



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

August 27, 2025
Entrepreneurs Sandbox – 2nd Floor Conference Room
643 Ilalo St., Honolulu, HI 96813

Member(s) Present

Craig Nakanishi, Chairperson (Mr. Nakanishi)
Gregory Kim, (Mr. Kim)
Matthew Sullivan, (Mr. Sullivan)
Gregory Uehara, (Mr. Uehara)
Kelly Ueoka, (Mr. Ueoka)
Chad Walton, (Mr. Walton)
Dane Wicker, (Mr. Wicker)

Member(s) Absent

Edward Barnabas, (Mr. Barnabas)
Jaclyn Kaina, (Ms. Kaina)

Guest(s) Present

None

Staff Present

Trung Lam, HTDC Executive Director & CEO
(Mr. Lam)
Stephanie Yuu-Sato, (Ms. Yuu-Sato)

Counsel Present

John Cole, Deputy Attorney General
(Mr. Cole)

Members of the Public Present

Jaymie Nakama – House Finance
Raymond Sin – U.S. Air Force

1. Call to Order, Public Notice Quorum

Meeting called to order at 1:33 PM

2. Roll Call



Mr. Lam conducted a roll call. Present Chair Nakanishi, Mr. Kim, Mr. Sullivan, Mr. Uehara, Mr. Ueoka, Mr. Walton, and Mr. Wicker, noting Mr. Barnabas and Ms. Kaina are absent and have been excused.

Chair introduces Chad Walton, interim Vice President for Research and Innovation for University of Hawai'i while Vassilis Syrmos is interim Provost.

Mr. Walton states he was formerly faculty and medicine across the street while the Entrepreneurs Sandbox was being built and moved over to surgery and was the Director of Trauma of Research for the State, a biomedical engineer by training. In 2012-2013 moved to the Provost Office of Research in Manoa for ten years, in May moved over to Mr. Syrmos' office as his Associate VP and eight weeks later became the Interim Vice President.

3. Approval of Meeting Minutes

Chair requests a motion to approve the March 4, 2025, March 28, 2025, and April 24, 2025 board meeting minutes.

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

Chair asks if there are any comments, revisions, suggestions. None received.

Motion approved, 7/0

4. Welcome new Executive Director

Chair introduces Hawaii Technology Development Corporation (HTDC) Executive Director, Trung Lam and advises he will provide a brief overview.

Mr. Lam thanks the Board and appreciates being hired for this position. Advises that he has been meeting with people across the ecosystem, government, state agencies, private sector, military, universities, politicians, and especially the staff members who have been wonderfully supportive of his new position.

Currently doing a series of eco-system conferences to bring together stakeholders to talk about what the tech sectors are like in Hawai'i and met with the staff to see what concerns and expectations were. Session one there were 53 attendees talking about the

whole field, builders what is going on, where are the gaps, while session two had 62 attendees talking more about the challenges and tech niches.

Number one goal from the Board was to come up with a Strategy. Brainstormed and came up with a framework with four levels, Internal Strategy as to what HTDC needs to do, Ecosystem Field Level, Strategy as it relates to specific technology sector, Strategy to those specific Tech Niche.

Mr. Lam continues to advise that HTDC supports a few organizations through our work such as Honolulu Tech Week taking place September 8-14 and University of Hawai'i (UH) and their series of events, Tech Days of Fall that is supported through news coverage.

Mr. Uehara asks if there are summaries of those meetings that he had.

Mr. Lam advises that he does but it is rough but will provide them.

Chair requests that these are included in the next board packet.

5. Discussion of HTDC Programs

Mr. Lam briefs about the three programs funded by the state, Small Business Innovation Research (SBIR), Manufacturing Assistance Program (MAP), and Accelerator. Previous years we had \$500,000 continuously funded for the SBIR Phase 0 and Phase I, explaining that SBIR is a federal program where it is called America's seed fund. The federal government puts out proposals where any company can apply and the state has a matching program. Phase 0 and I helps companies at the application phase and when they win their first award which somewhere between \$150,000 for a Phase I, the State provides a matching grant up to 15%. Phase II and Phase III is to support these companies move towards commercialization. The award size gets bigger as there are more requirements to fulfill the contract. We have the general fund for Phase 0 and Phase I and the special fund for Phase II and Phase III.

Chair asks to clarify that the SBIR applicants have been previously approved for federal funds and then we just match.

Mr. Lam confirms that they must have won the federal SBIR award before they can apply for the state.



Mr. Lam continues to describe the MAP Program as a rebate grant where up to 20% of any equipment or training costs that a company has. Hawai'i does a lot of manufacturing, mostly food but highlighting this program as previously we had \$2 million, this year \$1 million and was on the Governor's list to veto for fiscal year 2027. There will be no funding for next year as of right now.

Mr. Wicker asks what the status of the federal program.

Mr. Lam advises MEP, Manufacturing Extension Partnership supported by federal dollars to support manufacturing, which HTDC is the MEP for the state, as every state has one. We were up for renewal in April and at the time we were advised our MEP would not be renewed. As of now NIST MEP (National Institute for Standards Technology – Manufacturing Extension Partnership), the agency that manages all MEP agencies, has been meeting with legislators and congress to discuss the contracts. Nothing is set yet but the impression that we are getting is that we will be renewed as other states ahead of us have been renewed.

Chair asks to clarify renewed till April 2026 or 2027.

Mr. Lam confirms April 2026 as it is an annual renewal. Continues to clarify in past years because it was a continuing program there was no issue with it being continued but with current administration there is no clear answer if it will go past April.

Mr. Sullivan asks if the current extension still expires on September 30, 2025.

Mr. Lam confirms and advises other states have received their renewal notification and believes it is just a matter of waiting for the paperwork. Hopefully notification will be received by September 30th but it is on his to do list to reach out to congress.

Mr. Wicker asks if the Federal government is looking restructuring for any specific type of manufacturing as he has heard that they might be looking towards advanced manufacturing.

Mr. Lam cannot confirm but agrees that advanced manufacturing is a focal point and a possibility the program may be shifting departments towards SBA going forward.

Mr. Wicker asks if any of the federal dollars are used towards the grant awards.



Mr. Lam advises that it is used towards administrative, operations, plus programming but not grants. We can do training, hire contractors, support local manufacturing but not provide grants.

Chair request Mr. Lam to work with Mr. Wicker due to the timing of legislative session funding and federal funding and we would need a portion of state funds should the renewal not take place.

Mr. Wicker and Mr. Lam confirm that they were working under the assumption that the renewal was not going to take place with the first notice. Adjustments were made at the DBEDT level, unfortunately three staff were loss. If NIST MEP went away and the state wants to continue to fund MAP grants the current staff on hand would have to administer the program.

Mr. Lam continues to advise there is still one position still funded through NIST MEP so if we do not get renewed past April we would need to figure out how to keep that head count.

Chair suggest at the next meeting it would be helpful to provide which programs are funded by the state or federal.

Mr. Wicker suggests having a column showing state, federal fund, notes dollar to dollar match (equity).

Mr. Walton confirms that it is an annual renewal but is there also a competitive renewal for the entire program?

Mr. Lam responds that it is ten year renewal and we are currently in year nine. We would have to recompetete to be the MEP.

Mr. Lam moves on to the Accelerator program which is a state funded program to provide grants to accelerators providing work in Hawai'i, Blue Startups that is a regular accelerator, defense accelerators, ocean accelerators, all different accelerators but it has been vetoed for FY2027.

Chair asks if this matching a program or a pure state.



Mr. Lam advises this is a pure state passthrough, but applicants are required to bring matching dollars but it doesn't have to be from the federal government it can be any matching dollar (not state or city).

Chair request to include that in the chart.

Mr. Lam advises the following receives funding through federal. HiCap is the SSBCI program that received a big chunk of money that is split between equity funding and debt funding. HTDC manages the equity portion while HGIA manages the loan portion.

Chair intervenes and advises that HTDC is responsible for both.

Mr. Lam understands but will discuss the equity portion today. Tranche 2 is the \$20 million which \$5 million remains. Once the money is deployed it is deployed and we have to wait for returns in terms of exits. All of Tranche 3 will go to HGIA to put out loans. We have some applications and are looking to have the remaining \$5 million deployed by the end of fiscal year.

MEP which was previously discussed receives \$700,000 annually but question mark if that will be renewed past April.

HCATT is the hydrogen and microgrid group, there is \$2.2 million remaining in their contract. It was set to expire this November but received a two year extension to spend the \$2.2 million.

Mr. Sullivan asks in the report it states that they were awarded \$1.67 million does that include or subtract from the \$2.2 amount.

Mr. Lam advises that there is \$2.2 remaining.

Mr. Wickers advises that Geothermal was an appropriation by the Legislature and we entered into a MOA with UH. UH would have details if there are any administrative costs.

Chair asks when the biennium budget comes out.



Mr. Wicker advises we will be in the supplemental budget for this fiscal year 2027. Calendar year 2027 will be the start of the biannual. Anything new he suggests holding off for the new biennium year.

Chair advises we have a year or less to prepare.

Mr. Wicker states that you have exactly one year to work on the budget for the fiscal biennium. Currently they are working on the bill drafts, budget and finance has not provided guidance but historically the budget is due by September.

Chair requests to sustain this year and hold off any new requests.

Mr. Sullivan asks about the facilities and if any of them are bringing in income.

Mr. Lam states that the Sandbox had its first quarter that it turned a profit while Maui makes money.

Chair suggests providing a list of other things that HTDC does in its entirety. Programs that we offer, facilities, sponsorships having a dashboard ready.

Mr. Wicker states we have two assets that create revenue but how do we use that towards our mission. How to build upon and invest in your tech vision-hard assets or programming. Look at revenue bonds and the current facilities, Sandbox or Maui to use those revenues to float those bonds to expand the tech portfolio.

Mr. Uehara asks about the Accelerator program, Blue Startups and they have exits but what is the structure is there if any for HTDC to receive money back.

Mr. Lam advises the Accelerator funding is not a two-way vehicle but the HiCap money is. So BlueStartups has their Blue Fund I, II, III and IV and SSBCI 2 and SSBCI 1 were investors in that program. We are still trying to track down all the investments.

Mr. Wicker asks who determines that it is not a two-way? We should explore the Accelerator program and how we can get equity if the state is giving us funds and leverage funds. If it is just the bylaws we should look into changing that.

Chair asks about sponsorships and what we get out of the sponsorships.



Mr. Lam advises there is a stronger need for sponsorships than we currently do. There are so many asks for so many amazing programs that we do but we are restricted by our current budget. We are still looking at our FY26 financials. With sponsorships we get an ecosystem that is more aligned, works better together, and communication.

Mr. Kim states that he attended the Made In Hawaii and it was great. He always wonders why we sponsor that because he does not see tech there and maybe we move some of that money elsewhere.

Mr. Wicker advises that Hawaii Made falls under Business Development Support Division (BDSD). Continues to point out that sponsorships should be under tax credits or under part of a strategic plan. Due to the success with the amount of vendors and attendees of the Made in Hawaii it should be weaned off. Also look at the MEP Program, who are awarded and what they apply for, is it true manufacturing.

Mr. Lam advises the Made in Hawaii sponsorship was originally for a booth for Hawaiian Host as they invested \$12 million in automation robotics. They were to showcase their products and robotics but unfortunately could not commit to the time. The backup was a SBIR awardee to showcase aquaculture-limu. Since that alone would not be a strong draw, we brought in Farm Link Hawaii to share the booth.

6. Budget

Mr. Lam reviews the FY2024-2025 budget that ended in June advising half of \$10.5 million has been disbursed while the remaining has been encumbered. Current budget for FY2025-2026 with a 10% hold back restriction from the Governor. We start off with \$5 million but that is already appropriated to companies, should we want to do marketing, or consultants or focus on tech niches we have a net loss as we do not have money allocated for anything beyond those programs shown previously.

Chair advises that the Board needs to approve the HTDC budget so at the next meeting a detailed budget will be needed for the Fiscal Year 2026. Also requests a final Fiscal Year 2025 actual close.

7. Hawai'i Technology Development Corporation (HTDC) Executive Director Update and Status



Mr. Lam updates the Board on HTDC goals advising these are wish lists for things we would want in Hawai'i grow our economy, workforce, capital, great incentive from the government, solid infrastructure. He explains to obtain this is to create a flywheel effect, where all the sectors or pillars support each other, and the economy is growing. The fields are the organizations, public and private sectors, working together to grow the pillars. The Field Catalyst is what is missing, the organization that makes the field work better together. He would like HTDC to become the Field Catalyst.

Chair asks what happens to the current programs.

Mr. Lam advises that the programs may have to shift and change to adjust. The Accelerator and MAP Programs are field programs, we just need to shape them so their goals support the pillars.

Continues stating with our mission statement why we want to build tech, impact beyond the island and local people prosper. To do these some goals are to build trust in HTDC and an understanding of a field catalyst become the center of the ecosystem. Focus the budget and concentrate on where to spend our resources, start making profit and start returning capital to the organization to grow. The strategic plan will need to be nimble and responsive to the rapidly changing landscape and the diversifying resources for the corporation. We cannot keep going back to the state for funding, if we have ideas we should pursue, to the private and philanthropic sector for our work.

Chair requests for a draft strategic plan. Reach out to members and put something together.

Mr. Wicker advises that the Office of Planning is tasked with an overall state plan but is unsure if they hold conversations with all programs, suggesting providing a framework, not a perfect plan. Address what the industry needs, the state's plan for technology, risks the private sector will not take on. As you run those sessions and listen to the industries, find those drop offs and using our powers-tools, how do you address, how do you fix.

Mr. Lam states his number one goal is to build trust due to HTDC not having an ED for some time. Reminding the ecosystem of all the good work that HTDC does.

Continues to provide a glimpse into his strategy, what to focus on due to lack of funding. Focusing on \$20 billion GDP (gross domestic product), what tourism provides the state, Hawai'i advantage is something that we can offer that other places cannot offer. Strong

demand, making sure that what we want to do there is a customer out there that wants it and willing to pay for it. High paying jobs, the jobs in Hawai'i are not sustainable to live in Hawai'i as 40% of the people live at or below the ALICE (Asset Limited, Income Constrained, Employed) threshold. Lead boldly, what can we do that we can actually lead in the Pacific in ten years. Sectors we are currently exploring are aerospace, cybersecurity, energy, health, ocean and travel and hospitality as we are trying to diversify away from tourism but we should do tech in those two as well.

Chair suggests not diversifying away from tourism but making it more efficient. Build more products in more countries, build more exports.

Mr. Wicker states with the tourism industry it is not diversifying away but adding other sectors on top of tourism. Leverage those dollars to fund other areas we want to diversify which will help stabilize through natural disasters, pandemics. DBEDT's primary is export, whether it is having someone buying online or in person as long as it is made in Hawaii.

Mentions Black Fire Innovation in Las Vegas, visitor industry is their number one, 6,000 rooms in their inventory. Using various technology from applications software to ways of doing renovations of rooms as loss of one room is loss revenue.

Mr. Kim advises VC (Venture Capital) will assemble sectors/groups to discuss problems in order to solve.

Chair provides an example, Korea created a health industry, obtain surgery and they will put you in a hotel, while we have rail that just sits there. The issue with the rail is the last mile. If you can solve the last mile..if people ride the rail, get off the rail and have a vehicle waiting to take them to their destination you would have more riders.

Mr. Sullivan asks what is the plan to delve into the sectors.

Mr. Lam advises this is where he would need the help of the community. Where do organizations prioritize, listening, boots on the ground.

Mr. Uehara agrees with Mr. Kim and states that bringing in groups and having discussions.



Mr. Wicker states energy and ocean, work with the State Energy Office as they do analysis, once they are done who does the plan and implementation which is HTDC's role. Partner with NELHA for ocean and leverage their assets. Aerospace, ground is being made, infrastructure and facilities, we can use HTDC's powers and own those assets, invests in infrastructure and take the risk away from private companies so that they are able to establish themselves here.

Mr. Lam states the reason why people should give us money, the real advantage is our culture. In the flywheel, there is momentum which is moved by money but what happens when there is no money to be made. That model will not succeed in Hawai'i, something else needs to drive the flywheel.

Mr. Walton questions the statement we can invest in one area but look at different sectors. Did not see advanced manufacturing or AI as that is cross cutting, standing multiple industries on its back.

Mr. Lam calls the cross cutting, horizontals. Energy cross cuts, defense sector, AI, advanced manufacturing cross cuts and left it out as did not want to spend all his time discussing. Understand where each one is at and the ones that are moving quickly focus on all the while keep an eye on the other ones.

Chair advises that culture takes time and suggests for the next meeting, how you have goals, metrics, strategic plan update, to capture the progress in those things.

Mr. Lam advises we will need to talk to companies in these sectors and figure out who will commit to participate. HTDC has a survey who has received grants, but he wants to do an overall survey for how we are doing. Metrics for funding opportunities and asks if there are any other metrics the Board may want.

Mr. Wicker, Mr. Sullivan, Mr. Kim and Mr. Uehara discuss without knowing what Mr. Lam's vision is for HTDC that after he meets with industries and provides the strategic plan, metrics will then be able to be requested.

8. Legislative Plan for 2026 Session

Mr. Lam advises HTDC has one ask through DBEDT in the Governor's appropriation, for a policy change in the SBIR funding to have more flexibility, to serve as any matching federal R&D funding grant that requires a matching grant.

Mr. Wicker states that it would be a statute change, the \$1 million they receive from the State goes towards applicants that received the federal SBIR specifically. In the event there is a surplus of money the change would allow to award any applicant that received a federal grant.

9. Role of Board and Executive Director

Chair advises this will not be discussed today due to lack of timing.

10. Hawai'i Technology Development Corporation (HTDC) Executive Director's Report

Chair would like to discuss item E, Geothermal

Mr. Wicker updates that the legislature provided an appropriation to HTDC in 2024 session. Worked with UH to come up with a roadmap and found with geothermal the state needed to reduce the risks in finding the resources. Roadmap included phase 4, subsurface exploration, surface exploration, phase 3 analysis and geospatial studies, prior to that community engagement prior to that set up framework. The report shows that the \$3 million went to setting up the framework and community engagement. If we were to go to Phase 4 it would total \$24 million including the \$3 received. Hawai'i State Energy office has their own consulting team working exploration. They received a federal grant from U.S. Department of Energy and are looking at Hawaii Island, Maui and Oahu. HTDC with this funding, NELHA with their statutory powers mentions geothermal and the other department outside of DBEDT is DHHL. A discussion will need to happen as to who is the pinpoint agency as well as policy calls on the shares of the revenue that will happen thru the WAM (Ways and Means) hearing.

Mr. Wicker clarifies why geothermal is within DBEDT. Manufacturing, made in Hawaii that is all value add. Advanced manufacturing in Hawaii Community College just opened their facility by the navy, Schofield has advanced manufacturing, Hawaiian Host has robotics, and you ask how all this is being powered, you need to stabilize energy it's firm and resilient.

Chair states that geothermal was big back in the early 80's starting in the Big Island but if you want AI and those big data facilities you would need firm reliable power and renewable energy, geothermal is perfect.

Mr. Ueoka states that Microsoft evaluated Hawaii as a hyperscale location, and it was a non-starter as the power was too much (kilowatt cost).



Mr. Lam updates on the facilities stating that HTDC has reorganized and reduced their offices. One at Foreign Trade Zone and one at the Entrepreneurs Sandbox. Both facilities are at capacity.

Mr. Wicker asks that we are familiar with the tenants but asks for future reference as an information item as there is a new tenant that could be a game changer for the space force.

11. Announcements

Chair would like to schedule monthly meetings, third Wednesday of the month 1:30 pm – 3:30 pm and if the meeting is not needed it will be cancelled.

12. Adjournment

Chair requests a motion to adjourn.

Motion to adjourn made by Mr. Wicker / Second by Mr. Sullivan

Meeting adjourned at 3:23

Respectfully submitted,
Stephanie Yuu-Sato
Acting Board Secretary



Posted on 09/26/25 @ 11:42 am

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