



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

December 20, 2023
Entrepreneurs Sandbox – Purple Room
643 Ilao St., Honolulu, HI 96813

Member(s) Present

Craig Nakanishi, Chairperson (Mr. Nakanishi)
Sandra Fujiyama, Vice Chair (Ms. Fujiyama)
Edward Barnabas, (Mr. Barnabas)
Gregory Kim, (Mr. Kim)
Vincent Kimura, (Mr. Kimura)
Vassilis Syrmos, (Mr. Syrmos)
Dane Wicker, (Mr. Wicker)
Rick Volner Jr., (Mr. Volner Jr.)

Staff Present

Wayne Inouye, Acting Executive Director
(Mr. Inouye)
Cassidy Wong (Ms. Wong)
Ray Gomez (Mr. Gomez)
Paul Hsi (Mr. Hsi)
Sandi Kanemori (Ms. Kanemori)
Umma Berkelman (Ms. Berkelman)
Dave Molinaro (Mr. Molinaro)
Kristy Carpio (Ms. Carpio)
Matthew Kobayashi (Mr. Kobayashi)
Karlton Tomomitsu (Mr. Tomomitsu)

Member(s) Absent

Matthew Sullivan, (Mr. Sullivan)

Counsel Present

Alison Kato, Deputy Attorney General
(Ms. Kato)

Guest(s) Present

None

Members of the Public Present

None

1. Call to Order

Meeting called to order at 10:30 a.m.

2. Roll Call

Members Present: Chair, Vice Chair Fujiyama, Mr. Kimura, Mr. Kim, Mr. Wicker, Mr. Barnabas, Mr. Volner Jr., and Mr. Syrmos.

3. Executive Directors Report

Wayne Inouye briefs on the Maui recovery efforts.

Ms. Kanemori states that they have been working with Federal Emergency Management Agency (FEMA) to lease about 800,000 square feet of space. This occupation could be for up to 2 years. They currently still have the Small Business Association (SBA) disaster recovery center there for about another 4 to 5 months.

Mr. Inouye asks Mr. Volner Jr. to share about the current climate of Maui.

Mr. Volner Jr. states that there are currently many different perspectives within Maui and as a company they are pleased to be participating in the clean up.

Mr. Gomez states that our request to fund the three core programs was not recommended by Budget and Finance therefore it was not in the Governor's budget. HTDC is currently working with legislators and clients to introduce a bill.

Mr. Wicker questions if there are any budget bills to fund the core programs in the Department of Business, Economic Development, and Tourism (DBEDT) legislative package.

Mr. Gomez states that there are no budget bills in the DBEDT legislative package.

Mr. Wicker states that there is no First Responder Tech Campus (FRTC) update, and the advisory committee may be dissolved.

Mr. Hsi briefs on an update about the Hawaii Capital Assistance (HICAP) program, in the end of November, HTDC finalized an agreement with HATCH Accelerator Fund II to provide its full capital commitment of \$5 million through Tranche I of the State Small Business Credit Initiative (SSBCI) program. It is expected that the next venture fund capital commitment to be made to Mana Up Capital Fund II, which plans to launch its \$15-25 million fundraising effort in January 2024 (expected closing in June 2024). HTDC

plans to apply for Tranche II of the SSBCI program in early 2024, with a 4 to 6 months timeframe to receive the next allocation from the US Treasury.

Mr. Layugan states that the Small Business Innovation Research (SBIR) application recently closed. The Manufacturing Assistance Program (MAP) application is opening in January and closing mid-February. Innovate Hawaii also hosted an annual review for the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP). The next step is updating annual reports and paperwork, they should be seeing renewal within the next two years.

Mr. Molinaro states that the PEARL microgrid is targeting the first of March.

Mr. Gomez states that our Section 5 funding from the governor was released, equaling to \$2 million for each program. He clarifies that \$1.8 million is for the renewable energy microgrid project.

Mr. Inouye shares that HTDC will be focusing on collecting the right data and working with Research and Economic Analysis Division (READ) to fix the annual economic impact survey. They are working with TRUE initiatives to learn what the roadmap is.

4. Department of Business, Economic Development, and Tourism (DBEDT) Economic Strategy Presentation – Information only

Mr. Wicker presents on the strategic direction to diversify the economy, expand the economy, and grow the tax base. The goal is to build an economically sustainable Hawaii through innovation in agriculture and food production, green energy, and water reuse and conservation. The tactics to achieve this goal include strengthening current economic anchors, cultivating and growing emerging sectors, developing workforce and human capital, and building/updating economic foundations. Some specific strategies include curriculum to career, building infrastructure and facilities, policy changes, and layering incentives. Mr. Wicker highlights the aerospace economy and presents a brief timeline of milestones regarding topics such as aerospace and advanced manufacturing.

5. Executive Director Search – Discussion and Possible Action

Chair calls for a motion to convene into Executive Session

Motioned made by Mr. Volner Jr. / Seconded by Mr. Syrmos.



Motion approved, 8/0.

Executive Session convened at 11:44 a.m.

Chair calls for a motion to adjourn Executive Session

Motion to adjourn Executive Session made by Mr. Volner Jr. / Second by Mr. Kimura

Executive Session adjourn at 11:44 a.m.

Chair asks for a motion to end the current executive director search.

Motion made by Mr. Syrmos / Second by Mr. Wicker.

Motion approved, 8/0. No testimony received.

Chair asks for a motion to start executive director search using a recruiting firm

Motion made by Mr. Kimura / Second by Mr. Wicker

Motion approved, 8/0. No testimony received.

Mr. Barnabas questions if the board knows which recruiting firm will be used.

Chair states that they must go out for a Request for Proposal (RFP), and questions if the board wants to be part of RFP process or give the authority to Mr. Inouye.

Mr. Syrmos states that the firm should provide pool of candidates and sets up interviews, but the board should have the last say in picking of the candidate.

Mr. Kim questions what the criteria for the recruiter firm is.

Chair questions if the board wants to recruit nationally.

Mr. Syrmos states that it should be local, and we should find interest in the community.

Mr. Barnabas expresses agreement.

Greg, be part of the process selecting recruiters

Mr. Volner Jr. asks if the state procurement system contains approved recruiting firms.

Chair asks for recommendations.

Mr. Syrmos states that they should do the RFP.

Mr. Inouye states that for the RFP, a scope of work and criteria is needed. The next step would be to post those materials on the State of Hawaii eProcurement system (HlePRO).

Mr. Barnabas suggests including criteria such as experience recruiting people in Hawaii and experience in sourcing relevant employee backgrounds.

Ms. Fujiyama questions if it is possible to put a time limit on recruiting firm.

Mr. Inouye states that it is possible.

Chair questions if it is the lowest bidder that will be awarded.

Mr. Inouye states yes, therefore, there needs to be a specific scope of work for recruiting firms to adhere to. There is also budget limitation as the payment would be coming out of HTDC's budget and he needs to confirm with Mr. Gomez how much HTDC can spend.

Mr. Barnabas suggests that HTDC staff draft the scope of works for board members to review.

Mr. Inouye agrees.

Chair asks for a motion to start a new executive director search and use a search firm.

Motion approved, 8/0. No testimony received.

Mr. Inouye states that the HlePRO is posted for a set amount of time and typically two weeks. They are looking into the first or second week of January.

Chair states that the next board meeting will be in February. He also states that he aims to have the board meetings every other month rather than every month.

Mr. Inouye states that he will check with Mr. Gomez about budget but needs to set a range to pay the recruiting firm.

Mr. Barnabas states that most firms charge 20% to 25% of the salary posted.

Mr. Syrmos questions if HTDC has leftover funds for Mr. Higashi's, former acting executive director, salary.

Mr. Syrmos suggests the range of \$50,000 to \$100,000 to employ the recruiting firm.

Mr. Wicker suggests checking the budget and salary savings, find what HTDC can go up to, and if plausible go up to \$100,000.

Chair asks for motion to give Mr. Inouye authority to do the RFP process under what was discussed and gain board approval.

Motion made by Mr. Kimura / Second by Mr. Wicker

Motion approved, 8/0. No testimony received.

6. Announcements

Mr. Inouye shares that HTDC is hosting a holiday tech job fair on December 21, 2023.

7. Adjournment

Chair calls for a motion to adjourn.

Motion to adjourn made by Mr. Volner Jr. / second by Mr. Barnabas.

Meeting adjourned at 12:20 p.m.