A BILL FOR AN ACT

RELATING TO HIGH TECHNOLOGY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The University of Hawaii shall extend the
- 2 current land lease agreement with the high technology
- 3 development corporation, located at 2800 Woodlawn Drive, Manoa,
- 4 Honolulu, Hawaii, identified as tax map key 2-9-26: por. 3, 37,
- 5 and 38, on the same terms and for a period no less than twenty-
- 6 five years from the expiration date of the existing lease.
- 7 SECTION 2. This Act shall take effect on July 1, 2013.

INTRODUCED BY:

8

H.B. NO.71

Report Title:

High Technology Development Corporation; University of Hawaii; Land Lease

Description:

Requires the University of Hawaii to extend the current land lease with the high technology development corporation for no less than 25 years from the date of expiration of the existing lease.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

Testimony Presented Before the
House Committee on
Higher Education
February 5, 2013 @ 2:00pm
by
James R. Gaines
Vice President for Research, University of Hawai'i

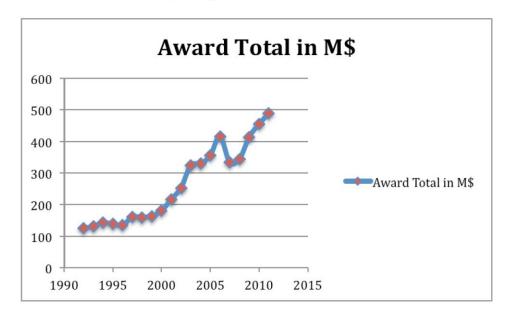
HB 71 – RELATING TO HIGH TECHNOLOGY

Chair Choy, Vice Chair Ichiyama and Members of the Committee:

The University strongly OPPOSES HB 71 which requires the University of Hawai'i to extend the current land lease with the High Technology Development Corporation for no less than 25 years from the date of expiration of the existing lease.

In 1990, the University of Hawai'i (UH) entered into an agreement under which the (then) new Mānoa Innovation Center (MIC), constructed on University land, was to be leased to the High Technology Development Corporation (HTDC) for a 25-year term, after which the facility was to revert to UH. All parties agreed, in writing, to this arrangement.

Since beginning of the current lease, University research awards have doubled in **each** of the past decades as shown by the graph below.



It is the goal of the University, in research, *to double the annual awards once more in the coming decade*. In order to accomplish this, new and remodeled facilities are essential and an expanded MIC will play an important role in achieving that goal. It is important to emphasize the commitment of UH to the development of a robust research and technology industry in Hawai'i. Last year UH President Greenwood convened a blue ribbon task force to recommend key changes in how the University develops this research industry. Participants at our recently completed *E Kamakani Noi'i* conference further focused our ideas on what it will take to build a 21st century economy in Hawai'i.

We are still in the formative stages of defining exactly what form and structure will best support this needed innovation agenda. However, we expect that these activities will be based at the Mānoa Innovation Center, which is already a significant site for the University's research enterprise. In fact, UH and our related programs are already the single largest set of tenants in the facility and we are paying the largest portion of the rent, which goes to support HTDC operations. We could occupy all the existing space at MIC, with UH programs that are renting facilities elsewhere, immediately.

President Greenwood and UH leadership held preliminary discussions with the HTDC Executive Director and some of the HTDC board members. UH emphasized our willingness to let HTDC remain in the MIC facility after 2015 if they so choose. Our discussions further explored a range of possibilities, including HTDC playing a role in implementing the University's innovation agenda. These discussions are continuing and we will be happy to keep the Legislature informed of our progress.

The University does support the development of a technology park on Oʻahu, the only island without such a capability. However, the Mānoa Innovation Center is not large enough to house the activities normally found within a technology park, so another venue should be found to provide full support for emerging technology businesses. HTDC would be the natural organization to lead such an initiative and UH would support them.

We believe this is an opportune time for the State to invest in the development of high technology to diversify and strengthen our economy. But this should not be done at the expense of research growth and the new innovation agenda being developed by UH.

We urge you to not pass this bill and to preserve the agreement made with UH at the time MIC was constructed.

Thank you for the opportunity to testify on this matter.



February 2, 2013

Honorable Representative Isaac Choy Chair, House of Representatives – Higher Education Committee & Members Hawaii State Capitol – Room 309, 2:00 P.M. Honolulu, Hawaii 96813

Dear Chair Choy and Members:

RE: HB 71 Relating to High Technology

Aloha! I am writing this letter in **support for House Bill 71** which extends the lease between the University of Hawaii and the High Technology Development Corporation (HTDC) at the Manoa Innovation Center (MIC). As the HTDC's MIC namesake states, the MIC is an innovation center which captures the primary mission of the HTDC. During my career in education, I have had the opportunity to watch and learn first-hand about what the original founders envisioned HTDC to become and, more importantly, accomplish. For thousands of residents, HTDC may not mean anything important or significant other than the inference of 'technology'. However, we all know as policy makers, business and community leaders and, educators that this corporation established for the benefit of the public which is to serve as an incubator for economic and workforce development has significantly contributed to both the short and long term well being of our state.

Attracting, creating and serving as a nucleus especially for small businesses is an even more compelling reason as to why to support this agency when too often many businesses do not have the resources, technical knowledge/know how as well as contacts/networks to support them in launching or even assuming the risk of establishing a business. This became even more evident to me during this recessionary environment which was the primary reason I have worked very closely and in partnership with the HTDC to especially support Kauai's small businesses who needed the neighbor island outreach and support of this organization. When the economy was just beginning to fully realize the impact of the recession, it was in December of 2008 that the HTDC responded to our request to support our members by providing the first of several partnership opportunities which led to a panel focused on what businesses needed to do in order to prepare for the unintended consequences of the recession. In attendance were nearly 400 business, community, government and non-profit members from throughout Kauai. The timeliness of this partnership just at the end of 2008 and the start of 2009 provided the Kauai Chamber the confidence we needed in order to effect, inform and coordinate our efforts for our Kauai business community who did not have the tactical knowledge and expertise, especially, among our young as well as newer entrepreneurs. Since that time the HTDC has continued to partner reach out to us neighbor-islanders throughout the state as well as on Oahu. Therefore, please support this extension which the State and University must continue in this economic environment which supports everyone, from a statewide basis and demonstrates and continued investment in entrepreneurship and provided an important resource the capacity to leverage and continue its great work.

Should I be of additional assistance, please do not hesitate to contact me at 245-7363.

Mahalo nui loa and Aloha,

Randall Francisco President/CEO



January 31, 2013

The Honorable Isaac W. Choy, Chair The Honorable Linda Ichiyama, Vice Chair

Committee: Testimony to the House Committee on Higher Education

Bill No. & Title: HB 71, Relating to High Technology

Date: Tuesday, February 05, 2013

Time: 2:00 PM

Location: Conference Room 309, State Capitol

Chair Isaac W. Choy, Vice Chair Linda Ichiyama and Members of the Committee on Higher Education:

I am Jared I. Kuroiwa and one of the founding members of the Hawaii Innovation Alliance (HIA). The Hawaii Innovation Alliance is an organization formed in 2012 that aims to create a more unified voice representing the islands' innovation community to foster innovation, educate lawmakers, and advocate appropriate policy.

The Hawai'i Innovation Alliance **strongly supports HB 71**, **Relating to High Technology** that requires the University of Hawaii to extend the current land lease with the High Technology Development Corporation for no less than 25 years from the date of expiration of the existing lease.

The Hawai'i Innovation Alliance has worked closely with the High Technology Development Corporation in supporting the high tech industry in Hawai'i. It is our belief that the proximity to the University of Hawai'i at Mānoa is key in HTDC building the relationships necessary for growth in our sector. Both organizations have a proven track record of working together to push innovation forward and we hope that continues into the future.

Thank you for the opportunity to submit testimony on this bill.



Statement of YUKA NAGASHIMA Executive Director & CEO

High Technology Development Corporation before the

HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

The High Technology Development Corporation (HTDC) **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

The HTDC manages the incubation facility at the MIC which was built by the State on land purchased by the UH under an agreement which expires in April 2015. The revenue generated through the incubation program provides a sustainable fund for a majority of the HTDC operation.

The MIC facility is a highly desirable location for its proximity to UH faculty and students. The facility is configured with a dense range of small offices which makes it cost efficient for a business startup. The small offices and flexible lease we offer allows a business to grow and shrink to meet its needs. HTDC has leveraged some of the larger offices into coworking spaces to allow more businesses to take advantage of our services, workshops, and programs.

HTDC remains supportive of UH's innovation agenda as a piece of the bigger goal of growing the State's tech sector.

Thank you for the opportunity to submit testimony on this bill.



2800 Woodlawn Drive, Suite #101
Honolulu, HI 96822
Tel: 808.722.8667
info@3d-innovations.com
http://www.3d-innovations.com

Written Statement of

Collin Kobayashi President 3D Innovations before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013
2:00 pm
State Capitol, Conference Room 309
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

3D Innovations **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Collin Kobayashi, President of 3D Innovations. I have been a small business owner since 2006 and have utilized HTDC's Virtual Plus Incubation Program since 2007. HTDC has helped 3D Innovations with discounted rent, general business advice, participation in various types of workshops, and referrals to potential customers. Through these program services, 3D Innovations has been able to network and develop partnerships with key companies and has allowed us to expand our services globally with focus on Asia and other international markets.

In addition to the services that HTDC provides, the facilities that HTDC has managed makes the Manoa Innovation Center a highly effective and valuable facility to foster innovation and advancement of Hawaii's technology sector. Without the support and existence of HTDC and the Manoa Innovation Center, Hawaii would not be successful in developing and sustaining such advancements in technology. The technology and R&D community would find it difficult to find access to **local** businesses that could support their goals, thus negatively impacting Hawaii's technology industry.

Personally, I owe much of what my business is today to the staff and supporters of HTDC and MIC. To pull support for the renewal of the current land lease would stifle the innovation and technology growth currently in existence in Hawaii.

Thank you for the opportunity to offer testimony on this bill.



808.943.3771 office 808.943.9582 fax



Written Statement of

Frank Fukunaga President Hawaii Consortium for Medicine and Health

before the **HOUSE COMMITTEE ON HIGHER EDUCATION**

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

The Hawaii Consortium for Medicine and Health **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Frank Fukunaga, President of the Hawaii Consortium for Medicine and Health.

As a former Executive Director and serving in numerous staff positions with HTDC from 1989 to 2000, it has been gratifying to facilitate the successful development of early stage high technology companies that have "graduated" from the incubation programs in Honolulu and Maui.

During my tenure with HTDC, the business assistance programs such as the incubation programs, SBIR services, numerous workshops, and seminars facilitated the formation of hundreds of technology companies and new quality jobs throughout the State of Hawaii.

Without a doubt, HTDC's incubation centers are the foundation and backbone of business creation and expansion for technology based companies in Hawaii.

From an economic development and job creation perspective, it would be a travesty to the high technology community in Hawaii if the Manoa Innovation Center's lease would revert to the University of Hawaii.

As an economic development catalyst for high technology development in Hawaii, optimum use of the Center would be to co-locate University research and technology transfer programs with University spin-offs and early-stage high technology start-ups.

As a high technology entrepreneur, it is shameful to hear that such a successful showcase of HTDC's incubation centers and business assistance services to mitigate Hawaii's "brain drain" is on the chopping block.

Thank you for the opportunity to offer testimony on this bill.

ichiyama3 - Malia

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 03, 2013 10:15 PM

To: HEDtestimony
Cc: hawaiifish@gmail.com

Subject: Submitted testimony for HB71 on Feb 5, 2013 14:00PM

HB71

Submitted on: 2/3/2013

Testimony for HED on Feb 5, 2013 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Ron Weidenbach	Hawaii Aquaculture & Aquaponic Association	Support	No

Comments: The HAAA strongly supports this measure to extend the Hawaii Technology Devrelopment Corporation (HTDC)'s long-term lease with the University of Hawaii Manoa (UHM) for the Manoa Innovation Center (MIC). HTDC provides very valuable services to the Hawaii technology research community through this important and strategically located facility that are not otherwise available locally, supporting Hawaii's tech companies through a number of programs including the Hawaii Small Business Innovative Development (SBIR) program and the Manufacturing Enterprise Program (MEP). A number of Hawaii's innovative aquaculture companies have participated in and benefited from HTDC's programs at the MIC over the years, enabling them to be more competitive in securing Federal research dollars and in commercializing their research findings. UHM has extensive land holdings, and this small facility leased by the MIC would not significantly benefit UHM, while its loss would very negatively impact HTDC and the Hawaii tech community. UHM should learn to be more collaborative with the rest of the Hawaii tech community and should show good faith in this regards by providing the MIC a long-term lease of at least 25 years, and ideally 55 years, for the benefit of all involved parties and Hawaii's tech community.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Written Statement of Karl Fooks President Hawaii Strategic Development Corporation

Before the COMMITTEE ON HIGHER EDUCATION

And the COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

February 5, 2013 2:00 AM State Capitol, Conference Room 309

In consideration of HB 71 RELATING TO HIGH TECHNOLOGY

Chair Choy, Chair Tsuji, Members of the Committee on Higher Education and Members of the Committee on Economic Development & Business:

The Hawaii Strategic Development Corporation (HSDC) **supports HB71** which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC).

The HTDC currently leases MIC from the UH and manages the incubation facility at the MIC, which was built by the State, under an agreement which expires in April 2015. The revenue generated through the incubation program provides the operating funds for the majority of the HTDC operation.

The MIC facility is an important component of Hawaii's entrepreneurial ecosystem as the small offices and flexible leases HTDC offers to entrepreneurs allows a business to grow and shrink to meet its needs. HTDC has also leveraged some of the larger offices into co-working spaces to allow even more startup businesses to take advantage of HTDC's services.

MIC's proximity to UH faculty and students makes it an ideal location to facilitate business and university interaction that will support successful efforts to commercialize UH research.

Finally, the mission of HTDC and the MIC is to promote economic development in the State. Supporting incubation facilities alone will not accomplish this objective. We recommend the Committees also consider a comprehensive policy that supports the continuum of entrepreneurialism, commercialization and business formation capabilities needed to foster high growth businesses. As part of an entrepreneurial ecosystem, MIC can be effective in creating sustainable high wage jobs.

Thank you for the opportunity to submit testimony on this bill.



Written Statement of

Kevin Miyashiro, President of TeraSys Technologies

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

TeraSys Technologies **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Kevin Miyashiro, the President of TeraSys Technologies

I am in support of HB71 because the HTDC program is a vital element to our community's efforts to grow our technology sector.

TeraSys Technologies celebrated its 5th year in business in 2012, and has grown to 14 employees with almost \$2M of annual revenue. The first four years of our existence was spent at the Manoa Innovation Center (MIC), which gave us a good foundation for establishing our business and stabilizing our long-term business outlook before moving into the American Savings Bank building in downtown, where we have been for the last year. Taking on a 5 year lease as a brand new company is a huge barrier for most small business owners, and is often cited as one of the chief reasons why small businesses cannot grow for fear of putting down such a significant long term commitment without the business stability to guarantee that its principals will be able to pay for the lease. Facilities such as the MIC are vital to reduce the risk barrier for small business entrepreneurs, allowing them to focus on growing the business as opposed to thinking about how they will cover the rent for 5 years.

HTDC has also supported TeraSys through the use of HSBIR grants, which has assisted us in the pursuit of SBIR awards. With an HSBIR grant, we have secured over \$2.5M in phase II SBIR funds as well as \$500K in phase III SBIR funds, growing our company but more importantly positioning us for mass production product sales.

We have also hired HTDC's Manufacturing Extension Partnership (MEP) as a subject matter expert in quality manufacturing to assist us in securing an ISO quality



manufacturing certification, which is a crucial certification required by many Fortune 500 companies to be an authorized volume supplier of advanced electronics.

In short, without HTDC's prior, and present support, TeraSys would not be where we are today, and I am certain that our story is not the only one. HTDC must be allowed to remain at the MIC so that it can focus its efforts on helping the technology community, not worrying about its own lease.

Thank you for the opportunity to offer testimony on this bill.

Mahalo Nui Loa,

Digitally signed by Kevin
Miyashiro:A0109690000132483F4D070000E35
DN: c=US, o=U.S. Government, ou=ECA,
ou=IdenTrust, ou=TERASYS TECHNOLOGIES LLC

cn=Kevin Miyashiro:A01096900000132483F4D070000E: Date: 2013.02.02 22:04:06 -10'00'

Kevin Miyashiro



Holly Kessler Operations Manager Hawaii Food Manufacturers Association

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Hawaii Food Manufacturers Association supports HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Holly Kessler, Operations Manager, HFMA,

HFMA supports HB71.

HTDC has helped HFMA by providing much needed office and meeting space to HFMA members.

Without HTDC's assistance, HFMA would not be able to secure market rate commercial rent office space.

HTDC does a fantastic job with the facility maintenance and daily operations.

Thank you for the opportunity to offer testimony on this bill.

Aloha,

Holly Kessler

HFMA

Operations Manager

only Kessler

Written Statement of

Dr. ADELHEID KUEHNLE President and CEO Kuehnle AgroSystems, Inc.

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Kuehnle AgroSystems, Inc. (KAS) **supports** HB71, which requires the University of Hawai'i (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Dr. Adelheid (Heidi) Kuehnle, President and CEO of Kuehnle AgroSystems, Inc. (KAS). Our company supports HB71 for a number of reasons. To begin, the Manoa Innovation Center is a key vehicle enabling HTDC to support and grow the Hawai'i Tech Community. For instance, in the case of KAS, HTDC has provided office, lab and even some outdoor space to a growing start-up such as ours. As a growing bio-sciences company this has been especially crucial since there is almost a total lack of wet lab space available on O'ahu. Although KAS is paying market rental rates at the Manoa Innovation Center, we are extremely grateful since we might otherwise have to leave the State due to the lack of any available wet lab facilities. HTDC has fulfilled a vital need in enabling companies such as ours to grow their operations in Hawai'i.

In years past we have also been assisted by a number of the business development programs HTDC offers including the Manufacturing Extension Partnership; the SBIR conferences and VC Summits, where KAS has met key investors. KAS has grown from a two person to a 16 person company at the Manoa Innovation Center. We have received HTDC assistance on a number of SBIR grants, which have enabled KAS to develop our core technologies on which to build a commercial company.

HTDC is the lead organization in Hawaii's strategy of economic diversification and the Manoa Innovation Center is a crucial component in the strategy.

Thank you for the opportunity to offer testimony on this bill.

ichiyama3 - Malia

From: mailinglist@capitol.hawaii.gov

Sent: Monday, February 04, 2013 10:48 AM

To: HEDtestimony

Cc: Attila@soshawaii.com

Subject: Submitted testimony for HB71 on Feb 5, 2013 14:00PM

HB71

Submitted on: 2/4/2013

Testimony for HED on Feb 5, 2013 14:00PM in Conference Room 309

Submitted By	Organizatio	n Testifier Position	on Present at Hearing
Attila Seress	SOS Tech Solu	tions Support	Yes

Comments: Will provide verbal testimony in person and notes for the testimony will be submitted at that time.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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AMEL Technologies, Inc.

Melek Ylacintas, Ph.D., P.E., LEED AP, CxA 2800 Woodlawn Drive, Suite 251 Honolulu, Hawaii, 96822

Tel: 808.988.0200, Fax: 808.988.0204

E-mail: melek@ameltech.com

Written Statement of
Melek Yalcintas of
AMEL Technologies, Inc
before the

HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013
2:00 pm
State Capitol, Conference Room 309
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

AMEL Technologies, Ins supports HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Melek Yalcintas and I am the President and Owner of AMEL Technologies, Inc, which is located at MIC since 2008. With MIC support my company grew from one person to a five-engineer company. Thus, I value HTDC. I am one of prime examples of success via HDTC. In short, I would like to express my strong support for HB71.

Should you have any question, please do not hesitate to call me at 988-0200.

Melek Yalcintas, Ph.D., P.E.

Velek Galuntas



2800 Woodlawn Drive, Suite 263, Honolulu, HI 96822

February 4, 2013

Written Statement of Joe Cooper, Chief Financial Officer before the

HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Archinoetics supports HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

I support HB71 because it provides more than rented office and lab space. It provides a community of technology enterpreuneurs. In this community synergies and collaboration develop that allow companies to mature and become successful. It is very hard to create this intangible quality that is so critical for many companies like ours to grow.

For many years our office was located in downtown surrounded by attorneys, accountants, and bankers. While that environment made it easy to meet with many attorneys, I believe the creative and entrepreneurial aspects of our business suffered. When our lease expired we were ecstatic that MIC had place where we could come for a few years to recharge.

I know that I speak for many other technology companies and small businesses that are seeking a place to hone their business skill. The MIC is that place.

Thank you for the opportunity to offer testimony on this bill.

Sincerely,

Joe Cooper, CFO

(808) 585-7439 (office) (888) 279-0289 (fax) www.archinoetics.com

OHANA INVESTMENT WORKS LLC

Written Statement of

Yukiyo Tetsumura Managing Director Ohana Inestment Works LLC

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Ohana Inestment Works LLC **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Yukiyo Tetsumura of Ohana Investment Works LLC

We are a virtual tenant of HTDC since 2010. HTDC has supported us not only as a tenant but also by seminars, workshops and various consultations.

The virtual office service is very favorable to those who are just starting a business. HTDC offers reasonable rent, and the office space has just upgraded.

As we have shared desks in the space, we can also meet with other startups and it easy to be able to collaborate as other tenants are those in innovation or technology.

Our business is focusing on renewable energy technology. HTDC has been the best place to be a tenant, as they have University of Hawaii office, HREDV, SBDC and some companies in same industry, it helps us meet and chat with them as we are located in the same building, HTDC.

If HTDC is unable to extend the lease and is required to move to another place, most of the small business including us will face serious problems. The cost of the move will be painful and also the loss of this great building community will be the most painful for all of the tenants.

So We do highly "SUPPORT" HB71.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

Joseph Fala President Sanjole Inc.

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Sanjole **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Joseph Fala, President of Sanjole Inc.

The Manoa Innovation Center, HTDC, has helped to incubate Sanjole from infancy through maturity to become world recognized Wireless Test Equipment Company. Sanjole sells to every major wireless company throughout the world including Verizon, ATT, Nokia, Apple, Google, Disney Samsung, Alcatel Lucent, Sony Erricson as well as many lesser known global players.

When Spirent closed the Hawaii based company ONTI, it not only left ten unemployed UH graduates, but also deprived the state from a tax revenue base.

Four of the ONTI employees joined together with the goal keeping their high tech skills in Hawaii and launched a self funded company called Sanjole. The most daunting task for a self-funded startup is the securing office space which typical requires a 3 year lease as well as build-out **money**, **time**, **and infrastructure** for internet, labs and phones. If Sanjole were to fund these items, there would be little investment time and capital left for development of our first product.

With HTDC's help, Sanjole launched its first product from a 300 square foot office in the MIC. With the success of this first product, we once again took advantage of the HTDC flexible space and moved laterally inside the MIC from a 300 square foot room to a 2700 square foot suite. We recently graduated from the MIC and now reside in a 5000 square foot office in the Pacific Park Plaza at 711 Kapioalani Blvd.

We, the founders of Sanjole, firmly believe that had it not been for the HTDC, we would have taken other positions offered to us by Spirent and other companies in the mainland. Sanjole now has ~25 employees, most all who are graduates of UH. With both income

and GET tax, Sanjole helps to provide tax revenues for the State of Hawaii as a direct result of Hawaii's vision to promote High Technology Small Business through the HTDC and specifically, the Manoa Innovation Center. But more importantly, the MIC has provided a nurturing environment to grow for our Hawaii born and raised High Tech sons and daughters.

Joe Fala

RENEWABLE WATER TECHNOLOGIES LLC

Written Statement of

John A. Chock
Principal
Renewable Water Technologies LLC

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Renewable Water Technologies LLC (RWT) **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is John Chock and I am a founder and principal of the company, and previously I was the president of the Hawaii Strategic Development Corporation. As such, I am long familiar with the good work being done by HTDC to support Hawaii's technology development and the valuable role the Manoa Innovation Center plays in accelerating startup company growth.

RWT is in the process of developing a solar-powered desalination technology and our company has benefited from very favorable rents as a virtual tenant, support from HTDC staff, and the ability to network with other tech firms at MIC. The facility is very conducive to tech company development, and Hawaii needs such infrastructure to continue supporting tech development.

As an early stage tech company, we are dependent on having the anchor of HTDC and the MIC to support our growth. Thus far we have greatly advanced our technology, doubling our capacity, and have hired UH engineering students and graduates to support our design and manufacturing activities. HTDC's machine shop at MIC is also a valuable tool for our product development, and we encourage you support its ongoing presence. Thank you for the opportunity to offer testimony on this bill.

Sincerely,

John A. Chock Principal

John achock

2800 Woodlawn Drive, Suite 101 Honolulu, HI 96822

Written Statement of

Mike Curtis President Curtis Consulting LLC

before the **HOUSE COMMITTEE ON HIGHER EDUCATION**

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Curtis Consulting **supports** HB7 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Mike Curtis, President and Principal Consultant with Curtis Consulting LLC. Curtis Consulting advises new and established companies on operations, technology, sales, marketing, and finance issues.

The Hawaii Technology Development Corporation and the Manoa Innovation Center are critical components of the state's innovation economy. I have personally worked with them and several early stage companies that have benefitted from their services. I urge you to support the continuation of their services and the renewal of their lease.

Thank you for the opportunity to offer testimony on this important bill.



MAKAI OCEAN ENGINEERING, INC.

P.O. BOX 1206 KAILUA, OAHU, HAWAII 96734 USA

Testimony To House Committee on Higher Education

> Relating To H.B 71

Relating to High Technology; Manoa Innovation Center Land Lease

By Billy Pieper, Makai Ocean Engineering

Date: February 4, 2013

To: Chair Choy and members

The purpose of this proposed bill is to extend the current Manoa Innovation Center (MIC) land lease for no less than 25 years. This will allow the High Technology Development Corporation (HTDC) to continue operation of MIC as an innovation center. Makai Ocean Engineering is in support of this measure.

HTDC provides key resources to help develop and retain high tech in Hawaii. Their core initiatives are:

- To develop and manage a statewide network of incubation services and facilities that
 provide new technology businesses with access to business development services,
 strategic partnerships, networking and marketing opportunities, shared support
 services, and business mentoring.
- To expand existing business development services for new start-ups, as well as
 existing businesses in the technology sector. Services include nationally-acclaimed
 programs such as FastTrac Entrepreneurship Training and the Manufacturing
 Extension Partnership Program.
- To secure and administer federal and private grants and contracts in support of technology research and to provide technical assistance to small technology businesses so they can successfully compete for these funds and contracts.
- To support skilled workforce development for the technology sector through outreach programs, partnerships, and web-based communications activities.

HTDC has supported Makai over the years and we feel it is very important to ensure that HTDC and the MIC incubation program have a future beyond 2015. While we acknowledge that HTDC should continue to look for another suitable facility and source of funds, it is important to extend the lease until a better solution is reached. Makai Ocean Engineering would encourage you to support this measure.

Thank you for the opportunity to share these thoughts with you.

Best Regards,

Billy Pieper Vice President

Makai Ocean Engineering

February 4, 2013

Ryan Kawailani Ozawa 95-595 Kanamee St., #326 Mililani, HI 96789-1431 (808) 372-3372

Dear Rep. Isaac W. Choy, Chair, Rep. Linda Ichiyama, Vice Chair, and Honorable Members of the House Committee on Higher Education:

I am writing to express my support of House Bill 71, relating to high technology.

As a lifelong geek and long-time supporter of the Hawaii tech community, I've closely watched the history of the Manoa Innovation Center, and have been fortunate to work and meet with many of its tenants over the last two decades. Indeed, through its history, MIC has seen both the spectacular highs and frustrating lows of the broader tech industry.

I respectfully submit that the MIC is today more relevant than it has ever been to Hawaii. The center's mission and efforts are in line with the state's near universal goals of economic diversification, transitioning from service to knowledge-based industries, fostering local innovation, and the retention of home-grown talent.

Coupled with long-overdue and hard-won efforts in related areas, from launching startup accelerators to encouraging a wider range of investment opportunities in Hawaii-based technology and research, the MIC clearly plays an important role in the vital and diverse ecosystem that's needed to move Hawaii ahead in the 21st century.

The HTDC and MIC have only just scratched the surface of what they can do. Please ensure they can keep the momentum going beyond April 2015.

na	lo,
	na

Ryan

Written Statement of

Leigh-Ann K. Miyasato lkmiyasato@gmail.com

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education:

I **support** HB71, which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

As Executive Director of HiBEAM, an accelerator for early stage technology companies, from 2001 to 2005, and in my subsequent work with startup entrepreneurs in Hawaii, I saw how important it was for technology entrepreneurs to have a place to gather and benefit from resources tailored to their needs. At MIC, HTDC provides this location and resources in an effective, cost-efficient way. HTDC has nurtured many successful technology companies at MIC, including Henk Rogers's Blue Planet Software, Darren Kimura's Sopogy, and Don van Deventer's Kamakura Corporation. In addition, MIC provides space, resources, and networking to companies that are commercializing UH technology, such as Adama Materials. It would be ironic for UH to evict HTDC when there is no better or more convenient location for UH technologies to be developed into viable businesses that have the potential to provide excellent financial returns to UH.

Thank you for the opportunity to offer testimony on this bill.

Sincerely yours,

Leigh-Ann K. Miyasato

Lughmul. hya soro

Jay M. Fidell 1001 Bishop Street, Suite 710 Honolulu, Hawaii 96813

February 3, 2013

Re: Support of HB71 extending the lease for the Manoa Innovation Center

Ladies and Gentlemen:

I am founder and president of ThinkTech Hawaii. I was a director and chair of the High Tech Development Corporation from 2003-2006.

I strongly support HB71 and urge the committee to pass it out for passage this session and as an expression of support for HTDC, for the startups affected and for the development of the tech industry in Hawaii.

My reasoning for supporting this bill is expressed in an article I wrote that appeared in the Honolulu Star-Advertiser on January 22, 2013, as follows:

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Manoa Innovation Center should remain where it is

By Jay Fidell

POSTED: 01:30 a.m. HST, Jan 22, 2013

The state's High Tech Development Corp. operates the Manoa Innovation Center on land leased from the University of Hawaii. The 20-year lease expires in 2015.

HTDC CEO Yuka Naga-shima wants to extend the lease, but UH President M.R.C. Greenwood wants to take the property back. What will this do to MIC? Is it the right thing?

Under the HTDC, the Manoa Innovation Center has become a second home to the people there — clean as a pin, with grassy courtyards, conference rooms and ample parking. It has innovation written all over it. It's a prize and maybe that's the problem.

The 25 startups at MIC work in materials science, engineering, pharmaceuticals, computer software and hardware, defense, security, financial planning, biotech, social media, photonics, apps, you name it.

It's not only MIC's physical attributes that bring these startups together, but also the networking and mentoring they get at MIC. It's the perfect place for startup synergy, collaboration and partnership.

A startup at MIC can expect to pay about \$2.50 per foot. From this, HTDC gets \$1 million in rent every year. This is tiny compared with UH's \$1.4 billion budget

but helps HTDC cover its program expenses.

While MIC incubates companies that commercialize technology, UH has had challenges commercializing the tech research that it does. To some extent, MIC has incubated startups that use UH technologies, so you'd think UH would want to keep MIC around.

Two years out, the situation is becoming desperate, and the lack of certainty pervades daily life at MIC. There are plans to find another building elsewhere, but that will require millions. It's unlikely that this can be done on time, and it will be disruptive. Some say things will never be the same.

UH says it needs MIC's 40,000-square-foot building for office and research space. But, really, wouldn't it be easier for UH to find other space on its sprawling Manoa campus than to require HTDC to go out into the economy and find or build a new MIC there?

The equities are compelling. Granted that both UH and the HTDC need space, UH has a \$1.4 billion budget and campuses of hundreds of acres. The HTDC has the one building. Who is better prepared to find space?

As a public university, UH should provide service to the community, including government. Inserts like the one in last week's Star-Advertiser are not the best way to do that. Innovation Councils like the one created in 2010 are not the best way, either.

That council did not include members from the downtown venture capital community or HTDC. After a year it issued a disappointing report. No action has been taken for commercialization.

At the same time, to the frustration of researchers, UH has all but abandoned the University Office of Technology Transfer and Economic Development that was supposed to help in commercialization.

As we approach expiration, what can be done to save MIC? Because UH and MIC were both created by the Legislature, it doesn't seem appropriate for one to displace the other. Should the Legislature step in?

Last year, SB 4125 would have transferred the lease to HTDC. It was deferred. This year, SB 477 would do the same thing. HB 71 would extend the lease by 25 years. MIC supporters will support these bills.

The future of MIC hangs in the balance. Can't this be amicably resolved? Isn't there common ground? Wouldn't a reasonable extension be in order?

Or could there be an agreement by which UH would give MIC a new lease for a new term after the old one expires? But note that if MIC has to pay rent under that lease, it would need additional funding to cover its programs, and that could be a problem.

Also, since UH is lacking on commercialization, MIC could be a pathway to commercialization of UH tech research. Since Greenwood wants to do "research

as a business," commercialization using MIC's services would help. If UH is serious about commercializing its technology, it should develop this pathway with MIC. It would be shortsighted to send MIC away.

Where the Stevie Wonder affair involved \$200,000, the MIC issue will involve hundreds of millions, the future of a state agency and a program affecting our economy. Dealing with it is not a simple mater, and UH should spend at least as much time doing the right thing.

The regents have not yet considered the future of MIC. They need to take it up, and we will need to see how they do. If they fail to resolve it in a way that will save MIC, the Legislature will have to act.

Whatever we do, it's critical that we save MIC, in Manoa, where it belongs.

Jay Fidell, a longtime business lawyer, founded ThinkTech Hawaii, a digital media company that reports on Hawaii's tech and energy sectors of the economy. Reach him at fidell@lava.net.

|-

I also submit for the consideration of the committee an article by William Blass (who served as the first executive director of HTDC from 1981-1984) that appeared in the Star-Advertiser a few days later, as follows:

|-

Manoa Innovation Center has earned right to stay in place

By William M. Bass

POSTED: 01:30 a.m. HST, Jan 30, 2013

The University of Hawaii should not exercise its right to oust the Manoa Innovation Center (MIC) from property the High Technology Development Corp. (HTDC) has operated since 1994 to assist high-technology small businesses to grow and prosper.

Instead, it should transfer the property outright to HTDC or at least extend the lease for another 25 years.

The MIC is one of the most successful economic development projects undertaken by the state and a splendid example of cooperation between the HTDC and the University of Hawaii.

Having conceived, fought for and constructed the MIC, I would like to offer the following information about the lease arrangement.

HTDC was created by the Legislature in 1983 to encourage the growth of Hawaii's high-technology industry.

One of its strategies was to provide a series of incubators that would foster innovation and entrepreneurship.

By locating the MIC on UH property, we made it possible for its clients to have access to its faculty and capabilities. To enhance this synergism, we also provided space for the Pacific International Center for High Technology Research and the Research Corp. of the University of Hawaii (RCUH) to locate there.

The MIC was only our second project when it was proposed in 1985, and HTDC did not have a proven track record of accomplishment at that time.

The university proposed the 25-year lease as a means of ensuring its Board of Regents and the public that if the project failed, the land would not be lost to it. In this regard, I was pleased to sign the lease on behalf of HTDC.

Now, HTDC has a proven track record over 29 years. It has created the Hawaii Ocean Science and Technology Park on Hawaii island, the Maui Research and Technology Center, the Center for Research in Ocean Science, and the Hawaii Electric Vehicle Demonstration Project.

It also operated a third technology incubation center, the Kaimuki Technology Enterprise Center from 1985 until 1994, when the MIC construction was completed.

I want to commend Jay Fidell on his excellent column, "Manoa innovation Center should remain where it is" ("Think Tech," Star-Advertiser, Jan. 22). The MIC is the backbone of HTDC's high-technology development strategy and should remain so. The center was designed specifically as a small business incubator facility.

I sincerely doubt that it would be useful to UH's purposes without extensive and costly renovations.

UH should not bring about its demise just to provide additional office space.

|-

I endorse and fully agree with Mr. Bass' points on the subject.

Thank you for your consideration of my views in the matter.

Very truly yours,

Jay Fidell

Jay Fidell (808) 780-9254



Written Statement of BRIAN M. DOTE Founder

Tapiki LLC Co-Founder Menuie, LLC., Viimodo LLC. before the

HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013
2:00 pm State Capitol, Conference Room 309
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

I am a tech co-founder of multiple Hawaii based technology companies. I moved away to Silicon Valley to chase my dotcom dreams having had the opportunity to work at large tech companies in the Bay Area including Cisco Systems and Apple, Inc. I worked on the iPhone, iTunes, what is now iCloud, and many other innovative technologies while at Apple, leading to 3 patents and 1 patent pending.

After moving back to Hawaii I have tried to bring what I've learned and experienced in Silicon Valley to our home here in the Islands. Starting tech companies out in the middle of the Pacific isn't easy. We are faced with many challenges and that is why I am submitting testimony in support of HB71.

All of my companies are based out of the Manoa Innovation Center (MIC). It is the ground zero of the tech community here. Losing the MIC is akin to losing Hollywood for the movie industry, or losing Silicon Valley for the tech industry. The critical mass of high tech companies that have formed a community here is second to none in the islands.

In addition to being the heart of the tech community, the MIC is invaluable to small business owners like myself. Offering affordable and flexible lease rates, access to programs, training, mentoring, and insanely fast internet, we could not stay in business without it. In fact, we wouldn't have started some of businesses if the MIC and HTDC were not around to help us get off the ground.

It's called the Manoa Innovation Center for a reason. Innovation is happening there each and every day.

Thank you for the opportunity to submit testimony on this bill.

ichiyama3 - Malia

From: mailinglist@capitol.hawaii.gov

Sent: Saturday, February 02, 2013 1:49 PM

To: HEDtestimony

Cc: bassw001@hawaii.rr.com

*Subject: *Submitted testimony for HB71 on Feb 5, 2013 14:00PM*

HB71

Submitted on: 2/2/2013

Testimony for HED on Feb 5, 2013 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
William M. Bass	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Written Statement of

Rechung Fujihira Co Founder The Box Jelly

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013
2:00 pm
State Capitol, Conference Room 309
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Rechung Fujihira **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Rechung Fujihira, Co-Founder, BoxJelly.

I support HB71 because of the support HTDC has brought to the Tech Community. Their monthly Wetware Wednesday events have become a crucial gathering place for the community.

From the inception of BoxJelly HTDC has helped drive customers towards us and support our efforts to build the startup community here in Hawaii. As a member of Startup Hawaii having a place to meet and build the movement was a valuable resource.

Thank you for the opportunity to offer testimony on this bill.

Written Statement of

ROBERT BREWER UH Manoa Dept. Information & Computer Sciences

before the HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013
2:00 pm
State Capitol, Conference Room 309
In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

I strongly **support** HB71, which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Robert Brewer, and I am a Ph.D. candidate and a research assistant at the University of Hawaii at Manoa.

I have many reasons for supporting this measure:

- 1. Without MIC, Oahu will not have any incubation for innovation companies, when we need to be expanding such activities,
- 2. The High Technology Development Corporation (HTDC) will not benefit from the rent revenues of MIC, which allows them to take on a variety of important responsibilities without relying more on taxpayer dollars, such as:
 - a. Wet Ware Wednesday, a monthly software developer industry event
 - b. Informing the industry of tech-related legislation
 - c. Providing a place for companies to grow, creating jobs for students like myself
 - d. Offering grant assistance, so Hawaii can gets its fair share of federal dollars, even after Senator Inouye's passing
 - e. Assisting UH professors and graduate students with the commercialization of intellectual property from their research
- 3. Replacing this facility will cost more taxpayer dollars.

Thank you for the opportunity to offer testimony on this bill in strong support.

DATE: February 5, 2013

TIME: 2:00pm

PLACE: Conference Room 309

TO: House Committee on Higher Education

The Honorable Isaac Choy, Chair

The Honorable Linda Ichiyama, Vice Chair

FROM: Lynn Fujioka, President

isisHawaii

RE: Testimony In Support of HB71

Aloha Chair, Vice Chair, and Members of the Committee,

Thank you for the opportunity to testify in support of HB71. As a current tenant, isisHawaii has benefitted from the location and amenities of the Manoa Innovation Center (MIC). Many of our industry partners are also tenants at MIC as well as at the adjacent University of Hawaii at Manoa campus, providing significant savings in time and transportation costs.

As a virtual tenant, MIC provides small businesses with an opportunity to build capacity without debilitating overhead costs. I can truly testify that HTDC's program has contributed significantly to isisHawaii's growth and sustainability.

I am in full support of HB71. Thank you for the opportunity to testify on this important bill.

Sincerely,

Lynn Fujioka President isisHawaii P.O. Box 161296, Honolulu, HI 96816 Email: lynnfujioka@gmail.com

isisHawaii, a Hawaii-based non-profit organization, connects educators to academia and industry professionals to develop enrichment activities that excite K-12 students about math- and science-based fields.

((INSERT Short Company Description. This can include what your company is, the sector, number of employees and how Act 221/215 impacts your company.))

Written Statement of

Robert C. Hicks Former President ORINCON Hawaii Inc.

before the **HOUSE COMMITTEE ON HIGHER EDUCATION**

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

I personally support HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Robert C. Hicks, former President of ORINCON Hawaii Inc.

I am submitting this as an individual as I have been retired for four years now but while I worked for ORINCON Hawaii Inc. I worked closely with the folks at HTDC in many areas. The programs they sponsored enabled many local technology companies to get a start through their incubation programs, their SBIR Grant Matching programs, and their Technology related Jobs Programs. We received assistance in many areas to include help finding a location for our Maui office, recommendations for teaming partners, and locating talented potential employees.

I believe that HTDC has and will continue to make an impact in the development of Technology Jobs in Hawaii and would strongly recommend that you support this bill to ensure they have the resources they need to continue their programs.

Thank you for the opportunity to offer testimony on this bill.

Respectfully Submitted,

Rob Hicks



February 3, 1213

RE: In Support of HB 71, HTDC Land Lease

To whom it may concern:

As a champion of entrepreneurship in Hawai'i, I have had the honor of partnering with HTDC on numerous business-building initiatives that are essential to a forward-looking and bright future for the State of Hawai'i. Such projects range from small business mentoring with BizGym.com, to traditional vendor online sales support with LeiHut.com and to the keiki though the Lemonade Alley business and financial literacy competition.

An important part of HTDC's success as a business ohana stems from its centralized Manoa location. As you know, business is about location, location, location. HTDC as an operational enterprise requires a superior location to exist, flourish and bring good to our community.

Further, HTDC is a complex micro-climate of business relationships, functionality and opportunities that have been created at significant effort and cost. Transplanting businesses is much like doing so in plant or bodies: movement / change always bears an associated risk of rejection and possible death. To disrupt the work that HTDC has accomplished risks wasting public assets that have been expended on this important endeavor.

I urge you to support HB71 and allow HTDC to continue in an uninterrupted fashion at their current location.

With aloha,

Steve Sue, founder

BizGym.com, Lemonade Alley, LeiHut.com

steve@bizgym.com

www.bizgym.com

www.lemonadealley.com

www.leihut.com

Pertaining to HB0071,

I support this as it has been instrumental in having a location where I am able to learn and express my concerns in the Manoa Innovation center. This is a place where it is helping me to learn knowledge and share this with the community members I live amongst. As well as being beneficial as a learning area for my professional career as well

Aloha,

Lance Takenaka

lance.takenaka.kapahulu@gmail.com

2-4-2013

ichiyama3 - Malia

From: mailinglist@capitol.hawaii.gov

Sent: Monday, February 04, 2013 12:11 PM

To: HEDtestimony

Cc: gushiguera@gmail.com

Subject: *Submitted testimony for HB71 on Feb 5, 2013 14:00PM*

HB71

Submitted on: 2/4/2013

Testimony for HED on Feb 5, 2013 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Gustavo A Higuera	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Written Statement of Jeannette Paulson Hereniko President Asia Pacific Films before the

HOUSE COMMITTEE ON HIGHER EDUCATION

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309 In consideration of

HB 71 RELATING TO HIGH TECHNOLOGY.

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

Asia Pacific Films **supports** HB71 which requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the HTDC.

My name is Jeannette Paulson Hereniko, and I am President of Asia Pacific Films.

I support HB 71 because during the last four years I have experienced first-hand how the Manoa Innovation Center helps small business owners like me become better entrepreneurs, and how MIC nurtures a strong technical industry for Hawai'i. The MIC building and location is vital to the long-range success of HTDC goals.

Asia Pacific Films benefited from HTDC's business reviews, discounted rent, seminars and workshops, service providers, contacts, and certainly the use of their fine facilities. Their staff is knowledgeable, experienced and more than willing to share their resources with the start up companies. There is no doubt that I would not have succeeded so well in my business without the help of the staff and the reliability of the MIC facilities.

Asia Pacific Films successfully graduated from the HTDC program last month after being invited to join forces with Alexander Street Press, a large, well respected online publisher who will distribute our films to Universities and Libraries around the world. I know that the success of Asia Pacific films is in large part because of the excellent services and facilities we received at MIC. Without their rent discount and staff support, I just could not have achieved this success that has greatly pleased my local investors and employees.

Asia Pacific Films is just one of many businesses in the tech community who have been helped by the leadership of HTDC and the MIC facilities. The central location and building space is perfect for start up communities. I urge you to support HB 71 and allow this program that is working so well to continue.

Please call me if any questions at 808-398-0490. Thank you so much for your kind attention to my testimony. I sincerely appreciate your support of HB71.

TESTIMONY BEFORE THE HOUSE COMMITTEE ON HIGHER EDUCATION

By Richard M. Rosenblum
President and CEO; Hawaiian Electric Co., Inc.
Second Vice Chair, Board of Directors, High Technology Development Corporation

Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309

HOUSE BILL 71 RELATING TO HIGH TECHNOLOGY

Chair Choy, Vice Chair Ichiyama and Members of the Committee:

My Name is Richard M. Rosenblum. I am the President and CEO of the Hawaiian Electric Company, Inc., and I am honored to serve on the Board of Directors of the High Technology Development Corporation (HTDC).

I am testifying in support of HB 71 which requires the University of Hawaii to extend the current land lease for the Manoa Innovation Center to the HTDC

The HDTC provides an array of client services, facilities, and equipment for new and early stage technology companies. Services such as business and technology workshops, business reviews by trained management consultants, online tech and business resources, subscription to electronic newsletters and much more.

The HDTC manages the incubation facility at the Manoa Innovation Center and revenues generated through the program provides funding for a large part of the HDTC operation. The location of the facility is also highly desirable for its proximity to university faculty and students.

I therefore respectfully request your favorable consideration of this bill.

Thank you for the opportunity to testify on this measure.

Hawaii Venture Capital Association 805 Kainui Dr. Kailua, HI 96734 808-225-3579

To: HOUSE COMMITTEE ON HIGHER EDUCATION

Regarding: HB 71 RELATING TO HIGH TECHNOLOGY, Tuesday, February 5, 2013 2:00 pm State Capitol, Conference Room 309

Dear Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education.

The Hawaii Venture Capital Association **strongly supports** HB71 that requires the University of Hawaii (UH) to extend the current land lease for the Manoa Innovation Center (MIC) to the High Technology Development Corporation.

My name is Bill Spencer and I have been the President of the Hawaii Venture Capital Association since 1999 and a board member since 1999.

I have seen the great value that the HTDC has provided to entrepreneurs and others in the state through their excellent efforts and programs housed at the Manoa Innovation Center. Governor Ariyoshi had an important vision for Hawaii based on his understanding for the critical need to diversify our economy with a strong tech center. The Manoa Innovation Center and HTDC were seen as critical building blocks toward achieving this vision. The need still exists today and continues to benefit the high tech entrepreneurial eco-system with great programs, training, education and below market space that helps start-up companies go from research and development to commercialization.

I encourage this committee to pass HB71 and keep this important facility and its managing institution HTDC in place.

Thank you for the opportunity to offer testimony on this bill.

Sincerely,

Bill Spencer President Hawaii Venture Capital Association