

**COMMUNITY-BASED ECONOMIC DEVELOPMENT (CBED)
ADVISORY COUNCIL MEETING
Tuesday, May 20, 2025, 10:00 a.m.**

Old Business

Approval of CBED Advisory Council Meeting Minutes for
April 15, 2025

DRAFT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)

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

TUESDAY, APRIL 15, 2025, AT 10:00 A.M.

**No. 1 Capitol District Building,
250 South Hotel Street, 5th Floor Conference Room
Honolulu, Hawaii 96813**

AND VIA VIRTUAL APPLICATION ZOOM: VIDEO/AUDIO CONFERENCE

Advisory Members Present were:

Nancy Elvira Lo	-	Advisory Council Member (Oahu)
Karen Barr	-	Advisory Council Member (Oahu)
Roberta Melton	-	Advisory Council Member (Kauai)
Jane Horike	-	Advisory Council Member (Hawaii/Hilo)
Teena Rasmussen	-	Advisory Council Member (Maui)
Jennifer Wilkinson	-	Advisory Council Member (Hawaii/Kona)
Josephine (Poni) Askew	-	OHA Representative
Mark Ritchie For	-	Department of Business, Economic
Dennis Ling (Ex-Officio)		Development & Tourism (DBEDT)

Guests:

Lei Riedel	-	Pakini Loan Fund
Eric Bowman	-	Feed the Hunger Fund (FTHF)

Staff:

John Cole	-	Attorney General's Office
Timothy Tiu	-	DBEDT
Selma Malcolm	-	DBEDT
Jason Ushijima	-	DBEDT

Apologies:

Colleen McAluney	-	Advisory Council Member (Oahu)
Matthew Loke	-	Department of Agriculture (Ex-Officio)

CALL TO ORDER:

Mr. Ritchie called the meeting to order on Tuesday, April 15, at 10:00 a.m.

All members and guests participated via ZOOM.

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

Mr. Ritchie welcomed all present. He then announced that he's officially the DBEDT's Ex-Officio in place of Mr. Dennis Ling.

A roll call vote was conducted, and all members indicated that they were alone at their respective locations.

OLD BUSINESS:

Approval of Minutes of March 16, 2025:

Minutes of the March 16, 2025, meeting were distributed and reviewed by the Council. Mr. Ritchie asked if there were any comments and/or corrections to the Minutes. There were none and he asked for a motion to approve the Minutes.

The motion was made by Ms. Rasmussen and seconded by Ms. Lo to approve the Minutes of the March 16, 2025 meeting, as presented.

A roll call vote was taken with no objections.

The motion to adopt the March 16, 2025 Minutes was approved unanimously.

Public Testimony:

There was no public testimony.

NEW BUSINESS:

Approval of CBED Loan of \$40,000 to Uproot Origin, LLC:

Mr. Ritchie introduced the loan proposal for Uproot Origin LLC, a Hilo-based company producing locally-sourced, specialty health beverages. He invited Mr. Eric Bowman of Feed the Hunger Fund (FTHF) to summarize the underwriting for this loan.

Mr. Bowman shared that Uproot Origin, founded by Megan Brady, produces turmeric and ginger elixirs using primarily Hawaii Island-sourced ingredients, including ginger, turmeric, and honey. The products, often sold as concentrated wellness "shots," retail for approximately \$5 per bottle and are gaining popularity within the health and wellness market segment. The company currently operates out of the Hilo Food Hub, where Ms. Brady is now transitioning into a formal management role.

Uproot Origin experienced steady revenue growth since launching in 2022: from \$2,000 in its first year to \$77,000 in 2023 and \$154,000 in 2024. Projected income for 2025 is estimated to increase based on additional retail contracts and Ms. Brady's service-based contracts. The requested loan amount from CBED is \$40,000, to be matched by FTHF for a total of \$80,000. Funds would be used primarily for working capital, procurement of bottles, labels, and other supplies, as well as for equipment such as a turmeric mill to improve production efficiency.

Mr. Bowman continued that he knows Ms. Brady from his previous work at the Kohala Center and that she has been an active member of the community. Mr. Ritchie added that Uproot Origin is also located in an Enterprise Zone.

Ms. Horike, referencing her prior experience managing the Enterprise Zone program, recommended early planning for enrollment as employee hiring ramps up. Mr. Ritchie agreed and noted that DBEDT would inform Ms. Brady about the program.

Ms. Askew spoke positively of her experience with Ms. Brady at the Hilo Night Market, highlighting the professional branding, marketing, and customer engagement. She expressed confidence in the applicant's potential. Mr. Ritchie added further support by stating that Ms. Brady has been invited to speak at the upcoming "Hawaii Made" Conference.

Ms. Rasmussen raised concerns about the inherent risk of providing a working capital loan to a young company in an increasingly competitive market, noting the influx of similar products available in major retail chains. She expressed caution, suggesting the loan could be quickly depleted and emphasized the importance of financial discipline and strategic planning.

Mr. Ritchie acknowledged the early-stage nature of the business. He noted CBED's diversified portfolio and that this loan would be balanced by the more established businesses that CBED is currently working with. He also cited CBED's continued strong loan performance rating with the EDA.

Ms. Barr provided support for the loan adding that the company's ability to export product outside of Hawaii offered a competitive advantage. By contrast, she mentioned her knowledge of a comparable business that was unable to ship outside of Hawaii and therefore somewhat limited to selling their product locally.

Ms. Lo expressed concerns about the shelf-life and perishability of the product, questioning whether this would limit marketing and sales reach, particularly to off-island retailers. Mr. Bowman confirmed that the product is refrigerated and not pasteurized, to his knowledge. He also mentioned that the elixirs were processed in a certified kitchen at the Hilo Food Hub, where Ms. Brady serves in an informal anchor tenant role.

Ms. Rasmussen questioned the applicants profitability and whether the applicant had the operational capacity to manage multiple roles, including product development, food hub management, and business consulting. Mr. Bowman responded that Ms. Brady is highly capable and that the Hilo Food Hub contract formalizes work she has already been doing, estimating that role would require only a few hours a week. He added that she has hired a part-time, Hilo-based fractional CFO to provide financial oversight and help produce regular financial statements.

Mr. Bowman spoke to the company's recent financials: gross revenue of \$154,000 in 2024, with approximately \$90,000 in cost of goods sold (COGS) and \$36,000 in operating expenses, yielding a net profit of about \$25,000. He noted that Ms. Brady is not yet paying herself a full wage but expects net income to improve in 2025 with additional contracts and expanded retail channels.

In response to further questions from Ms. Rasmussen regarding employees, operations and planning, and from Ms. Melton, who asked about long term plans, Mr. Bowman clarified that most labor is part-time or family-supported, with minimal payroll obligations. The company is currently operating on a just-in-time inventory model and lacks sufficient working capital to fulfill growing demand. He also described Uproot Origin's expanding retail footprint in Hawaii and California, listing clients such as Island Naturals, Adaptations, and boutique shops in Norther California. Ms. Horike cautioned against sharing too much detailed account information due to its proprietary nature.

Ms. Askew vouched for FTHF's thorough vetting process and stated that operating from an established facility such as the Hilo Food Hub reduces the company's overhead, thereby de-risking the investment. She asked for confirmation of the proposed monthly loan payment, which Mr. Bowman stated would be approximately \$1,528 combined for both CBED and FTHF loans or \$764 each. She expressed concern that the payment amount may strain the company's limited cash flow. She also reference the success and growth of a similar business she was familiar with and noted her believe that there is room in this market.

Mr. Bowman acknowledged the risk but emphasized that the loan was structured with an understanding of the borrower's business trajectory and ability to grow into repayment. He noted FTHF's commitment to high-touch servicing and technical assistance, including one-on-one consulting, their business coaching cohort, the 'OHE (Optimizing High-Impact Entrepreneurs) Program, and online training platform. Mr. Ritchie added that part of the CBED mission includes providing companies with technical assistance and such services are offered at no cost to the borrower from partners such as the Hawaii Small Business Development Center (SBDC).

Ms. Rasmussen expressed her support and enthusiasm for Uproot Origins, however stated that she believes that this is one of the riskiest loans that CBED has proposed. She expressed additional notes of caution that she recommended to be shared with the borrower: 1) Consider the rising cost of goods and shipping 2) Strategically examine existing and new accounts for volume, frequency, payment terms and profitability.

A motion was made by Ms. Melton and seconded by Ms. Horike to approve the DBED/CBED loan of \$40,000 to Uproot Origin, LLC pending the FTHF Loan Committee's approval of the loan on Tuesday, April 22, 2025.

A roll call vote was taken with all Council members approving the motion and the request that the meeting notes be shared with the borrower. There were no objections.

The motion was approved.

Approval of CBED Loan of \$100,000 to Pa'ina Hawaii, LLC:

Mr. Ritchie presented the next loan proposal for Pa'ina Hawaii, LLC to the Council. The loan would be for \$100,000 from CBED and then \$100,000 from FTHF for Pa'ina Hawaii to acquire full ownership of the foreign owned, irradiation facility on Oahu. The facility services 38-40 farmers who are dependent on it to be able to ship their fruits and vegetables to the mainland.

Mr. Bowman continued that Michael Kohn, the current minority owner of 40% of the company would like to buy the other 60% which is owned by a now-deceased foreign owner. This action would make Pa'ina Hawaii a locally owned business and sustaining this critical piece of infrastructure. Mr. Bowman described the process of irradiation and its importance to Hawaii farmers who need this service to ship their produce outside of Hawaii.

For the full purchase, Mr. Kohn is self-financing \$300,000 and in addition to CBED/FTHF loan, he is applying for a \$400,000 SBA Loan through Phoenix Lending. He has been turned down from First Financial Bank.

Ms. Lo, Ms. Rasmussen, and Ms. Barr all expressed support for this loan acknowledging the facility as critical to Hawaii's infrastructure, its sophistication and necessary role in the local agriculture industry.

Ms. Melton stated that the facility is located in Kunia and is not Hawaii Agriculture Research Center (HARC) land so she will not have to recuse herself from voting.

A motion was made by Ms. Rasmussen and seconded by Ms. Barr to approve the DBED/CBED loan of \$100,000 to Pa'ina Hawaii, LLC pending the FTHF Loan Committee's approval of the loan and Phoenix Lending's SBA Loan approval.

A roll call vote was taken with all Council members approving the motion with no objections.

The motion was approved.

Announcements

Mr. Ritchie thanked everyone for their time and acknowledged that the meet had run long. As a result, he will invite Lei from the Pakini Fund to present at the next meeting on May 20th.

Additionally, Mr. Ritchie allowed Ms. Wilkinson to make an announcement. Ms. Wilkinson announced that this would be her last CBED Advisory Council Meeting and noted that she will be moving back to the mainland to help her family. She thanked the Council. The Council express their gratitude and well wishes.

Mr. Ritchie recognized Ms. Wilkinson's contributions to CBED and the time. He reminded everyone that the CBED Advisory Committee would meet again in May.

NEXT MEETING:

May 20, 2025 at 10:00 a.m.

ADJOURNMENT:

The meeting ended at 11:01 a.m.

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Respectfully submitted,

For 

Nancy Elvira Lo, Chair

April 17, 2025
Date

Old Business

Update on Grant for Merrie Monarch Festival, Lisa Pakele,
INPEACE Center for Entrepreneurship

Merrie Monarch 2025

Center for
Entrepreneurship

In partnership with

DBEDT

STATE OF HAWAII • DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM

Supported 9 Small Businesses

DBEDT Provided 9 Event Stipends

Total Sales
\$290,853

Requested support for continual growth:

1. Content creation / Website development
2. Networking opportunities
3. Event stipends to support Continent opportunities in addition to shipping expenses



Additional Support Provided:

- Peer Networking
- Workshops
- One-on-One Coaching
- Financial advisory support
- Waiakea water sponsorship
- Press release highlight
- Media opportunities for 2 Businesses
- Connection to local retail store (KTA)
- Travel stipend for 'Oahu Businesses



Merrie Monarch 2025



Center for
Entrepreneurship



THE KEIKI DEPT

Leilani Sills

The Keiki Dept is a Native Hawaiian, Māmā-owned brand creating keiki clothing that celebrates island heritage. Founded by Leilani Sills in 2016, their designs feature Hawai'i's native plants, animals, and 'Ōlelo Hawai'i. Through small-batch production and collaborations with local wāhine artists, they craft heirloom-quality pieces while supporting Native Hawaiian keiki through their giving program. More than clothing—they're cultivating cultural connection for generations to come.

"Allowed us to connect with new customers who share our passion for Hawaiian culture and quality keiki clothing."

First year!



SWEETHEART FARM

Saydie Yu

Sweetheart Farms is a family-owned business known for Sadie's famous lilikoi butter, crafted with care from farm to jar. It began as a way to support her brother Ka'ohē's medical expenses and continues to spread aloha through every batch.

"We gained exposure through this event. We had the opportunity to be featured on HI News Now, to connect, and meet with great people."

First year!



BUJO BAE

Jenna Ikeda

Bujo Bae is a proud mom owned small business that continues to create empowering stationery with busy mamas in mind. Designs are inspired by capsule moments in Jenna's life along with moments of motherhood and her Hilo roots. She hopes that her products not only motivate those who are using it but spark happiness through pretty plans. It's always an honor to be a vendor at Merrie Monarch and showcase a Hilo aesthetic in a modern way. MAHALO HILO.

"The support helped to offset essential costs that made a meaningful difference in supporting off-island participation."

Second year!



KEHA HAWAI'I

Ka'ano'i Akaka Ruth

Keha Hawai'i is a contemporary Hawaiian fashion brand that honors the 'āina (land), kānaka (people), 'ōlelo (language), and mo'olelo (stories) of Hawai'i through its unique designs. Designer Ka'ano'i's passion for Hawaiian knowledge integrated with her experience in fashion design and construction produce seasonal releases of custom- and collection-based garments and accessories.

"This opportunity exposed and expanded our customer base who have now become a part of our 'ohana."

Second year!



HONOLULU BABY COMPANY

Giselle Santana

Honolulu Baby company is owned by native Hawaiian mom of three, Giselle Santana and offers keiki apparel and accessories made consciously in small batches with a strong focus in local manufacturing.

"This event helped us get in front of customers on an outer island."

Second year!

Merrie Monarch 2025



KĀKOU COLLECTIVE

Second year!

Kea Peters

Founded in 2017, Kākou Collective creates and shares authentic artistic expression that inspires a connection to the cultural values, traditions, and communities of Hawai'i. From thoughtfully selecting the type of plants we draw, to the collections we curate, we weave Hawai'i's story and our love of local culture into all we do so that you can too. Our goal is to share our love and knowledge for local culture through original artwork and to create quality products that share Hawai'i's authentic story across the globe. We do our best to not only ensure that all of our products are made using ethical and sustainable practices, but that they are manufactured as locally as possible.

"This event gave us a platform to share our story and work with people deeply value culture, helping us strengthen our community, connections, and grow our reach beyond 'Oahu. It also reinforced our identity as a Native Hawaiian Owned business committed to authenticity, education, and intention."



MAHINA MADE

Kailee Freitas

MahinaMade officially started in 2017 while Kailee Freitas was a full time elementary teacher. Wanting to find ways to learn about and incorporate Mea Hawai'i into her 'ohana inspired her to create products with this purpose is what inspired her to start MahinaMade. Since 2021, Kailee has been running MahinaMade as her full-time job and it is so fulfilling to share her love for Mea Hawai'i, especially lei with others.

"We connected and gained new customers from another island, including people interested in our brand who hadn't seen us in person before."



KAULANA MAHINA

Haunani Miyasato

Keha Hawai'i is a contemporary Hawaiian fashion brand that honors the 'āina (land), kānaka (people), 'ōlelo (language), and mo'olelo (stories) of Hawai'i through its unique designs. Designer Ka'ano'i's passion for Hawaiian knowledge integrated with her experience in fashion design and construction produce seasonal releases of custom- and collection-based garments and accessories.

"We're able to expand our reach of customers and get our name out there."



PAWNILOLO PETS

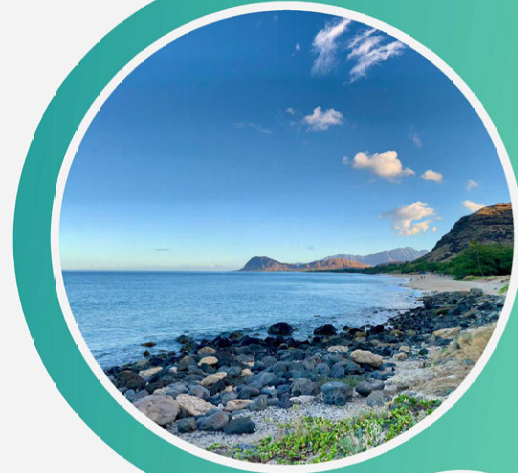
Miki Vercicella

Pawniolo Pets is a native Hawaiian owned company dedicated to creating premium raw pet food, preservative free treats, chews, and toppers with a focus on sustainability, local sourcing, and mindful production practices. Our mission is to provide pets with nutritious, high-quality products while supporting local ranchers, hunters, and farmers who share our commitment to ethical and sustainable practices. By sourcing our ingredients directly from our islands, we ensure freshness, traceability, and a reduced environmental footprint.

"This event connected us with new customers both wholesale and direct."

Old Business

Update on Grant for Micro-Lending, Lei Riedel, Director,
Pakini Loan Fund



Mission & Vision

Our **mission** is to increase economic opportunities by providing the financial resources necessary to enhance the personal and entrepreneurial capacity of Native Hawaiian individuals, businesses, and community organizations on the Waiʻanae Coast and throughout the State of Hawaiʻi.

Our **vision** believes that all Native Hawaiians, and other marginalized populations, have an equal opportunity to fulfill their dreams and improve the quality of their lives by getting the fair support and financing they need with dignity.



Programs & Services



Loan Fund

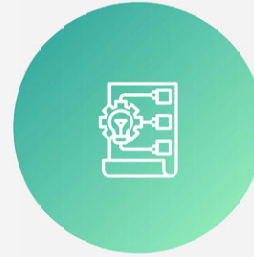
Small business loans up to
\$50K

Pakini
Loan Fund



Training

Cohort-based training on
various small business
topics related to the needs
of our clients.



Technical Assistance

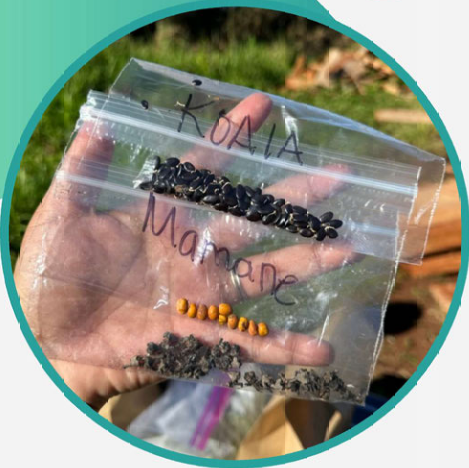
Individualized support to
encourage sustainability
and growth of our clients
and their businesses.

Target Population & Community Served

- **Native Hawaiian-owned small businesses**
76% of total portfolio
- **Women-owned small businesses**
55% of total portfolio
- **Minority-owned small businesses**
85% of total portfolio
- **Businesses in the State of Hawai'i**
100% of total portfolio

The Pakini Loan Fund has a preference to serve Native Hawaiian-owned small businesses but provides loans to other populations on a case by case basis.

Pakini
Loan Fund



Pakini
Loan Fund

Priorities

- Support the development, growth and sustainability of Native Hawaiian-owned small businesses.
- Support Wai'anae-based small businesses.
- Support small businesses in the State of Hawai'i

PC: Moali Farms, LLC, Wahiawa, Jan. 2025



Pakini
Loan Fund

6 Month Update

PC: KC Construction, LLC, Wai'anae, June 2025

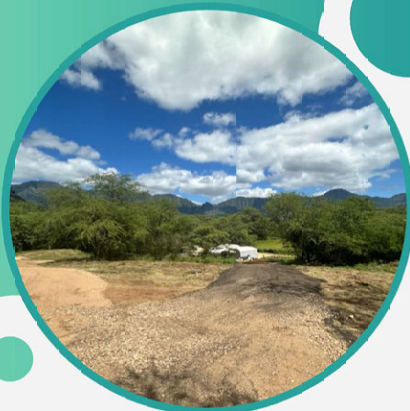


Pakini
Loan Fund

KC Construction, LLC

- Native Hawaiian-owned
- Waianae Moku-registered for-profit entity
- Employs two full-time staff
- Contracts up to 5 sub-contractors
- Home & commercial construction services.
- \$20,000 loan
- Secured property on Hawai'i Island to build two dwellings
- Projected completion date is December 2025
- Once completed, both properties will be available for purchase

PC: KC Construction, LLC, Wai'anae, June 2025



Pakini
Loan Fund

Ho'omana Pono, LLC

- Native Hawaiian-owned
- Waianae Moku-registered for-profit entity
- \$10,000 loan
- December 2025, won one-year Right of Entry from DHHL to continue their pilot project.
- Cleared 1.7 acres of land
- Built a road subsectioning the lot into manageable pieces
- Designated and cleared an area for an 'imu with land for mai'a, ti and luau

PC: KC Construction, LLC, Wai'anae, June 2025



Before road



After



Costa Customs, LLC

- Native Hawaiian-owned
- Waianae Moku-registered for-profit entity
- \$20,000 loan
- 1 employee
- Purchased welding generator to replace old, unreliable generator
- Made necessary upgrades to his work truck
- Increase business income by \$5,000 monthly



QUESTIONS?

MAHALO!



Pakini
— Loan Fund —

CONNECT WITH US

New Business

Recommendation/Approval of a CBED Grant of \$10,000 to The Institute for Native Pacific Education and Culture (INPEACE) Center for Entrepreneurship, a 501(c) Community-Based Organization. The funds will support a cohort of five (5) Native Hawaiian-owned small businesses in participating in the 2025 Made In Hawaii Festival, to increase brand visibility and generate sales. Presented by Lisa Pakele, Program Director, INPEACE Center for Entrepreneurship.

INPEACE Center for Entrepreneurship

Proposal: 2025 Made In Hawai'i Festival - August 15-17, 2025

Submitted to: Community-Based Economic Development (CBED) Program Advisory Committee

Submitted by: Lisa Pakele, Program Director, INPEACE Center for Entrepreneurship

Funding Request: \$10,000

Date: May 20, 2025

Project Overview

The INPEACE Center for Entrepreneurship is seeking \$10,000 in funding from the State of Hawai'i CBED Program to support a cohort of Native Hawaiian-owned small businesses in attending the 31th Annual Made in Hawai'i Festival (MIHF), August 15-17, 2025. This funding will directly contribute to fostering economic opportunities for local entrepreneurs. The funds will cover the participation fees, technical coaching, marketing and PR for these businesses. This support also allows them to focus their own resources on production, operations and merchandising.

About the Institute for Native Pacific Education and Culture (INPEACE):

INPEACE is a nonprofit organization committed to the education, culture, and economic development of Native Hawaiians. Through a range of programs and initiatives, INPEACE strives to create opportunities that promote self-sufficiency and enhance the quality of life for Native Hawaiian communities. The INPEACE Center for Entrepreneurship supports new family-owned businesses and start-ups on the Leeward Coast of O'ahu to increase their capacity to succeed. The Center provides intensive individual support, personal and business finance training, 1-on-1 coaching, access to business micro loans, peer networking, business equipment, administrative back-office support, specialized services, and expert mentors.

The Made In Hawai'i Festival

Over the past 30 years, the MIHF has become the state's premier event promoting Made in Hawai'i products. As the only show of its kind where "Made in Hawai'i" is a requirement for participation, this declaration has tremendous cache with the local community, visitors and buyers.

The festival attracts large numbers of wholesalers, buyers and consumers while serving as a vital business incubator, creating opportunities for growth and innovation. The revenue and exposure from the MIHF fuels many of the participating businesses for the next year, allowing them to sustain or grow their operations and thrive.

2024 MIHF Impact:

- **Over \$10 million in vendor sales:** A 500% increase from the \$2 million in sales in 2023.

- **70,000 attendees** filled the Hawai'i Convention Center over three days, breaking all previous records for attendance
- **Over 700 vendor booths** made 2024 the largest MIHF in its 30-year history, further cementing its reputation as Hawai'i's premier showcase of local goods.

2024 CBED Grant Success Stories

CBED supported five INPEACE companies in 2024 and they generated **\$115,425 collectively in sales**. In addition to the financial support, INPEACE and the CBED staff provided technical training, marketing and PR, and day-of-event support for each of these companies. Of the 2024 cohort, three has received CBED's support in 2023. CBED provide second-years assistance to help businesses to help them sustain and promote long-term growth.

CBED Supported in 2023 and 2024

- **Hooked Up Hawai'i:** *"Thanks to CBED's I have elevated and grown my business, reaching new customers and creating lasting connections. Their dedication to local entrepreneurs has truly made a difference!"*
- **Kaulana Mahina:** Festival participation would not have been possible the past 2 years without CBED's support. Experience from 2023 helped the owner of this Hilo-based company gain customer insights, improve merchandising and product selection that lead to her tripling sales at the 2024 MIHF over LY.
- **Kick'n Sweets:** Support in 2023 provided valuable experience for growth and improvement. For the 2024 MIHF, continued support and mentoring allowed the company to develop a new event strategy, streamline their operations and production, develop new menu items and signage, and increase staff that lead to exponential sales growth..

CBED Supported in 2024

- **Keha Hawai'i:** *"Support in 2024 allowed us the opportunity of connecting with current customers face-to-face, meet new ones, and to further our mission of sharing mo'olelo (stories) of our 'āina through the art of fashion."*
- **The Keiki Department:** Support allowed them to re-focus cost for attendance to creating a new, sewn in Hawaii product line (Palaka for Keiki).

By securing funding for this initiative, INPEACE aims to continue this annual partnership and:

- Provide a path to economic sustainability for Native Hawaiian-owned small businesses
- Strengthen the local business environment and create jobs by fostering businesses focused on manufacturing in Hawai'i.
- Enhance the visibility of Native Hawaiian entrepreneurs in a high-profile marketplace.

2025 Funding Request & Budget Breakdown

The requested \$10,000 will be allocated as follows:

Expense	Cost
Vendor Booth Fees (\$1,200 per boothx5)	\$6,000
Marketing, PR, event training and support	\$4,000

Conclusion

The annual MIHF is the premier marketplace for locally made product in the state. Participation in this event provides an invaluable opportunity for learning, growth and sales for local businesses. By supporting INPEACE and these Native Hawaiian entrepreneurs to be part of the MIHF, the State of Hawai'i CBED Program is directly contributing their advancement and the economic development of local business throughout the state.

New Business

Recommendation/Approval of a CBED Grant of \$75,000 grant to the Pakini Loan Fund, an emerging Native CDFI and 501(c) Community-Based Organization. \$50,000 will fund their micro loan program that supports Native Hawaiian businesses and community organizations throughout the State of Hawai'i with a focus on those located on the Wai`anae Coast. \$25,000 will support the Pakini Fund directly with the Native CDFI certification process and operational expenses. Presented by Lei Riedel, Director, the Pakini Loan.



Request for Funds Proposal

Submitted to: Community-Based Economic Development (CBED) Program Advisory Committee

Submitted by: Lei Riedel, Director, Pakini Loan Fund

Funding Request: \$75,000

Date: May 20, 2025

Project Overview

The Pakini Loan Fund seeks a grant in the amount of \$75,000 to support the Native CDFI loan fund with \$50,000 in capital and \$25,000 in operations funding.

Pakini Loan Fund has partnered with, and received funding, from several community organizations including Kamehameha Schools, Oweesta Corp., Mayor's Office of Economic Revitalization, Montana Finance and US Bank. With the addition of \$50,000 in capital to PLF's loan fund, the organization will be positioned to offer expanded funding opportunities to marginalized Native communities that have historically been excluded from traditional banking services. This investment will enable the deployment of approximately three to five community loans, each ranging from \$10,000 to \$20,000. Based on current inquiry form submissions, PLF has identified a capital need of approximately \$1.6 million. This grant represents an important step toward meeting that demand and delivering immediate support to the community.

In November 2025, PLF plans to apply for Native CDFI certification through the U.S. Department of the Treasury's CDFI Fund. Certification will provide access to additional funding and technical assistance tailored to support small businesses within Native minority communities. A \$25,000 operations grant from CBED will support two essential positions that are vital to daily operations, including loan servicing and management, as well as the Native CDFI certification process.

About the Pakini Loan Fund

The Pakini Loan Fund, incorporated in 2023, believes Native Hawaiians, and other marginalized populations, have an equal opportunity to fulfill their dreams and improve the quality of their lives by providing access to the support and financing they need in a fair and dignified manner. Since inception, the Pakini Loan Fund has distributed almost \$500,000 in loan capital to twenty-four small businesses in the State of Hawai'i.

In addition to offering loans, the Pakini Loan Fund supports small business development through one-on-one technical assistance, training workshops, and outreach events. It also connects entrepreneurs with a network of partner organizations and additional resources to help ensure their long-term success. The Pakini Loan Fund maintains its partnership with CBED to offer loan servicing, utilizing shared resources to foster the success of small businesses and entrepreneurs.

By securing funding for this initiative, the Pakini Loan Fund intends to:

- Deploy between 3-5 small businesses loans between the \$10,000 to \$20,000 amount;
- Support the economic sustainability of Native Hawaiian-owned small businesses, especially those systematically denied traditional bank financing;
- Reinforce positive financial literacy and financial management strategies;

- Facilitate in the resilient growth of Native Hawaiian small businesses in the State of Hawai'i.

Funding Request & Budget Breakdown

The requested \$75,000 will be allocated as follows:

Expense	Cost
Director Salary	\$15,000
Loan Manager Contract	\$10,000
Loan fund capital	\$50,000

Previous Grant Deliverables

The previous grant of \$50,000 towards our loan fund was used in 2024 to support three local, Native Hawaiian owned small businesses in the Wai'anae Moku:

1. KC Construction, \$20,000
2. Costa Customs, \$20,000
3. Ho'omana Pono, \$10,000

As of this document, all three loans are in good standing with PLF with on-time payments made monthly. Each recipient has participated in one or more of the small business development services provided by Pakini Loan Fund and the Wai'anae Economic Development Council, PLF's sister organization. These include 1:1 consultancy, Ho'okele Digital Marketing Cohort, Waiwai Pathways workshops and our popular Business Development Cohort.

We believe the additional funding will enable more small businesses access to both small business development services and business financing with additional technical support.

Conclusion

The Pakini Loan Fund strives to support Native Hawaiian-owned small businesses in Hawai'i by providing access to training, technical assistance and financial support. Through the generous support of the Community Based Economic Development program within the Department of Business, Economic Development and Tourism, the Pakini Loan Fund will be able to support more businesses in their development providing an opportunity for our community to thrive economically increasing their ability to remain here in Hawai'i.