



**MINUTES OF THE LUNCHEON MEETING OF THE BOARD OF DIRECTORS**  
Wednesday, 8 July 2015  
#1 Capitol District Building, 250 South Hotel Street, Room 436, Honolulu, HI 96813

**MINUTES**

**PRESENT**

H. Brian Moore, Chair  
James Moonier  
Michael O'Malley  
Keiki-Pua Dancil  
Greg Barbour for Luis Saleveria  
Ann Chung  
Fred Hemmings

**EXCUSED**

Jon Wallenstrom  
HTDC Ex Officio member  
NELHA Ex Officio member

**STAFF**

Karl Fooks, President  
Sara Lin, Associate  
Gregg Kinkley, DAG

**GUESTS**

- **CALL TO ORDER:** Meeting called to order by the Chairman at 12:00 PM.
  - The Board welcomed new Board members, Ann Chung and Fred Hemmings.
- **3 June 2015 MEETING MINUTES:** All Minutes were approved.
- **HSDC Board Officer Election**
  - Chair Moore outlined the board officer positions to be elected by the board. The NELHA board representative is required to have their financial disclosure publicly disclosed.
  - Greg Barbour provided a summary of NELHA's activities.
  - The President provided a summary of HTDC's activities and mentioned that each ex officio board representative has the ability to appoint a representative to attend meetings on their behalf.
  - Member O'Malley volunteered for the NELHA board position, Member Moonier volunteered for the HTDC board position, Member Dancil volunteered for the Vice Chair position and Member Moore volunteered for the Chair position.
  - **DECISIONS:** The Board unanimously approved Member O'Malley for the NELHA board position, Member Moonier for the HTDC board position, Member Dancil for the Vice Chair position and Member Moore for the Chair position.
- **ProtoHub:**
  - The President provided an overview of the proposal to have HSDC collaborate with HCDA and HHFDC to support ProtoHub lease of space from an HHFDC building. There would be no financial support provided by HSDC. HCDA is proposing to guarantee the lease obligations of ProtoHub, subject to ProtoHub adhering to performance milestones.
  - Vice Chair Dancil asked what the milestones are and the President replied that the targets are the number of members, square footage rented, and revenue generated at month 9. At month 15, ProtoHub must be in a position to pay market rent. These measures are objective and clearly measurable.

- Chair Moore asked what the lease guarantee would cover. The President replied that HSDC would be obligated to pay base rent and CAM charges. Under the proposal these obligations would be guaranteed by HCDA. ProtoHub would contract directly for utilities, parking and other expenses and HSDC would have no obligations to pay these expenses.
- The President said the HCDA board is meeting on July 9 to consider this proposal.
- Member Chung stated that this would be the first time for HSDC to act as a landlord and asked why HTDC was not involved in this proposal. The President replied that HCDA requested HSDC to take on this role given our experience with accelerators.
- Member Barbour asked what the biggest risk for HSDC is, if we have no financial exposure. The President replied that a major accident or fire at the facility could be a problem for HSDC given the time and PR required to manage an unfortunate event.
- Member Chung asked if the ProtoHub has performed on their business plan to date. The President replied that the operations were just getting off the ground when Kamehameha Schools decided not to continue their support for ProtoHub.
- Chair Moore noted competition in the market for these spaces: ROC Chinatown and Box Jelly. Member Dancil asked if the video conferencing project was going to be housed in ROC Chinatown and if not, ProtoHub could be a location for that project.
- Member Barbour noted that he has inquired if the ProtoHub could provide support to NELHA's incubator facility.
- **DECISIONS:** The Board unanimously approved the proposal for HSDC to collaborate with HCDA and HHFDC to provide support for ProtoHub's lease of space from HHFDC. This approval is contingent on HCDA approving their guarantee of the lease obligations.
- **Lamplighter Energy:**
  - The President introduced Rene Andre De Rosa, CEO of Lamplighter Energy. HSDC has been working with Lamplighter Energy as the developer of a renewable energy project at Kunia Agricultural Village through the involvement of one of our portfolio Companies, Real Green Power.
  - Mr. De Rosa provided an overview of Lamplighter Energy, a developer of renewable energy projects with a focus on hydrogen production. He outlined a proposal for HSDC to provide capital to Lamplighter's project development efforts.
  - Lamplighter currently has a gap in its funding for the project phase just before the project can draw down on committed project financing, but needs to fund equipment purchases and construction preparation.
  - The President noted that HSDC is looking to use the remaining amount of Hydrogen Fund money currently held at the state level and at the Kolohala Hydrogen Fund. Although Lamplighter is not a traditional fund, it does act as an asset manager and works to invest in a portfolio of projects.
  - Member Hemmings asked which method of hydrogen production was cost effective. Mr. De Rosa replied that it depends on the scale of the project. In Hawaii, the projects are scaled to make solar powered electrolysis a cost effective approach.
  - Vice Chair Dancil asked whether Kolohala Hydrogen Fund is prepared to invest in this transaction. The President replied that the way the current fund is operated all the remaining funds will be used to pay fund expenses over the next four years and no money is available for new investments. Chair Moore asked if the Energy Excelsator is a potential investor. Mr. De Rosa replied that their projects are not candidates for the Energy Excelsator program.
  - Member Hemmings asked in HEI/Nextera will be obstacles to the success of Lamplighter. Mr. De Rosa replied that he has successfully completed projects with Nextera. One way to address the current market is to implement projects like Kunia where the project is completely off the grid.

- Lamplighter's target markets for hydrogen are larger fleet vehicles, bucket trucks and fork lifts, and not passenger cars.
- Member Hemmings asked about the interest to work with geothermal projects for hydrogen production. Mr. De Rosa replied that he regularly meets with stakeholders to review opportunities and if the right opportunity presented itself, Lamplighter would welcome the chance to utilize excess geothermal generated power for hydrogen production.
- **ACTIONS:** The Board thanked Mr. De Rosa for his presentation.
- **Portfolio Report:**
  - The fourth quarter financial report was distributed
- **HTDC Report:**
- **NELHA Report:**
- **Public Input and Discussion:**
- **Request for Future Agenda Items:**
- **MEETING ADJOURNED:** Meeting adjourned at 1:08 PM.

*Karl F. Feds*