



# MEETING MINUTES OF THE HAWAII TECHNOLOGY DEVELOPMENT CORP (HTDC) BOARD OF DIRECTORS

**December 20, 2024**  
**Entrepreneurs Sandbox – Large Classroom**  
**643 Ilalo St., Honolulu, HI 96813**

## Member(s) Present

Craig Nakanishi, Chairperson (Mr. Nakanishi)  
Jaclyn Kaina, (Ms. Kaina)  
Gregory Kim, (Mr. Kim)  
Matthew Sullivan, (Mr. Sullivan)  
Vassilis Syrmos, (Mr. Syrmos)  
Gregory Uehara, (Mr. Uehara)  
Kelly Ueoka, (Mr. Ueoka)  
Dane Wicker, (Mr. Wicker)

## Staff Present

Damon Matteo virtual attendance, Executive  
Director, (Mr. Matteo)  
Wayne Inouye, (Mr. Inouye)  
Sandi Kanemori, (Ms. Kanemori)  
Tuan La, (Mr. La)  
Cynthia Matsuki, (Ms. Matsuki)

## Member(s) Absent

Edward Barnabas, (Mr. Barnabas)

## Counsel Present

Elise Amemiya, Deputy Attorney General  
(Ms. Amemiya)

## Guest(s) Present

None

## Members of the Public Present

None

### 1. Call to Order

Meeting called to order at 8:04 a.m.

### 2. Roll Call

Members present: Chair Nakanishi, Ms. Kaina, Mr. Syrmos, Mr. Uehara, Mr. Ueoka, Mr. Wicker, Mr. Sullivan, and Mr. Kim.

### **3. Approval of November 15, 2024 Regular Board Minutes**

Chair requests a motion to approve the November 15, 2024 regular Board Minutes

Motion to approve the November 15, 2024 Regular Board Minutes made by Jaclyn Kaina / Second by Mr. Syrmos

Chair asks if there are any comments or suggestions. None received.

Motion approved, 5/0, with Mr. Sullivan, Mr. Kim and Mr. Ueoka abstained from voting.

### **4. Introduction of Hawaii Technology Development Corporation (HTDC) New Executive Director, Damon Matteo**

Mr. Inouye briefs the Board that Mr. Matteo started with HTDC November 18, 2024 and has been working remotely.

Mr. Matteo says it is an honor to work with the Board, HTDC and all the principals he has had the privilege to meet thus far. Thanks everyone for the opportunity.

Chair Nakanishi welcomes Mr. Matteo to HTDC.

### **6. Approval to Increase allocation for BV4 L.P. (Blue Ventures 4)**

Mr. La reviews the HICAP investment for BV4 L.P approved for \$1.3 million and is requesting to increase an additional amount of \$700 thousand to increase the total amount to \$2 million. Recapping that Blue Startups is an accelerator program in Blue Ventures a venture capital firm founded in 2013 under the guidance of Hawaii State Development Corporation (HSDC) with the goal of developing and promoting local tech, entrepreneurship, and sources for venture funding for the State. Blue Ventures is an investment vehicle – venture capital arm that invests in seed stage startups companies that come out of Blue Startups. Blue Startups is the accelerator program that provides mentorship and boot camp workshop to help accelerator growth and product marketing for promising for early-stage companies. From the first three funds, Blue Ventures has invested in 121 companies of which 63 are Hawaii based, created over 168 Hawaii jobs,

and the investee companies have gone to raise over \$500 million in external capital. Blue Ventures is requesting an additional increase due to additional matching capital commitment from Stafford Capital.

Chair questions if the increase is coming from the Tranche 2 funding of the SSBCI Program.

Mr. La confirms that the amount will be coming from the Tranche 2 funding that was submitted and is expected to be received Quarter 1 2025, and the allocation is conditional on the available funds.

Mr. Wicker questions if the funding is coming from the U.S. Treasury and if the investment money is allowed to be reinvested or does it need to be returned.

Mr. La advises that we are allowed to recycle back into investments. It can only be used for the same program just less restrictions.

Mr. Uehara asks if the funding source will provide a matching similar to the other grants HTDC provides.

Mr. La explains that when we applied for the grant it was specific to the fund-of-fund, and we are only allowed to allocated in venture capital funds with the purpose to increase capital investments in Hawaii.

Mr. Sullivan questions if there is a deadline to spend and if there are alternatives to invest into.

Mr. La advises there is a sunset date but we only need to expend 80% before we can apply for the next tranche. Also reiterates we do not have many options; we want to be prudent in where we invest the funds to.

Chair requests that Mr. La updates the Board on the \$60 million and remaining funds from the first tranche.

Mr. La advises that on the venture side there is zero remaining and as mentioned we must expend at least 80% of which we spent a little over, so we have approximately less than \$3 million.

Mr. Syrmos asks what the expectations at the end of the day are.

Mr. La explains for expectations to report for example, private leverage, 10-1. If provided \$1 million they expect the company to raise \$10 million. They also look at who the invested companies are, SETI (Socially Economically Disadvantaged Individuals) or businesses located in rural area or small business with under ten employees.

Mr. La is requesting a \$750,0000.00 additional investment into BV4 subject to availability on the Tranche 2 funds.

Chair requests a motion to approve the \$750 thousand additional investment into BV4 subject to availability of the SSBCI Tranche 2 funding.

Motion to approve made by Mr. Wicker / Second by Ms. Kaina

Mr. Sullivan requests for Tranche 3 to have a broader discussion of other investment options as it feels we are being forced to invest due to the limited options.

Mr. La explains there will be other options provided to the Board that he is currently working on. Also advises that there is no Tranche 3 as he has made an agreement with Gwen of Hawaii Green Infrastructure to expend majority of Tranche 2 and she will expend majority of Tranche 3.

Mr. Syrmos asks what success looks like for Mr. La.

Mr. La advises that for himself and HTDC we are looking for long-term, 5 year investing and 5 year harvesting, great jobs, the investing companies to become Hawaii companies that continue to stay in Hawaii.

Motion approved, 7/0, with Mr. Ueoka abstained from voting.

**5. Approval of transfer of Mililani Technology Park, Phase II lands, TMK 9-5-002-057, 9-5-002-039, 9-5-046-010 from HTDC to the Agribusiness Development Corporation (ADC)**

Mr. Wicker explains that Mililani Tech Park Phase I has already been developed, in 2011-2012 the State legislature visited what is known as Phase II to look at the possibility to develop a First Responders Technology Campus and Cyber Security Center. The legislature appropriated \$11.5 million to HTDC and Department of Accounting and General Services (DAGS) as the lead in 2014 to acquire the land. Current administration

did not approve funding to continue, and it has become a liability and cost on HTDC resources. Approximately \$27,000 annually to maintain property management, maintenance and dealing with trespassers.

The First Responders Technology Campus (FRTC) Advisory Committee met in August 2024 has approved to make a consideration to recommend transferring to the Agribusiness Development Corporation (ADC) and dissolve the FRTC Advisory Committee. ADC is a sister agency under DBEDT and will work hand in hand and the idea of the area 120 of 150 acres can be developed. Given the limited infrastructure they are looking into greenhouse infrastructure and facilities to accomplish the State mandate of doubling the food production. HTDC will not lose all interest as they can enter into agreement with ADC for opportunities for manufacturing, innovation facility. Requesting the Board's approval to transfer the 150 acres over to ADC.

Chair asks if there is a Memorandum of Understanding between HTDC and ADC.

Mr. Syrmos says that he has seen both phase of the land and this is the first time that it makes sense for the purpose of the property. He believes there could be no better use of the property and would like to vote yes to transfer the property to ADC.

Chair provides additional background and explains that it is a strain for HTDC to continue to keep the land.

Mr. Inouye advises that we can provide the Board with the MOU that will be provide to the ADC board.

Ms. Amemiya advises that the Board can approve the transfer of the lands, but the MOU documents a little more detail and is subject to Board approval.

Mr. Syrmos makes a motion to approve the concept to transfer the Phase II lands to ADC pending full review of the MOU between the HTDC and ADC Board.

Chair requests a motion to approve the transfer of property.

Motion to approve made by Mr. Syrmos / second by Ms. Kaina

Chair asks Mr. Wicker for a timeline.

Mr. Wicker advises that ADC has a board meeting in January.

Chair calls a five-minute recess so that the Board is able to review the MOU.

Chair amends the motion to approve the concept, approval of the MOU, and delegation of authority to the Executive Director to take all action consistent with the motion.

Motion to approve made by Mr. Syrmos / second by Mr. Sullivan

Chair mentions the concept to transfer the property to ADC, approval of the MOU dated September 17, 2024 between HTDC and ADC, and delegation of authority to execute all documents to take further action as needed consistent to this motion.

Motion approved, 7/0, with Mr. Ueoka abstained from voting.

## **7. Proposal to Explore, Develop, and Launch Capital Formation Initiatives**

Mr. Kim advises that Hawaii has a deficiency in capital. You need research, talent, and money. When you want to build an ecosystem, you need to focus on those three things. Requesting to form a committee to explore what can be done and requesting \$100 million or more if less it will not make a difference, partially state funded or private funded. He wants a better ecosystem by creating a fund of funds by giving \$5 - \$10 million to top tier California funds and have them look at deals here in Hawaii as a first step and create more of a presence. Look at other places like Utah, as they have made progress. Proposes to form a sub-committee, explore alternatives, try to do something proactively and provide ideas to the Board.

Ms. Amemiya asks Mr. Kim to clarify if he wants a sub-committee which is subject to the Sunshine law.

Mr. Kim is not opposed to a sub-committee and having the discussions public.

Ms. Amemiya confirms the sub-committee will need to have the meetings open to the public, post the agenda six days prior to the meeting, and the agenda will need to be specific, and you are limited to discuss items listed on the agenda. While the Permitted Interaction Group (PIG) cannot provide interim report and once it reports its findings it is automatically dissolved.

Chair advises that it sounds like he is looking more towards a PIG.

Mr. Kim advises that he moves to form a PIG to explore and return to the Board with recommendations with a plan significant venture capital fundraising efforts and proposed design on how that will work.

Chair asks for a second

Mr. Sullivan seconds the motion.

Chair asks if any member is interested in being a part of the PIG.

Mr. Uehara is interested in being part of the PIG.

Discussion between members if they want to participate, how many participants are necessary, if discussions can be held between members if no PIG is formed, when meetings will be held and how many meetings will be necessary.

Mr. Kim decides after further review to withdraw his motion.

**8. Designate HTDC Board Member to be a member on the Natural Energy Laboratory of Hawaii Authority (NELHA) Board.**

Chair and Ms. Amemiya advise vaguely remembering that Ms. Kaina and Mr. Barnabas both wanting to volunteer to be the HTDC representative for the NELHA Board. Chair asks Ms. Kaina if she is still willing to take the position.

Ms. Kaina advises that she is still debating and asking what the commitment is.

Mr. Wicker mentions that he is a member of the NELHA Board being the DBEDT Director's designee. He states that NELHA does ocean resources and the meetings are held virtually.

Chair mentions that NELHA does great work the only caveat is that you need to provide your financials.

Chair appoints Ms. Kaina and if it does not work out will re-appoint another member in her place.



## 9. Executive Director's Report

Mr. Inouye wants to highlight tomorrow, Saturday December 21<sup>st</sup> from 10:00am - 2:00pm at the Entrepreneurs Sandbox will be the 23<sup>rd</sup> Holiday Job Tech Fair. The first time at the Sandbox, thirty companies have signed up for booths. The Holiday Job Tech Fair is focused on bringing kamaaina back home.

We will also provide an update on the legislative package; we have two bills R&D Tax Credit bill and the grant programs.

## 10. Announcements

Chair advises that there will be a Doodle Poll sent out for January to get ready for the legislative session.

## 11. Adjournment

Meeting adjourned at 9:36 am

Respectfully Submitted,

Stephanie Yuu-Sato  
Acting Executive Secretary

DRAFT







To: Hawaii Technology Development Corporation Board of Directors  
From: Wayne Inouye, MEP Center Director  
Date: February 5, 2025  
Subject: Hawaii Technology Development Corporation Report

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#### SPECIFIC ACTION REQUESTED:

Information only. No action requested.

#### PROGRAM UPDATES

##### A. Federal Government Transition Update

1. The Office of Management and Budget (OMB) distributed a Memo M-25-13 on 01/28/25 to all federal agencies to pause federal funding for the purpose of reviewing and compliance of executive orders. The following day 1/29/25 OMB Memo M-25-14 rescinded OMB Memorandum M-25-13, which had ordered a temporary halt on all federal financial assistance. This decision was made in response to legal challenges and confusion surrounding the directive.  
There appears to be no immediate impact to HTDC staff and programs at this time. HTDC will continue with normal working activities until new information is available.

##### B. Facility Updates

1. Entrepreneurs Sandbox – Servco Labs has provided notice to vacate office space (200sqft) on the second floor, Suite 205 on January 6, 2025. Their last day at the Sandbox will be February 19, 2025. Servco re-purposed their offices in Mapunapuna to be high end coworking (Sandbox inspired) for their employees and would like to re-consolidate recourses to their main location. HTDC is thankful for Servco’s commitment to the Sandbox and supporting their entrepreneur community by being an anchor tenant since the opening in 2019. We look forward to a continued relationship with Servco in the community through TRUE. Back-fill interest for the space has been expressed by potential candidates and are being considered.
2. Maui Research and Technology Center (MRTC) – Federal Emergency Management Agency (FEMA) will be releasing Suite 154B (894sqft) at the end of February 2025. The space which has unique double doors to the outside of the facility will be re-occupied for the Maui Economic Development Board’s (MEDB) newly launched Space Domain Awareness (SDA) TAPLab (Tools, Applications, & Processing) program in partnership with SpaceForce. The program will offer

machinery equipment and development services to help accelerate delivery of space battle management software for the protection of our national assets.

3. FEMA will continue temporary occupancy at MRTC for on-going recovery efforts with six (6) other offices totaling 9,654 sqft (25% of MRTC).

#### C. INNOVATE Hawai'i

##### 1. Manufacturing Extension Partnership

- i. MEP – completed survey confirmation for all client projects reported in Quarter 2 2024. The National Institute Standards Technology (NIST) Manufacturing Technology Program (MEP) Questionnaire will be sent to these companies on January 14, 2025
- ii. Submitted NIST MEP Center annual renewal documents for NIST MEP Year 9 of our cooperative agreement, including SF-425, budget tables, an update scope of work, updated operating outcomes, succession plan, and conflict of interest policies.
- iii. Submitted quarterly reporting documents for the MEP Expansion Award Pilot Program – Supply Chain Optimization Intelligence Network, including a progress narrative and SF-425. Currently beta testing a general business assessment and a supply chain assessment with select clients, generating the resulting report, and preparing to populate our supply chain dashboard.
- iv. Initiated the reporting period for MEP Center activities in Quarter 4 2024.
- v. Submitted annual reporting documents for the Department of Energy's State Manufacturing Leadership Program (Smart Manufacturing) project covering activities in 2024. Currently collaborating with marketing and outreach partners to plan in-person smart manufacturing seminars and on-site facility assessments for the latter part of Quarter 1 2024.

##### 2. Manufacturing Assistance Program

- i. After resolving technical issues with some applicants, we are continuing to process all the Manufacturing Assistance Program (MAP) applications in preparation for the MAP review committee. This includes verifying applicants' eligibility and reconciling proof of payment with their expense lists.

##### 3. Small Business Innovation Research

- i. Review Committee will be hearing applicant presentations during the week of January 15 – 17, 2025 and will have Board recommendations by the March board meeting.

D. Hawaii Center for Advance Transportation Technologies (HCATT)

1. HCATT continues to work in the completion of the Pacific Energy Assurance Renewable Laboratory (PEARL) microgrid. Several key project milestones lie ahead in the coming 6-10 months. Completion of solar panel repairs, installation of power quality metering, and the remaining commissioning and testing of entire system. Upon completion of a 12-month data and performance collection period will take place.
2. HCATT is also engaged with HTDC in developing geothermal capabilities for the state. Further conversations with Department of Transportation Airports to develop renewable energy capabilities, including hydrogen for infrastructure at Daniel K. Inouye International Airport.

E. Budget

1. \$3 million release for the fiscal year 2025 Small Business Innovation Research (SBIR), Manufacturing Assistance Program (MAP), and Accelerator Program grants has been approved by the Governor.

F. 23<sup>rd</sup> Annual Hawaii Technology Development Corporation Holiday Tech Job Fair update

1. The 23<sup>rd</sup> Annual HTDC Holiday tech Job Fair was held on December 21, 2024, at the Entrepreneurs Sandbox and saw an impressive turnout of 352 attendees and 23 employers. The event provided a unique platform for job seekers to connect with some of the leading companies in the technology sector. Attendees had the opportunity to explore a diverse range of career opportunities, network with industry professionals, and learn about the latest trends in the tech industry.







# ANNUAL REPORT

## 2024

This report fulfills the reporting requirements as required by 206M-3.5, 206M-72, and 206M-15



Aloha,

It has been an extraordinary year for the Hawai'i Technology Development Corporation (HTDC) as we continue our mission of driving innovation and technology-based economic development in Hawai'i. I'm proud to share that this year we helped our clients generate more than \$900 million in revenue through our core programs. We also successfully launched two new programs essential to diversifying our economy—our aerospace and geothermal programs. These initiatives position Hawai'i at the forefront of space exploration and sustainable energy, strengthening our capabilities in sectors critical to the state's future.

The Hawai'i Center for Advanced Transportation Technologies (HCATT), an HTDC program, completed the deployment of a microgrid at Joint Base Pearl Harbor-Hickam. This project represents a significant step toward resilient and sustainable energy infrastructure, proving Hawai'i can lead in renewable energy innovation.

As we look ahead to the coming year, HTDC is excited to announce the launch of HTDC 2.0—a new initiative focused on leveraging cutting-edge technology and manufacturing to address key challenges facing Hawai'i. Our local companies are best suited to solve Hawai'i's problems using homegrown talent. Together with our community partners, we're pushing the boundaries of innovation, ensuring Hawai'i remains a hub for technological advancement and building a resilient future for all.

Mahalo for your continued support,

**Wayne Inouye**

Outgoing Interim Executive Director  
Hawai'i Technology Development Corporation

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Aloha Hawai'i!

As HTDC's newest member, I'm excited to begin working with the HTDC team, and building upon all the great work that they have been doing. We'll continue the HTDC spirit of innovation by trying novel approaches to extending traditional Hawaiian strengths in areas like tourism and agriculture. And help expand and empower our innovation community to build new areas of strength and economic impact for Hawai'i.

I'm looking forward to collaborating with all our government and industry partners in our shared mission of serving Hawai'i, its businesses, and its people through innovation.

I invite you all to join us on our innovation journey to help realize all the amazing potential of Hawai'i and our people.



Mahalo!

**Damon C. Matteo**

Executive Director & CEO  
Hawai'i Technology Development Corporation

# Aerospace and Geothermal

In 2024, the Hawai'i Technology Development Corporation made significant advancements in both aerospace and geothermal initiatives, reflecting a strategic vision to elevate Hawai'i's role in cutting-edge technology sectors and renewable energy development.

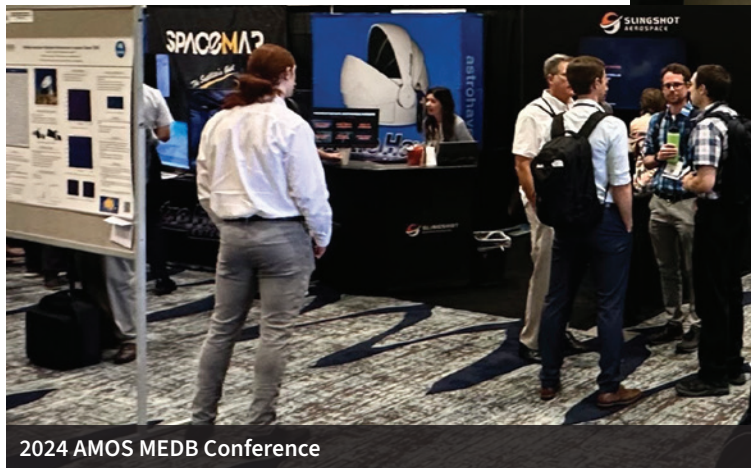
## Aerospace

HTDC worked with multiple aerospace stakeholders to position Hawai'i as a key player in aerospace-related testing, research and development, and commercial operations. A significant achievement this year was collaborating with CAT and AeroVironment, sponsored by Space Force Maui, to secure Direct-to-Phase II funding for Space Situational Awareness missions. Plans are underway to transition operations from Spaceport America in New Mexico to Hawai'i in 2025, with the long-term goal of establishing permanent operations within the state.

HTDC is also working with Fenix Space for future hypersonic testing and alternative rocket launches with substantially lower environmental impact. Fenix Space has secured funding from the Defense Innovation Unit (DIU) and is seeking congressional support from Hawai'i for further commercial rocket launch programs, which would provide operational advantages. In parallel, HTDC is collaborating with the Hawai'i Space Flight Laboratory and CAT to re-establish discussions with Rocket Lab New Zealand regarding future launches and operations from Hawai'i.



2024 AMOS MEDB Conference, Leslie Wilkins and Jeanne Skog



2024 AMOS MEDB Conference





# Hawai'i Center of Advanced Transportation Technologies (HCATT)

In 2024, the Hawai'i Center for Advanced Transportation Technologies (HCATT) made significant strides in advancing cyber-secure renewable energy systems. With its mission to inspire and transform Hawai'i's clean energy future and position Hawai'i as a leader in hydrogen technology integration in the Pacific, HCATT continues to promote the state's 2045 Renewable Portfolio Standard, which aims to end the use of fossil fuels in the islands.

HCATT's primary project, the Pacific Energy Assurance Renewables Laboratory (PEARL), is part of a \$30 million, five-year cooperative agreement with the U.S. Air Force Research Lab, as well as a collaboration with the National Guard Bureau and the Hawai'i Air National Guard. Located at the 154th Wing Joint Base Pearl Harbor-Hickam, PEARL focuses on enhancing energy resiliency, cybersecurity, and mission assurance for the 154th Wing. In March 2024, PEARL achieved a significant milestone with a successful demonstration of its microgrid, which serves as a benchmark for renewable energy integration and a prototype for the U.S. Air Force.

In collaboration with key stakeholders, the next phase of PEARL will expand current capabilities through innovative hydrogen technologies to produce, store, and utilize gaseous and liquefied hydrogen from electricity generated by PEARL. Other deliverables will include hydrogen safety protocols, a techno-economic analysis (TEA), and business models for cost-effective and sustainable operations.



PEARL microgrid's Power Distribution Center; the control room for utility and cyber security systems



Members of the PEARL microgrid team from the 154th Civil Engineer Squadron, Burns and McDonnell, and Hitachi



Members from the 154th Wing, including Brigadier General Kristof K. Sills, Public Affairs, HTDC team, and Team HNN



# INNOVATE Hawai'i

INNOVATE Hawai'i, a program within HTDC, plays a pivotal role in supporting the growth of Hawai'i's manufacturing sector. As the official representative of the NIST Manufacturing Extension Partnership (MEP) National Network in the state, INNOVATE Hawai'i brings in more than \$800,000 in federal funds annually, providing crucial resources and support to small and medium-sized manufacturers. With a focus on workforce development, supply chain resilience, and technology adoption, INNOVATE Hawai'i aims to boost local businesses and enhance their global competitiveness.



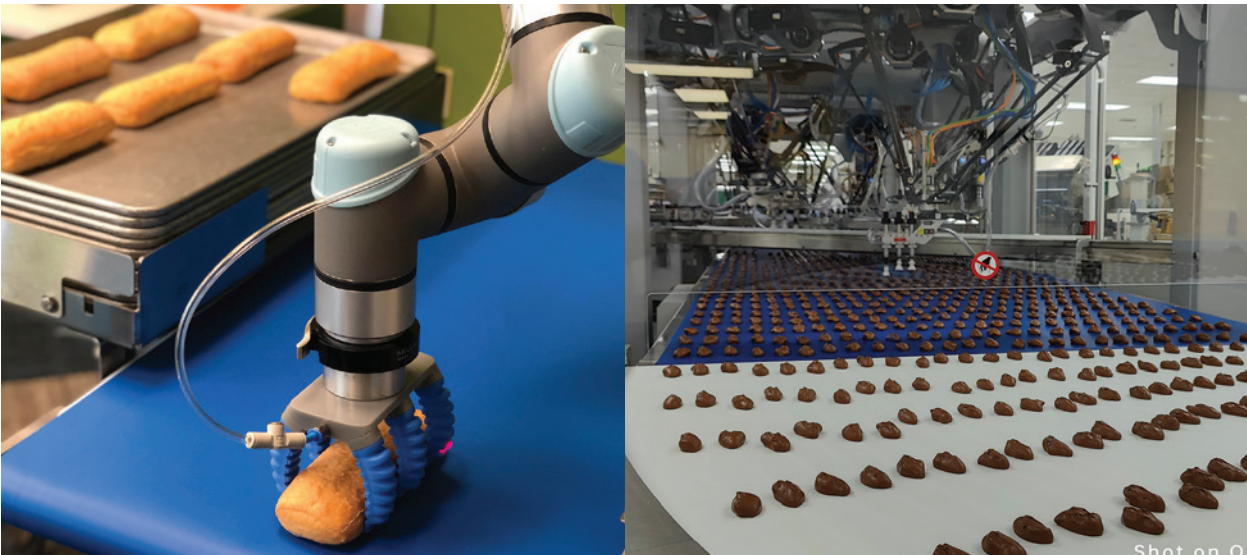
Onsite technical support and maintenance for food manufacturers, courtesy of INNOVATE Hawai'i

## Manufacturing Assistance Program

In 2024, INNOVATE Hawai'i facilitated 62 projects through HTDC's Manufacturing Assistance Program (MAP), awarding more than \$1.79 million in matching grants. These funds matched more than \$16 million in company investments and supported the creation of 466 new full-time jobs and 429 part-time jobs. A significant milestone this year was the award of \$1.5 million from the U.S. Department of Energy to promote smart manufacturing technologies in Hawai'i, further enhancing local manufacturing processes through automation and data-driven solutions.

**MAP Summary**

- 69 applications received
- 63 manufacturing grants awarded
- 41 first time applicants
- \$1.79 million total match
- \$16 million total match awardees
- 466 new employees
- 978 jobs saved



INNOVATE Hawai'i is advancing local manufacturing through education, support, and technology adoption services



## Textile and Apparel Manufacturing

INNOVATE Hawai'i's Textile and Apparel Manufacturing Initiative empowers Hawai'i's fashion industry by providing essential training and workforce development opportunities, expanding local manufacturing capabilities, and fostering industry connections. This comprehensive approach strengthens Hawai'i's economic resilience by diversifying its industries and creating sustainable job growth in the growing Textile and Apparel Manufacturing sector.

In March 2024, HTDC began meetings with Hawai'i textile and apparel manufacturers, which highlighted the need for workforce training and the adoption of new technologies to thrive. In response, HTDC launched a workforce training series for a Honolulu-based manufacturer in June 2024, which concluded in August. A new training series is also being developed for a Moloka'i textile and apparel manufacturer and is scheduled for later this year. These initiatives align with HTDC's mission to diversify Hawai'i's economy by creating jobs and promoting industry growth in rural areas.

### Goals for Textile and Apparel Manufacturing Initiative:

1. Support Hawai'i fashion manufacturers through grant funding to grow their production capabilities with equipment upgrades and new technology.
2. Provide workforce training opportunities that create jobs and engage Hawai'i's growing fashion manufacturing industry.
3. Establish a mentoring program that connects Hawai'i fashion designers and manufacturers with industry professionals who can assist with workflow modeling and enhanced production.



Shelly Nitta-Gima, co-founder of Aloha Cut & Cloth



Meeting with Kealopiko in Moloka'i, Senator Lynn DeCoite, Ane Bakutis, and Wendy Oshiro

Laha'ole fashion booth at Pa'i Foundation event



# Hawai'i Small Business Innovation Research (HSBIR)

The Hawai'i Small Business Innovation Research (HSBIR) program, part of INNOVATE Hawai'i, is the Small Business Administration's Federal and State Technology (FAST) Partnership Program recipient for Hawai'i. The HSBIR program provides vital support to Hawai'i tech and innovation small businesses, offering wraparound services and matching funds. In 2024, the program awarded \$2.5 million to businesses, enabling them to access further funding through federal SBIR awards.

The HSBIR program remains the longest-running state-funded SBIR matching program in the U.S. since its inception in 1988. For fiscal year 2025, the Hawai'i Legislature allocated \$1 million to HTDC to continue supporting SBIR companies. The program also targets underrepresented communities, including rural and Native Hawai'ian businesses, through workshops and networking events.

**SBIR Summary**

- 13 applications received (Phase I)
- \$500,000 total state match (Phase I)
- 128 new employees
- 20 applications received (Phase II/III)
- \$2 million total state match (Phase II/III)
- 233 new employees



Pacific International Shipyard site visit



Cindy Matsuki and Bernice Kissinger at TechConnect OELS Conference



Morgan Bonnet at Quest Accelerator Hawaii Demo Day



# Hawai'i Capital Investment Program (HI-CAP)

HI-CAP (Hawai'i Capital Investment Program) is a state initiative designed to provide capital to Hawai'i's small businesses and startups, helping them scale and grow through strategic funding. In fiscal year 2024, HTDC deployed \$19 million to eligible businesses, with additional funding expected in 2025. Under new manager Tuan La, exciting initiatives and partnerships are anticipated, aimed at further enhancing Hawai'i's entrepreneurial ecosystem.





# Accelerator and Small Business Training Program

The Accelerator and Small Business Training Program continues to support entrepreneurship across Hawai'i. In fiscal year 2024, the program ran more than 20 cohorts, training and assisting over 450 companies and creating more than 900 jobs. It also received \$2 million in legislative funding to support local organizations offering structured business and technical training for entrepreneurs.

For fiscal year 2025, \$1 million has been allocated, with a notice of funding expected in fall 2024. The program will focus on supporting new initiatives that align with HTDC's economic development priorities.

## Accelerator Program Summary

- 13 applicants
- 9 awarded
- 3 first time applicants
- 900+ jobs created
- 450+ companies assisted
- \$70 million+ in total revenue

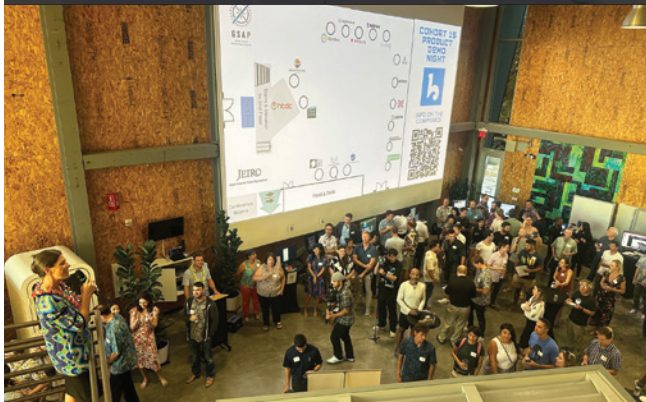
For more information, check out our HI Now Daily segments. Link to library of segments below:  
[https://www.youtube.com/@hightechdev/videos?view=0&sort=dd&shelf\\_id=1](https://www.youtube.com/@hightechdev/videos?view=0&sort=dd&shelf_id=1)



Quest Accelerator, Cohort 1



Hawai'i FoundHer, Cohort 3



Blue Startups, Cohort 15



PACE, Venture Competition 2024



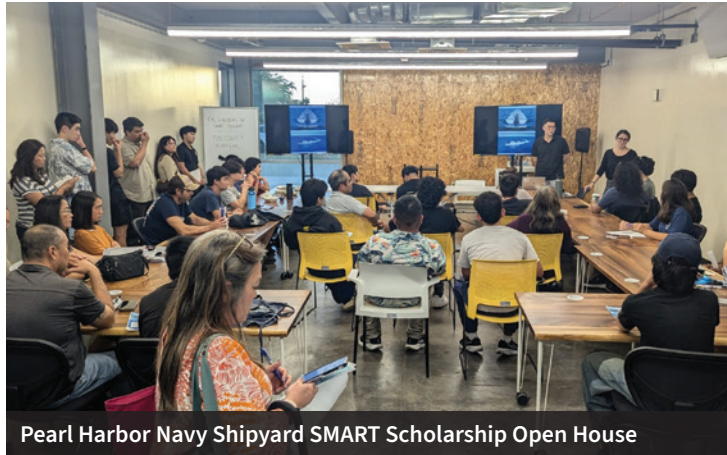
Mana Up, Cohort 9



Blue Startups in partnership with JETRO cleantech companies

## Workforce Development

HTDC has embarked on a new initiative to identify job opportunities and foster workforce development for businesses involved in technology and innovation. This initiative focuses on raising community awareness and creating streamlined pathways for individuals interested in pursuing careers in these fields. HTDC's efforts include growth strategies, marketing, and outreach to build a robust workforce pipeline.



Pearl Harbor Navy Shipyard SMART Scholarship Open House

## Tax Credit for Research Activities (TCRA)

The R&D Tax Credit program, now administered by HTDC, plays a vital role in supporting Hawai'i's high-tech businesses by providing financial incentives for research and development. In 2024, the \$5 million tax credit was fully allocated within 65 seconds of the application window opening, highlighting the high demand. Efforts are underway to increase the tax credit allocation to \$15 million, allowing more businesses to benefit in the future.

## Conclusion

In 2024, the Hawai'i Technology Development Corporation (HTDC) has made remarkable progress in advancing innovation, economic diversification, and technological leadership across key sectors. Through our aerospace and geothermal programs, we have positioned Hawai'i as a leader in space exploration and renewable energy, while initiatives like HCATT and INNOVATE Hawai'i have driven sustainability and growth in clean energy and manufacturing. Our commitment to fostering entrepreneurship and supporting small businesses has resulted in significant job creation, new revenue streams, and strengthened local industries.

As we move into 2025, HTDC remains dedicated to leveraging Hawai'i's unique strengths and resources to build a resilient, technology-driven economy. By continuing to support innovation, entrepreneurship, and workforce development, we are laying the foundation for a future where Hawai'i can thrive as a global hub for cutting-edge technology and sustainable solutions. With the ongoing support of our partners and community, we look forward to driving further success and opportunities for the people of Hawai'i.

Mahalo for your continued trust in HTDC as we work together to shape Hawai'i's future.



## Board Members

<b>Craig Nakanishi</b>	Chair	Cades Schutte LLP
<b>Matthew Sullivan</b>	Vice Chair	Oceanit
<b>Vassilis Syrmos</b>	Board Member	Research and Innovation, University of Hawai'i System
<b>Edward Barnabas</b>	Board Member	Booz Allen Hamilton
<b>Kelly Ueoka</b>	Board Member	PACXA
<b>Gregory R. Kim</b>	Board Member	Vantage Counsel LLC
<b>Gregory Uehara</b>	Board Member	Consultant, Nalu Scientific
<b>James Kunane Tokioka</b>	Board Member	Department of Business, Economic Development and Tourism (DBEDT)
<b>Jaclyn Kaina</b>	Board Member	Kaua'i Economic Development Board (KEDB)

*The grant metrics reported were prepared in accordance with Hawai'i Revised Statute 206M3.5 and 206M-15.1 and the HiGrowth report per 206M-72. The annual report required by each of these statutes have been combined into this single comprehensive report.*



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