



Aloha,

Yesterday, we sent you an announcement regarding changes that we have made in our work place in response to COVID19 and the new stay at home work orders issued by the Mayors of Honolulu and Maui and Governor Ige.

We have had a number of questions that have come up related to the stay at home work orders and the impact of COVID19 to not only our workplace but also to each of our associations workplaces.

While this is not a complete list and we are getting new questions each day, we thought we would provide some of the Questions and Answers that we are receiving as well as some additional resources in hopes that it may help you make decisions related to your specific situation.

Please scroll past this letter to see Association **COVID19 Questions and Answers**, and let us know if you have any additional questions.

Please continue to be safe!

Thank you,

Mike

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Client Q&A – COVID19

As you are aware, both the Oahu and Maui Mayors and Governor Ige have issued Orders regarding stay at home/work from home for essential and non-essential businesses and employees. We wanted to take this opportunity to share some of the most frequent questions we have received from our 750 associations, representing nearly 120,000 households and provide some responses to help you in determining the best courses of action for your community. We recognize that these may vary by community based on the circumstances in each community and that new questions will arise as we work through this situation.

Q. We have an annual meeting scheduled between now and the end of April, should we postpone it?

A. The Orders state: “**All public and private gatherings of any number of people occurring outside a single household or living unit are prohibited,**” (except for the limited purpose expressly permitted in the Order). [**Emphasis added**] We are recommending that any Annual Meeting be canceled, postponed or reconfigured (for ex: teleconferencing). However, please check your documents and consult with your association attorney since there may be legal implications.

Q. We have a Regular Board meeting and various committee meetings scheduled between now and April 30th, should we postpone them?

A. Cancelling or changing a previously scheduled Board meeting typically rests with the majority of the Board; however, be sure to check your governing documents. If you do hold a Board meeting, be sure to comply with the Orders by holding the meeting via conference call or video call in lieu of a physical gathering.

While association business will still need to be conducted during this period, and it can be difficult to discuss more complicated matters via conference/video call, another option in lieu of a regular Board meeting is to hold a Special Meeting(s) and only focus on the essential action items needed by the Board during this time. We are encouraging clients to communicate via phone or e-mail. While Management Executives can attend meetings by phone or video conference, at this point HMC employees are not allowed to attend meetings of any size in person.

Q. We have various amenities (i.e. – pool, sauna, library, gym, golf simulator, BBQ area, etc.) in our Association, should they be closed?

A. While some associations have kept some of their amenities open, subject to individuals complying with Social Distancing Requirements, many associations have already closed their amenity areas entirely. As a Board, you will have to make a decision in compliance with the Orders. However due to the Orders we are recommending that your common area amenities be closed at this time if you have not closed them already.

Q. Should we allow guests to visit our association?

A. Consistent with the Orders, **all individuals currently living within the City/County are ordered to stay in their place of residence.** [Emphasis added.] As such, we are recommending that guests should not be allowed into your Association or home.

Q. We have a new hire starting in a few days, should they still start?

A. We recommend holding off on any new hires unless the position they are being hired for is essential and cannot be covered by existing staff.

Q. Will our association vendors continue to work to maintain our association during this time?

A. There are various Essential Businesses identified in the Orders that particularly relate to Association type vendors and includes; “Plumbers, electricians, exterminators, and other service providers **who provide services that are necessary to maintaining the safety, sanitation and essential operation of residences;**” [Emphasis added]

If a service(s) being performed is not essential or necessary per the bolded section above, those services should be suspended. Examples may include items such as yoga classes, valet services, concierge services, and so forth.

If you have not already done so please check with the vendors who service your property to see if there are any changes in their work schedules. You may want to focus first on vendors who perform routine maintenance/services and any vendors who provide emergency services for your association.

Ask vendors what their policy is for any of their employees who have been out of the state. For example: Are they required to self-quarantine 14 days before returning to work? We are requiring our HMC employees to self-quarantine 14 days if they have been out of the state before returning to work.

Q. Should we stop charging maintenance fees and late fees? What about evictions, liens, foreclosures, covenant enforcement and assessing fines?

A. Due to the anticipated slow down/shut down of various businesses throughout the State, we can expect owners to fall behind on paying their monthly association fees. On Kauai, the Mayor has already issued a letter to associations to reconsider their covenant enforcement and fine policies at this time. HMC has suspended our covenant enforcement services unless the matter in question is a threat to health or safety of the community. We recommend reviewing options with your Management Executive and Association counsel on each of these issues so that you are ready to respond to owners when the questions arise.

Q. How do I know which employees are Essential and which are Non-Essential?

A. In short, each association will have to make a determination if a position(s) ultimately “provides services that are necessary to maintaining the safety, sanitation, and essential operations of residences.” While there are some differences in the 3 Orders that have been issued to date, there is also general consensus when it comes to Critical Trades. For example the Order issued by Governor Ige defines critical trades as: “Building and Construction Tradesmen and Tradeswomen, and other trades including but not limited to plumbers, electricians, exterminators, cleaning and janitorial staff for commercial and governmental properties, security staff, operating engineers, HVAC, painting, moving and relocation services, and other service providers who provide services that are necessary to maintaining the safety, sanitation, and essential operation of residences, essential activities, and essential businesses and operations.” Based on the definition, we are suggesting most association employees be considered essential employees. For example: general/resident manager, operations manager, chief/lead engineer, cleaning and janitorial staff, security staff, and maintenance staff. There may be others depending on the specific needs of the associations. Non-essential employees may include, but not be limited to some administrative staff, concierge, doorman, and valet. However, this may vary by association and by the individual association’s interpretation of who is essential or not. Please also note that some employees may be able to work remotely or there may be other essential duties that a non-essential employee could perform.

Q. I submitted a Design Review Application to HMC recently. Is it on hold now?

A. So long as the design application review can be accomplished without having to visit a home or meet with a vendor or contractor, application reviews will continue.

Q. What types of resources are available to association employees as it relates to COVID19?

A. This is changing, however, the Families First Coronavirus Response Act has been approved that will take effect on April 2 which will allow employees 80 hours of sick time and additional rights under the Family Medical Leave Act (FMLA). The US Congress is also discussing additional resources that may be available to employees that include additional Unemployment Benefits. Since this is changing, we would encourage you to work with your Management Executive, our Human Resource Director, Al Pattison, and your legal counsel. We are also waiting on additional information to provide to associations regarding the Family First Act once it is available from the Federal Government. Please contact Al Pattison via email at alp@hawaiianagroup.com if you have additional questions.

Q. What happens if someone tests positive for COVID19 in our building? Should we let other people know?

A. As you know, there are privacy and HIPPA laws that protect all of us when it comes to medical information so you should be very careful when it comes to disclosing any confidential information. However, you should take every precaution to maintain a clean and safe work and community environment. Many buildings have increased their building cleaning schedules

particularly as it relates to any common areas. All of us should be following the guidelines outlined by the CDC and the Hawaii Department of Health. If you have additional questions, you should contact your legal counsel.

Q. If an employee needs to self – quarantine, self-monitor or is diagnosed with COVID19, can they take vacation/sick (PTO) time to cover the time off?

A. This is a decision that each association will need to make since the association is the employer. However, at HMC we are allowing employees to use their PTO to take time off in these situations. Please be aware though that the Families First Act that goes into effect April 2 will provide additional resources for employees as well as some of the options that the Federal government are discussing at this time. Unemployment Benefits may be expanded and TDI may be an option in some cases. Please work with your Management Executive, our HR Director and your association attorney if you have additional questions.

Q. If an employee is laid off now, will they be eligible for the Families First Act Benefits that take effect on April 2?

A. At this time, it is difficult to say, however we would encourage you to check with our HR Director and/or your association attorney. If you need additional information you can also check: <https://www.dol.gov/agencies/whd/pandemic>

Q. What do you do if one of your employees is stopped on the street and asked why they are not at home?

A. You may be surprised that Hawaiiiana has already had this situation with an employee who was standing at a bus stop. HMC is providing a letter and an ID card to each employee to carry with them that identifies them as an essential employee. Please contact your Management Executive if you would like to see a sample letter and/or ID card that you can use for your association employees.
