

**COMMUNITY-BASED ECONOMIC DEVELOPMENT (CBED)
ADVISORY COUNCIL MEETING
Tuesday, August 19, 2025, 10:00 a.m.**

Old Business

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

DRAFT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)

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

TUESDAY, JULY 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:

Karen Barr	-	Advisory Council Member (Oahu)
Roberta Melton	-	Advisory Council Member (Kauai)
Kaiana Niezman	-	Advisory Council Member (Hawaii/Hilo)
Colleen McAluney	-	Advisory Council Member (Oahu)
Teena Rasmussen	-	Advisory Council Member (Maui)
Josephine (Poni) Askew	-	OHA Representative
Dennis Ling (Ex-Officio)	-	Department of Business, Economic Development & Tourism (DBEDT)
Jason Ushijima For Dennis Ling (Ex-Officio)	-	Department of Business, Economic Development & Tourism (DBEDT)

Guests:

Eric Bowman	-	Feed the Hunger Fund (FTHF)
Michelle Agbigay	-	Hilo, Hawaii

Staff:

John Cole	-	Attorney General's Office
Timothy Tiu	-	DBEDT
Selma S. Malcolm	-	DBEDT
Ram Arnan D. Braza	-	DBEDT

Apologies:

Matthew Loke	-	Department of Agriculture (Ex-Officio)
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CALL TO ORDER:

Mr. Ushijima called the meeting to order on Tuesday, July 15, at 10:00 a.m.
All members and guests participated via ZOOM.

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

Mr. Ushijima welcomed all present.

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

Mr. Ling announced that Mr. Ushijima is now the new program manager and Branch Chief for the Business Support Division.

Mr. Ushijima announced that both Ms. Nancy Elvira Lo and Ms. Jane Horike's terms on the council had come to an end and thanked them for their years of service. He introduced Mr. Niezman, the new CBED advisory council member representing Hawaii County. He also introduced Mr. Braza, the new Economic Development Specialist for DBEDT.

OLD BUSINESS:

Approval of Minutes of May 20, 2025:

Minutes of the May 20, 2025, meeting were distributed and reviewed by the Council. Mr. Ushijima 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. Melton and seconded by Ms. McAluney to approve the Minutes of the May 20, 2025, meeting, as presented.

A roll call vote was taken with no objections.

The motion to adopt the May 20, 2025, Minutes was approved unanimously.

Mr. Ling had to leave the meeting after the approval of the May 20, 2025, meeting minutes and designated Mr. Ushijima as DBEDT's Ex-Officio in his place. Mr. Ushijima acknowledged that he will now be DBEDT's Ex-Officio.

Public Testimony:

There was no public testimony.

NEW BUSINESS:

Approval of CBED Loan of \$87,500 to TC Kokua, LLC:

Mr. Ushijima outlined that the company, TC Kokua, LLC, a Maui-based business, has applied for a DBEDT/CBED loan in partnership with Feed the Hunger Fund. He invited

Mr. Bowman, Loan Officer of Feed the Hunger Fund (FTHF), to present information about TC Kokua, LLC and owner Mr. Max Tsai to the committee.

Mr. Bowman emphasized that TC Kokua, while outside the typical focus of food and agriculture lending, plays a crucial role in local employment and community support. He stated that TC Kokua has weathered several economic disruptions, including the Covid-19 pandemic and the 2023 Lahaina fire. Mr. Tsai is also very active in his community, serving on several civic and nonprofit boards. He would like to grow his business and increase capacity with the hiring of additional employees, purchase of new equipment, and infrastructure improvements to be able to handle more clients. With the underwriting that FTHF completed, Mr. Bowman noted that the business is profitable and would be able to support the loan. He also mentioned that the business is located in Kihei which is an Enterprise Zone.

Mr. Ushijima stated that this is an extremely unique company. He emphasized that while it may not appear to be something within CBED's wheelhouse, which is typically in the agriculture, manufacturing, and wholesaling area, this company is supporting or has supported previous clients in those areas and hopes to do more. He also stated that supporting this company is within CBED's mission. Both share overarching goals there is additional alignment as TC Kokua seeks to further their workforce development and hiring efforts.

Ms. Barr asked for clarification on the breakdown of the \$6,000 for hiring and training. Mr. Bowman stated that it is for payroll during the training phase.

Ms. Rasmussen came forward in support of TC Kokua and Mr. Tsai. She stated that she has known Mr. Tsai for years and she acknowledged the tenacity of the business in enduring many major disruptions over the years. She also emphasized the importance of having a call center business like TC Kokua in Hawaii.

Mr. Neizman asked if Mr. Tsai is going to guarantee the loan. Mr. Bowman answered yes.

Mr. Neizman asked if collections are handled in-house and if there are any problems collecting from the state. Mr. Bowman indicated that this issue did not surface and based on the balance sheet, it did not really rise to the issue of concern.

Mr. Neizman asked if there are any financial reporting requirements. Mr. Bowman indicated that they obligate borrowers to share information upon request, but they frequently do not request it unless they are doing a troubled debt restructure.

Mr. Neizman asked what the result is going to be if this loan gets approved. Mr. Bowman indicated that there were some documents that were not sent out to the committee because of their proprietary and confidential nature. Mr. Bowman added that revenue has been increasing since 2022 and the goal is to bring in more clients and get up to a million dollars in revenue by 2028.

Ms. Askew asked for the breakdown of the debt ratio. Mr. Bowman clarified if Ms. Askew was referring to the risk rating chart. Ms. Askew confirmed that that is what she was referring to. Mr. Bowman explained that a GDSC of 1.59 would mean that there is 159% cash flow between the household and the company to support the repayment of the loan.

Ms. Askew stated that Mr. Tsai may have limited liquidity and asked for clarification. She also asked what Mr. Tsai can possibly manage with his repayment obligations as it relates to the debt ratio. Mr. Bowman indicated that TC Kokua's current assets in terms of cash on hand is low. He stated that this loan would provide the liquidity but also reaffirmed that the business has 60% more right now than the loan repayment and FTHF is comfortable in terms of the cash flow of the business.

Ms. Askew asked if the applicant provided any data or operational history that validates the projection that an additional customer service agent will be able to bring in \$80,000 to \$90,000 in revenue. Mr. Bowman indicated that Mr. Tsai has a marketing plan and a short list of potential clients as he wants to bring the demand while also having the internal capacity to support that demand.

Ms. Askew asked if Mr. Tsai shared how the business development or client acquisition plan could potentially look for him, if it is particularly focused on tourism or what fields he might be interested in pursuing outside of government contracts. Mr. Bowman indicated that Mr. Tsai is definitely looking at government and he is in conversations with other agencies. He also indicated that Mr. Tsai mentioned that he is in conversations with Alaska Airlines. Mr. Bowman stated that Mr. Tsai is engaged in a long customer acquisition process with a list of clients and Mr. Tsai provided the client list, but he does not have it in front of him right now.

Ms. Barr stated that the company is actively diversifying into government, healthcare, funeral services, and senior care markets. She emphasized that those markets are going to be expanding and the need will be increasing as we all age and she finds it comforting to bring in somebody like this on with a team that can talk to us and they are in state.

Mr. Ushijima thanked Ms. Barr and asked if there were any further questions. Since there were none, he called for a vote.

A roll call vote was taken with all Council members voting unanimously.

Mr. Ushijima asked Mr. Cole if he made a mistake since he did not call for a motion and a second to vote on it.

Mr. Cole stated that a motion and a second are needed but another roll call is not necessary. He stated that Mr. Ushijima can just ask if there are any no votes or objections, and if none, then the vote is unanimous.

Mr. Ushijima called for a motion on the agenda item.

A motion was made by Ms. Rasmussen and seconded by Ms. Barr to recommend approval the DBEDT/CBED loan of \$87,500 to TC Kokua, LLC.

Mr. Ushijima asked if there were any objections to the motion. There was none.

The motion was approved unanimously.

Announcements

Mr. Ushijima said that the advisory council is getting new members and hopefully they will be able to attend the next meeting.

Mr. Ushijima said he will be presenting financial information on the current EDA and state funding which will be discussed at the next meeting in August.

Mr. Ushijima said that there will also be another loan presentation next meeting for another exciting company located on Maui.

NEXT MEETING:

August 19, 2025, at 10:00 a.m.

ADJOURNMENT:

The meeting ended at 10:44 a.m., on a motion by Ms. Melton and seconded by Ms. Rasmussen.

There were no objections and the motion was approved unanimously.

Respectfully submitted,



Jason S. Ushijima
Branch Chief, BSB-BDSD

7/17/2025
Date

New Business

Recommendation/Approval of a CBED Loan of \$25,000 to Fresh Start Maui, LLC, dba Maui Chili Chili Oil, a Kahului-based company that grew organically from a home kitchen into a thriving small business. Their signature Maui Chili Chili Oil is a handcrafted, small-batch Szechuan-style chili oil made with Maui-grown sweet onions and garlic that can now be found at more than 70 retail outlets throughout the state. Co-lending with Feed the Hunger Fund (FTHF), which will also make a loan of \$25,000 for a total loan of \$50,000. The CBED/FTHF loan will support infrastructure improvements and working capital to scale production capacity. Funds will be used to invest in kitchen upgrades and commercial equipment and build reserves to fulfill growing wholesale and retail orders.

The CBED loan will have a term of five (5) years with an interest rate of 5.5%. Underwriting review by Eric Bowman, Loan Officer, FTHF.

FEED THE HUNGER FUND

Loan Narrative

- **Business Name:** Fresh Start Maui, LLC; DBA Maui Chili Chili Oil
- **Borrower Name:** Deron Furukawa
- **Borrower Social/Website:** www.mauichilichilioil.com; www.instagram.com/mauichilichilioil; www.facebook.com/mauichilichilioil
- **Does the borrower have previous Loans:** No
- **Borrower Risk Rating:** 2
- **Loan Amount:** \$50,000; with \$25,000 from FTHF and \$25,000 from CBED
- **Interest Rate:** 5.5%
- **Term (Months):** 60
- **Conditions on loan approval:** N/A
- **Grant Amount:** N/A
- **Funding Source:** EDA

PROS:

- Strong Retail Traction: Product stocked in over 70 locations statewide, including premium outlets such as Foodland, Tamura's, and House of Mana Up
- High-Quality Differentiator: Only widely distributed Szechuan-style chili oil in Hawai'i, made with Kula sweet onions and fresh local ingredients
- Effective Brand & Marketing: Viral marketing, award-winning product, and authentic community-rooted storytelling
- Experienced Leadership Team: Kit brings public-sector and entrepreneurial experience; Deron brings product development and cultural leadership
- Located within the Greater Maui Enterprise Zone

CONS:

- Limited Production Infrastructure: Current kitchen and equipment constraints limit growth potential.
- Lean Staffing Model: Reliance on owner operators may strain fulfillment with increasing demand.
- Minimal Inventory Buffer: Just-in-time model limits the ability to respond to large purchase orders.

NARRATIVE:

Background and History:

Founded during the COVID-19 pandemic as a passion project, Maui Chili Chili Oil has quickly become a

sought-after local condiment. Owned and operated by Deron and Kit Furukawa of Wailuku, the company grew organically from home kitchen experiments into a thriving small business through markets, word-of-mouth, and a compelling brand story centered on local pride and flavor. Today, the product is available in more than 70 retail outlets across Hawai'i and has built strong customer loyalty through direct engagement and consistent presence at markets and community events.

Business Concept:

Maui Chili Chili Oil offers handcrafted, small-batch Szechuan-style chili oil made with Maui-grown sweet onions and garlic. Its product line includes 6-oz jars in varying spice levels, 1.5-oz minis, trio gift sets, and a new "Bubu Arare" crispy chili oil. All products are shelf-stable, vegan, low-sodium, and freshly cooked. The company maintains a distinct advantage in flavor complexity, storytelling, and branding, backed by a humorous and heartfelt social media presence.

Product is currently available in 23 Foodland locations, 4 House of Mana Up locations, Mana Foods, Pukalani Superette, the Most Irresistible Shop in Hilo, Locavore, Four Sisters Bakery, T.J. Warehouse, 3 Tamura's, 2 Island Grocery Depots, and over half a dozen other retail stores.

Loan Purpose:

The loan will support infrastructure improvements and working capital to scale production capacity. Funds will be used to invest in kitchen upgrades and commercial equipment and build modest reserves to fulfill growing wholesale and retail orders. They've been 2 years in the permitting process for 2 years and were awarded a plumbing permit in June. Funds will be spent on:

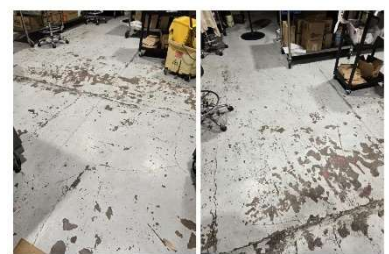
- \$25,000 for capital expenditures, including tenant improvements for plumbing, floor finishing
- \$25,000 for working capital, including capital reserves, marketing, and COGS

Currently, they are paying for the kitchen in an adjacent bay; finalizing the commercial kitchen at their own location will provide savings of \$600 per month.

● PHOTOS:



This is our existing 3-compartment sink that has been used as storage for the past year while we are waiting for water permits from the County of Maui. Funds will be used for plumbing, to purchase a heater, grease trap and other associated labor.



Our floor at the our rented unit. It is uneven, too. We need a foundation that can last long with us.

Funds will also be used to upgrade our website; and for other production supplies – jars, ingredients, labels, etc.

Loan Presentation:			
Date:	8.8.25	Total Project Cost:	\$70,550.00
Business:	Start Fresh Maui LLC - DBA Maui Chili Chili	Loan amount requested:	\$ 25,000.00
Principal Name(s):	Deron Furukawa	Recommended Interest rate:	5.5%
Address: <i>Business Address</i>	60 E. Wakea Ave Ste 105, Kahului, HI 96732	Term / Amortization:	60
Business Type:	Existing	RISK RATING:	2
FTHF Loan Client:	No	Access to Other Capital:	The applicant has applied to commerical debt, but terms offered are unaffordable.
Loan Status:			
Business Structure:	Limited Liability Company		
Purpose of Loan:	Fixed Asset & Working Capital	Business description:	Maui Chili Chili Oil, founded during the COVID-19 pandemic by Deron and Kit Furukawa, has grown from a home kitchen passion project into a thriving small business rooted in local pride and bold flavors. Specializing in handcrafted, small-batch Szechuan-style chili oil made with Maui-grown sweet onions, the company offers a shelf-stable, vegan product line that includes jars, minis, gift sets, and crispy bubu areare. With strong branding and loyal customer engagement, their products are now carried in over 70 retail outlets statewide, including Foodland, House of Mana Up, and Tamura's.
Jobs created:	1		
Jobs retained:	1		
Ownership Structure:	100% Deron Furukawa		

Loan #	Original	Principal	Original Loan purpose	Delinquency	30 +	60+	90+
TOTAL	\$	-	\$	-			

PRINCIPAL INFORMATION							
Personal Net worth:							
Credit score:							

COLLATERAL								
Type	Source of Value	Date of Value	Gross Value	Discount rate	Net Value	Prior liens	equity	
Inventory	Borrower	7/7/2025	\$ 14,000	25%	\$ 3,500	\$ -	\$	3,500
Used Kitchen FF&E	Invoice	7/7/2025	\$ 7,958	50%	\$ 3,979	\$ -	\$	3,979
Total					\$ 7,479		\$	7,479
					Collateral coverage			0.30

SOURCES		
Lender	Amount	
FTHF	\$	25,000
CBED	\$	25,000
Equity	\$	20,550
Total	\$	70,550

USES		
Uses	Amount	
Tenant Improvements	\$	25,000
Working Capital	\$	45,550
Total	\$	70,550

FEES			
Closing Fee:	2.5%	\$	625
Wire Transfer Fee		\$	40
Application fee:		\$	-
Borrower to pay all out of pocket expenses			

Equity Infusion	Item	Date
\$5,048	Boxes	1/31/2025
\$2,337	Boxes	4/16/2025
\$385	inserts	4/21/2025
\$2,521	Leasing	6/1/2025
\$3,600	Kitchen Rent	6/1/2025
\$6,660	Labels	11/30/2024

FTHF Risk Rating Chart

Date: 7.11.25

Borrower: Start Fresh Maui LLC - Deron Furukawa

Loan Officer: Eric Bowman

Rate each category from 1 to 5

Rating	1	2	3	4	5	Score
Personal Net Worth	>\$100K	\$51K-\$100K	\$1-\$50K	\$0-(\$10K)	<(\$10K)	5
GDSC	>1.5x	1.31x-1.5x	1.2x-1.3x	Unacceptable	Unacceptable	1
Collateral Coverage	>100%	75-100%	50-74%	5-49%	<5%	4
Quick Ratio*	>150%	110-150%	100-109%	75-99%	<75%	1
Credit Score	>700	651-700	621-650	600-620	<600	2
Years In Industry	>9	8-9	4-7	1-3	0	3
Years of Industry Management	>5	3-5	1-2	<1	0	2
Owners Equity Into Transaction	>25%	16-24%	10-15%	1-9%	0	1
Business Profitability	Profitable 4 of last 4 years	Profitable 3 of last 3 years	Profitable 2 of last 3 years	Profitable 1 of last 3 years	<2 years operating or non-profitable	2
Business debt ratio**	<70%	71-80%	81-90%	91-100%	>100%	1

*Quick Ratio: (Current Assets - Inventories) / Current Liabilities 3.00

**Business debt ratio: Total Liabilities / Total Assets 0.42 2.2 Avg.

Loan Score	2
1	Excellent
2	Good
3	Acceptable
4	Poor
5	Unacceptable

Business related only

Current assets	\$	73,829	<i>Avg Cash + Inventory + AR + WC Loan</i>
Inventories	\$	5,000	
Current Liabilities	\$	22,921	<i>1 yr loan payments</i>
Total assets	\$	119,379	<i>Current Assets + T.I.</i>
Total Liabilities	\$	50,000	



Community-Based Economic Development (CBED)

Loan Program Update

August 19, 2025



BDSD
BUSINESS DEVELOPMENT & SUPPORT DIVISION
STATE OF HAWAII • DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM

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CBED LOAN PROGRAM

- CBED offers loans to eligible small businesses that support economic development in their communities. We strive to help small businesses to develop viable, sustainable business ventures that serve local needs and are compatible with the vision, character and cultural values of their communities. We especially focus on those involved in expanding their businesses in agricultural and food production & manufacturing and wholesaling.
- CBED partners with other lending organizations for co-lending arrangements including: Hawaii Department of Agriculture (HDOA), Hawaii Community Reinvestment Corporation (HCRC), Feed the Hunger Fund (FTHF) and the Waianae Economic Development Council (WEDC) / Pakini Loan Fund
- CBED currently has 20 active small business loans with 18 companies
- Two loans have been successfully paid off: HB Baking (June 2024) and Maika'i Health Clinic (June 2025)







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Current Loans



	Loan Number	Servicing Partner	Borrower	Loan Amount	% Interest Rate	Term (months)	Jobs
1	CBED007 EDA-21	HCRC	Re-Use Hawaii	50,000	3	60	33
2	CBED008 EDA-22	FTHF	Haleiwa Distilling Company*	175,000	3	84	12
3	CBED011 EDA-22	WEDC	Lubrcro LLC*	125,000	4	120	2
4	CBED012 EDA-22	WEDC	Amro-Asian Trade, Inc.*	100,000	5	36	2
5	CBED013 EDA-22	FTHF	Farm Link Hawaii**	100,000	3	84**	20
6	CBED014 EDA-22	FTHF	Pomai Kulolo	105,000	6	60	25
7	CBED015 EDA-22	WEDC	Holoholo Tree Service LLC	45,000	6	48	3
8	CBED016 EDA-22	WEDC	Kauai Kim Chee LLC*	100,000	4	48	1
9	CBED017 EDA-23	FTHF	Koko Kai Foods LLC	60,000	4	84	3
10	CBED018 EDA-23	FTHF	Samurai, Inc.	100,000	4	84	23
11	CBED019 EDA-23	WEDC	OCR, Inc dba Small Kine Farm*	50,000	3	120	8
12	CBED020 EDA-23	FTHF	Kauai Fine Woodworking	75,000	5	84	10
13	CBED021 EDA-24	FTHF	Samurai, Inc. (2)	25,000	6	48	0
14	CBED022 EDA-24	FTHF	C & C Tropicals	100,000	5	60	38
15	CBED023 EDA-25	FTHF	Cymz Sweet Kre8tionz, LLC	37,500	5	72	1
16	CBED024 EDA-25	HCRC	Re-Use Hawaii (2)	80,000	6	60	0
17	CBED025 EDA-25	FTHF	Uproot Origin, LLC	40,000	5.5	60	1
18	CBED026 EDA-25	FTHF	Pa'ina Hawaii, LLC	100,000	6.5	84	9
19	CBED027 EDA-25	FTHF	TC Kokua, LLC	87,500	5.5	84	6
20	CBED 001-11	DOA	Hawaii Agricultural Products, LLC	25,000	3	120	2

3

199

*modified loan

**amortized 11 years; \$50,000 balloon payment at end payment 84

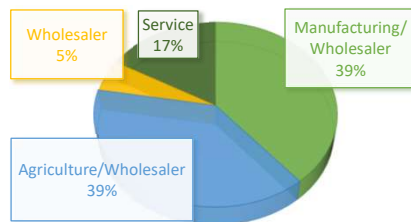
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CBED Loan Portfolio Profile

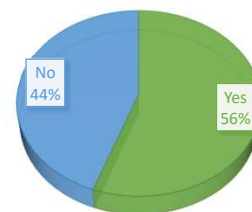
Jobs sustained = 199



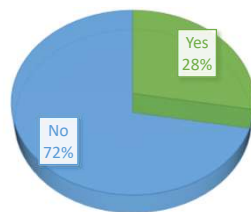
BUSINESS ACTIVITY



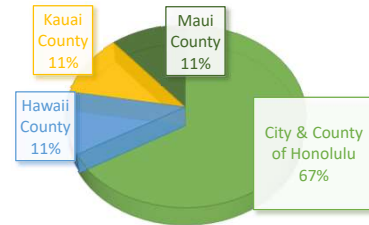
FEMALE OWNED



NHPI OWNED



BY LOCATION



4

4

Budget

CBED Special Fund Account			CBED-EDA RLF Account	
Current Balance	\$ 250,231.27		Current Balance	\$ 258,897.60
Est 6 mo revenue	\$ 5,000.00		Est 6 mo revenue	\$ 90,000.00
Commitments:			Commitments:	
INPEACE Grant	\$ (4,000.00)		Paina Hawaii Loan	\$ (100,000.00)
Pakini Fund Grant	\$ (75,000.00)		TC Kokua Loan	\$ (87,500.00)

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MAHALO!

"We really appreciate all of [CBED's] support. Everyone we worked with throughout the process was incredibly kind and supportive." – David Lukela, HB Baking

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