

DRAFT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)

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

**TUESDAY, MARCH 17, 2026 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 TEAMS: VIDEO/AUDIO CONFERENCE

Advisory Members Present were:

Karen Barr	-	Advisory Council Member (Oahu)
Roberta Melton	-	Advisory Council Member (Kauai)
Will Smith	-	Advisory Council Member (Kauai)
Colleen McAluney	-	Advisory Council Member (Oahu)
Lesley Harvey	-	Department of Agriculture (Ex-Officio)
Jason Ushijima For Dennis Ling (Ex-Officio)	-	Department of Business, Economic Development & Tourism (DBEDT)

Guests:

Eric Bowman	-	Feed the Hunger Fund (FTHF)
Lisa Pakele	-	Institute for Native Pacific Education & Culture (INPEACE) Center for Entrepreneurship

Staff:

Nicholas Kido	-	Attorney General's Office
Timothy Tiu	-	DBEDT
Ram Arnan D. Braza	-	DBEDT
Selma Malcolm	-	DBEDT

Apologies:

Josephine (Poni) Askew	-	OHA Representative
Teena Rasmussen	-	Advisory Council Member (Maui)
Michelle Agbigay	-	Advisory Council Member (Hawaii)
Kaiana Niezman	-	Advisory Council Member (Hawaii)

CALL TO ORDER:

Mr. Ushijima called the meeting to order on Tuesday, March 17, 2026, at 10:00 a.m., and welcomed all present. All members participated via Microsoft Teams. A roll call was conducted, and all members confirmed they were alone in their respective locations.

Mr. Ushijima welcomed Ms. Harvey as the new ex-officio member representing the Department of Agriculture and Biosecurity.

OLD BUSINESS:

Approval of Minutes of August 19, 2025:

Minutes of the August 19, 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 Mr. Smith to approve the Minutes of the August 19, 2025 Meeting, as presented.

Mr. Ushijima asked if there were any objections and there were none. The motion to adopt the August 19, 2025 Minutes was approved unanimously.

Public Testimony:

There was no public testimony.

NEW BUSINESS:

1. Approval of CBED Loan of \$60,000 to Gifts by the Sea, Inc.:

Mr. Ushijima introduced the prospective loan to Gifts by the Sea, Inc., a family-owned, Honolulu-based manufacturer of eco-friendly bamboo stickers. The total financing package would be \$150,000, to be co-lent with Feed the Hunger Fund (FTHF):

FTHF: \$90,000

CBED: \$60,000

Mr. Bowman of Feed the Hunger Fund presented background information on the company, noting that Gifts by the Sea, Inc., was a business that has operated for seven (7) years and is profitable. The loan would be used to increase liquidity, reduce operating costs, and support a shift from air freight to more cost-efficient ocean freight. He continued that Gifts by the Sea Inc., holds several recurring wholesale accounts, including local retailers and Disney Cruise Lines.

Mr. Ushijima added that the business is located in the Urban Honolulu Enterprise Zone near Kaka'ako. He then asked if there were any questions.

Ms. Melton inquired about equipment ownership versus leasing. Mr. Bowman clarified that while the business owns some equipment, they do lease some of the larger machines with plan to change that in the future.

Ms. Melton asked if the business had applied for the Manufacturing Assistance Program (MAP) grant through the Hawaii Technology Development Corporation (HTDC). Mr. Bowman was not sure but agreed to follow up with the business owner.

Mr. Ushijima asked if there were any more questions. There were none so he made a motion to recommend approval of the loan and called for a vote.

A roll call vote was taken with all Council members voting unanimously. Mr. Bowman thanked the CBED Advisory Council and left the meeting.

2. Approval of CBED Grant of \$8,000 to the Institute for Native Pacific Education & Culture (INPEACE) Center for Entrepreneurship for the Merrie Monarch Festival

Mr. Ushijima introduced Ms. Lisa Pakele of the Institute for Native Pacific Education & Culture (INPEACE) Center for Entrepreneurship (C4E). He noted that Ms. Pakele was previously the INPEACE C4E Director but was now in a transitional role and that she would continue working with the organization to help Native Hawaiian entrepreneurs make it to this year's Merrie Monarch Festival in April. Mr. Ushijima noted CBED's previous support for the organization and stated that this year, INPEACE was seeking an \$8,000 grant to support a cohort of seven (7) O'ahu-based businesses to participate in three (3) marketplace venues during the Merrie Monarch Festival.

Ms. Pakele stated that INPEACE is grateful for CBED's support over the last six (6) years and noted the successful use of the grant INPEACE had received from CBED for the 2025 Festival. She confirmed that although she was in a transitional role, that she would be traveling to the Festival in Hilo, HI to escort and provide support for the seven (7) INPEACE businesses. She emphasized the importance of the Merrie Monarch Festival and how it offers an unparalleled opportunity for small businesses to increase their visibility to a larger state-wide audience.

Ms. Pakele explained the coaching and assistance she and INPEACE provide to businesses. She and Mr. Ushijima explained how this funding would be used for travel costs, logistics and marketplace fees at the event. They also provided details about the cohort of businesses and noted that of the seven (7) INPEACE

companies going to the festival this year, three (3) of them were youth owned and have won entrepreneurship awards.

Mr. Ushijima asked the Council if they had any questions.

Ms. Barr noted that she was familiar with some of the youth businesses and had seen them at a recent event and provided her support for this initiative.

With no other questions or comments, Mr. Ushijima asked if anyone would like to make a motion recommending that CBED provide a grant of \$8,000 to INPEACE to support seven (7) Native Hawaiian owned companies to attend the Merrie Monarch Festival in April.

The motion was made by Ms. Melton and seconded by Ms. Barr. A roll call vote was taken with all Council members voting unanimously. Ms. Pakele shared her thanks and appreciation with the CBED Advisory Council and left the meeting.

Announcements

Mr. Ushijima made the following announcements:

1. Legislative Update – Senate Bill 2921

- SB2921 concerns statewide reclamation of special fund balances.
- The CBED Special Fund is one of the funds at risk of reclamation.
- The bill moved quickly through the Senate and is now with the House Committee on Finance.
- Mr. Ushijima will notify Council members of hearing dates and testimony deadlines should the bill be scheduled for a Finance committee agenda. Members were encouraged to submit written testimony supporting CBED's mission and continued funding.

2. Loan Portfolio Update

- At the end of 2025, CBED had supported 18 companies with a total loan portfolio of \$1.54 million, all in good standing at that time.
- One loan recipient, Lubrco, LLC, notified CBED's Loan servicing partner, The Pakini Loan Fund, in February that they had ceased operations.
- CEED is coordinating next steps with the loan servicer and the Attorney General's office.
- Referencing his experience as a commercial lender, Mr. Smith acknowledged that although difficult, loan losses are expected in mission-based lending. He also noted that if the CBED portfolio did not have any losses, then CEED would not be delivering on its mission.

NEXT MEETING:

April 21, 2026, at 10:00 a.m.

ADJOURNMENT:

The meeting ended at 10:38 a.m., on a motion by Mr. Smith and seconded by Ms. McAluney.

There were no objections and the motion was approved unanimously.

Respectfully submitted,



Jason S. Ushijima
Branch Chief, BSB BDSD

3/23/2026

Date