



Lokahi Pacific

To improve the quality of life, both economically and socially, of residents of Maui County and other rural Hawaii communities.

March 2008

Board Member Joseph Manaba RETIRES

By: Jasmine Waskey,
Administrative Assistant

After a 13-year stint on Lokahi Pacific's Board of Directors, Joseph Manaba representing Molokai has retired. He was appointed to his position on December 7, 1994. The former Bank Manager for Molokai Federal Credit Union came with an excellent background in finance, many years of wisdom, no nonsense attitude and tons of common sense, all of which helped prepare and steer Lokahi on the path it is today. He wasn't afraid to ask the hard questions, which always, always spurred much debate. His many gifts, talents and experiences in all positions such as accounting, teacher/instructor, tax consultant, and so on, has benefited Lokahi in many ways as well as the community we serve. His involvement and service to the community just to name a few: Kaunakakai Filipino Association, Ohia Shrimp Farm, Molokai Ice House Association, St. Sophia's Renewal Evaluation Committee, Molokai General Hospital, and many more, all value him and as we know him, Lokahi's hidden treasure. Joseph Manaba is retired.



Individualized Financial Management Appointments

By: Patience Kahula
Residential Loan Manager

Effective March 1, 2008, individualized Financial Management Appointments (FMA) will be available to Lokahi Pacific's First Time Homebuyer applicants. What is an FMA? Simply stated, these appointments will offer further assistance to applicants serious about increasing their homeownership opportunities. During appointments, applicants will have the option to obtain and review their personal tri-merge credit report through Lokahi (\$20 credit report fee). More importantly, applicants will learn how to rebuild their credit by increasing their FICO scores, dispute credit errors, and create household budgets, all in preparation for homeownership. Interested applicants should contact Patience at 442-3028.

USDA/Rural Development Field Visits

By: Craig Swift
Commercial Loan Manager

On February 21, 2008 Lokahi Pacific was visited by Denise Oda and Lori Nekoba from the USDA/Rural Development State Office in Hilo. USDA/Rural Development is the federal agency which has loaned Lokahi Pacific funds used to operate the RDLF and IRP revolving loan programs. Lokahi Pacific has three (3) loans outstanding to Rural Development in the original amount of \$2,750,000. These federal funds, in turn, have been used to make 168 loans to small businesses in rural Hawaii and have assisted in saving/creating a total of 782 jobs.

Lori and Denise were conducting Compliance Reviews and Field Visit Reports for all three (3) revolving loan funds (RDLF, 1st IRP, and 2nd IRP). For the RDLF Field Visit, Montessori Hale O Keiki, Inc. was visited. Lokahi Pacific has provided two (2) loans to the Montessori school, located in Kihei, to assist in the building of

two modular buildings used as classrooms on their campus. For the 1st IRP Field Visit, Kids and Company Learning Materials, Inc. was visited. Kids and Company's Lokahi Pacific loan was used to expand their business to include a retail outlet for educational toys at the Queen Kaahumanu Center. For the 2nd IRP Field Visit, Manana Garage was visited. Manana Garage is a restaurant located in Kahului, and the visit included a very tasty lunch.



Craig Swift & Denise Oda in front of Montessori Hale O Keiki, Inc.



Craig Swift & Lori Nekoba in front of Manana Garage

In addition to the revolving loan funds, USDA/Rural Development provided grant funds for the Harry & Jeanette Weinberg Pono Center. While on Maui, Lori and Denise also visited the Center. Seen in the picture (below), left to right, are Sharon Castillo (Lokahi Pacific Staff), Lori Nekoba, Denise Oda, and Elaine Javier (Lokahi Pacific Staff) at the Center.



Lokahi Pacific's accomplishment of its mission statement is only possible through the assistance of agencies such as USDA/Rural Development. Mahalo to USDA/Rural Development for its continued support of Lokahi Pacific's programs.

Human Resource Tip of the Month

By: Deanna Kramer
Accounting Assistant

Respect and Appreciate Others. Anytime people work together, it is normal for conflicts to arise. Learning to deal with the conflicts rather than ignore them can create a peaceful, respectful workplace. A couple ways of avoiding conflict: Work together to find a mutual goal, or compromise, meet in the middle to accomplish your goals. Learning to collaborate and compromise, creates a positive, fun work environment for all, and makes everyone feel valued, and respected.

Lokahi Pacific Housing Department

By: Cindy Teixeira
Housing Administrator

Pono Home Apartments

At the end of 2007, our four apartments located at 62 Market Street in Wailuku were ready for occupancy, and as of December 2007, we have four very wonderful tenants who now call 62 Market Street home.

Hale Lokahi Akahi

Our Maintenance staff has completed the second complete renovation at Hale Lokahi Akahi. First occupied in July 1983, it is in need of an upgrade. Being so close to the ocean, all the old aluminum windows were replaced with new vinyl windows. The new kitchen and bathroom cabinets and countertops have a clean,

new and more modern look. They look great. We look forward to doing the rest of the units at Hale Lokahi Akahi.

Hale Lokahi Elua

We are getting ready to complete renovations at Hale Lokahi Elua out in Kihei. Stalled for a short time to take care of vacancies and other maintenance issues, we are happy to be back on track. As always, our goal is to offer our tenants an apartment that make them feel safe and a place they can be proud and happy to call home.



Commercial Kitchen

*By: Mokihana Kahula
Commercial Kitchen Manager*

An informational workshop was held on January 31st for the Commercial Kitchen which was exciting and a success. Advance reservations were made by 19 potential clients, however, approximately 35 clients attended and the response was positive.

One of the requirements for the use of the Commercial Kitchen is to be certified by the Department of Health in Safe Food Handling and Sanitation. Fortunately, the Department of Health had previously scheduled workshops in Wailea and at the Iao School Cafeteria. They could only accommodate a few of our attendees, thus we needed to create our own workshop to accommodate the overflow. That was held on March 4th and 5th.

The success of the informational workshop was made possible through the efforts of Anna Ribucan of the County of Maui's Office of Economic Development, Melissa Tanji of the Maui News, and of course all the support and kokua from our own Lokahi Pacific staff.

Our kitchen is ready to receive tenants, and we look forward to filling as many time slots with certified users to keep the kitchen humming. Tenant, Ralph Giles, owner of Catering from Soup to Nuts, has been actively using our facility since November and has

graciously offered to treat Lokahi Pacific staff to an appreciation lunch. Yummy!!!

On Friday, February 15th, Pono Center Staff traveled to Oahu to visit the Pacific Gateway Commercial Kitchens. Their facility houses 12 kitchens, three of which are for baking, three for prepping and/or packaging and a mix of partial and full-service kitchens.

The kitchen facility runs on a 24/7 schedule, and believe in the honor system for all users. Many of their tenants are not only incubators, but established businesses that need a kitchen to prepare and produce products for their livelihood, mainly, lunch wagons, kiosks, organizational fundraisings, etc. Occasionally, they have large events that feature their tenants. These events help raise monies for the kitchen facility and other projects. Many thanks to their very friendly, pleasant, gracious and well-informed staff under the tutelage of Executive Director Rebecca Soon. Mahalo!

Waiohuli Self-Help Project

*By: Wyatt Brown
Controller*

The Waiohuli project moved forward at a good pace the last two months. Trudy So'o is waiting for final inspections and her driveway was poured. We are hopeful that her family will be able to move in near the end of February. We hired a new electrician and a new plumber to finish Jasmine Apa's home in February. The electrical work is almost finished and the plumber is at the halfway point of completion. We are arranging to have her cabinets set and she is working on laying her flooring. (A big Mahalo goes out to Daryl Atay of USDA Rural Development and her crew of women who selflessly spent their President's Day weekend helping Jasmine install a large portion of her flooring.) We expect to finish Jasmine's house by the end of March.

Tom Cook of TMC Construction has been trying to grade all of the lots to meet final inspection standards. His work has been hampered by continuous rain, which has made it impossible to grade soil. By mid-March he



should have all of the lots graded. It must be said that Tom and his organization have gone above and beyond what we would have expected from the usual contractor. He invested a considerable amount of personal time and resources into helping Trudy complete her home and making all of the homeowners happy with the final grading of their lots.

Thank God for Tom Cook!



Big Island Activities

*By: Tion Buehler
Neighbor Island Loan Manager*

According to DBEDT, State of Hawaii's economy is expected to sustain moderate growth in 2008 and 2009. Personal income, total wage and salary jobs, and state gross domestic product (GDP) are all forecast to grow, although the rates of growth have been lowered from the previous forecast. Visitor arrivals are expected to remain negative in 2008, but will turn positive in 2009.

The Big Island's economy appears to be stabilizing, evident in declining home sales and fewer visitor counts. Although the economy is plateauing, the spike in construction and population in the last few years has a lasting social and economic impact.

Hawaii County experienced a 14% population growth and 20% increase in housing units between July 2000 and July 2006, highest in the state in both categories.

Despite declining new private building permits in 4th quarter 2007, the permits remain high in terms of dollars, suggesting robust construction activity for months to come. Much of this activity is taking place in West Hawaii compared with the rest of the island, primarily due to the areas strong resort presence.

A boom in the tourism industry has given way to employment growth with the need to reside and live near places of work in which

is also benefiting small businesses. However, the impact of rapid growth places a tremendous amount of pressure on a small business to maintain sustainability. A small business is faced with meeting increased service/product demand that will require adequate capitalization. In an under capitalized scenario, a small business may not have the ability to purchase inventory or provide services adequate to meet increased demands, therefore losing its competitive edge or even its viability.

An organization like Lokahi Pacific is integral in a community's socio-economic cycle, providing the necessary financing programs to small businesses and improving social conditions for the community.

Spotlight

In October 2007, Lokahi Pacific assisted Ocean Rider Inc, a seahorse farm specializing in sales of the species and education of its ecosystems and conservation efforts. The company located in the Natural Energy Technology Park in Kailua-Kona, realized the importance of capturing a portion of the tourism industry and decided to expand their operation by offering tours.

The tours include viewing the multiple life stages of the animal and at the end of the tour, allow visitors to handle the delicate creature. The company found quick success, accommodating three to four tour busses daily and revenues from tours surpassing seahorse sales.

In order to sustain the growth, the company was forced to expand their primarily industrial space to include a lobby/waiting area and larger gift shop. Midway through the build-out, the company exhausted their resources and turned to Lokahi Pacific to finance the rest of the expansion. Although the amount they needed was small at \$10K, it was critical in their ability to complete the build-out and maintain long-term viability.



Fundraiser Activities

By: Robyn Delima

Loan Operations Coordinator

Lokahi Pacific has been conducting various fundraising activities to raise funds for our charitable account. Monies raised will provide assistance to needy families in the community who are experiencing hardships.

At the present time, Lokahi has selected three families that are currently experiencing medical & financial hardship situations:

Nainoa Pagaduan, son of Jon and Michele Pagaduan, was recently diagnosed with Leukemia. They



travel to Oahu on a weekly basis for treatments. Michele is a longtime employee of Lokahi and has had to greatly reduce her work hours to care for her son. Jon works for Precision Auto Body as a painter.

Shane Awai, recently contracted a bacterial infection that has left him out of work since November 2007. Shane and his wife Kalei have three children and they need our help as his medical costs continue to escalate. Shane works for JD Painting and Kalei is the owner of Hair Design by Kalei.

Shane, without a thought, previously volunteered a crew of painters to help our Waiohuli Self-Help families and professionally painted several homes.



We have also been asked to help 16 year old Jarren Patao, son of Leslene and Jason Lopez and Vernon Patao, who is currently undergoing treatment for bone cancer.



Jarren and mom, Leslene, will need to spend the next seven months on Oahu for his treatments. Leslene is employed by Carlsmith Ball Attorneys, Jason is employed by the County of Maui, Parks Department, and Vernon is employed by the County of Maui as a Firefighter.

Lokahi Pacific is partnering with Café O Lei to host an event at the Dunes Restaurant in Kahului on Monday, April 21, 2008 from 6:00 p.m. to 10:00 p.m. The event will feature "heavy pupus", entertainment, and silent auction.

Lokahi Pacific's staff will be volunteering their time and energy to serve as wait help, and whatever else is necessary, at the event to help defray costs.

A big MAHALO to the Dowling Foundation for their major corporate donation!!!

Donations are currently being accepted. If you would like to make a donation or know a company that is willing to make a donation; please contact Robyn at 242-5761, ext. 21. Tickets for the event are \$25.00 and are available at Lokahi Pacific at 1935 Main Street, Suite 204 or The Pono Center, 62 Market Street, 3rd Floor. For more information please call 242-5761.

Other fundraisers have been: Sales of Working Mommies goodie bags, dining at Ruby's of which 20% is donated to our fund and a Nainoa Concert at the Keopuolani Amphitheatre on March 22nd.

Perrie Estate Donation

By: Deanie Hasegawa

In January, The Estate of Dr. Richard A. Perrie, of Upcountry Medical Center, contributed various office furniture, computer equipment, medical devices and supplies to Lokahi Pacific.

As of today, Lokahi Pacific was able to take over one of the storages and is currently working with Tri-Isle in moving the remaining items from Island Movers.

Items received will be donated as well as sold to raise money for our charitable fund. A big MAHALO goes to: Chiye Wenkam from Burke McPheeters Bordner & Estes for helping coordinate the transfer, Jasmine Waskey, John Deguilmo Jr., Timote & T Talamai for their help in removing items from storage, Ben DePeralta for giving of his time to check the computers prior to donating, and last but not least to The Perrie Estate for such a generous donation.



News from the Pono Center

*By: Sharon Castillo
Office Manager*

So you didn't know how to find us on the third floor once you found the building and parked your car? Thanks to Kelly at Maui Signs we now have several beautiful directional signs on the building that will help you find us! Please feel free to come by and visit!

The Pono Center is becoming a bustling center of activity now with the Training and Conference rooms getting booked for a variety of trainings, workshops, presentations and meetings. In February alone we had approximately 45 inquiries for the incubator offices, commercial kitchen, training room and conference room. We've given lots of tours and even welcomed some displaced office tenants while their office was being renovated.

Mahalo to Sandi Kanemori, Programs Specialist at the Manoa Innovation Center (Oahu's High Tech Incubator) for being such a great host to us when we visited their incubator facility in February. It was a learning experience for us as well as a confirmation

that we are 'on track' with many of the details surrounding our facility.

Lokahi Pacific was invited to participate in the Entrepreneur & Business Fair on February 16th at the Queen Kaahumanu Center (coordinated by the Maui County Office of Economic Development, Business Resource Center). Representing Lokahi at the Fair was Craig Swift, Loan Dept. Manager, myself, and Elaine Javier, Pono Center Operations Assistant. The Fair was not as well attended as previous years due to the Fair's competing with a few other major events on Maui that day, but it was still a very valuable and fun event with good networking, fun prizes, and informative displays by the participants.

Mahalo to Lisa Rodrigues, owner of Virtual Assistance & Web Design, for helping us with our marketing materials for distribution at the Fair!

Lokahi Pacific holds a membership in the National Business Incubation Association (NBIA) and in May NBIA will host it's 22nd International Conference on Business Incubation in San Antonio, Texas. Pono Center staff will be attending. The conference is entitled "Innovation for a Strong Economy & Healthy Planet."

Until then, stop by Café O Lei for lunch and take the elevator to the third floor to say hello!



Training in Atlanta, Georgia

*By: Kristine Au
Executive Assistant*

I left for Georgia on February 23rd to attend a week-long training in the First Time Homebuyer Education Class: *Training the Trainer*. The weather was cold and one time it snowed. What an experience!

The classes were very interesting and knowledgeable. We did a lot of "hands on" activity and open discussions. There were

people from all States sharing their personal experience that they encountered during their own FTHB education classes, which was very interesting and helpful.

At the end of the week we had a graduation, and I can proudly say that I graduated and passed my test.

Lokahi Pacific is ready and preparing to have its own First Time Homebuyer Education Classes here to help individuals in proceeding on with successful homeownerships here on Maui.

Featured Employee

*By: Deanna Kramer
Accounting Assistant*

Jasmine Waskey is one of our administrative assistants who is always happy and eager to accept new challenges. Jasmine joined the Lokahi family in August and has become a real asset to everyone. She is eager to take on whatever task is thrown her way. Before Jasmine joined the Lokahi family, she worked at Ace Hardware and Bowman, and is a graduate of Maui High. Some fun facts:

her favorite movie is *The Notebook*, favorite TV show is *Lincoln Heights*, favorite music is hip hop, and favorite meal is Fettuccine Alfredo with Caesar Salad and Garlic Bread, topped off with a hot fudge brownie with ice cream. If they don't have a hot fudge brownie, she will settle for Peanut M & M's. One of Jasmine's goals is to own her own home, and just recently qualified in a First Time Home Buyers program, so she is very excited to see her dream come true. You can visit Jasmine at our Administration Building Monday through Friday 8-4:30 only, because she likes to relax on the weekends.

Judge Mossman visits Lokahi Pacific

The staff of Lokahi Pacific welcomed Judge Boyd Mossman and other special dignitaries to a media conference on January 18, 2008, held at our Pono Center. Judge

Mossman announced an agreement between the State and the Office of Hawaiian Affairs had been reached over the contested

lands ceded to the United States, after the overthrow of the Hawaiian monarchy in 1893. The agreement includes an annual budgeted cash payout of at least \$15.1 million, 200 acres of ceded lands on Oahu and the Big Island (tax assessed value approx. \$187 million), and \$13 million in cash to help manage the prime real estate. The list of ceded lands includes 80 acres of Banyan Properties in Hilo, 20 acres at Kakaako Makai and 100 acres at Kalaeola Makai on Oahu. These properties were selected for the potential of long term development and solvency for the organization, not just cultural or green open space.

Judge Mossman said all nine members of the OHA Board of Trustees unanimously approved the plan, and Gov. Lingle also endorsed the plan. Unfortunately the Senate nixed the proposed settlement agreement on March 17, 2008, so it's back to square one to reach a new settlement.

Judge Mossman was happy to answer all questions after his presentation, and encouraged all native Hawaiians to enroll in Kau Inoa.

Congratulations to the Lokahi Kuhua Homeowner's Association!

*By: Patience Kahula
Residential Loan Manager*


With almost 100% of member participation, the Kuhua HOA met on March 13, 2008 at Hale Mahaolu, Eono. Directed by Maile Sombelon, association members welcomed the new Kuhua Family, elected a new Board of Directors, accepted and approved a 2008 annual budget, and is eager to becoming a self-directed and managed homeowner's association. Lokahi Pacific will be providing technical support to the HOA and in partnership with the Kuhua homeowners will be meeting to discuss the possibilities of improving the subdivision park area and other association needs. Special thanks to those who graciously volunteered to serve on the Kuhua

HOA Board of Directors.

Executive Director

By: Kamaile Sombelon

Wow, after 10 years our office building is getting a facelift. Glen Foster Interiors has been hard at work installing new flooring. Lokahi's Offices and Maui Aids Foundation's Offices have been completed with Women Helping Women's section left to go.

 Kristine Au and I have just returned from NeighborWorks Training Institute's recent training in Atlanta, Georgia. Kristine is now a certified Homeownership Counseling Instructor. Patience Kahula will also be seeking similar certification in May at their Cincinnati training.

At the training, I obtained certificates in Residential Green Building and Expanding Homeownership Opportunities in Lease Purchase. Both of these products will be implemented in our upcoming affordable housing developments. We will also feature many new and creative products to help the first time homebuyer achieve their goal of truly affordable homeownership.

Through many partnerships with other organizations and for-profit developers, we can see the many positive effects the Work Force Housing Ordinance has produced. Under the old process, developers and non-profits just did their own thing and maybe one or two brave developers would cross the line to help a non-profit organization. Today, we see barriers broken and the true value of developer/non-profit working together and needing one another. The developer in-lieu fees, a product of the Ordinance, has been a blessing to Lokahi. We can plan our developments and produce quality affordable products.

Non-profits have formed partnerships among themselves and used their respective gifts and talents to bless their community. Way to go, Maui County Council Members, Mayor Charmaine Tavares, and her administration!!! It does work!!!

We would like to continue to thank developers that have so generously committed their funds

to Lokahi: Papa'anui LLC (Bill Frampton, Dave Ward and Jon Santos); Sam and Jon Garcia; Pacific Rim Land; and Hyatt Regency Maui.

Ongoing project:

► **M a u n a l o a Affordable Housing Project** (59 units) on Molokai in partnership with USDA Rural Development and Molokai Ranch, Phase 1 is scheduled for completion in June.



Projects soon to come online:

► **Leilani Subdivision, Kihei** – Seven lot subdivision, 1,100 s.f. 3 bedroom, 2 bath for \$250,000.

► **Renovation of Kalaniana'ole Hall** on Molokai – awaiting release of \$500,000 grant from the Office of Hawaiian Affairs.

Proposed upcoming projects:

► **Waiehu Mauka** – a 100 unit development on land donated by Pacific Rim Land, consisting of 42- 1 and 2 bedroom rental units aimed at families earning 50% and below of median income and 58- 3 and 4 bedroom townhouses for sale to families earning 80% and below of median income.



If you would like to be taken off our mailing list, please contact us @ 242-5761, ext. 30 or 31.



MAHALO CHEF RALPH

A special “*Mahalo*” goes out to Chef Ralph Giles, owner of “Catering from Soup to Nuts” who provided an impressive luncheon for our Lokahi Pacific staff meeting held on Thursday, March 20th at the Pono Center location. The lunch menu consisted of: Spinach Salad topped w/Mandarin Oranges, Goat Cheese, Toasted Almonds, Fried Onions and Herb-Dijon Dressing; Salmon Cakes w/Herb Aioli; Beef w/Guava Demi-glaze; Coconut-Steamed Mahimahi w/Fruit Salsa; Curried Chicken w/Mango Chutney; Spinach Lasagna; White Jasmine Rice; Garlic Stir-Fried Vegetables (Broccoli, Onion and Red Pepper); Sweet Peach and Chile Cobbler served w/Vanilla Ice Cream. We were in awe at how beautiful the display turned out. It was very professional. What a tantalizing array of tastes - something appealing for everyone’s palate!



Ralph A. Giles is a self-taught chef who has a passion for great food and fine dining. His cuisine is a unique blend of classic American, Continental, and Pacific Island flavors. He has menus for: Breakfast, Cocktail/Reception, Dinner and Weddings.

Here are some additional services they offer:

Concierge – event coordination, party planning assistance, event referral.

Butler & Wait Staff – answering the door/phone, preparing the dining area, serving and light cleaning, etc.

We recommend Chef Ralph for all your catering needs. He is also one of our Business Incubator and Commercial Kitchen tenants at our Pono Center facility. If you would like to contact him for booking availability or more personal information, please call 808.357.9444 or email chefg@maui.net. You can also visit his website at www.cateringfromsouptonuts.com.





Lokahi Pacific

March 2008

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Our Mission Statement

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and socially, of residents of Maui County and
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