

MEETING MINUTES OF THE HAWAII TECHNOLOGY DEVELOPMENT CORP (HTDC) BOARD OF DIRECTORS

November 15, 2024

Entrepreneurs Sandbox – Purple Box
643 Ilalo St. Honolulu, HI 96813

Member(s) Present

Craig Nakanishi, Chair (Mr. Nakanishi)	Wayne Inouye, Acting Executive Director
Edward Barnabas, (Mr. Barnabas)	(Mr. Inouye)
Jaclyn Kaina, (Ms. Kaina)	Ray Gomez, (Mr. Gomez)
Matthew Sullivan, (Mr. Sullivan)	Tuan La, (Mr. La)
Vassilis Syrmos, (Mr. Syrmos)	Cynthia Matsuki, (Ms. Matsuki)
Gregory Uehara, (Mr. Uehara)	Stephanie Yuu-Sato, (Ms. Yuu-Sato)
Kelly Ueoka, (Mr. Ueoka)	
Mark Ritchie, (Mr. Ritchie)	

Staff Present**Member(s) Absent**

Gregory Kim, (Mr. Kim)	Elise Amemiya, Deputy Attorney General (Ms. Amemiya)
------------------------	--

Counsel Present**Guest(s) Present**

None	None
------	------

Member(s) of the Public Present**1. Call to Order**

Meeting called to order at 1:00 p.m.

2. Roll Call

Members present: Chair Nakanishi, Mr. Barnabas, Ms. Kaina, Mr. Sullivan, Mr. Syrmos, Mr. Uehara, Mr. Ueoka, Mr. Ritchie

3. Introduction of Kelly Ueoka – Incoming Hawaii Technology Development Board Member

Mr. Ueoka introduces himself as the President of Pacxa, a technology and systems integrator company. Mr. Ueoka states that Pacxa is part of the Island Holdings, Island Insurance, Atlas Insurance and Tradewind Capital family and quickly grew into what it is today.

He also mentions that he is excited to be on the board and see some familiar faces as he was originally from Kauai.

4. **Approval of June 17, 2024, September 9, 2024, and October 2, 2024 Regular Board Minutes**

Motion to approve the June 17, 2024, September 9, 2024 and October 2, 2024 Regular Board Minutes made by Mr. Barnabas / Second by Mr. Sullivan

Amendments to the September 9, 2024 Regular Board Minutes as follows:

Under Mr. Uehara's introduction include that he returned for his M.S. and Ph.D at Berkely.

Amendments to the October 2, 2024 Regular Board Minutes as follows:

Under Ms. Kaina's introduction include that she is also Executive Director of the Kauai Economic Development Board.

Chair requests motion to approve changes to minutes:

Motion approved, 7/0 with Mr. Ueoka abstained from voting

5. **Introduction of Hawaii Capital Program capital Program (HI-CAP) Manager, Tuan La**

Mr. Inouye introduces Mr. La as the new HI-CAP Program Manager taking over for Mr. Hsi who departed at the end of January.

Mr. La introduces himself, a graduate from University Lab School, who studied finance at University of Hawaii Manoa and has a JD/MBA from Richardson Law School/Shidler College of Business. Mr. La previous worked in Vietnam for an international venture capital and private equity firm and also practiced M&A law at Baker Mckenzie and has worked at a hedge fund based in Los Angeles.

Mr. La reiterates to the board that the HI-CAP program is a federal funded program awarded to HTDC in 2022 for a total amount of \$62 million is payable in three tranches. The purpose of the program is to help Hawaii support local business and create jobs, particularly small businesses and startups. HI-CAP consists of three main separate programs, of which the invest program is a fund-of-funds matching investment program directly into Hawaii focused venture capital funds, with the caveat that these funds invest in Hawaii companies/startups. The other two programs are managed by our sister agency, Hawaii Green Infrastructure (HGIA), and provide collateral and loans support for small businesses in Hawaii.

6. Hiring of HTDC Executive Director Position

Chair Nakanishi advises that Damon Matteo has accepted the HTDC Executive Director position and has a start date of Monday, November 18th which he will be teleworking and has an in-person start date of January 6, 2025. Chair thanks Mr. Inouye for getting Mr. Matteo on board so quickly.

7. Status Update on Hawaii Strategic Development Investment Litigation with Mana Loa Ventures, LLC and Infinite Percent Partners, Corp

Mr. La updates the Board on the Mana Loa venture litigation advising outside counsel McCorrison Miller Mukai and MacKinnon (M4) has recently notified him that the state circuit court entered a judgement of \$1.85 million against defendants and in HTDC's favor. M4 advises that because the defendant company and individuals are likely judgement proof, it may be costly and inefficient to pursue this further. M4 provided alternative low effort cost effective steps to move forward, including recording the judgment with the Bureau of Conveyances so that it will show if they sell any property and issuing garnishee summons to local banks to see if any funds are available. Costs for these services will be approximately \$4,500.

Ms. Amemiya reminds the Board that the litigation was for a prior investment made by the Hawaii Strategic Development Corporation (HSDC). HSDC was dissolved and merged into HTDC and HTDC took over the investment. Ms. Amemiya also reminds the Board that they approved an initial budget of \$50,000 to handle this case with an additional \$25,000 being later added. M4 is currently under the total budgeted amount as confirmed with Mr. Gomez. The additional services will be within the budget.

Chair Nakanishi confirms the Board did approve that budget.

8. Presentation by Subcommittee on Current State of HTDC Assessment and Legislative Budget Request

Mr. Sullivan shared that there were several meetings with select board members and HTDC staff to discuss the HTDC grant programs. During the meetings the priorities and metrics were reviewed, and the members were able to question as to the reasoning for how the grants were awarded in the past. Recommendations by the subcommittee were shared and approved by the project team and will be implemented in the next fiscal year awards. Final recommendations will be distributed to the board.

Mr. Inouye requests a board member volunteer to be part of the review committee for each program, Small Business Innovation Research (SBIR), Manufacturing Assistance Program (MAP) and Accelerator Program. Mr. Inouye states that Mr. Sullivan previous requested to be part of the Accelerator Program committee.

Mr. Ueoka states with his background in tech and investment he would be interested in being a part of the Accelerator Program committee.

9. **Proposal to Explore, Develop, and Launch Capital Formation Initiatives**

Chair advises that we will defer this agenda item as Mr. Kim is unavailable to discuss and answer any questions.

10. **Election of HTDC Board Officers**

Chair advises that he would like to start off by electing a Vice Chair. He recommends Matt Sullivan to serve as the Vice Chair and asks if anyone has other suggestions or if he can get a motion.

Motion to approve Mr. Sullivan as Vice Chair made by Ms. Kaina / Second by Mr. Barnabas

Motion approved, 7/0 with Mr. Ueoka abstained from voting.

Mr. Nakanishi thanks the Board for giving him the opportunity to serve as the Chair of HTDC Board. He continues to offer his services unless someone else would like to volunteer.

Ms. Kaina commends Mr. Nakanishi and states she would like him to continue as Chair.

Motion to confirm Mr. Nakanishi as Chair made by Ms. Kaina / Second by Mr. Barnabas

Motion approved, 7/0 with Mr. Ueoka abstained from voting.

11. **Designate HTDC Board Member to be a member on the Natural Energy laboratory of Hawaii Authority (NELHA) Board.**

Chair asks if a member would like to volunteer to be a member of the NELHA Board. He mentions that by being a NELHA Board member you will have to submit make your financials public record unlike being on the HTDC Board.

Mr. Syrmos states that the NELHA Board meets in-person and virtually every quarter as he is also a member of their board.

Mr. Kaina volunteers to be on the NELHA Board.

Mr. Barnabas volunteers to be on the NELHA Board but does not want to make a commitment yet.

Chair requests that we defer till the next meeting to give Ms. Kaina and Mr. Barnabas time to think consider.

12. Executive Director's Report

Mr. Inouye advises that the Executive Director's report was submitted in the packet and if there are any questions.

13. Announcements

Chair advises that we will have to hold a board meeting in December to discuss the FRTC land transfer. Please be on the lookout for a doodle poll for available dates.

14. Adjournment

Meeting adjourned at 1:55 p.m.

DRAFT

