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## HOUSE 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

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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

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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

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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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30           WHEREAS, Hawaii's condominium law helps owners of units in  
31 certain high-rise and townhouse developments to participate in



1 the governance of their common interest development by  
2 establishing, among other things, a condominium dispute  
3 resolution process that gives owners an alternative to costly  
4 and time consuming arbitration or litigation procedures; and  
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6 WHEREAS, the condominium law does not encompass planned  
7 community associations, a type of common interest development  
8 that features free-standing homes and common areas within a  
9 single development, that is governed by Chapter 421J, Hawaii  
10 Revised Statutes; and  
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12 WHEREAS, the planned community association law contains  
13 less protections for unit owners than the condominium law, and  
14 while providing for mediation, most notably lacks the  
15 administrative dispute resolution procedure that gives owners an  
16 alternative to costly and time consuming arbitration or  
17 litigation; and  
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19 WHEREAS, the protections afforded unit owners in a common  
20 interest developments should not vary merely because the units  
21 in common interest developments take different physical forms;  
22 and  
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24 WHEREAS, the number of planned community associations and  
25 planned community association unit owners in Hawaii who might  
26 benefit from laws enhancing unit owner participation in planned  
27 community association governance is unknown, because unlike the  
28 condominium law, the planned community association law contains  
29 no method to register planned community associations; and  
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31 WHEREAS, the Community Associations Institute, a non-profit  
32 membership organization receives a portion of its funding from  
33 the real estate branch of the Department of Commerce and  
34 Consumer Affairs, has compiled a considerable database of  
35 information on member planned community associations in Hawaii;  
36 now, therefore,  
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38 BE IT RESOLVED by the House of Representatives of the  
39 Twenty-fourth Legislature of the State of Hawaii, Regular  
40 Session of 2007, that the Legislative Reference Bureau, with the  
41 assistance of the Department of Commerce and Consumer Affairs is



1 requested to prepare and submit to the Legislature no later than  
2 twenty days prior to the convening of the 2009 Regular Session,  
3 a report on planned community associations governed by Chapter  
4 421J, Hawaii Revised Statutes; and

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6 BE IT FURTHER RESOLVED that the Legislative Reference  
7 Bureau, in conducting this study is requested to:

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

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OFFERED BY: *Rida R Cabanilla*

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