
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.

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

5
6 WHEREAS, the collective characteristic of common interest
7 developments is that the owners of individual units in a common
8 interest development share ownership and use of common elements,
9 which may include properties such as recreational facilities,
10 roadways, parking areas, gardens, and fences; and

11
12 WHEREAS, this common ownership is the basis for many of the
13 advantages of a common interest development, allowing owners to
14 enjoy recreational facilities that may have otherwise been
15 unaffordable and landscaped gardens and open spaces without
16 having to personally maintain those spaces and maximizing their
17 property values by standardizing the design of units within the
18 common interest development; and

19
20 WHEREAS, the community association, an association composed
21 of all common interest development unit owners, governs the
22 common interest development, manages its common elements, and
23 represents the common interests of the owners; and

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25 WHEREAS, the key to a unit owner's full enjoyment of the
26 common interest development property is accordingly tied to the
27 owner's ability to participate in the governance of the common
28 interest development; and

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H.C.R. NO. 198

1 WHEREAS, Hawaii's condominium law helps owners of units in
2 certain high-rise and townhouse developments to participate in
3 the governance of their common interest development by
4 establishing, among other things, a condominium dispute
5 resolution process that gives owners an alternative to costly
6 and time consuming arbitration or litigation procedures; and
7

8 WHEREAS, the condominium law does not encompass planned
9 community associations, a type of common interest development
10 that features free-standing homes and common areas within a
11 single development, that is governed by Chapter 421J, Hawaii
12 Revised Statutes; and
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14 WHEREAS, the planned community association law contains
15 less protections for unit owners than the condominium law, and
16 while providing for mediation, most notably lacks the
17 administrative dispute resolution procedure that gives owners an
18 alternative to costly and time consuming arbitration or
19 litigation; and
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21 WHEREAS, the protections afforded unit owners in a common
22 interest developments should not vary merely because the units
23 in common interest developments take different physical forms;
24 and
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26 WHEREAS, the number of planned community associations and
27 planned community association unit owners in Hawaii who might
28 benefit from laws enhancing unit owner participation in planned
29 community association governance is unknown, because unlike the
30 condominium law, the planned community association law contains
31 no method to register planned community associations; and
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33 WHEREAS, the Community Associations Institute, a non-profit
34 membership organization receives a portion of its funding from
35 the real estate branch of the Department of Commerce and
36 Consumer Affairs, has compiled a considerable database of
37 information on member planned community associations in Hawaii;
38 now, therefore,
39

40 BE IT RESOLVED by the House of Representatives of the
41 Twenty-fourth Legislature of the State of Hawaii, Regular



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1 Session of 2007, the Senate concurring, that the Legislative
 2 Reference Bureau, with the assistance of the Department of
 3 Commerce and Consumer Affairs is requested to prepare and submit
 4 to the Legislature no later than twenty days prior to the
 5 convening of the 2009 Regular Session, a report on planned
 6 community associations governed by Chapter 421J, Hawaii Revised
 7 Statutes; and

8
 9 BE IT FURTHER RESOLVED that the Legislative Reference
 10 Bureau, in conducting this study is requested to:

- 11
 12 (1) Identify all planned community associations within the
 13 State by name and location;
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 15 (2) Describe each planned community association's size in
 16 terms of owners and units; and
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 18 (3) Identify the laws under which planned community
 19 associations are currently regulated; and
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21 BE IT FURTHER RESOLVED that certified copies of this
 22 Concurrent Resolution be transmitted to the Director of the
 23 Legislative Reference Bureau, the Director of Commerce and
 24 Consumer Affairs, and the Chairperson of the Real Estate
 25 Commission, who in turn is requested to transmit copies to the
 26 Executive Director of the Hawaii chapter of the Community
 27 Associations Institute.
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 30

OFFERED BY:

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[Signature]
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MAR 10 2008

