

**OFFICE OF PLANNING AND  
SUSTAINABLE DEVELOPMENT**  
 Leiopapa a Kamehameha, Room 600  
 235 South Beretania Street  
 Honolulu, Hawaii 96813  
 Telephone: (808) 587-2846  
 Facsimile: (808) 587-2824



BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A89-636
	)	
GROVE FARM PROPERTIES, INC.	)	OFFICE OF PLANNING AND
	)	SUSTAINABLE DEVELOPMENT'S
	)	RESPONSE TO SUCCESSOR
	)	PETITIONER'S AMENDED MOTION
	)	FOR AN ORDER RELEASING
To Amend the Agricultural Land Use	)	CONDITION 2 IN THE FINDINGS OF
District Boundary into the Urban Land Use	)	FACT, CONCLUSIONS OF LAW AND
District for Approximately 103.570 Acres of	)	DECISION AND ORDER DATED JUNE
Land Situated at Lihue, Kauai, State of	)	30, 1989 AND DECEMBER 20, 1995;
Hawaii, TMK: (4) 3-3-003:045	)	CERTIFICATE OF SERVICE
	)	
	)	

**OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT'S RESPONSE TO  
SUCCESSOR PETITIONER'S MOTION FOR AN ORDER RELEASING CONDITION 2  
IN THE FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION AND  
ORDER DATED JUNE 30, 1989 AND DECEMBER 20, 1995**

On March 12, 2026, Regency Puakea Properties, LLC, as successor petitioner ("Petitioner") to the portion of the Petition Area identified as Tax Map Key No. (4) 3-3-003:045 ("Lot 1545-A"), filed an amended motion for an order: 1) recognizing Regency Puakea Properties, LLC's standing to seek and obtain the relief requested in the motion; and 2) releasing condition 2 in the Findings of Fact, Conclusions of Law and Decision and Order dated June 30, 1989 and December 20, 1995 ("Motion") for this docket.

**I. BACKGROUND**

A. 1989 D&O

On June 30, 1989, the Land Use Commission (“LUC”) issued its Findings of Fact, Conclusions of Law, and Decision and Order (“1989 D&O”) approving the reclassification of 480 acres (“Increment I”) of land from the State Agricultural District to the Urban District for Grove Farm Properties, Inc.’s (“Original Petitioner”) residential and commercial development project and the redistricting of the remaining balance of the petition area (“Increment II”) upon a prima facie showing that substantial completion of the improvements for Increment I has occurred, subject to 14 conditions. One of the conditions imposed was Condition No. 2 related to affordable housing (“Condition 2”):

2. *The affordable housing requirement shall be satisfied as follows:*

A. *Petitioner shall provide housing opportunities for low, low-moderate, and moderate income Hawaii residents by offering for sale at least thirty percent (30%) of the units at prices which families with an income range of 80 to 120 percent of Kauai County’s median income can afford and thirty percent (30%) of the units which families with an income range of 120 to 140 percent of Kauai County’s median income can afford. This condition may be fulfilled through projects, under such terms as may be mutually agreeable, between Petitioner and the Housing Finance and Development Corporation of the State, or other appropriate governmental agency.*

*This condition may also be fulfilled, with the approval of the Housing Finance and Development Corporation, through the construction of rental units to be made available at rents which families in the specified income ranges can afford.*

B. *The affordable housing requirements may also be satisfied in a manner that meets with the approval of the County of Kauai and the State Housing Finance and Development Corporation. Said requirements shall take into consideration affordable on-site (with the subject petition areas) or off-site housing units or cash payments that satisfy the then current housing needs, or other necessary or desirable community facilities.*

B. 1995 D&O

On December 20, 1995 the LUC issued its Findings of Fact, Conclusions of Law, and Decision and Order (“1995 D&O”) finding that the Original Petitioner had substantially

completed significant off-site and on-site improvements within Increment 1 and approving the redistricting of the balance of Increment II lands, approximately 103.570 acres, from the State Agricultural to the Urban District, subject to 20 conditions, including the identical affordable housing Condition 2 that was imposed in the 1989 D&O.

Subsequently, on January 5, 1996, the LUC issued a memorandum amending Condition 2 of the 1995 D&O by deleting the phrase “*thirty percent (30%) of the units which families with an income range of 80 to 120 percent of Kauai County’s median income can afford and*” from Condition 2. a.

## **II. MOTION TO AMEND 1995 D&O**

### **A. Standing To Seek Relief**

Petitioner asks the LUC to recognize its standing as successor petitioner to seek and obtain the relief requested in its Motion. After the issuance of the 1995 D&O, Grove Farm Properties, Inc. sold Lot 1545-A, a portion of Parcel 8 within Increment II, to Petitioner’s affiliate. Petitioner is Lot 1545-A’s current and sole owner, and subject to all the conditions of the 1995 D&O. Therefore, the Office of Planning and Sustainable Development (OPSD) agrees that Petitioner has standing to seek the release of Condition 2.

### **B. Release of Condition 2**

Petitioner also asks the LUC either to release it from Condition 2 of the 1995 D&O or to remove Condition 2 entirely from both the 1989 D&O and the 1995 D&O as the Original Petitioner has satisfied Condition 2 for both Increments I and II. Petitioner seeks to refinance the Regency at Puakea facility on Lot 1545-A. As part of the U.S. Department of Housing and Urban Development’s (“HUD”) insuring of the refinancing, HUD is requiring that Petitioner file the Motion to seek the release of Condition 2.

To support its Motion, Petitioner has provided a November 30, 2007 letter from the County of Kauai Housing Agency stating, “By the completion of these latest affordable units at Hookena, Grove Farm Properties, Inc. has now satisfied all of its affordable housing requirements pursuant to County Ordinance No. PM-206-90,” and a November 18, 2025 declaration of Adam Roversi, current Director of the Kauai County Housing Agency, confirming

the authenticity of the November 30, 2007 letter. OPSD finds this is sufficient evidence that Condition 2 of both the 1989 D&O and 1995 D&O has been satisfied.

### **III. RECOMMENDATION**

OPSD finds that Petitioner has provided sufficient evidence that it has standing to seek the relief sought in its Motion and that Condition 2 of the 1989 D&O and the 1995 D&O has been satisfied. Therefore, Petitioner has shown good cause sufficient to allow the LUC to approve Petitioner's Motion, and OPSD recommends the LUC does so.

DATED: Honolulu, Hawaii, March 23, 2026.

OFFICE OF PLANNING AND  
SUSTAINABLE DEVELOPMENT  
STATE OF HAWAII

*Mary Alice Evans*

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MARY ALICE EVANS  
DIRECTOR



GROVE FARM PROPERTIES, INC  
Attn: David Hinazumi, Senior Vice President  
3-1850 Kaunualii Highway  
Lihue, Hawaii 96766-8609

DATED: Honolulu, Hawaii, March 23, 2026.

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MARY ALICE EVANS  
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