLVED that a certified copy of this Concurrent Resolution be transmitted to the Acting Director of the Legislative Reference Bureau.

OFFERED BY:

of Yell-Knawters Type B. Berg

JAN 1 7 2007

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