Posted on 03/18/26 @ 11:15 am
Hawaii Technology Development Corporation
521 Ala Moana Blvd. Ste 255 | 808-539-3806
Honolulu, Hawaii 96813 | www.htdc.org

Regular Board Meeting

HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS

Date: **Tuesday, April 28, 2026**
Time: 1:00 p.m.

A Hybrid Interactive Conference Technology Meeting will be held via Zoom and at one physical location. Pursuant to §92-3.7 Hawaii Revised Statutes (HRS), the public can participate in the meeting either:

A. By attending the in-person meeting at:

Entrepreneurs Sandbox – 2nd Floor Conference Room –
643 Ilalo St., Honolulu, HI 96813; or

B. Via Video-audio livestream or via Telephone – to join the Video-audio livestream meeting, go to:

https://us02web.zoom.us/j/83937978717?pwd=RDdnYldQAGNfoW8tChaj8jQE4uqvrf.1

Passcode: 042826

C. To Join Via Telephone:

Dial +1 669 444 9171 US +1 253 215 8782 US
Meeting ID 839 3797 8717
Passcode: 042826

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AGENDA

1. Call to Order

2. Roll Call

3. Approval of Meeting Minutes

    A. February 18, 2026 Regular Board Meeting

4. Kapaa Industrial Advanced Manufacturing Project Presentation and decision

5. Grant Application Review and Approval Vote
    A. HSBIR
    B. Manufacturing Assistance Program (MAP)

6. Update on Legislative Bills

7. HTDC – Executive Director's Report

    A. Financials Update
    B. Manufacturing Extension Partnership (MEP) Update

8. Announcements

9. Adjournment

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HOW TO TESTIFY:

Written testimony can be submitted by email to testimony@htdc.org or mailed/delivered in person to: Hawaii Technology Development Corporation, 521 Ala Moana Blvd., Suite 255, Honolulu, HI 96813. Please include the word "testimony" following the address line.

Oral testimony will be accepted in person at the physical meeting location as listed on page 1.

HOW TO REQUEST ACCOMMODATION:

If you need an auxiliary aid/service or other accommodation due to a disability; contact Karlton Tomomitsu at (808) 539-3794 and ada@htdc.org as soon as possible, preferably three (3) working days prior to the meeting so arrangements can be made. Requests received less than three (3) working days before the meeting will be accepted but may not be possible to accommodate. Please include a description of the accommodation you will need and tell us how to contact you if we need more information.

Upon request, this notice is available in alternate/accessible formats.

MEETING MATERIAL AND OTHER INFORMATION:

The board packet will be posted on the Board's website at: https://www.htdc.org/ at least three (3) business days before the meeting. Written testimony will also be posted on the Board's website as it is received. You can also find links to minutes, agendas, and meeting materials for the Board's past meetings on the website.

On any of the above items, the Board may convene in Executive Session pursuant to HRS § 92-4 to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities pursuant to HRS § 92-5(a)(4), or to deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a state or federal law or court order pursuant to HRS § 92-5(a)(8), 206M-21(b), 206M-67.

The Board may enter Executive Session pursuant to HRS § 92-5(a)(2) to consider the hire, evaluation, dismissal, or discipline of an officer or employee, or of charges brought against the officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held.

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In the event a location loses its audiovisual connection, the meeting will be automatically recessed to restore communications as described in section 92-3.7(c HRS.

Internet Access:
To view the meeting and provide live oral testimony during the meeting, please use the link shown on page 1 of this agenda. You will be asked to enter your name in order to access the meeting as an attendee. We request that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous. You will also be asked for an email address. You may fill in this field with any entry in an email format, e.g., *****@mail.com.

As an attendee, your microphone will be automatically muted during the meeting unless you are providing testimony. For each agenda item you wish to testify on, please click the "Raise Hand" button found on your Zoom screen. Board staff will individually enable each testifier to unmute their microphone. When recognized by the Board Chair, please unmute your microphone before speaking and mute your microphone after you finish speaking in order to prevent audio feedback. When testifying, you will be asked to identify yourself and the organization, if any that you represent.

Telephone Access:
If you cannot get internet access, you may get audio-only access by calling the Zoom telephone number listed on page 1 of this agenda.

Upon dialing the number, you will be prompted to enter the Meeting ID which is also listed on Page 1 of this agenda. After entering the Meeting ID, you will be asked to either enter your panelist number or wait to be admitted into the meeting. You will not have a panelist number, so please wait until you are admitted into the meeting.

When the Board Chair asks for public testimony, you may indicate you want to testify by entering "*" and then "9" on your telephone's keypad. After entering "*" and then "9", a voice prompt will let you know that the host of the meeting has been notified. When recognized by the Board Chair, you may unmute yourself by pressing "*" and then "6" on your telephone. A voice prompt will let you know that you are unmuted. Once you are finished speaking, please enter "*" again to mute yourself.

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3A

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

February 18, 2026
Entrepreneurs Sandbox – Purple Box Conference Room
643 Ilalo St., Honolulu, HI 96813

Member(s) Present
Craig Nakanishi, Chairperson (Mr. Nakanishi)
Greg Kim, (Mr. Kim)

Staff Present
Trung Lam, Executive Director & CEO (Mr. Lam)
Wayne Layugan, (Mr. Layugan)
Sonia Romero, (Ms. Romero)
Karlton Tomomitsu, (Mr. Tomomitsu)
Madonna Sadio, Intern (Ms. Sadio)

Member(s) Present Virtually

Matthew Sullivan, (Mr. Sullivan)	Stephanie Yuu-Sato, (Ms. Yuu-Sato)
Chad Walton, (Mr. Walton)	
Dane Wicker, (Mr. Wicker)	

Staff Present Virtually

Member(s) Absent
Edward Barnabas, (Mr. Barnabas)
Jaclyn Kaina, (Ms. Kaina)
Kelly Ueoka, (Mr. Ueoka)

Counsel Present
Nicholas Kido, Deputy Attorney General (Mr. Kido)

Guest(s) Present
None

Members of the Public Present
None

1. **Call to Order, Public Notice Quorum**

   Meeting called to order at 1:55 pm

2. **Roll Call**

   Mr. Lam conducted roll call. Present in-person are Chair Nakanishi and Mr. Kim. Members present virtually are Mr. Sullivan, Mr. Walton, and Mr. Wicker. Mr. Barnabas and Ms. Kaina have been excused.

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Chair Nakanishi advises that Mr. Uehara has submitted his resignation letter due to a conflict of interest between his business and being on the HTDC Board.

3. Approval of Meeting Minutes

A. December 17, 2025 Regular Board Meeting

Chair requests a motion to approve the December 17, 2025, board minutes.

Motion to approve by Mr. Sullivan / Second by Mr. Wicker

Chair asks if there are any questions, comments, corrections. None received.

Motion approved, 5/0

Chair advises agenda items will be taken out of order

4. Legislative Bills

A. Request a motion to provide authority to HTDC Executive Director, Trung Lam to provide testimony on legislative bills and/or budget items relating to HTDC.

Chair advises there is a handout in the packet, subject is to delegate legislative session authority to testify on bills where it supports HTDC's objects, goals, and mission.

Chair requests a motion to delegate authority to the Executive Director to provide testimony consistent with HTDC's missions on legislation bills and/or budget items when it is impractical to consult with the board prior to the scheduled hearing. The Executive Director will inform the Board at the next board meeting scheduled. Motion will be retroactive to the Legislative Session.

Motion to approve made by Mr. Walton / Second by Mr. Wicker

Chair asks if there are any discussion.

Mr. Kim states that he does not recall doing this yearly.

Chair states that it was done with Executive Director Higashi and prior Directors.

Mr. Sullivan states there is no practical way of handling as testimony is last minute.

Motion approved, 5/0

5. HTDC 5 Year Strategic Plan Executive Summary

A. Kapaa Industrial Advanced Manufacturing and Vote

Mr. Lam advises that HTDC will be requesting approval sign a maximum a three-year lease at the Kapaa Industrial Park to pilot a collaborative advanced manufacturing facility with ocean tech companies, focused on advanced manufacturing. The tenants subleasing will offset majority of the costs, HTDC will be absorbing the gap as a strategic incubator investment to help grow the economy and bolster the ecosystem. We are looking to take these companies from early-stage startups to more established companies. We are currently looking at four companies with 30 to 50 employees who are committed to working with us. There is a clear need-objective, addressing a shortage in vacancies as well as long-term commitments that they cannot meet on their own.

Chair asks for a motion granting authority to the Executive Director to 1) Execute a maximum three-year lease, for approximately nine to ten thousand square feet at the Kapaa Quarry estimated total expense of approximately $32,000 per month inclusive of base rent, admin and contingency. 2) Negotiate and execute sub-lease agreement with qualified ocean and advance manufacturing dual use technology tenants at market rates and 3) establish and manage the Kapaa Industrial Advance Manufacturing Pilot as a limited three-year pilot program, and provide quarterly reports to the Board on occupancy, revenue, utilization metrics, job creation, federal leverage outcomes and pilot learnings all set forth in the attached memo under action requested.

Motion made by Mr. Wicker / Second by Mr. Kim

Chair asks for discussion.

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Mr. Wicker asks what the financial shortfall per month, continues that it fits with the mission, but it feels like a landlord activity. There is no plan to make revenue. What is unique about this geographical area for ocean base and was research done with existing state facilities for a lesser fee?

Mr. Lam states estimation is approximately $32,000 per month if there are no tenants with no revenue generated from the project and we are stuck in the lease for the full term. Continues to state that this is a time-limit facility, shared facility, these companies cannot sign a lease on their own.

Mr. Wicker asks why we don't go after state owned property or facility or utilize the statute which is in the process of transitioning land that could have been used for a manufacturing facility. We still have that land and can partner with Agribusiness Development Corporation (ADC) long term. Understand proof of concept but not comfortable investing in a private facility.

Mr. Lam agrees that it is the right strategy advises this is a brand-new facility when current state facilities would require renovation work. Removes the risk of the time and energy to locate a state facility, obtaining the permits to renovate, investing millions of dollars in something that might not be the right business model. This gives us the chance to take some of that risk off the table by doing something quick, finite, and right now.

Mr. Wicker asks how much money it would cost once we get the lease to build that out?

Mr. Lam states that it would be very little, the companies would be coming in and building their own. Anything that they want to do will be done by themselves.

Mr. Wicker asks if these companies are able to come in front of the Board with their master plan?

Mr. Lam explains that they could, but it would be individual company plans and not a whole plan as they are asking us to coordinate. They are unable to coordinate together on their own and ask us to help move forward. Regarding funding, we have the MEP Program, cleared Congress, currently at NIST they just need to get it to the states. Other states have put the MEP Program in a shared

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facility to cover the rent and this is something we are looking at. We are currently in year nine and will need to re-compete next year.

Chair asks if we have any memorandum of agreement or letters of intent that state how much these companies will pay.

Mr. Lam says there is nothing in writing, discussions were there, but there are a lot of details in the lease that we do not have from the landlord. Until we sign a letter of intent that we want to negotiate for space.

Chair asks if there are letters from the companies stating how much they are willing to pay.

Mr. Lam no but we can obtain. We can amend the action request from instead of executing the lease to authority to negotiate with the landlord, obtain letter of intent from the tenants, and now here is the contract we are looking to sign with the square footage for this dollar amount they are willing to commit to.

Mr. Kim asks what are the other value adds, will they help us with anything?

Mr. Sullivan wants clarification on the timing and how to move quickly, show results and not receive unfavorable reaction renting from a commercial landlord. He asks Mr. Wicker to elaborate from a state's viewpoint.

Mr. Wicker currently states the exit strategy..lease period, lease period while it should say, once we have prototypes that we want these companies do to reach success, the exit strategy then becomes do we finalize a proof of concept. Do we look for a facility to build a permanent.
Continues how do we justify how we utilize funds. White papers talks about manufacturing with these companies MEP, ONR, INDOPACOM. A concern that will need to be addressed is innovation with some of these companies which was the purpose and intent of the Sandbox so why don't we repurpose the Sandbox which is closer to the ocean, oceantech.
Another option is if you negotiate the lease is to make it zero cost to us.

Mr. Kim asks if it is possible to get the financial risks to zero. Personal guarantees from the owners can the tenants agree to the three-year lease with some type of out-clause that matches the landlord's out-clause.

Chair states that what is missing is that is says it is a pilot, will you only focus on this, or will you also look at other state facilities and transition to those places? Also, the location it is in Kapaa Quarry, how does it get to the ocean?

Mr. Wicker asks if 10,000 square feet is sufficient for the tenants or is that what is available. If more is needed, then why not ask DAGS or DLNR for a vacant facility. Asks what the lease term is and if they should look at other state facilities to reduce the costs to HTDC.

Mr. Lam states this is ample space and the lease is either a two or three year lease and since this is new you would usually figure out by the third year what the next steps are.

Mr. Walton says you should ask the potential tenants if this is sufficient as he is looking to do this in one of his campuses.

Mr. Lam says the space does include office, one of the rooms is a clean space, ample power, but there are questions that we don't have answers to.

Mr. Wicker says he is open to helping in the search with DAGS and DLNR for a space for a short term lease, even if we have to pay at least it is going back to the State and probably at a lower rate.

Chair states we will continue the conversation to the next meeting. For the next meeting have the following available, tie down tenants, come up zero, gain, talk to Mr. Wicker about other opportunities, cleaner white paper, a timeline.

Mr. Lam asks in order for him to negotiate with the landlord he will need to get a letter of intent.
Chair, Mr. Kim and Mr. Kido state as long as the terms say non-binding.

6. Legislative Bills

Mr. Lam provides an update on legislative bills. Most of the bills moved through the first committee. Expressed the importance of the blue economy, instead of giving HTDC a position they are giving a high salary position to the Governor's office. Lost funding for consulting money for the blue-economy. Everything else is moving along.

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Six month financials are included, still waiting for the release of funds for the three core programs. We are near the pre-award or award process and would like to deploy as soon as the fund becomes available.

Chair asks if all the MEP funds were received.

Mr. Lam states that the MEP funds are still up in the air. Receiving emails regularly, Congress did release the funds to NIST MEP national. Funds will run out at the end of March and are utilized for training and payroll.

Mr. Lam states positions are all full now. An aerospace coordinator was hired just waiting for an official start date.

Chair advises anything on the agenda not covered will be moved to the next board meeting.

7. Adjournment

Meeting adjourned at 2:45 pm

Respectfully submitted,

Stephanie Yuu-Sato
Board Secretary

htdc

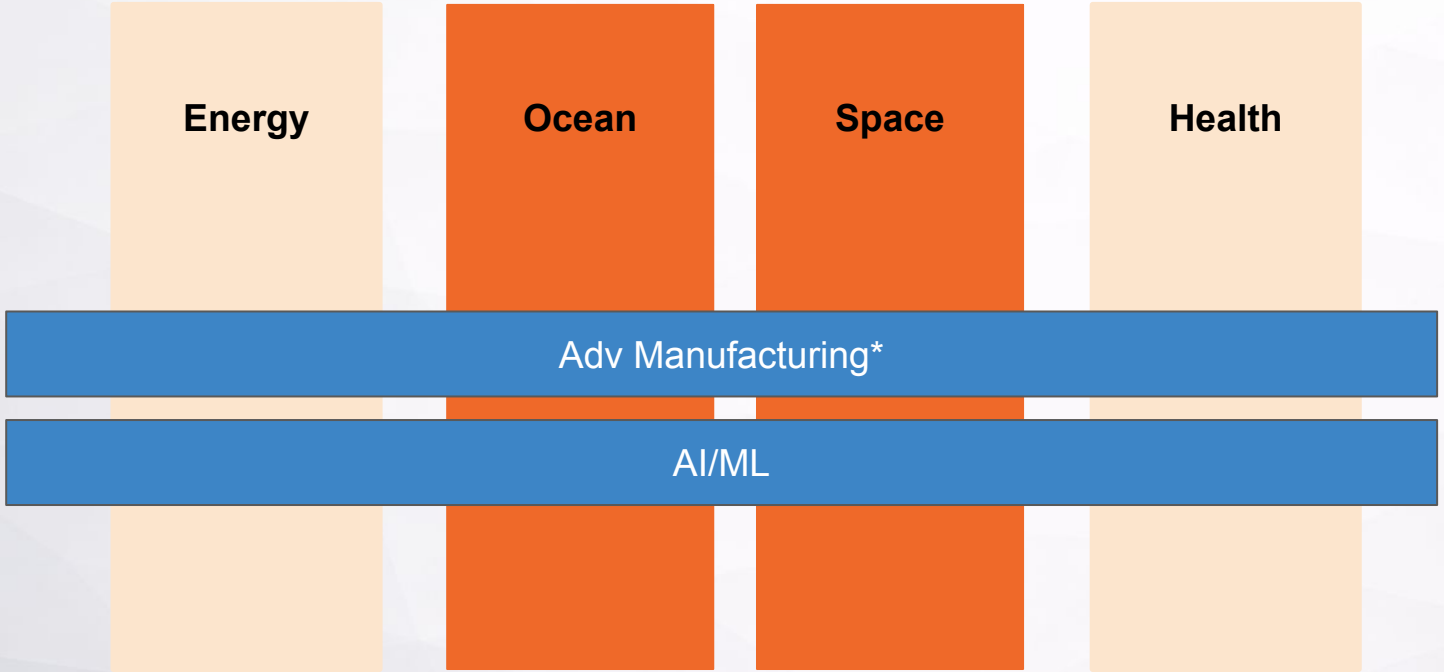
HAWAIʻI TECHNOLOGY DEVELOPMENT CORPORATION

Advanced Manufacturing Pilot Facility

Situation

HTDC is investing in sectors where Hawai‘i has sustainable and durable advantages

Attention Areas



* Requested by legislators to be areas of focus for HTDC

Definition of Advanced Manufacturing

Advanced manufacturing integrates machinery with digital and cloud-based technologies and is adopted across numerous industries including aerospace, automotive, pharmaceuticals, agtech, and more.

Advanced manufacturing techniques include:

- **Additive Manufacturing:** 3D printing
- **Computer Numerical Control (CNC)**: A process using computerized systems to control machinery, automatically creating custom parts and designs from materials like metal, plastic, wood, glass, and composite.
- **Advanced Robotics & Collaborative Robots (Cobots)** Includes autonomous mobile robots (AMRs) for material handling and cobots that safely work alongside humans, boosting flexibility and throughput.

EXAMPLES

Tesla: robotic assembly lines for autonomous vehicles.

Boeing: 3D printing specific airplane parts.

Volvo Atlas: computer vision that spots defects up to 40% more effectively than manual inspections.

Source: The Welding Institute, Goodwin University, QAD, D4M

Advanced Manufacturing Use Cases

HTDC Focus Sectors

Health
Medical Devices, PPE Materials, Biomaterials

Space
Satellites, Sensors, Extreme Habitat Testing

Ocean
Blue Foods, Coastal Resilience, Maritime & Logistics

Energy
Geothermal, Hydrogen, grids, turbines

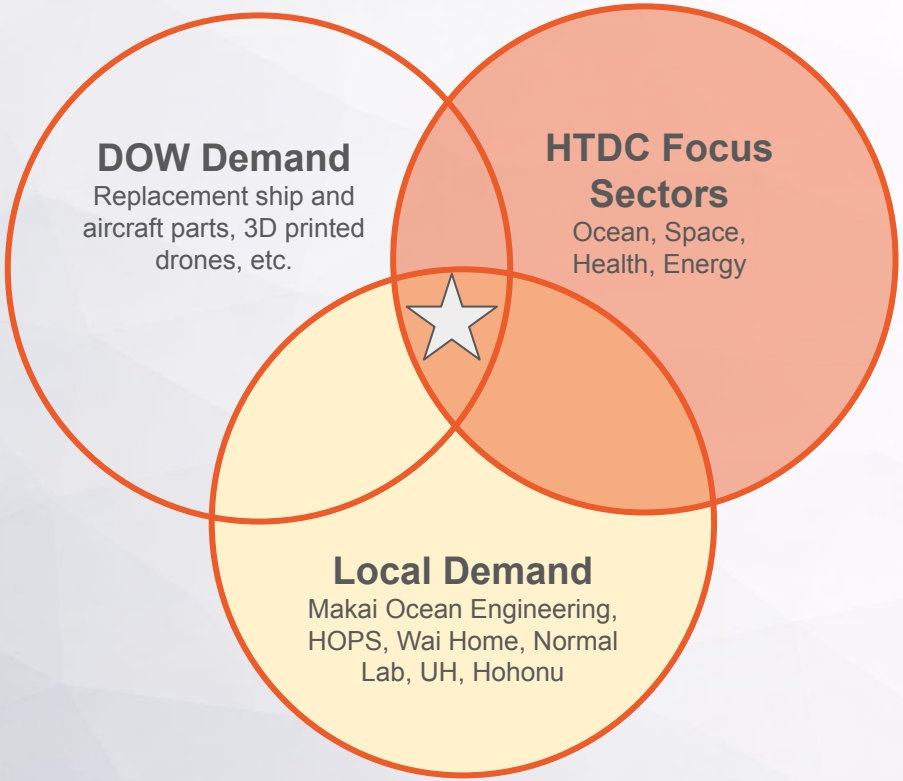
DOD

DOD
Drones, Ship Repair, Ship and Aircraft Parts, Cybersecurity, IT Connectivity

Local Demand

State & City Gov.
Replacement Infrastructure Parts

Local Opportunities for Advanced Manufacturing



Looking for opportunities that:

- High-wage jobs >$100k
- Supporting local SMBs
- Allows for high value exports
- Import substitution
- Multiple sites for regional development

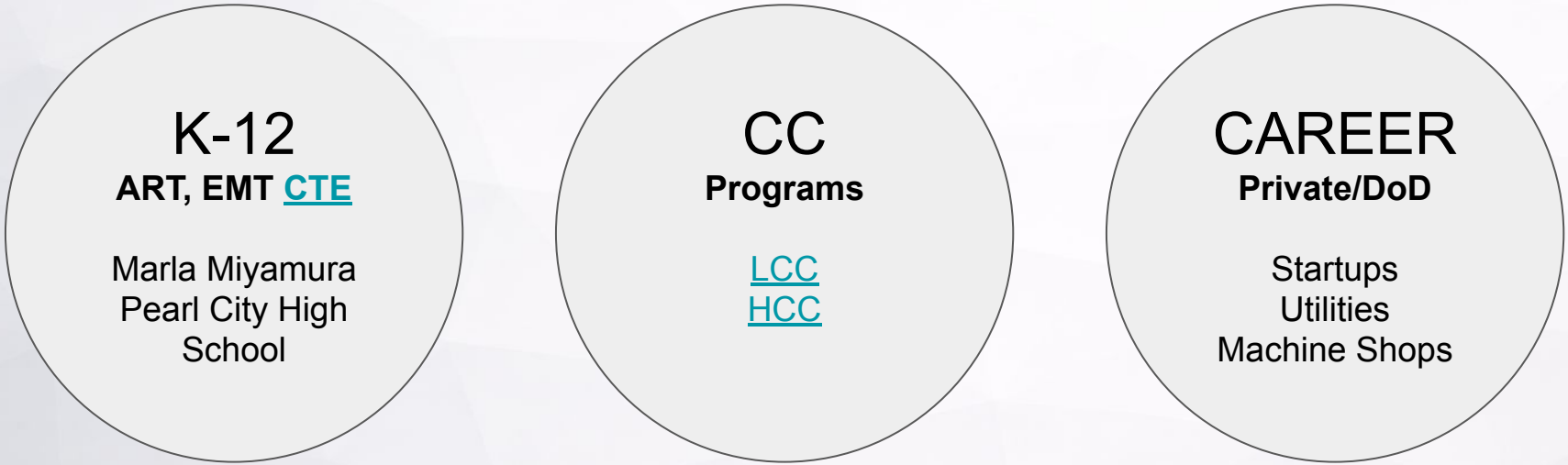
Advanced manufacturing ecosystems have four components: innovation lab, sustainment hub, industrial hub, certification center

Hub Type	Primary Purpose	Location Needs	Scale & Cost	Why It Matters to Hawaii
Innovation Lab	Develop and prototype new hardware and materials	Near research partners and testing environments	**Small–Medium**	Enables ocean and space companies to build and test early systems locally
Sustainment Hub	Repair, fabricate, and maintain operational systems	Close to logistics hubs. Often near ports or transportation corridors	**Medium**	Supports readiness, reduces downtime, lowers dependency on imports
Industrial Hub	Produce components and systems at scale	Requires large land parcels Transportation access critical No water needed	**Large**	Enables local production and export industries
Certification & Testing Hub	Validate materials, systems, and products for safe use	Controlled environments Heavy power No water needed	**Medium–Large**	Allows products to be approved locally instead of shipped to mainland

Across these four advanced manufacturing nodes, we've mapped the following preliminary capabilities and demand:

Hub Type	Current Capabilities	Potential Users	Validated Demand
Innovation Lab	FORGE on Schofield Barracks, one-off shops	UH Manoa, DOD, Min Plastics, Normal Labs, Kamanu Composites, Makai Ocean Engineering, PACMAR, Hohonu, Ti2 Designs, Wai Home	Numerous companies have indicated immediate demand
Sustainment Hub	FORGE on Schofield Barracks	DOD, Servco, Hawaiian Airlines, HECO/Hawaii Gas, Matson/Young Bros, Hitachi, Voltage Vessels, state and local government	None
Industrial Hub	NA	DOD, Voltage Vessels, Hospitals	None
Certification & Testing Hub	NA	DOD, Hospitals, Utilities	None

Cradle to Career Framework



Complication

For true economic development, we need workforce and infrastructure to grow in harmony with demand

Demand needs to grow to impact GDP and jobs

No infrastructure for current level of demand to spur growth

Constrained by Infrastructure

- Low vacancy of quality warehousing
- Companies need to deliver on contracts, but can’t sign long term leases
- Existing state/city properties are not zoned correctly or not in the right condition for this type of sector

State/City Sites

Location	Issue
HCC AM Center	Not enough power to run current equipment. Heavy traffic 5 years
Hawaii Marine Center(Kewalo)	No space, poor condition
Old Re-Use Hawaii Location	No Response from OHA
Oceanic Institute	Aquaculture focus
40 Anui St., Kaka‘ako (City Owned Warehouse)	Lease available in 3 years
Makai Pier	Flood damaged

Resolution

HTDC’s strength is in infrastructure development

Advanced Manufacturing Development Pilot Project

Why Kapa‘a Industrial

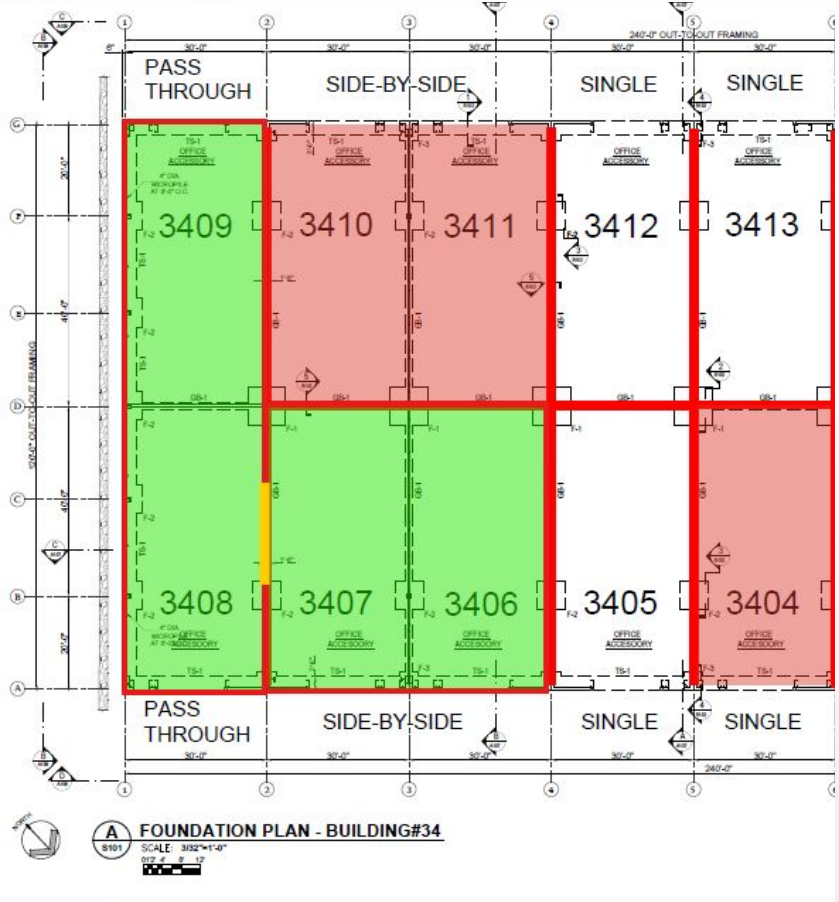
- Brand new and available space
  - Ample power
  - Negotiating 3 year lease terms, shorter than standard 5 year
  - 9,400 SF - mixed use space
- Letters of Intent - 5 companies, UH HNEI, DoW(pending)
- 3 year pro forma showing profitability
- Meets the demand where it is currently at

Kapa‘a Quarry is the first demand-validated opportunity to capitalize on the growth of the advanced manufacturing sector


34
SMART MAT

The Space

4 Units



The Space

4 Units

2,200 sqft Mezzanine office

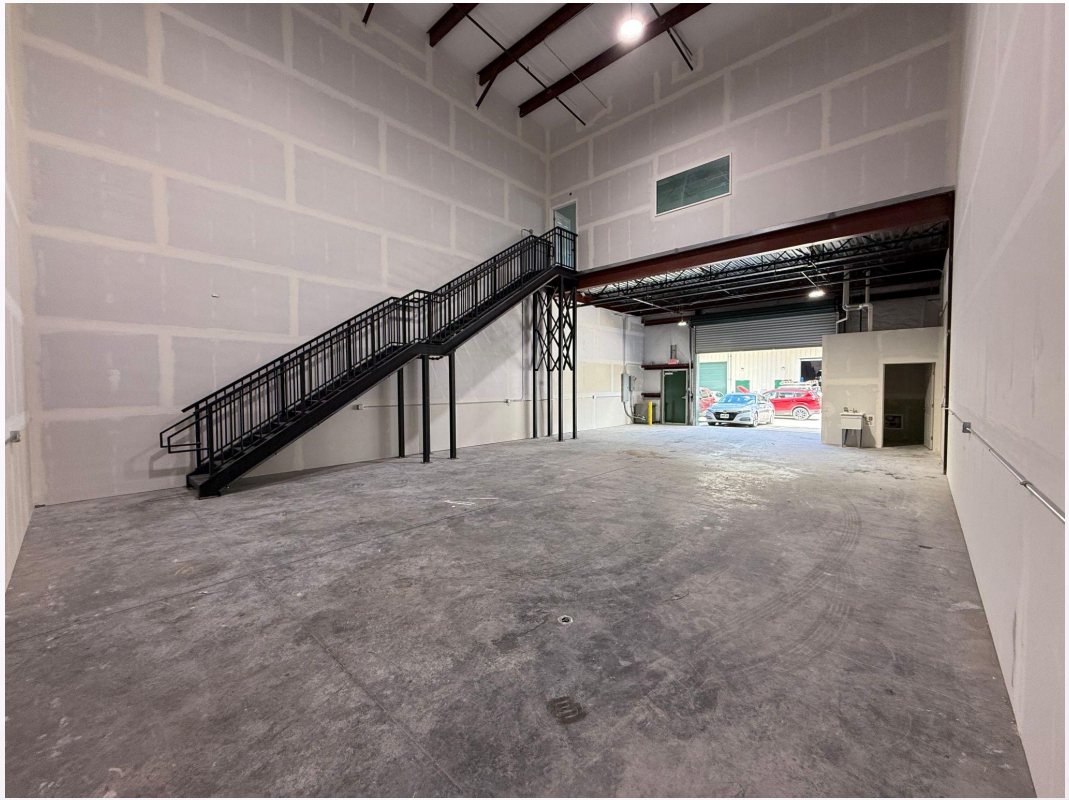
The Space

4 Units

2,200 sqft Mezzanine office

7,200 sqft Floor space

4 separate power meters



Pro Forma

- Market rate, 90% occupancy
- Minimal build out
- Additional paid services
- NIST MEP Support

Revenues		
Manufacturing Space	$	719,217
Office Space	$	135,734
Meeting Room Rental	$	15,000
Fee for Services (Programming)	$	50,000
Grants	$	300,000
Total Revenue	**$**	**1,219,951**
Expenses		
Lease	$	946,858
Utilities	$	9,000
Property Mgmt (10%)	$	85,495
Buildout Costs	$	70,000
Total Expenses	**$**	**1,111,353**
Net Profit	$	108,598
Running Total		

We believe Kapa'a Industrial is a strategic, risk-calculated first step towards growing advanced manufacturing

Hub Type	2026/2027	2028/2029	2030
Innovation Lab	Kapa'a Industrial Pilot Scout larger and more permanent location for sector specific facility	**Identify learnings from Kapa'a Industrial Launch larger, permanent location	Launch another pilot site for a different sector
Sustainment Hub	Validate potential demand across local companies	Begin mapping out workforce opportunities Identify mainland companies to potentially service demand	Begin construction of facility Begin workforce development programming at scale

Informing a Successful Vision

These are the questions that we will be answering and the data we will be collecting:

- How might we cluster support tenants in the same area(machinists)?
- How to share equipment to reduce redundancy?
- What wrap around programming is valuable for the companies?
- What's the best revenue model for a collaborative manufacturing space?

Vision: Ocean-focused Innovation Hub

Why

- Physical clustering is a proven economic development model
- Allows companies to share knowledge, costs, and infrastructure
- Provides high-visibility into our tech economy
- Ocean tech is hardware heavy sector that requires *rapid flexible prototyping and testing*
- Local ocean tech ecosystem has validated the idea

What's Included

- Advanced manufacturing innovation lab
- Waterfront pilot testing facility
- Coworking and meeting space
- Ocean-specific accelerator/incubator programming
- Center for education and engagement
- Developed on state-owned land, rented out facilities, revenue generating

Validated Model–Quonset Development Corporation (State)

Impact

- Between 2005 and 2022, the Park expanded its developed area by 626 acres
- Direct FTE jobs at the QBP increased 18.7 percent, from 11,439 to 13,580 FTE jobs.
- Significant effect on labor income, which increased 33.6 percent during the same period.
- Output increased 38.6 percent from $4.26 billion in 2018 to $5.91 billion in 2022.

Source: Quonset

Summary

Advanced Manufacturing is seeing growth and demand from commercial sector and DOW

Urgently needed infrastructure at the innovation level

Mission aligned opportunity to meet that demand and set us up for future growth and success

Mahalo.

Why Kapa‘a Industrial

1. **The industry is growing**
   - 3x faster than traditional manufacturing in the U.S. and we need to move at the speed of industry
2. **New clear demand signal**
   - 5 companies have signed LOIs
   - Without space to manufacture locally, companies will have to outsource manufacturing, or move to another state entirely
3. **INDOPACOM has explicitly stated a desire to invest**
   - “Do not want to be wholly reliant upon things from (the continental U.S.) or from our allies overseas”
   - As of 2018, the federal government committed over $1B, which has been matched by more than $2B by private sector, academia, and local governments
4. **Strong alignment across state-level stakeholders**
   - Senate Majority prioritizes workforce pipelines, advanced manufacturing, diversification
   - House Majority prioritizes diversification, manufacturing, exports, high-wage jobs
   - Legislature directs DBEDT to identify facilities, equipment, incentives, exports

Kapa‘a Quarry is the first demand-validated opportunity to capitalize on the national-level surge in advanced manufacturing while simultaneously supporting a focus sector.

Sources: MSU Denver, DSAIC, Camoin Associates, US Army, Chamber of Commerce

EXTRA SLIDES

Hawaii's advanced manufacturing economy isn't coordinated to take advantage of this opportunity

We have a few exciting *strengths* within our advanced manufacturing ecosystem

FORGE (Innovation Lab/Sustainment hub)

- Facility at Schofield Barracks equipped with 3D printing, precision machining, and rapid prototyping.

Honolulu Community College (HCC)

- Training hub with $15 million in advanced manufacturing equipment

Ecosystem of organizations growing AM:

Chamber of Commerce HAWAII · Phillips FEDERAL DIVISION · mauieconomic DEVELOPMENT BOARD · Ku'i Hao FORGING THE FUTURE · PACIFIC IMPACT ZONE

Opportunities

- DOD looking to fund
- Ability to reduce imports and increase resilience
- Ability to increase exports from the state

At the same time, the industry is still young and we have a variety of weaknesses to overcome

- No off-base facilities for advanced manufacturing at-scale. Most advanced manufacturing happens at a super small, one-off scale.
- Lack of validated demand from local corporations
- No local companies with the skill to meet industrial-level demand
- Minimal workforce with the capabilities to meet demand

Source: MACRO, Phillips

Federal Funding

U.S. DEPARTMENT of ENERGY

Advanced manufacturing has growing national and global relevance as a clear economic development opportunity.

Advanced manufacturing has significant sector growth

- Over the past decade, Advanced Manufacturing has added more than 250,000 jobs in the US, growing 7.4%, growing 3x faster than traditional manufacturing
- As of 2018, the federal government committed over $1 billion, which has been matched by more than $2 billion in investment by industry, academia, and state and local governments.
- Examples of federal agencies that explicitly fund advanced manufacturing initiatives include:

NSF, NIST | MEP, USCG, U.S. DEPARTMENT of ENERGY, IBAS, America Makes

Source: MSU Denver, DSAIC, Camoin Associates

And creates accessible, high-wage jobs

- According to the US DOE, there are ~50 advanced manufacturing job types and ~250 advancement routes
- Job pay ranges from XX - XX with the average salary in advanced manufacturing sitting at $137,400
- XX% of advanced manufacturing jobs require an XX degree
- The average salary for a 2-year degree holder in advanced manufacturing is $70,000

Note: For a more detailed look, check out the US DOE's advanced manufacturing career map!

Due to growing Pacific tensions, the DOD wants to grow advanced manufacturing capabilities in the indopacific and is willing to fund it

"does not want to be wholly reliant upon things from (the continental U.S.) or from our allies overseas"

"Military leaders in Hawaii have been telling their troops they need be prepared to deploy in the event of a potential conflict in the Pacific as early as 2027"

"just-in-time logistics will not work in a large-scale combat environment."

"advanced manufacturing is almost certain to revolutionize how the Army preserves readiness and ensures that our maintainers can operate in any environment."

Clear DoD desire to fund advanced manufacturing capability in the indo-pacific:

- Drones, boat building
- Parts for repairs and maintenance
- Advanced composite materials

DoD support unlocks opportunities in the commercial market

- What to do with excess production capacity?
- What other value-added production can be done with the equipment?

Source: US Army, Chamber of Commerce

What does AM look like now?

Manufacturers

- Min Plastics
- Normal Labs
- Kamanu Composites
- Hawaiian Host
- Makai Ocean Engineering
- PACMAR
- Hohonu
- Ti2 Designs
- Voltage Vessels
- Wai Home

Ecosystem Partners

- Bear Machinery
- Our Space
- GT Scientific
- Precision Machinery & Tooling
- Universal Manufacturers
- Maui Advanced Mfg. Alliance
- Pacific Impact Zone
- MEDB
- Kaimana Hila / Kui Hao

What are the first steps?

Urgent need for space **NOW**. We have 6-7 companies with LOIs expressing a need but need support to derisk the lease. Some of these have contracts with **deadlines in 2026**.

The goal is to create a permanent facility and by running a pilot we can test out different models without risking large amounts of capital. At the current level of commercial demand, a suitable facility is more aligned with a pilot than a permanent facility, but will increase quickly as HTDC prioritizes AM in it’s strategy.

In Hawaii specifically, there is a large opportunity to stimulate economic growth through advanced manufacturing

Modernize defense systems, increase materiel readiness, and enhance warfighter battlefield innovation. A forward-deployed, digitally connected, rapid-response manufacturing node for the Indo-Pacific—focused on sustainment, prototyping, and resilience.

Sustainment hub: Print + repair mission-critical parts locally

Innovation lab: Prototype new systems (especially unmanned + dual-use tech)

Resilient industrial node: Hybrid manufacturing (not just 3D printing). Secure, digitally integrated production

Certification and Testing Center: Tests AM parts (mechanical, thermal, fatigue), Develops qualification protocols, Supports SBIR companies in getting certified

Reduce imports by manufacturing select products here in Hawaii.

- Support university/R&D pipeline
- Serving large corporates that hasn't tried adv mfg as a solution yet (e.g., Young Bros, Matson, HECO, Hawaii Gas)
- Import substitution for state and city procurements (e.g., 3d printed manhole cover)
- Serving SMBs with desire to implement adv mfg for export of goods (kapaa quarry tenants)

Key Concern: The military's demand is "seasonal." They want the capabilities to be able to produce large quantities at any moment, but they won't always want to be producing at that scale. We should not rely on DOD demand to build out our economic impact forecasts.
Key Question(s): 1) How can we make sure to develop facilities that benefit local customers (government, corporate, university, SMBs) as well as the military 2) How can we develop a workforce that can meet the demands of advanced manufacturing?

Currently, Hawaii has the following as it relates to advanced manufacturing…

Organizations

Facilities

Corporate Demand

Workforce Development Programming

1. Sustainment Hub (med scale, ideally achieving some economies of scale)

Questions to Answer:

For DOD

- What sort of machinery are they specifically looking to utilize?
- How many people would they be looking to employ, and what specific roles and skills are they looking for?
- How much money are they willing to put forward to build something like this?
- Are they willing to have facilities that are public/private and off base?

For Corporates

- What sort of materials or products would they potentially purchase via local advanced manufacturing? What price point would we have to beat to be competitive for those products?

For SMBs

- What SMBs (beyond the ones we are in contact with at Kapaa Quarry) are looking to utilize advanced manufacturing machinery at a moderate scale?
- What sort of machinery are they specifically looking to utilize?
- How many people would they be looking to employ, and what specific roles and skills are they looking for?

2. Forward Innovation Lab (micro scale with diverse machinery)

Questions to Answer:

For DOD

- What sort of innovation are you looking to fund?
- How much money are they willing to put forward to build something like this?
- Are they willing to have facilities that are public/private and off base?

For SMBs

- What SMBs (beyond the ones we are in contact with at Kapaa Quarry) are looking to utilize advanced manufacturing machinery at a small scale?
- What sort of machinery are they specifically looking to utilize?

For University

- Which departments (outside of the one we're talking to for Kapaa Quarry) want access to advanced manufacturing facilities for the sake of research? What sort of machinery are they looking to utilize?

3. Industrial Node (large scale)

Questions to Answer:

For DOD

- What sort of machinery are they specifically looking to utilize?
- How many people would they be looking to employ, and what specific roles and skills are they looking for?
- How much money are they willing to put forward to build something like this?
- Are they willing to have facilities that are public/private and off base?

For Government

- What items would the government be willing to purchase locally. What amount annually?

4. Certification Center

Questions to Answer:

- **TBD**

Prioritization

These three together create a **closed loop**:

- Innovation Lab → generates ideas
- Certification Center → validates them
- Sustainment Pilot → deploys them

👉 That's a *system*, not a set of projects

Larger scale industrial should wait until we shown momentum and success with first tier projects. Requires to much CAPEX early on

FORGE is…The **DoD-facing node** in a broader Hawaii manufacturing ecosystem

- early infrastructure
- proof of DoD commitment

The DoD doesn't want a public version of FORGE to duplicate it.

They want it because **FORGE alone can't generate enough innovation, talent, or scalable capacity to meet their needs.**

A closed facility:

- doesn't create new companies
- doesn't onboard new suppliers
- doesn't grow regional capacity

Step 1: Civilian lab (one for ocean, one for space)

- Startup builds prototype
- University develops new material
- Engineer tests new concept

Step 2: FORGE

- Refines for operational context
- Tests in real-world DoD scenarios
- Integrates into systems

“FORGE gives Hawaii a DoD-operated capability—but without a civilian-facing innovation layer, it cannot generate the volume of ideas, companies, or workforce needed to meet Indo-Pacific demand.”

Core Narrative

Hawai‘i requires a distributed advanced manufacturing system to support ocean and space industries.

Advanced manufacturing is a **real economic opportunity**
Advanced manufacturing systems consist of multiple complementary facility types (innovation lab, sustainment hub, etc)
(insert chart of how each type of facility might serve different types of customers (DOD, state, corporate, etc)
Hawaii has **unique demand drivers that make this opportunity particularly exciting**

- Ocean and space industries require physical manufacturing infrastructure to scale
- Globally competitive ocean and space hubs are built around advanced manufacturing systems
- Department of Defense demand in the Indo-Pacific is driving new regional manufacturing investment because the DOD needs a civilian-facing innovation layer, to generate the volume of ideas, companies, or workforce needed to meet Indo-Pacific demand.

Hawaii has **pieces of capability—but a clear infrastructure gap**

- Hawaii already has an emerging base of advanced manufacturing companies
- Workforce development capacity exists but remains constrained by exit opportunities
- Existing facilities support limited activity but lack accessible shared industrial space

If we play our cards right, we can build a dual use advanced manufacturing system that incites local economic development and is heavily subsidized by DOD/Federal investment.

The moment is now: to catapult our ocean and space sector with advanced manufacturing capability, AND to ensure that DOD-backed development actually matches commercial need.

A phased manufacturing infrastructure strategy reduces risk while enabling long-term growth

Kapaa Quarry is a **low-risk pilot to test the implementation of a dual use innovation lab + sustainment hub**
The pilot produces **data to inform long-term phased investment**

AltaSea (Los

Harbor-based:

- Ocean innov
- Vessel syste
- Robotics

Inland:

- Manufacturin
- Production

What is the commercial demand for AM?

- Low volume parts for obsolete systems(HECO)
- Using local materials like albizia and basalt to manufacture vehicles, value-added products and materials for local consumption.(import substitution)
- Use of advanced machinery to manufacture IP that can be exported at a competitive level

Workforce Development

Hawaii Community College

Advanced manufacturing differs from traditional manufacturing in a variety of ways including sector growth and average wages.

For decades, traditional manufacturing has relied on labor-intensive processes where skilled workers manually operate machinery and make adjustments based on experience. While these methods remain in use and are effective for certain applications, they can result in longer production times, material waste, and limited flexibility.

Advanced manufacturing, by contrast, enhances these processes by integrating sophisticated tools and methods that optimize production and enhance adaptability. “The ability to collect and analyze data in real time has changed everything,” Marchev says. “Machines can now make adjustments instantly, which was unheard of in traditional settings.”

For example, automation and robotics now handle repetitive or high-precision tasks to reduce human error and increase efficiency. Artificial intelligence (AI) and machine learning analyze production data to detect inefficiencies, predict maintenance needs, and improve overall performance. In addition, 3D printing and additive manufacturing enable rapid prototyping and customized production runs, which creates more flexibility than traditional methods.

While some may see this shift as a challenge to traditional manufacturing jobs, the industry is experiencing an exciting evolution that creates new opportunities for many. Here’s a closer look at why advanced manufacturing is important to the industry’s long-term success.

Source: Northeastern

What are the gaps?

Corporate Support

- Servco
- Hawaiian/Alaska Airlines
- HECO/Hawaii Gas
- Matson/Young Bros
- Hitachi

Shared Manufacturing Facilities

- Light industrial space allowing for contract work/SBIR to happen
- The FORGE and other facilities exists, but they are on base

What commercial applications can happen?

- Serving large corporates that hasn't tried adv mfg as a solution yet (e.g., Young Bros, Matson, HECO, Hawaii Gas)
- Import substitution for state and city procurements (e.g., 3d printed manhole cover)
- Serving SMBs with desire to implement adv mfg for **export** of goods (kapaa quarry tenants)

HTDC's Kuleana

§206M-3 Powers, generally. (a) The development corporation shall have all the powers necessary to carry out its purposes, including the powers to:

(8) Acquire, own, **lease**, hold, clear, improve, and rehabilitate real, personal, or mixed property and assign, exchange, transfer, convey, lease, sublease, or encumber any project, including by way of easements;

(20) Create an environment in which to support technology economic development, including but not limited to:

(A) Supporting all aspects of technology-based economic development;

Hubs

https://www.manufacturingusa.com/studies/building-momentum-regional-ecosystems

Hawai'i Technology Development Corporation
521 Ala Moana Blvd, Ste 255 | 808–539–3806
Honolulu, Hawaii 96813 | www.htdc.org

To: Hawai'i Technology Development Corporation Board of Directors

From: Trung Lam, HTDC Executive Director

Date: April 28, 2026

Subject: Approval to execute Advanced Manufacturing Pilot in Kapaa Industrial

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Action Requested

Approval for the Executive Director to:

1. Execute a **maximum** of three-year master lease for approximately 9,000–10,000 square feet of light industrial space at Kapā'a Quarry at a maximum of $30,000 per month (estimated total exposure of approximately $26,000 per month) inclusive of base rent only. Subject to review and approval by our deputy attorney general.
2. Negotiate and execute sublease agreements with qualified advanced manufacturing, and dual-use technology tenants at market-rate rent. Subject to review and approval by our deputy attorney general.
3. Establish and manage the Kapā'a Industrial Advanced Manufacturing Pilot as a time-limited pilot program for a maximum of three years.
4. Provide quarterly reports to the Board on occupancy, revenue offset, utilization metrics, job creation, federal leverage outcomes, and pilot learnings.

Recommended Effective Date

Upon approval.

Background

Hawai'i's light industrial vacancy rate is approximately 1.3 percent, creating a structural barrier for early-stage ocean and advanced manufacturing companies seeking flexible production space. Commercial lease terms typically require three- to five-year commitments that are incompatible with startup funding cycles.

HTDC has identified an opportunity to assume a master lease for approximately 9,000–10,000 square feet of production-ready space at Kapā'a Quarry in Kailua. The facility includes three-phase power, high ceilings, overhead doors, and light industrial zoning appropriate for assembly, additive manufacturing, and marine systems fabrication.

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Anchor and supporting tenants—including Pacific Impact Zone, Makai Engineering, HOPS, Hohonu, Voltage Vessels, and the UH Marine Energy Center—have indicated strong interest, representing 30–50 near-term jobs and approximately 80–100 percent committed occupancy at launch. OBJ

The estimated total three-year lease exposure is approximately $1.12 million (maximum $1.26M). Tenant subleases and grant funding are projected to offset the lease cost once tenants move in and generate a profit. HTDC plans to also fund this through MEP funds that were recently awarded through March 2027. This initiative is authorized under §206M-3(a)(5), (8), and (21), including provisions enabling HTDC to lease and sublease property, provide physical infrastructure to support technology enterprises, and implement strategic programs to reduce private investment risk where markets fail.

The pilot is not intended as a subsidy. Tenants will pay market-rate rent consistent with prevailing industrial rates. HTDC's role is to aggregate demand, assume master lease risk in a constrained market, and layer coordinated services—including federal partnership alignment, manufacturing extension support, workforce integration, and capital access—to accelerate cluster growth.

The pilot is structured as a finite, three-year program designed to:

- Validate collaborative advanced manufacturing operations at market rates.
- Generate operational and utilization data to inform permanent facility design.
- Strengthen competitiveness for federal funding programs such as EDA Tech Hubs, ONR manufacturing initiatives, ARPA programs, and MEP grants.
- Develop a transition strategy to identify an appropriate long-term operating entity should the model prove successful.

HTDC's role is catalytic and time-bound: launch, validate, de-risk, and transition.

Action Recommended

Approve.

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5A

To: Hawai'i Technology Development Corporation Board of Directors
From: Trung Lam,HTDC Executive Director
Date: 4-28-2026
Subject: Hawai`I Small Business Innovation Research (HSBIR) Award Allocation

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SPECIFIC ACTION REQUESTED:

Request Motion to Approve Hawai'i Small Business Innovation Research (HSBIR) Award Allocation

RECOMMENDED EFFECTIVE DATE:
Upon Approval

Program Performance
The HSBIR matching grant program is Hawaii Technology Development Corporation's (HTDC) most successful program. Over the life of the program over 20 federal dollars come into the state per each state dollar. Since implementing the Phase II matching grants, the number of awards and dollars awarded have increased significantly.

A summary of the Phase II/III awards made by the matching grant program is listed below:

	FY18	FY19	FY20	FY23	FY24	FY25	FY26*
Appropriation	$1 M	$1.5 MM	$1M	$1.5M	$2M	$1M	$1M
# of Applications	9	12	16	16	20	11	9
# of Awards	5	6	14	11	18	8	8
$$ Awarded	$900 K	$1.4 M	$900K	$1.5M	$2M	$1M	$980K
Federal SBIR $$ (match)	$8.0 M	$11.0 M	$53.0 M	$20.6M	$24.8M	$7.7	$22M
Estimated New Jobs	15	135	509	289	208	56	239

*Proposed awards
Note - FY21 and FY22 did not receive Phase II/III appropriations

The federal SBIR funds are highly competitive with a fixed budget each year. Therefore, these companies are securing federal funds for Hawai'i that would otherwise be awarded to companies in other states. Every year, there have been more qualified applicants for HTDC matching grants than available funds. Since the Phase II/III program started in FY16, none of the applicants have received the full eligible amount.

HSBIR Review Committee
Gloria Choo, Combatant Command Commercial Engagement, INDOPACOM, Defense Innovation Unit (DIU)
Dr. Keith Matsumoto, Program Director, Pacific International Center for High Technology Research (PICHTR)
Wayne Layugan, Senior Project Manager, Innovate Hawai'i (IH), HTDC

Cindy Matsuki, Economic Development Specialist, HTDC

Award Process Review

HTDC makes grant awards through a competitive application process. This year, the HSBIR Review Committee met over several days for 12 hours to evaluate the SBIR company applications and presentations. Per the Board approved policy, the committee scored each company.

New for this year, the score card included extra points for HTDC topic-focused projects. Those topics are Ocean, Space, Health, and Energy.

The companies were ranked and the committee made recommendations on the award distribution to the companies. The award distribution takes into account the number of companies, request amounts, scores, and grant funds available. **As per the policy, companies with an average score below 75 would be ineligible for the matching grant.**

Summary of Recommendations

The Hawaii SBIR/STTR Review Committee offers the following award recommendations for the FY26 HSBIR Phase 0, I, II, and III matching grant program. There were no qualified applications for Phase 0, fourteen (14) Phase I applications with eleven (11) proposed awards, eight (8) Phase II applications with seven (7) proposed awards, and one (1) Phase III application and award for the matching grant.

The awards are presented in order from highest to lowest average score.

FY26 Phase 0/I HSBIR Budget (Year ending June 30, 2026) $ 500,000.00

Phase I Company Awards

Company	Agency	Project Title	GRANT $	REQ $	Award $	HQ Island	HI/Non-HI employees
Ocean Era, Inc.	USDA	Resolving Kyphosid Commercial Potential: Which Diets Optimize Growth and Palate Appeal for an Herbivorous Marine Reef Fish	$174,897	$75,000	$60,000	Hawaii	2/0
Namaka Algae, Inc.*	NSF	Area Efficient Cultivation Technology for Dense Microalgae Cultures	$304,541	$75,000	$60,000	Hawaii	1/0
Makai Ocean Engineering, Inc.	NAVY	Nautical ElectroMagnetic Observer (NEMO)	$139,861	$69,877	$48,920	Oahu	32/16
Nalu Scientific, LLC	DOEnergy	Design and Development of the LID - LGAD Integrated Digitizer	$206,425	$75,000	$48,750	Oahu	12/1
Black Sand Solutions LLC*	NASA	ATHENA [AI platform turns raw sensor data into actionable alerts]	$154,521	$75,000	$48,750	Maui	1/2
North Star Scientific Corporation	NAVAIR	Network Enabled Weapons Verification	$139,950	$69,975	$45,490	Oahu	70/5
Second Wave Technologies LLC*	DAF	00254-P001-0173 Adaptive AI Assistant Platform for DOD data-driven Decision Making Using Tadata.ai	$149,740	$74,870	$48,670	Oahu	3/0
Kauai Sea Farm*	USDA	Advancing Sea Cucumber Aquaculture in Hawaiian Fishponds	$68,200	$34,100	$22,170	Kauai	9/0
PacMar Technologies	NAVSEA	I.M.SAFE Flame Detector	$246,483	$75,000	$41,250	Oahu	51/35

Prime Pacific Enterprises LLC DBA Hawai‘i Pacific Drone Solutions*	NSF	Autonomous Drone System for Predicting Erosion and Safeguarding Coastline Communities	$305,000	$75,000	$41,250	Oahu	1/0
Waimea Coffee Farm LLC*	USDA	Novel Mobile Model for Post-Harvest Coffee Processing System	$125,000	$62,500	$29,770	Hawaii	2/0

**First time HSBIR Company*

Phase I Companies with average score below 75

Company	Agency	Project Title	GRANT $	REQ $	Award $	HQ Island	HI/Non-HI employees
Oceanit Laboratories, Inc.	NAVY	Conformal Antennas for Unmanned Aerial Vehicles (UAV)	$139,999	$70,000	$0	Oahu	130/15
Jun Innovations Inc	USDA	Portable and Cost Effective Supercoolling Storage of Fish	$175,000	$75,000	$0	Oahu	4/0
Hawai‘i Innovation Inc.*	NAVY	Liquid Metal Dynamic Thermal Management Suit (LM-DTS)	$139,999	$70,000	$0	Oahu	2/0

FY2026 Phase II/III HSBIR Budget (Year ending June 30, 2026) $1,000,000.00

Phase II Company Awards

Company	Agency	Project Title	GRANT $	REQ $	Award $	HQ Island	HI/Non-HI employees
Makai Ocean Engineering, Inc.	ARMY	Resilient and Rapidly Restorable Cabled Communications (R3C2)	$1,899,994	$499,606	$176,580	Oahu	32/15
WaiHome**	NOAA	Affordable Wastewater Disposal for Coastal Households Adapting to Sea Level Rise	$650,000	$325,000	$114,870	Oahu	3/0
Oceanit Laboratories Inc.	ARMY	COMPAACT: Condensed Micro-Particle Amino Acid Technology	$600,000	$200,000	$62,840	Oahu	130/15
Cloudstone Innovations, Inc.**	Space Systems Command	Launchlock - software application for autonomous identification, detection, and location of space launch events	$1,799,807	$500,000	$157,080	Maui	8/7
MorphOptic, Inc	DARPA	QLER: Quantum Limited Enhanced Resolution	$499,893	$100,000	$31,420	Maui	3/1
Nalu Scientific, LLC**	NASA	CoDLIR: Compact Digitizing Lidar Receiver	$898,155	$499,077	$123,450	Oahu	12/1
PacMar Technologies LLC	ARMY	Small Autonomous Littoral Transporter (SALT)	$2,045,737	$500,000	$117,810	Oahu	51/35

***Received Phase I matching grant*

Phase II Company with average score below 75

Company	Agency	Project Title	GRANT $	REQ $	Award $	HQ Island	HI/Non-HI employees
Rhoman Aerospace Corporation	USAF	Maritime GPS-Denigh UAV Navigation and Autonomy...	$19,999,600	$500,000	$0.00	--	0/7

Phase III Company Award

Company	FED AGENCY	Project Title	Contract $	REQ $	Award $	HQ Island	HI/Non-HI employees
North Star Scientific Corporation	Navy	MAGNM - an very high power density RF amplifier to help with size, weight, and power efficiency.	$13,746,890	$500,000	$170,040	Oahu	70/5

ACTION RECOMMENDED:
Approve

ADDITIONAL BACKGROUND INFORMATION

Description

The Small Business Administration (SBA) Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs provide over $4 billion in funding to small businesses each year in a wide variety of technology areas.

Since 1988, HTDC has been providing matching grant funds and wrap-around technical assistance services to Hawaii companies who received SBIR Grants. Initially the grant program only funded companies that received Phase I awards. In 2016, the program was expanded to match SBIR Phase II and Phase III awards.

The purpose of the matching grant program is to increase the competitiveness of small businesses in Hawaii and to enhance their prospects for bringing subsequent SBIR and STTR awards of federal funds into the State, including awards that assist the businesses in surpassing the research and development level and transforming their research into innovative and commercial products and services. The goal of the program is to help companies grow and create sustained engineering and research jobs in the state of Hawai‘i.

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5B

To: Hawai'i Technology Development Corporation Board of Directors
From: Trung Lam, Executive Director & CEO
Date: April 28, 2026
Subject: Hawai'i Manufacturing Assistance Program (MAP) Award Allocations

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SPECIFIC ACTION REQUESTED:

Request Motion to Approve Hawai'i Manufacturing Assistance Program (MAP) Awards as recommended by the MAP review committee.

RECOMMENDED EFFECTIVE DATE:

Upon Approval

BACKGROUND:

Description

The Manufacturing Assistance Program (MAP) provides grants to businesses in Hawai'i that are manufacturers in the State and require assistance for specific activities related to manufacturing that shall result in economic and employment growth in Hawai'i.

The funding preferences and priorities are stated briefly below with the program objectives.

- Encourage more manufacturers statewide by giving preference to:
  - businesses receiving their first MAP-award
  - businesses located on the neighbor island
- Give preference to applications that:
  - communicate economic significance of the project
  - highlight how funds will be used to achieve success
  - adopt advanced manufacturing technology (Industry 4.0) or innovation in their manufacturing process
  - align with strategic focus areas of the Hawai'i Technology Development Corporation (HTDC) and the Department of Business, Economic Development, and Tourism (DBEDT)
  - demonstrate potential for job creation in Hawai'i

The goal of the program is to help companies grow and create sustained manufacturing jobs in the state of Hawai'i.

MAP Award Allocation Process

As presented to the HTDC Board of Directors on February 9, 2023, HTDC makes grant awards through a competitive application process described in the MAP grant award allocation policy

statement. MAP is a reimbursable grant and requires proof of payment to qualify for an award. Awards are allocated strategically instead of equally amongst eligible applicants.

The MAP review committee met from late February to mid-April to assess all eligible applications. The committee evaluated and scored each application. Applicants were systematically ranked and grouped into tiers, after which the committee made recommendations for award distribution. This process was conducted with careful consideration of the available budget, evaluation scores, and requested funding amounts. The highest-ranked tier received the largest percentage of their eligible amount. In alignment with established policy, applicants who achieved a score below 500 were not selected for funding.

Summary of Recommendations

The MAP Review Committee offers the following award recommendations for the FY26 Manufacturing Assistance Program. The award recommendations are presented in order from highest to lowest average score.

FY26 MAP Award Recommendations

** First-time MAP Awardees*

	Applicant	Total Qualified Expenses	Grant Requested	Committee Recommendation
*	Kona Mountain Coffee LLC	$43,502.54	$8,700.51	$6,970.00
	The Art Source	$722,162.27	$100,000.00	$80,000.00
	Oceanit Laboratories, Inc.	$293,720.76	$58,744.15	$47,000.00
*	Cyanotech Corporation	$745,151.96	$100,000.00	$80,000.00
	Waiakea Inc.	$527,391.15	$100,000.00	$80,000.00
	HAWAIIAN KING CANDIES, LLC	$81,111.96	$16,222.39	$11,360.00
	Min Plastics & Supply, Inc.	$276,053.64	$55,210.73	$38,650.00
*	Mahilani Partners LLC	$130,631.46	$26,126.29	$18,290.00
	COHI, INC. DBA COFFEES OF HAWAII	$65,205.00	$13,041.00	$9,130.00
	PURDYCO, LTD. DBA ISLAND PRINCESS	$458,300.00	$91,660.00	$64,170.00
	Pacific Shipyards International, LLC	$286,424.26	$57,284.85	$40,100.00
*	WaiHome LLC	$14,395.33	$2,879.07	$2,020.00
	Pacific Biodiesel Technologies, LLC	$333,380.42	$66,676.08	$46,680.00
	Hawaiian Sun Products	$171,404.63	$34,280.93	$24,000.00
	Hawaii Candy Factory	$122,550.84	$24,510.17	$17,160.00
	Rengo Packaging, Inc.	$534,864.80	$100,000.00	$70,000.00
*	Gtscientific LLC	$60,000.00	$12,000.00	$8,400.00

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** First-time MAP Awardees*

	Applicant	Total Qualified Expenses	Grant Requested	Committee Recommendation
	Diamond Bakery Company, Ltd.	$53,944.42	$10,788.88	$7,560.00
*	Service Printers Hawaii Inc.	$244,549.65	$48,909.93	$34,240.00
	North Star Scientific	$378,992.64	$75,798.53	$53,060.00
	FCH Enterprises INC	$237,499.74	$47,499.95	$33,250.00
	Manulele Distillers, LLC	$196,176.37	$39,235.27	$27,470.00
	Hawaii Ulu Producers Cooperative	$96,009.65	$19,201.93	$13,450.00
	Big Island Booch Inc.	$300,611.85	$60,122.37	$42,090.00
	Pawniolo Pets LLC	$38,925.09	$7,785.02	$5,450.00
*	Galleon Chocolate Trade Company	$110,628.35	$22,125.67	$5,160.00
	Simonpietri Enterprises LLC	$262,263.71	$52,452.74	$0.00
	Punahele Provisions PBC dba Piko Provisions	$28,233.98	$5,646.80	$0.00
	Hawaiian Host Group	$934,717.31	$100,000.00	$0.00
	Advanced Silicon Carbide Materials, LLC	$160,014.00	$32,002.80	$0.00
	Maui Juice Co.	$12,297.25	$2,459.45	$0.00
	MAUI WINE, LTD	$19,290.00	$3,858.00	$0.00
	Oishii Family Restaurant	$121,727.28	$24,345.46	$0.00
	Mahalo Brewing Co LLC	$15,414.88	$3,082.98	$0.00
	Aloha Shoyu Company, Ltd.	$53,208.00	$10,641.60	$0.00
*	Bear Machinery Inc.	$26,107.24	$5,221.45	$0.00
*	Aloha Cut and Cloth LLC	$65,000.00	$13,000.00	$0.00
	Honolulu Beerworks LLC	$715,576.03	$100,000.00	$0.00
	50th State Poultry	$262,317.04	$52,463.41	$0.00
*	Cookie Corner Hawaii INC.	$86,392.77	$17,278.55	$0.00
*	DWA Consulting LLC - dba Maui Print Works	$67,265.23	$13,453.05	$0.00
	Samurai, Inc.	$75,850.30	$15,170.06	$0.00
	PD Technologies, LLC	$2,641.77	$528.35	$0.00
*	Pacific Mobile Welding and Fabrication	$45,314.62	$9,062.92	$0.00

Hawaii Technology Development Corporation
521 Ala Moana Blvd, Ste 255
Honolulu, Hawai'i 96813
808-539-3806
www.htdc.org

** First-time MAP Awardees*

	Applicant	Total Qualified Expenses	Grant Requested	Committee Recommendation
	IL Gelato LLC	$57,909.00	$11,581.80	$0.00
*	NH Properties, LLC dba Haiku Organic Farm	$15,030.00	$3,006.00	$0.00
	Small Kine Farm	$109,519.46	$21,903.89	$0.00
	JNP Hawaii, LLC	$373,482.09	$74,696.42	$0.00

Total Applications Received	**67**
Total Applications Awarded	26
Total First-time Applicants Awarded	7
Total Company Investment	$10MM
Total Grants Requested	$1.7MM
Total Grants Awarded	$865,660

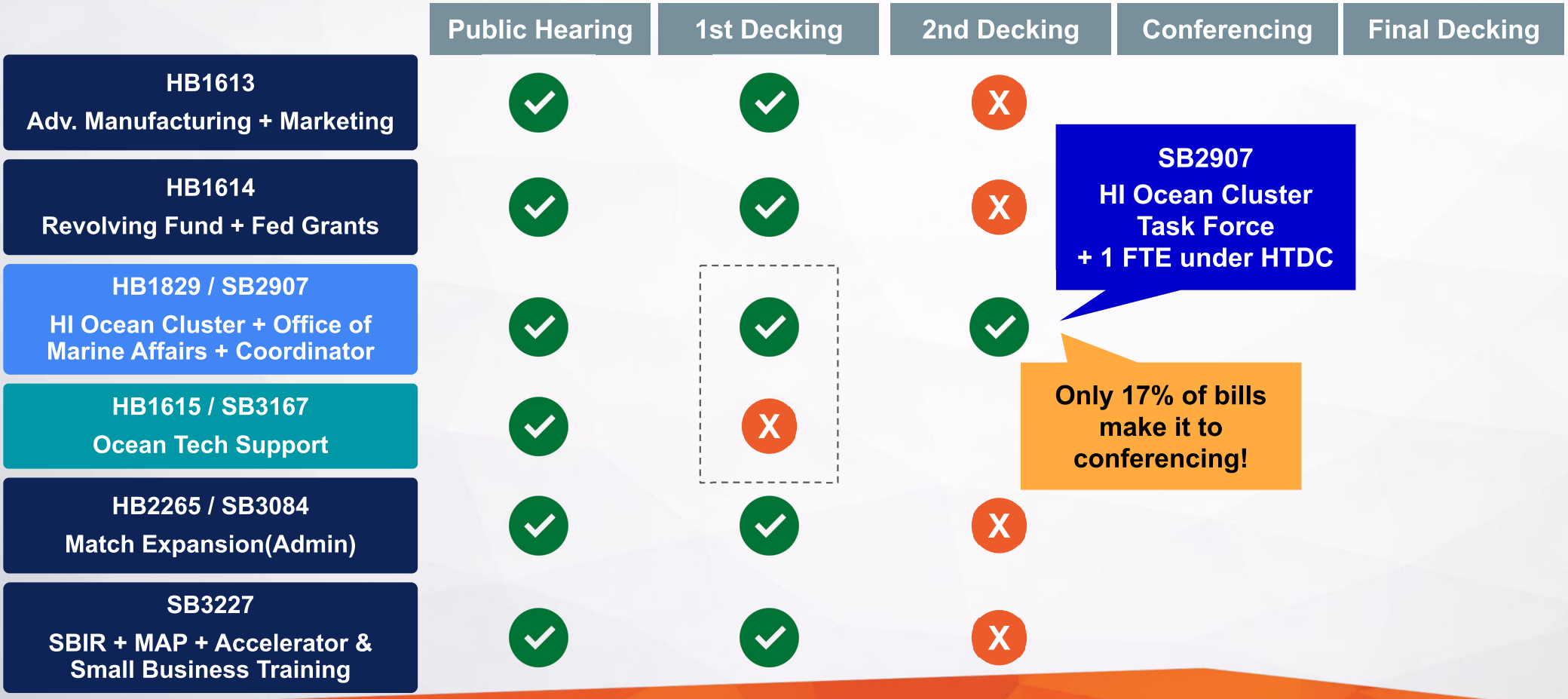
ACTION RECOMMENDED:

Approve

Legislative Update

As of 4/24/2026

HTDC Priority Bills



SB2907 - Summary & Purpose

- Establishes an Office of Marine Affairs under HTDC
- 1 FTE for Marine Affairs Coordinator
- Creates a Task Force to advice the Office(key state agencies, business sector)

- Declares Hawaii as an “ocean cluster,” positioning the state as a global hub for blue economy activities.
- Seeks to leverage Hawaii’s unique geographic, cultural, and technological strengths to drive sustainable ocean-based economic growth, innovation, and job creation.

SB2907- Roles & Responsibilities

The Office of Marine Affairs is tasked with:

- Developing and implementing a statewide marine affairs strategy focused on sustainable resource use, conservation, ecosystem management, fisheries, marine tourism, and logistics.
- Promoting technology-enabled marine industries, including marine biotechnology, autonomous maritime navigation, ocean data systems, and advanced infrastructure.
- Conducting blue economy value chain assessments and identifying regulatory, capital, workforce, and infrastructure barriers.
- Facilitating investment readiness and commercialization of ocean innovation projects.
- Coordinating with public and private stakeholders, and integrating Native Hawaiian knowledge.
- Serving as the state's lead entity for blue economy technological advancement and economic development.
- Reporting annually to the governor and legislature.

Critical Bills

HB1800: State Budget Bill

SB2921: Moving excess special funds into general funds

HB2275: Emergency Appropriation

HB1800

- Moves all programs and positions from General Funds(A) to Revolving Funds(W)
- Takes away 1 FTE admin position and moves to DBEDT(headcount reduced to 11)
- $2.7M -> $3.4M to maintain expected budget ($1M for HSBIR, no MAP or Accelerator)

SB2921

- Transfers excess special funds from accounts into general funds bucket
- Lists our Technology Special Fund and Strategic Development Revolving Fund
- Paired with HB1800, could be devastating to HTDC
- Submitted justification for keeping the funds

HB2275

- Section 6: Appropriates $_____ for HTDC operations
- Not sure if this covers programs only, or does it include positions

Strong chance HTDC will be a very different agency going forward

Differences

- Need to become self-sustaining
- Shift away from subsidizing with grants and tax credits to incentivising with services and infrastructure
- Focus on short term ROI goes up, focus on long term impact goes down
- Federal/Private capital now core to how we will operate

FY27 Budget

Basic Budget

- Focused on reducing burn rate
- Drastic cuts to programs and personnel
- Tactical
- Focused on HTDC survival

Optimistic Budget

- Focused on ensuring impact continues
- Less drastic cuts to programs
- Strategic
- Focused on maintaining momentum

7A

As of 3/31/2026	FY26 Total	FY26 YTD	Details
Receipts			
Carryover Total	$ 7,592,243	$7,592,243	
General Funds Total	$ 4,231,615	$ 1,531,615	program funds released April, 10% holdback confirmed
Special Funds Federal Total	$ 24,118,244	$ 2,786,443	Submit Request in May, target July/August
Other Funds Total	$ 387,700	$ 388,810	Interest from July 2025 just received in March, FEMA paid us directly
Total Receipts	$ 36,329,801	$ 12,299,111	
Disbursements			
General Spend Total	$ 6,346,198	$ 661,149	
Special Spend Total	$29,456,594	$5,564,633	
Operations Spend Total	$369,673	$114,949	
Programs Spend Total	$157,337	$21,844	
Other Entries			
PY Encumbrances	$ -	$ 2,171,918	
Apaman	$ -	$ 36,000	
Total Disbursements	$36,329,801	$6,362,576	