

Business Revitalization Task Force
Second Meeting Minutes (draft)

Meeting was held virtually via Zoom and physical location at 250 South Hotel Street, Room 436,
Honolulu, Hawai'i 96813
January 16, 2025
10:00 a.m. – 11:30 a.m.

PRESENT:

State Government:

Director James Kunane Tokioka, Dean I. Hazama, Seth Colby, Sandra Fujiyama

Small Business Regulatory Review Borad:

Garth Yamanaka

County Government:

Amy Asselbaye, Sharon Z. Banaag, Dennis Lin,

Construction Industry:

Roseann Freitas,

Agriculture Industry:

Brian Miyamoto, Alec Sou

Visitor Industry:

Sue Kanoho

Food Industry:

Lauren Zirbel

Retail Industry:

Tina Yamaki, Monty Pereira

Regional and Ethnic Chambers of Commerce:

Constancio Paranal, Wendy Laros, Tonga Hopoi

Chamber of Commerce Hawai'i:

Sherry Menor-McNamara

Staff Members:

Department of Business, Economic Development and Tourism (DBEDT): Dennis Ling, Deputy Director Dane Wicker, Eugene Tian, Joseph Roos, Mustafa Shirzad, Oscar Carvallo Valencia

CALL TO ORDER:

Time lapse: 10:01 a.m. – 10:05 a.m.

Chair Dennis Ling, BDS-DBEDT administrator, called the meeting to order. 19 members were present.

SUMMARY:

1. Agenda Item 1: Approval of December 10, 2024, Meeting Minutes

Time lapse: 10:05 a.m. – 10:07 a.m.

Chair Dennis Ling called for a motion to approve December 10, 2024, meeting minutes. It was moved by Tina Yamaki and seconded by Seth Colby that the last meeting minutes be accepted. The chair called for an anonymous vote and the motion passed.

2. Agenda Item 2: Formation of Permitted Interaction Groups (PIGs)

Time lapse: 10:08 a.m. – 10:56 a.m.

Chair Dennis Ling opened the discussion on formation of permitted interaction groups (PIGs) within the task force. Dennis outlined the scope of each group, the authority of members, and the limitations of their investigation. He also clarified that members could not discuss their investigations with other board members who were not part of their group. The groups were identified as focusing on regulation, workforce development, business costs, access to capital entrepreneurship, and innovation and economic climate. The following PIGs and respective group leaders were identified:

1. Group 1 will be led by Dean Hazama (Deputy Director, DCCA) and aims to reduce administrative burdens on businesses and startups,
2. Group 2 will be led by Thomas Chalk (Creative Industries Division, DBEDT) and focuses on workforce development, assessing current and future workforce needs, and examining workforce development programs in the state,
3. Group 3 will be led by Seth Colby (Tax Research Officer, DoTAX) and examines Hawai'i's business incentives and tax credits as well as the impact of government on businesses,
4. Group 4 will be led by Sandra Fujiyama (PACE, UH Manoa), and aims to identify barriers to accessing capital for businesses and entrepreneurs and increasing entrepreneurship in the state.
5. Group 5 will be led by Sherry Menor-McNamara (CCH) and aims to examine advancing innovation and increasing the number of businesses in the state.

Discussion and Vote on Group 1: Regulation

Chair Dennis Ling opened the discussion on content and addition of new members to Group 1.

Alec Sou, Lauren Zirbel, Roseann Freitas, Tina Yamaki, and Sherry Menor-McNamara were added as new members to this group

Seth Colby stated that reviewing all existing regulations within Hawai'i is a challenging task. He suggested instead to focus on a systematic approach to recognize effective regulations and get rid of ineffective ones.

Dean Hazama responded that the group members will investigate the framework of the existing regulations.

Lauren Zirbel suggested on reducing the administrative delays on businesses and start-ups.

Chair Dennis Ling called for a vote on approving Group 1; the group was approved through anonymous voting.

Discussion and Vote on Group 2: Workforce Development

Chair Dennis Ling opened the discussion on content and addition of new members to Group 2.

Amy Asselbayer highlighted the overlap of this group's efforts and the workforce development initiative led by DLIR proposing concrete solutions for Hawai'i. She mentioned a large working group involving around 90 members are part of the DLIR Workforce Development Initiatives and proposed the revision of certain points to avoid duplications of the efforts.

Thomas Chock stated his role as a central point of information for workforce development efforts in Hawai'i and expressed a strong interest in collaborating with the Department of Labor, nonprofits, and community groups to gain a comprehensive understanding of ongoing efforts. He stressed the importance of addressing duplication across organizations and initiatives to ensure a coordinated and effective approach to workforce development challenges.

Chair Dennis Ling called for a vote on approving Group 2; the group was approved through anonymous voting.

There were no new members added to this group.

Discussion and Vote on Group 3: Business Cost

Chair Dennis Ling opened the discussion on content and addition of new members to Group 3.

Lauren Zirbel was added as a new member to this group.

Seth Colby proposed adding discussion of major costs facing Hawai'i businesses to the scope of this group.

Garth Yamanaka proposed adding the impact of government on businesses in Hawai'i.

Chair Dennis Ling called for a vote on approving Group 3; the group was approved through anonymous voting.

Discussion and Vote on Group 4 Access to Capital/ Entrepreneurship/ Growth Prospects

Chair Dennis Ling opened the discussion on content and addition of new members to Group 4.

Alec Sou, Constancio Paranal, and Sharon Z. Banaag were added as new members to this group.

Sue Kanoho stated concern about the slow process of converting agricultural lands to different uses, which can take up to 5 to 7 years. She suggested that there might be opportunities to expedite this process to promote business activities.

Dennis Lin agreed, citing the example of a lava field being considered agricultural land, which is not best use of the land.

Lauren Zirbel shared her experience of a small family egg business facing similar issues due to land use regulation and zoning requirements.

Chair Dennis Ling called for vote on approving Group 4; the group was approved through anonymous voting.

Discussion and Vote on Group.5 Innovation and Economic Climate

Chair Dennis Ling opened the discussion on content and addition of new members in Group 5.

Tina Yamaki, Constancio Paranal, and Sharon Banaag were added as new members to this group.

Chair Dennis Ling called for vote on approving Group 5; the group was approved through anonymous voting.

Discussion on PIGs Timelines

The PIGs' activities will run from January through March, culminating in a presentation to the full task force in April. During this three-month period, the group will work to address key issues, compile research, and prepare recommendations. Once each PIG presented its findings and recommendation in April, the PIG will be officially dissolved. A follow-up task force meeting will be planned for May, at least six days after the April session, to review the findings and decide on the final report to the legislature.

3. Agenda Item 3: The Economic Landscape of Hawai'i, Presentation by DBEDT-Deputy Director Dane Wicker

Time lapse: 10:56 a.m. – 11:13 a.m.

Deputy Director Dane Wicker discussed the state of Hawai'i's economy and the need for diversification. He highlighted the state's strengths in workforce development and areas of weaknesses, which include business costs, access to finance, infrastructure, and innovation. Deputy Director Dane Wicker also presented DBEDT's framework for Hawai'i economy focusing on three major sectors: tech and innovation, creative industries, and product development. He emphasized the importance of workforce development, infrastructure, policy changes, and incentives to support these sectors. He concluded by outlining the three-phase approach of DBEDT's strategy, which includes research and development, market & scale-up, and export.

Discussion on The Economic Landscape of Hawai'i, Presentation

Seth Colby emphasized the importance of business formation and growth for economic productivity.

Sue Kanoho highlighted the need for workforce development due to staffing shortages.

DBEDT Director James Tokioka thanked the team for their contributions and encouraged them to send specific requests for data and information to DBEDT.

NEXT STEPS:

- Dennis Ling to send task force members a list of all members with individual contact information.
- Dennis Ling to share the PIGs presentation and the Economic Landscape of Hawai'i presentation with taskforce members.
- Dennis Ling to share DBEDT research team contact information with the taskforce members to facilitate requests for specific data and research documents.
- PIG leaders will contact their group members to discuss future meeting agendas and contents.
- Seth Colby will provide tax-related information upon request.
- All PIGs members to conduct their investigations and prepare findings for presentation that will take place in April 2025.

AJOURNMENT:

The meeting adjourned at 11:24 a.m.