

# FINAL

NOTICE OF MEETING  
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)  
BOARD OF DIRECTORS

Date: **Thursday, June 6, 2019**  
Time: 3:00 p.m. – 5:00p.m,  
\*Location: Manoa Innovation Center  
2<sup>nd</sup> floor Board Room  
2800 Woodlawn Drive  
Honolulu, HI 96822

## MINUTES

<b>PRESENT</b>	<b>STAFF PRESENT</b>
Derek Lau, Chair Race Randle Elijah Yip Martin Zorn Michael McCartney, DBEDT Craig Nakanishi, HSDC	Len Higashi, HTDC Acting Director Ray Gomez, HTDC Staff Sandy Park, HTDC Staff
<b>EXCUSED</b>	<b>Guests</b>
Bella Hughes Mark Anderson Creighton Arita Linda Rosehill	Dawn Apuna, Deputy Attorney General Riley Randy Tanaka, DBEDT Deputy Director

1. Call to Order: The meeting was called to order by Chair Derek Lau at 3:10 p.m.
2. Approval of Minutes – May 21, 2019 HTDC Board meeting  
*Motion made by Craig Nakanishi to approve the minutes of May 21, 2019 and seconded by Martin Zorn. None opposed. Unanimously passed (6-0)*
3. Federal Projects Committee Report –

- A. R&D Tax Credit Grant awards – Federal Projects Committee member Elijah Yip provided the review of the R&D Tax Credit budget. Committee members reviewed the applications and the requested award amounts. Based on the information and rules, HTDC will award \$950,000.00 in R&D Tax Credit grant funding. The original budget amount was \$1,000,000.00 but there was a holdback of 5%, resulting in the \$950,000.00 final budget available to award. Companies who claimed they would not be applying for the state tax credit were given preference and scored higher and received 100% of their requested amounts.
- B. Summary of R&D Tax Credit grant applications and awards. Board Action to approve funding recommendations.

**R&D TAX CREDIT GRANT**

<u>Applications for FY2019</u>	<u>Recommended by Committee</u>
Revacomm	\$ 23,053.00
Ike	\$ 105,992.67
Hawaii Biotech	\$ 125,786.00
Oceanit	\$ 157,222.11
Navatek	\$ 271,078.51
HNu Photonics	\$ 73,661.36
Makai Ocean Engineering	\$ 193,206.35
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	\$950,000.00

***Motion made by Mike McCartney*** that the Board vote to accept the recommendations of the committee to award the R&D Tax Credit grant funds to the applicants. ***Craig Nakanishi seconded the motion. None opposed. Unanimously passed (6-0)***

4. Innovation Centers update
- A. Sandbox – Len Higashi provided updates. Central Pacific Bank will be the first to sign lease for office space. They received the keys to an office and moving in on Monday. They are considered an anchor tenant and will be on a month to month basis with a 6 month trial. Servco has also negotiated for office space as well as Moosebear Holdings and Majiconnection. Both are startups. Moosebear Holdings is connected with La Tour’s Trung Lam and Maji connection connects Japan investors with local startups. They have experience with Japan, Silicon and Hawaii markets. There are three more applications in the pipe as well as offices on hold for Apaman. The offices are 200 square feet and the rental rate for private businesses is the commercial rate of \$800.00 per month. Start up rates are 50% less and all leases are month to month. The Co-work space is set to kick off once furniture is in place. The Collaborative Robot is on display and demonstrations are being scheduled. Blue Startups will have their Demo Day at the Sandbox. Issues still trying to work out is parking situation. Len is meeting with HCDA and discussing ways to provide some parking to clients and guests.

- B. Maui Research and Technology Center (MRTC) – No new updates.
5. Tech Parks update
- A. Hilo Multipurpose Processing Facility – Innovate Hawaii staff Wayne Inouye currently in Hilo to go over the site. Scott Murakami, the new DLIR Director and Representative Nakashima will also be there.
6. HTDC Staff Program Updates
- A. HCATT – no new updates
- B. INNOVATE Hawaii – Hawaii on the Hill next week. Wayne Inouye and staff returned from the Regional MEP Meeting.
- C. Other HTDC Programs – no new updates
7. HTDC Funding Permitted Interaction Group – Chair Derek Lau reported that there are no new updates.
8. Discussion and Action on Personnel Matters Relating to the Executive Director Position – Chair Lau reported that the Executive Director position was posted last week and will keep it up till end of July and then go through the applications and reference checks.
- A. Craig Nakanishi commented that PIG former board members will remain on the committee or is it required that only board members can be on the committee? Martin Zorn asked that Deputy AG Dawn Apuna check if it is allowable to have non board members on the committee. It is important to have continuity on the PIG. Could former members be appointed as public members? Len Higashi commented that the board may have to reappoint the PIG at the next board meeting in July. Mike McCartney said he will check with Brian Yee on keeping the continuity of the committee and if more members can be appointed. Will also check with Mary Alice.
9. Discussion and Action Relating to the HTDC Budget - No new updates.
10. HTDC Reports
- A. Chair’s Report – Chair Derek Lau thanked the board for the past 8 years of support and efforts as he will be leaving the board. It was a great experience working with the

board and past Chair Race Randle. He also thanked the staff. Race Randle also thanked the board and will stay involved to find the next director if it is allowable.

B. Executive Director's Report

- a. HTDC Financial Report – No new updates per Len Higashi. This meeting's primary focus was to award the R&D Tax Credit grant, which will now be encumbered per Ray Gomez.
- b. MEP Federal Grant Award – no new updates.

C. Department of Business, Economic Development & Tourism (DBEDT) Report – Mike McCartney thanked members for their service.

D. Natural Energy Laboratory of Hawaii Authority (NELHA) Report – Elijah Yip had no new updates.

E. Hawaii Strategic Development Corporation (HSDC) Report – Craig Nakanishi reported the last board meeting for HSDC will take place on Monday, June 10<sup>th</sup> and as of June 30<sup>th</sup>, HSDC will no longer exist.

F. University of Hawaii (UH) Report – No Updates

11. Next HTDC Board Meeting: July 12, 2019

Pending appointment of new board members and having quorum.

12. Adjournment

***Motion to Adjourn made by Craig Nakanishi and seconded by Race Randle.***

***None opposed, unanimously passed (6-0). The meeting adjourned at 3:30 p.m.***

Reviewed by Len Higashi, Acting Executive Director  
Respectfully submitted by Sandy Park, HTDC Staff

**\*\*An executive session may be called to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held pursuant to Section 92-5(a) (2), HRS.**



Posted on line 5/31/19 at 11:39 am

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\*\*An executive session may be called to deliberate concerning the authority of persons designated by the board to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations pursuant to Section 92-5(a) (3), HRS.

\*The public may attend the meeting at any of the locations specified above.

**The public meeting is accessible for individuals with disabilities. Auxiliary aids and services are available upon request by calling the Hawaii Technology Development Corporation offices at: (808) 539-3615. A request for an auxiliary aid or service should be made no later than FIVE working days prior to the public meeting.**

