



MINUTES OF THE LUNCHEON MEETING OF THE BOARD OF DIRECTORS

Wednesday, 20 July 2016; 12:00 PM

733 Bishop Street, Ground Floor, Conference Rooms B&C, Honolulu, HI 96813

MINUTES

PRESENT

H. Brian Moore, Chair
James Moonier
Jon Wallenstrom
Fred Hemmings
Mark Tsuda
Craig Nakanishi
Elijah Yip
Luis Salaveria

EXCUSED

Keiki-Pua Dancil, Vice Chair
Marissa Sandblom
Ann Chung

STAFF

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

GUESTS

Robbie Melton

- **CALL TO ORDER:** Meeting called to order by the Chair at 12:07 PM.
- **13 June 2016 MEETING MINUTES:** All Minutes were approved.
- **Board Officers and Appointments:**
 - **DECISIONS:** The Board unanimously approved the reappointment of H. Brian Moore as Chair, Keiki Pua Dancil as Vice Chair and Craig Nakanishi as representative to the HTDC Board for the fiscal year ending June 30, 2017. No member volunteered to serve as representative to the NELHA Board due to the requirements of public disclosure of Ethics Commission filings.
- **HSDC Capital Fund LLC 2015 Financial Statements:**
 - Ralph Kanetoku and Robyn Kawamura, representing the CPA firm, KKLDY, LLC, presented their audit findings of HSDC Capital Fund LLC for the calendar year 2015. The report stated there were no issues uncovered during their audit.
 - Member Hemmings asked if there were any issues that the Board should be concerned about. KKLDY answered there were none.
 - **DECISIONS:** The Board unanimously approved the 2015 Financial Statements of HSDC Capital Fund, LLC.
- **At 12:30 PM, Members Hemmings and Nakanishi left the board meeting and quorum was lost. The meeting was adjourned. The remaining members decided to remain and hear the presentations already scheduled.**

Notes from presentations heard by the Board Members after quorum was lost:

- **Investment Priorities for FY 2017:**
 - The President provided a high level overview of three alternatives as examples of how HSDC could consider in deploying the \$1 million appropriated by the Legislature for FY 2017.

- The three alternatives presented were: 1) an LP investment in a Mainland VC fund that could provide support for the ecosystem building efforts of the local community; 2) a pilot effort to demonstrate the importance of a proof of concept/commercialization investment program to developing an innovation economy; and 3) investments to augment the capacity of existing accelerators and investment funds to invest in local companies.
- **EEX Fund One**
 - Brad Punu of EEX Fund One, presented an update of the fund's activities. The Fund closed with a total of \$3 million of commitments. The private investor group was led by HEI and NextEra, with PICHTR and Hawaii Gas providing significant investment. A number of prominent Hawaii high net worth individuals also invested in the Fund. HSDC provided \$1.5 million of capital to match the \$1.5 million of private investment.
 - Brad profiled the investment strategy of the fund and the first few investments the fund made in 2016.
- **MEETING ADJOURNED:** Meeting adjourned at 12:30 PM.

Kal E Fodor