

Leone plans to build 50 solar farms

Industry veteran says the first 10 projects should be finished by end of next year

BY DUANE SHIMOGAWA
PACIFIC BUSINESS NEWS

Hawaii renewable-energy veteran Michael Angelo Leone plans to build at least 50 solar farms across the state under his newly formed Aloha Renewables LLC.

Leone will operate the projects

by using the state's feed-in tariff program, which is designed to encourage investment in renewable-energy sources by allowing Hawaiian Electric Co. to offer producers 20-year contracts at fixed rates.

Each of Leone's 250-kilowatt projects is expected to cost about

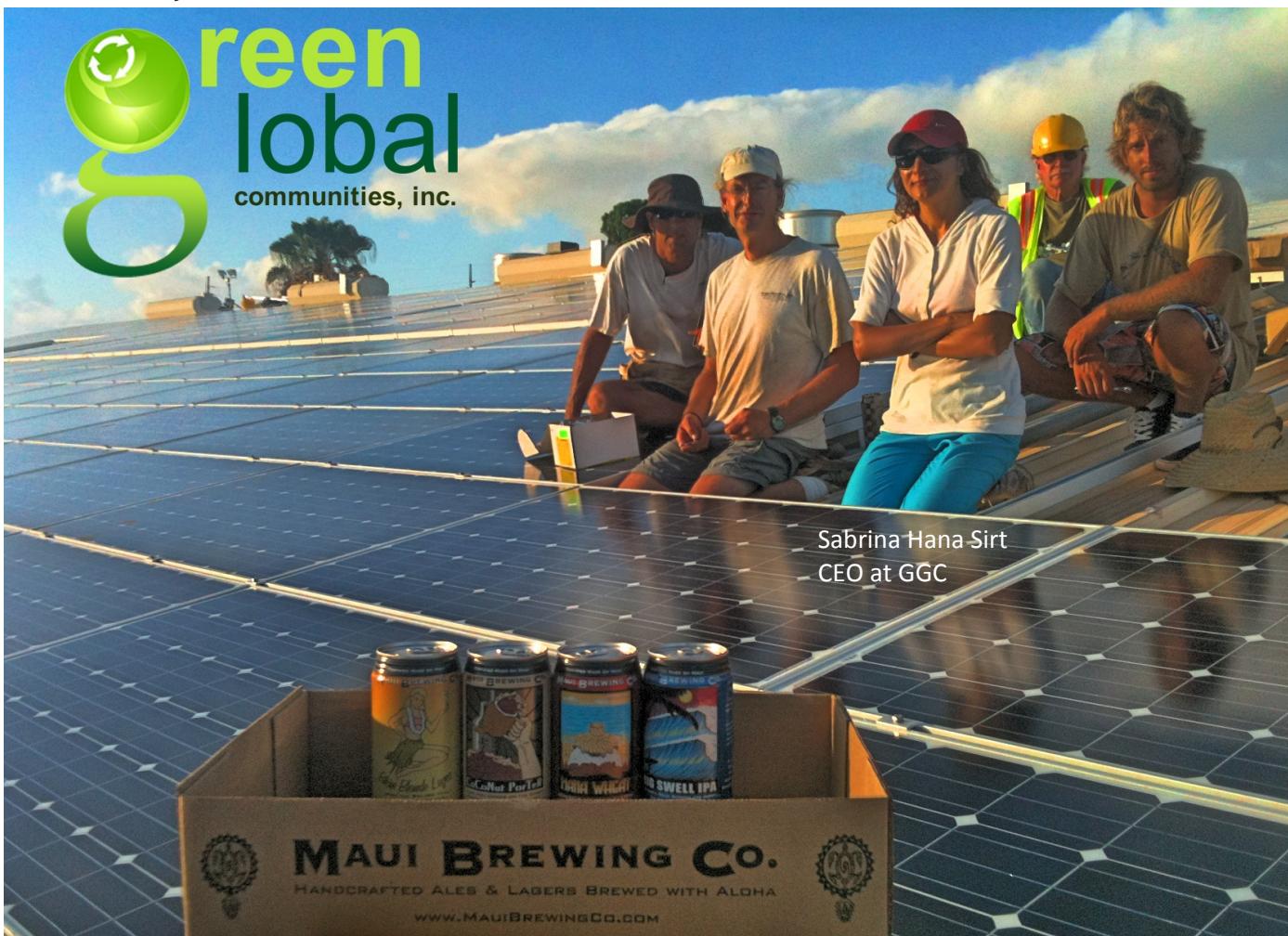
\$2 million to build. They will create about 20 permanent jobs and approximately 15 construction positions.

Aloha Renewables' first phase will be comprised of 10 solar farms — eight on Maui, one in Hilo and another in Kahuku. Construction

recently began on the Oahu project, and Leone hopes to finish all 10 by the end of next year.

Although he has collected the \$20 million needed to fund the first phase — mostly from Mainland

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Sabrina Hana Sirt
CEO at GGC

Car-loan business gets more competitive

Local lenders make inroads as dealers see sales gains

BY LYNN NAKAGAWA
PACIFIC BUSINESS NEWS

Most Hawaii banks and credit unions are gaining more business as new-car sales increase statewide and lenders find more ways to compete with the dealers' captive finance companies.

New-vehicle registrations are expected to hit 38,000 vehicles this year — a 6.9 percent increase when compared to the 35,531 new-vehicle registrations recorded last year, according to the Hawaii Auto Outlook forecast, a study sponsored by the Hawaii Automobile Dealers Association.

While first-quarter numbers will not be made public by HADA until later this month, auto dealers interviewed by PBN said they are seeing increases in new- and used-car sales due to pent-up consumer demand and more consumers turning

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Redevelopment of International Market Place, Kyo-ya and Hilton properties represents a \$1.8B investment

BY LINDA CHIEM
PACIFIC BUSINESS NEWS

The long-planned redevelopment of the International Market Place could join two other

projects in what is expected to represent a \$1.8 billion capital infusion into Waikiki. If all goes as planned, they would create a significant paradigm

shift for Hawaii's best-known vacation destination in the next two years.

At a cost of approximately \$300 million, the International Market Place redevelopment will be an expansive retail and entertainment concept spearheaded by landowner Queen

Emma Land Co. and its development partner, TRG IMP LLC, an affiliate of Michigan-based Taubman Centers.

If construction starts in June 2013, as projected in the economic study included in

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SCOOPS

WHO'S MOVING,
BUYING, OPENING,
CHANGING, WINNING

MORE
SCOOPS,
PAGE 5

BY LYNN NAKAGAWA
PACIFIC BUSINESS NEWS

Nebraska-based Mutual of Omaha Bank plans to open a retail branch at 600 Kapiolani Blvd. and

expand its Hawaii presence even more in the future.

The move to convert the 800-square-foot office space into a branch comes amidst controversy

as to whether the bank should be allowed to manage Hawaii condominium association funds. Hawaii Revised Statutes state that those funds must be deposited in a bank

located in the state.

Mutual of Omaha Bank previously had only a marketing office

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HEALTH & WELLNESS

The business of helping others to shape up.

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LEONE: Some local investors say they will take a look

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investors — Leone wants to get local investors involved.

If successful, he thinks more local investors will be comfortable putting money into renewable-energy projects.

“If we could encourage more local capital [to fund these projects] it would serve the future of Hawaii,” Leone told PBN. “We import oil to make electricity, and export all of the profits from renewable-energy projects, so something has to change.”

He said he has secured land from private owners and received approval from HECO to move ahead with all 10 projects in the first phase.

His plan is to build a 20,000-square-foot building for each project. Solar panels will serve as the roofing material, and inside the buildings will be some sort of farm or aquaponics, where fish and plants grow in the same environment.

Leone has worked in the solar-energy industry for more than three decades.

Besides being the Hawaii development manager of Aloha Renewables, he is currently the president of Green Global Communities, a Maui-based renewable-energy resource company.

He also is the CEO of HIEV, an electric vehicle and charging station business,

Aloha Renewables LLC

Renewable-energy development company

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and owner of Hawaii Architectural, a full-service design firm.

Leone’s work experience includes being an architectural designer at 3D Builders on Maui and owner of Lion Construction.

Because of his variety of experiences in the renewable-energy arena, Leone said he will develop the projects with his own companies.

“We are not only building renewable-energy projects that would help the state reach its renewable-energy goals, but we are also hoping to get more local investors involved in this crucial area of the state’s economy,” Leone said.

One Hawaii investor who is interested in the general idea of Leone’s plans is Rob Robinson, founder and president of Hawaii Angels, a local investment group. He is also founder of Kolohala Ventures, a Honolulu venture capital firm committed to investing in Hawaii

companies that have a global reach.

“We would certainly look at it with great interest,” Robinson told PBN. “From the investor’s perspective, the deal tends to rest on things like returns, tax credits and depreciation to make it a worthwhile investment. And it’s the kind of investment someone wants to invest in because it’s socially responsible, but in the end the economics do have to work.”

Not all local investors are sold on Leone’s plans. Bill Richardson, general partner of HMS Hawaii Management, told PBN that he wouldn’t invest in Leone’s projects, mainly because they are too small.

“I need a revenue stream of five years for \$100 million,” he said. “But it’s [renewable energy] certainly a hot space.”

State Energy Office Administrator Mark Glick declined to comment specifically on Aloha Renewables, but he said in general terms that he hopes feed-in tariff projects will attract more investments.

“Clearly it’s good to see,” he told PBN. “We’re [Hawaii] trying to promote everybody, so we’re constantly working to create the appropriate framework [to make this work].”

The FIT program was approved by the state Public Utilities Commission about two years ago and is scheduled for a review in November.

Management of the FIT program is

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Michael Angelo Leone

Development Manager, Aloha Renewables LLC

conducted by Accion Group Inc., a New Hampshire-based energy consultant company. Officials with Accion Group could not be reached for comment, but HECO noted that FIT is one of several ways that it is involved in encouraging the development of renewable energy.

“With standardized contracts and clear prices known to all it is easier for small developers to advance their projects outside the competitive bidding framework and power-purchase agreement process required for larger projects,” HECO spokesman Peter Rosegg told PBN in an email. “We need and welcome all renewable-energy developments that can contribute to our main goal, ending Hawaii’s dependence on imported fossil fuel, primarily oil.”

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Green Global Communities, Inc.
Project Under Construction 500 kW
Solar Structure Future Home to
North Shore Ranch & Rodeo