

**DRAFT**  
**DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)**

**MINUTES OF THE COMMUNITY-BASED ECONOMIC DEVELOPMENT (CBED)  
ADVISORY COUNCIL MEETING**

**TUESDAY, December 12, 2023, AT 10:00 A.M.**  
**Department of Business, Economic Development and Tourism**  
250 South Hotel Street, 5th Floor  
Conference Room 503, Honolulu, Hawaii 96813  
**AND VIA VIRTUAL APPLICATION ZOOM: VIDEO/AUDIO CONFERENCE**

Advisory Members Present were:

Nancy Elvira Lo (Chair)	-	Advisory Council Member (Oahu)
Karen Barr	-	Advisory Council Member (Oahu)
Casey Brown	-	Office of Hawaiian Affairs (Ex-Officio)
Jane Horike	-	Advisory Council Member (Hawaii/Hilo)
Kaleokalani Kuroda	-	Advisory Council Member (Oahu)
Colleen McAluney	-	Advisory Council Member (Oahu)
Mark Ritchie For	-	Department of Business,
Dennis Ling (Ex-Officio)	-	Economic Development & Tourism (DBEDT)

Guests:

Amber Coutsos	-	Maui Chamber of Commerce
Aaron Ellis	-	Feed the Hunger Fund
Nainoa Logan	-	Waianae Economic Development Council
Lei Reidel	-	Pakini Loan Fund

Staff:

Elisa Amemiya	-	Attorney General's Office
Timothy Tiu	-	DBEDT
Selma Malcolm	-	DBEDT

Apologies:

Matthew Loke	-	Department of Agriculture (Ex-Officio)
Roberta Melton	-	Advisory Council Member (Kauai)
Teena Rasmussen	-	Advisory Council Member (Maui)

CALL TO ORDER:

Mr. Ritchie called the meeting to order on Tuesday, December 12, 2023, at 10:07 a.m.  
All members and guests participated via ZOOM.

▪ **Welcome Current Council Members and Introduction of any Guests:**

Mr. Ritchie welcomed all present and wished everyone happy holidays. He also thanked members for agreeing to do this end-of-year “wrap-up” meeting. A roll call vote was conducted, and members indicated if they were alone at their respective locations.

Mr. Ritchie introduced Ms. Amber Coutsos of the Maui Chamber of Commerce (MCOC), Mr. Nainoa Logan of Waianae Economic Development Council (WEDC), Ms. Lei Reidel, new director of the Pakini Loan Fund, Ms. Amemiya, Deputy Attorney General, Mr. Jason Ushijima, new DBEDT/CBED member of staff and Mr. Timothy Tiu also of DBEDT who helps with our Zoom meetings. He then announced that he’s DBEDT’s Ex/Officio at that meeting in place of Mr. Dennis Ling.

**OLD BUSINESS:**

**1. Approval of Minutes of October 17, 2023:**

Minutes of the October 17, 2023, meeting were distributed and reviewed by Council. Mr. Ritchie asked if there were any comments and/or corrections to the Minutes. Hearing none, he asked for a motion to approve the Minutes.

Motion was made by Ms. Lo and seconded by Ms. McAluney to approve the Minutes of October 17, 2023, as presented.

A roll call vote was taken with the following Council members approving the motion: Ms. Barr, Mr. Brown, Ms. McAluney, Ms. Horike, Mr. Kuroda, Chair Lo and Mr. Ritchie.

Motion to adopt the October 17, 2023, Minutes were approved unanimously.

**Public Testimony:**

There was no public testimony.

**2. Report on CBED Grant of \$65,000 to Maui Chamber of Commerce:**

Mr. Ritchie advised that Ms. Amber Coutsos, Office Manager of Maui County Chamber of Commerce (MCOC) would report on the DBEDT/CBED grant of \$65,000 to MCOC to distribute to the Maui County exhibitors at the Made in Maui Festival held in November 2023, to offset the cost of booth space for exhibitors.

Ms. Coutsos reported that Ms. Pamela Tumpap, President of the Maui Chamber of Commerce was in Japan at the time of our Council meeting. However, she shared a video presentation from Ms. Tumpap. She sincerely thanked Council members especially Mr. Ritchie/DBEDT for providing \$65,000 in grants to cover booth fees for

the exhibitors at the 10<sup>th</sup> Annual Hawaiian Airlines Made in Maui Festival in November 2023. She stated that many of the small vendors experienced hardship following the fires in Maui and this grant took a lot of worries off them. Also, DBEDT has made a tremendous difference in the vendors' lives during a very rough period, and the vendors deeply appreciated the support. It was incredible! – Mahalo nui. Ms. Tumpap also noted that the support that the vendors got from the community was just "over-the-moon" and they were deeply touched by it. Their sales hit record numbers and was climbing when she left the festival. Companies saw outstanding sales and Mr. Fujikawa from DBEDT brought the Hankyu team in great numbers to support the vendors. Ms. Tumpap reiterated her sincere thanks to DBEDT for the grant and hoping that DBEDT will be able to support the festival again next year as it's going to be a very long recovery for Maui. She then wished everyone blessings & Aloha during the holiday season and a Happy New.

Ms. Coutsos reported that the 2023 event had the highest retail sale they had ever seen in the previous 9-years of the festival. The vendors made over \$768,000 and sold over 3300 items. The second highest year was 2018 where vendors had over \$681,000 in sales. There were approximately 8,4000 attendees and each attendee spent about \$91. Vendors gained over 600 new wholesale leads, over 193 new wholesale accounts and several vendors were sold-out at the festival. She then reiterated that Ms. Tumpap stated in her presentation that it was extremely helpful to get that grant and all the vendors shared their thanks and appreciation. And on behalf of all our vendors, Ms. Coutsos thanked DBEDT for the grant.

At this point, Mr. Ritchie asked if anyone had questions for Ms. Coutsos. Hearing none, he thanked Ms. Coutsos and Ms. Tumpap for their presentations and for everything they are doing on Maui.

### **NEW BUSINESS:**

#### **Approval of \$50,000 Grant to add Capital to Pakini Loan Fund for Micro-Loans (\$1,000 - \$30,000)**

Mr. Ritchie gave a brief introduction on Waianae Economic Development Council (WEDC) and the Pakini Loan Fund requesting a \$50,000 grant to add capital to their micro-loan fund (\$1,000 - \$30,000) for mostly native-Hawaiian-owned small business. He stated that DBEDT/CBED has been working with WEDC over the years and they have been helping DBEDT/CBED with loan servicing and loan underwriting while DBEDT is trying to help them to reach their CDFI status.

Mr. Logan asked Ms. Reidel to introduce herself. Ms. Reidel is from Hawaii Community Assets (HCA) and started working with WEDC under the Pakini Loan Fund in late November 2023. This is her first meeting with the CBED Advisory Council. She then handed off this portion of the meeting to Mr. Logan to make the presentation.

Mr. Logan stated that the Mission of the Pakini Loan Fund is to increase economic opportunity by providing the financial resources necessary to enhance the personal entrepreneurial capacity of Native Hawaiians, individual businesses, community organizations on the Waianae Coast and throughout the State. It is a sister fund and it's a separate 501C-3 entity with a separate board, but they work together. WEDC provides technical assistance and the Pakini Loan Fund disburses the funding. Mr. Logan mentioned that currently there are five (5) CDFIs in the State of Hawaii and WEDC would be the sixth (6) which is quite awesome.

Mr. Logan said that their primary focus is to provide loans and support services to the underserved Native Hawaiian communities primarily on the Waianae Coast as well as state-wide. He also said that they have supported loans from non-Hawaiians in rural communities and other islands and WEDC appreciates the partnership with DBEDT.

Mr. Logan indicated that their strategy is to stimulate entrepreneur initiatives, developing non-profits and business training, providing loans and financial tools that would support community development. Mr. Logan noted that one of the distinguishing factors of WEDC is struggling to work with as many CDFIs as possible. He said they are looking to collaborate and lend as well as provide more participation loans. They are making loans from \$1,000 to \$30,000 and provide borrowers vocational and financial development with one-on-one coaching. He also mentioned a couple of companies that are doing very well after receiving a DBEDT-CBED/WEDC loan, e.g., to Holoholo Tree Service, Uncle Mel.

Mr. Ritchie and Council members thanked Mr. Logan for his presentation.

Mr. Ritchie stated that the CBED fund would like to work with the Pakini Loan Fund on a \$50,000 grant that will be used to help capitalize their loan fund which will allow CBED to help in the micro-lending area as well as the native-Hawaiian community. He says this will provide a pipeline for CBED loans later when they may need expansion loans.

During discussion, Mr. Kuroda asked Mr. Ritchie if from a government perspective, the \$50,000 is characterized as grant/non-loan and if the \$50,000 will stay with WEDC. Mr. Ritchie answered in the affirmative and explained that by Statute, DBEDT/CBED could not lend WEDC money to reloan, but we can do a grant which then involves a contract with a scope of work.

Mr. Kuroda also asked if at the end of the grant, the funds would be considered as unrestricted assets for WEDC? Mr. Ritchie answered yes and explained that WEDC will be doing a contract with DBEDT/CBED, and the funds loaned out would be WEDC funds with interest and principal coming back into the Pakini Fund for re-lending.

Mr. Brown commended Mr. Logan/WEDC for everything they are doing in the community. He also mentioned that OHA has its own loan programs, and they also do micro-grants. When they give out these small grants, they create big impacts.

At this point Mr. Ritchie asked for a motion on this agenda item.

Motion was made by Mr. Brown and seconded by Ms. Horike to approve a DBEDT/CBED \$50,000 grant to add capital to the Pakini Loan Fund for micro-loans of \$1,000 to \$30,000 for mostly native-Hawaiian-owned small businesses state-wide.

A roll call vote was taken with the following Council members approving the motion: Ms. Barr, Mr. Brown, Ms. McAluney, Ms. Horike, Mr. Kuroda, Chair Lo and Mr. Ritche.

The motion was approved unanimously.

Mr. Ritchie reviewed the following documents with the Council members:

- 1) Loan Dashboard to Date;
- 2) Review of the End-of-Year Loan Metrics;
- 3) Administrative Bill for State Legislature Modifying the Maximum CBED Interest Rate.
- 4) A Summary of the CBED Annual Report to the Legislature to read at their leisure and let him know if there are any comments or suggestions for next year's report.

Mr. Ritchie again thanked everyone for attending the meeting and wished everyone happy holidays.

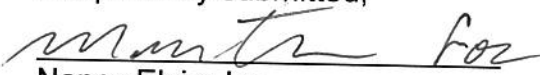
NEXT MEETING:

Tuesday, January 16, 2023, at 10:00 a.m. via Zoom.

ADJOURNMENT:

The meeting was adjourned at 11:00a.m., on a motion by Ms. Lo and seconded by Ms. McAluney.

Respectfully submitted,

  
Nancy Elvira Lo  
Chair

  
Date