

**FAQs:  
Declaration of Covenants, Conditions, and Restrictions (DCCR) communities  
Proposed Administrative Rules**

**What are Declaration of Covenants, Conditions, and Restrictions (DCCR) communities?**

DCCRs are documents that create what are called “master-planned communities.” These communities are organized as Hawaii nonprofit corporations and must comply with Hawaii Revised Statutes chapter 421J. They have their own specific rules intended to keep the neighborhood and lots in it clean, well maintained, and safe. The idea is that with these types of rules in place, the neighborhood becomes a more desirable place to live and property values are maintained for the long term. DCCR communities are governed by an association with an elected board. All owners in the community are members of the association and pay dues or assessments that go toward maintaining common areas or supporting community events. If you live in a DCCR community, you are a member of the association and subject to its rules.

**Are all homesteads DCCRs?**

No. On Hawaiian Home Lands, there are 15 DCCR communities subject to HRS 421J. Most of these are on Oahu but Maui, Lanai, Kauai, and Hawaii also have DCCRs.

**If DCCRs are rules for a specific homestead, why does DHHL need rules for them, too?**

There are two basic reasons. The first is that section 207.5 of the Hawaiian Homes Commission Act requires that rules be adopted for single-family and multi-family DCCR communities, and for rentals owned by the Department. The second reason is that administrative rules govern how the Department interacts with and relates to the beneficiaries and the public. These rules say how the Department will interact with its DCCR associations and lessees in those neighborhoods.

**I live in an existing DCCR, how can these rules help us when the DCCRs were in place before these rules?**

The draft rules include a provision for existing DCCR associations to “opt-in” by a majority vote of the association. If an association “opts-in,” the Department will be able to assist with the enforcement of the governing documents.

**If I’m moving into, or thinking about moving into, a DCCR community, how do I know what the rules are? What documents do I need?**

If you are receiving a new award, you will get the governing documents with your lease documents. If you are buying a lease or are getting one as a successor you can get the documents from the seller or you can ask DHHL for the documents during the transfer or succession process. To obtain replacement documents, a lessee should contact the association board.

You need a copy of all the major documents: the Declaration creating the community, the association Bylaws, and any amendments that have been adopted. The Declaration and any amendments will tell you about the community and its rules; the association Bylaws will tell you how the association is organized, what it can do, and your rights as a member.

**I’m a DCCR association board member, what documents should we be sure are current?**

Associations vary and compliance requirements can be different. However, all associations formed as a Hawaii nonprofit corporation must have the following governing documents, at a minimum:

- Organizing documents: The articles of incorporation and bylaws.

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- Managing conflicts of interest: A policy or procedures on managing conflicts of interest.
- Federally required policies that address operational matters and documents: The federal law requires nonprofit corporations to develop policies that (1) address staff complaints and suspected financial impropriety/misuse of resources and that (2) establish standards for document retention and destruction. Typically, the documents that address these matters are referred to as the whistleblower policy and document retention policy.

All these governing documents must be compliant with current federal and State laws.

For nonprofit corporations that are DCCR associations, the documents must also be consistent with Hawaii's Planned Community Associations law, HRS 421J, and the recorded Declaration (or other documentation establishing the association as a planned community).

For nonprofit corporations that have obtained tax-exempt status, the documents must also be compliant with current federal law applicable to the tax-exempt status.

\*\*\*All governing documents must have been properly approved and filed, as necessary.