



**Hawaii Technology
Development
Corporation**

HTDC Board Meeting

October 14, 2026

Agenda

- 1 **General Strategic Plan**
- 2 **Ocean Tech Strategy**
- 3 **Op Plan**

WELCOME

Manny Edmondson
Executive Vice President and
Chief Technology Officer @
Central Pacific Bank



As a reminder, over the past year, we've conducted an extensive strategic planning process including stakeholder input and desk research, culminating in our 5-year strategic roadmap, **Catalyze Hawai'i**.



Stakeholder Feedback

5+

Convenings

450

Attendees

80

Unique Organizations



Desk Research

Looking at other pre-existing state, national and global plans such as **COC 2030 Blueprint, Hawai'i CEDS, UHERO Reports**

Looking at case studies such in cities like Tulsa, NYC, San Diego, Puerto Rico, Iceland, and more

During our last board meeting, we began to share and collect feedback on ***Catalyze Hawai'i***. This included a new mission and vision for HTDC.

Vision

A future where Hawai'i's technology sector drives global change and local prosperity.

In this future, Hawai'i is a world-renowned center of excellence in breakthrough technologies related to ocean and space, demonstrating that a small island state, guided by indigenous values, can pioneer solutions to humanity's greatest challenges. Hawai'i is seen as a place where technology companies and innovations are often deeply rooted in local ownership, ensuring prosperity circulates within our communities and provides pathways for residents to thrive in Hawai'i.

Mission

To make Hawai'i the leading technology innovation hub in the Pacific.

HTDC advances this mission by working with partners to deploy strategies that attract innovative technology companies to Hawai'i and help local companies grow, scale, and succeed.

Our strategy also identified a focus in **ocean, space, and advanced manufacturing** that we believe provide Hawai'i a lasting competitive advantage.



Ocean

Technologies that support the sustainable use, monitoring, protection, and commercialization of ocean and marine resources.



Space

Technologies that enable activities in space and leverage satellite, launch, and aerospace capabilities to solve challenges on Earth and beyond.



Advanced Manufacturing

The use of innovative technologies, automation, digital tools, and advanced production processes to design, make, and scale high-value products more efficiently, competitively, and sustainably.

As well as the following **five strategic goals**. HTDC will: serve as a backbone organization, build key infrastructure, embed regenerative wealth into its economic development, improve the innovation pipeline, and build an industry-led workforce.

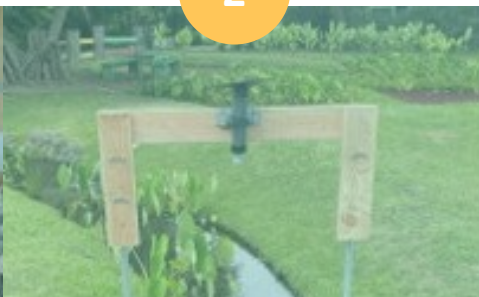
1



Serve as an Ecosystem Backbone

Invest in Hawai'i's intangible infrastructure by increasing coordination, data, and funding for ecosystem builders.

2



Embed Regenerative Wealth

Embed regenerative economic development into HTDC's work by developing shared frameworks and creating financial tools for wealth reinvestment.

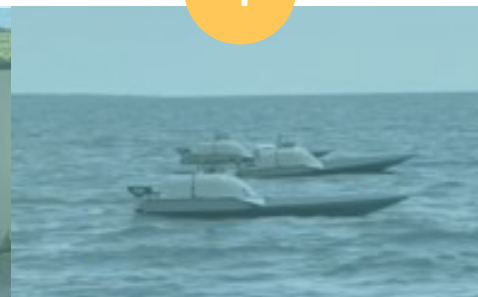
3



Develop Physical Infrastructure

Develop the necessary infrastructure for companies to co-work, manufacture, prototype, and pilot technologies.

4



Strengthen the Innovation Pipeline

Strengthen Hawai'i's innovation pipeline by increasing startup formation, accelerating company growth, attracting companies to Hawai'i.

5



Build an Industry-Led Workforce

Accelerate the development of high-skill workers that meet the demand of industry

Based on our initial share out, we noted the following high-level feedback:

Your Feedback

Our Response

1

Why did the mission and vision get updated?



Providing some context and explanation today

2

Why aren't we focusing more on AI?



We added AI as a horizontal focus to the strategy

3

The goals seem too vague...what does sector level implementation look like?



We are presenting our ocean-specific strategy today

4

So, what are we doing now? What will this plan cost to implement? Is it feasible?



We will be presenting our operation plan today, and are continuing to work on the 5-year version

RESPONDING TO YOUR FEEDBACK

Why did the mission and vision get updated?

Last year, as we began our stakeholder feedback sessions, we quickly realized that HTDC's current mission and vision didn't encompass the desires of the community.

In response to the prompt...

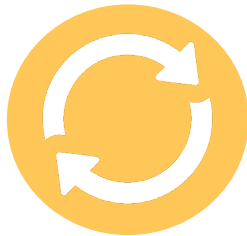
"In your ideal world, what does Hawai'i's future tech economy look like?"



Prosperity



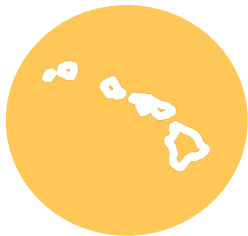
Focus Sectors



Regeneration



Exports



Indigeneity

In response to the prompt...

"And how do we go about achieving that future?"



Build, Scale, Attract



Partnership

Using this community input, we co-created a new vision that builds upon our previous vision, while incorporating these additional values.

Old Vision

Creating a thriving economy fueled by technology.



Prosperity



Regeneration



Indigeneity



Focus Sectors



Exports

New Vision

A future where Hawai'i's technology sector drives global change and local prosperity.

In this future, Hawai'i is a world-renowned center of excellence in breakthrough technologies related to ocean and space, demonstrating that a small island state, guided by indigenous values, can pioneer solutions to humanity's greatest challenges. Hawai'i is seen as a place where technology companies and innovations are often deeply rooted in local ownership, ensuring prosperity circulates within our communities and provides pathways for residents to thrive in Hawai'i.



Prosperity



Focus Sectors



Regeneration



Exports



Indigeneity

We then incorporated their feedback to create a new mission that better encompasses our evolving role as an agency.

Old Mission

Driving innovation and technology-based economic development in Hawai'i.



Build, Scale, Attract



Partnership

New Mission

To make Hawai'i the leading technology innovation hub in the Pacific.

HTDC advances this mission by **working with partners** to deploy strategies that **attract** innovative technology companies to Hawai'i and help local companies **grow, scale, and succeed**.



Build, Scale, Attract



Partnership

Opportunity for Feedback

Is the board supportive of these updates to the mission and vision?

RESPONDING TO YOUR FEEDBACK

How are we incorporating AI into the strategy?

In response to your concerns around not including AI more prominently into our strategy, we've decided to add AI as a horizontal focus capability alongside AM.



Ocean

Technologies that support the sustainable use, monitoring, protection, and commercialization of ocean and marine resources.



Space

Technologies that enable activities in space and leverage satellite, launch, and aerospace capabilities to solve challenges on Earth and beyond.



Artificial Intelligence (AI)

Technologies that create, develop, and apply computer systems that can perform tasks requiring human intelligence, such as learning, reasoning, problem-solving, and content creation



Advanced Manufacturing (AM)

The use of innovative technologies, automation, digital tools, and advanced production processes to design, make, and scale high-value products more efficiently, competitively, and sustainably.

With that said, the topic of AI is broad, complex, and quickly changing.

1

Infrastructure

What infrastructure do we need to build (ie data centers, energy) to enable AI?

2

Job Loss Mitigation

How do we prepare our workforce for the inevitable job losses from AI?

3

Business Growth

What are interesting economic growth opportunities that Hawai'i can capture with AI?

4

Ethics

How must AI be regulated?

5

Integration

How can we best AI-enable local government and businesses to make them more efficient?

Recognizing our agency's capacity limits, we believe HTDC's role over the next five years should be that of a trusted knowledge hub across these various AI topic areas.

HTDC's Role: Help legislators come to an informed opinion on AI

HTDC will synthesize leading research from reputable sources on AI's implications for Hawai'i.*

*HTDC will identify where additional local research or analysis is needed and help convene the partners and resources necessary to fill those gaps.

Examples

“The 2026 US Talent Report: Benchmarking America's STEM Pipeline Amid the Great Talent Competition” (Stanford HAI)



“Hawaii Talent Report: Benchmarking Hawaii's STEM Pipeline Amid the Great Talent Competition”

Making Local Law Legible: LLM-Assisted Detection of Discrimination (Stanford HA)



“How Hawaii legislators can use AI to detect discrimination in their bills”

Opportunity for Feedback

Are we missing a category of focus? Does HTDC's role seem appropriate?

RESPONDING TO YOUR FEEDBACK

Your general strategy seems too vague; what does sector specific implementation look like?



We understand your concerns – our general strategy is meant to provide the **umbrella framework**, under which we have sector-specific strategies for implementation. We have already started this process and are excited to share ***Catalyze Ocean*** today.

Catalyze Hawaii

HTDC’s overarching strategy that lays out our organization’s mission and vision, theory of change, sector focus areas, as well as sector-agnostic goals and frameworks.

Catalyze Ocean HTDC’s strategy for growing Hawai’i’s ocean tech niche Status: Almost done Expected launch EOY 2026	Catalyze AM Strategy for growing Hawai’i’s advanced manufacturing infra Status: Early stages Expected launch EOY 2027	Catalyze Space Strategy for growing Hawai’i’s space niche Status: Early stages Expected launch EOY 2027	Catalyze AI Strategy to support the growth and regulation of AI Status: Not started Target completion TBD
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Catalyze Ocean

Capturing the \$3T global ocean opportunity



Our Vision

Create a thriving ocean innovation cluster to position Hawai'i as a global leader in the sustainable blue economy

Our Mission

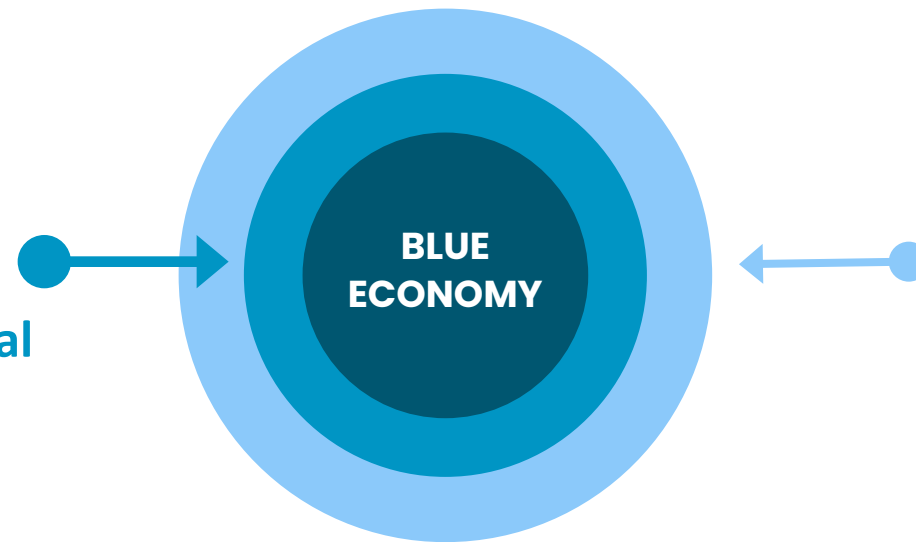
Grow, scale, and attract world-class ocean tech companies to Hawai'i.



First, getting aligned on key terms, we define the **blue economy** as any economic activity touching the ocean. The ocean tech economy builds upon traditional blue economy industries with technology.

Traditional Blue Economy

Marine Fisheries and
Aquaculture • Maritime
Transport and Logistics • Coastal
and Marine Tourism



Ocean Tech Sector

Ocean Data • Biotechnology
• Additive Materials •
Marine Renewable Energy •
Decarbonization • Robotics



The blue economy is rapidly growing and is expected to reach ~\$3T by 2030. Hawai'i already has a strong local blue economy sector with the potential to be a global leader.

2.5x

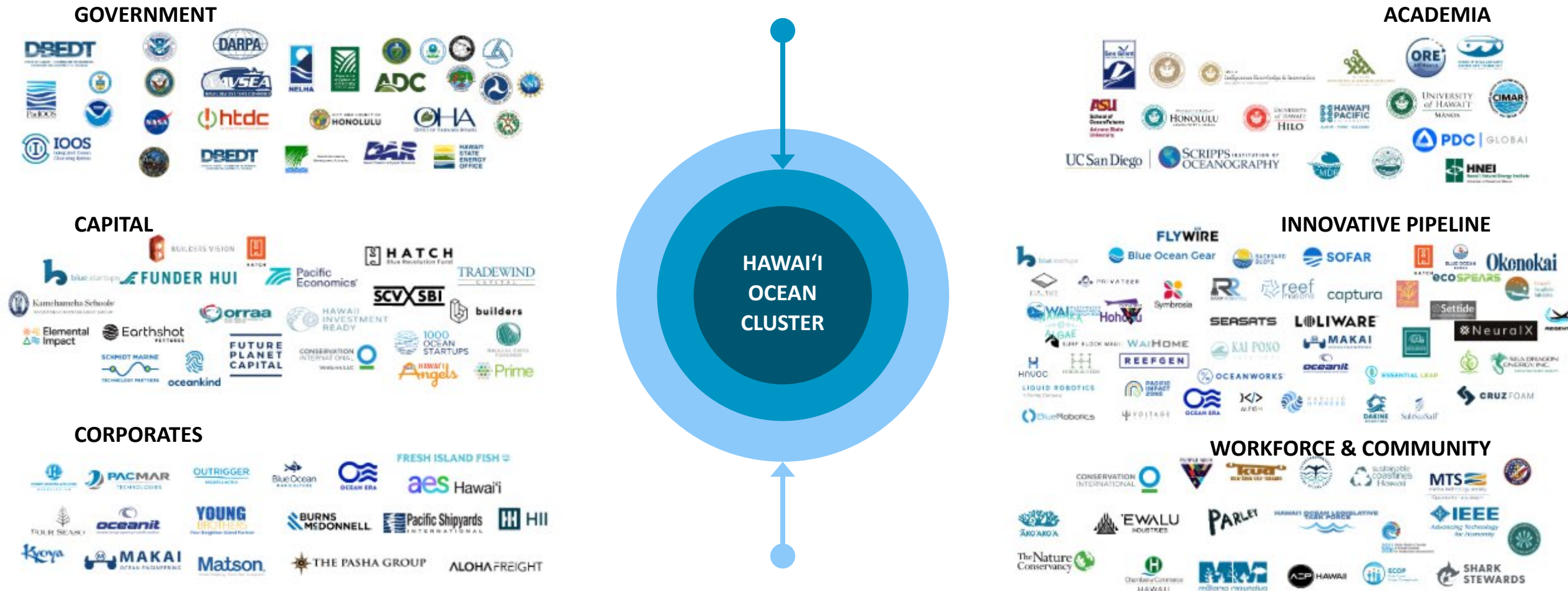
Global Blue Economy Growth
Rate vs. Rest of Economy

\$10B

Hawai'i's Current Blue Economy
Size

In fact, when we mapped our local blue economy, we see a strong clustering of organizations across government, academia, capital, innovation pipeline, corporates, and workforce

Sustainable Fishing • Aquaculture • Tourism & Recreation • Boat/Ship Building • Maritime Logistics • Marine Transportation • Research



Biotechnology • Ocean Data • Coastal Infrastructure • Renewable Energy • Marine-Based Animal Feed • Marine Pharmaceuticals

***This is non-exhaustive.*



Based on stakeholder feedback, global and local market data, and existing assets, we’ve identified the following “traditional blue economy” and “ocean tech sector” focus areas for Hawai‘i.



Coastal Resiliency

~\$725B

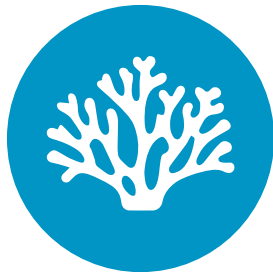
Shoreline Management
and Ecosystem Services



Maritime

~\$1T

Marine Transportation,
Logistics, and Supply Chains



Blue Foods

~\$203B

Aquaculture, Fisheries, Value-Add,
Micro/Macro-Algae Applications

~\$8B
**Ocean Sensing,
Data, AI**

~\$5B
**Robotics and Autonomous
Systems**

~\$77B
Marine Energy
(e.g., Biofuels, Wave Energy)

~\$38B
**Advanced
Manufacturing**

Source: [Ocean finance for the sustainable ocean economy](#). High Level Panel for a Sustainable Ocean Economy. 2025.



In practice, this means growing, scaling, and attracting companies like Hohonu, a flood sensor startup, or Havoc, an autonomous boat startup, to Hawai'i.



Hohonu | Sensors and data analysis for flood monitoring

Came out of UH and based in Hawai'i

\$4.17M raised to date

~9 staff (Data Engineer, Coastal Geologist, Hardware)

Scaled to 18 states across the US



Havoc | Autonomous boats

Founded in Rhode Island, opened Hawai'i office ~3 years ago

\$100M Series A

~5 staff in Hawai'i, 4 kamaaina, 3 UH grads (BD, Engineer, Operations), ~\$150K salary

PACOM + Pacific testing conditions



We have a 5-pronged strategy to grow Hawai‘i’s tech economy, which directly align with HTDC’s overarching strategic goals.

01

Hawai‘i as a
Pacific Ocean Cluster

02

Regenerative
Blue Economy

03

Statewide Ocean
Testbed and Manufacturing
Network

Why

Our ecosystem lacks the clarity, alignment, data, and funding needed to achieve large-scale change.

The community is fed up with extractive development. Local ocean tech companies must create broadly shared benefits

Hawai‘i has globally unique ocean-access for testing ocean technologies, but we lack the right infrastructure, and permitting is a headache

Goal

Serve as the backbone of Hawai‘i’s ocean innovation cluster with **150+ participating organizations** in the Ocean Hui and Marine Affairs Board working together to grow the ocean tech economy.

A Hawai‘i-specific regenerative blue economy framework, demonstrated through **20+ companies** adopting and advancing regenerative practices.

A statewide manufacturing and testbed network with **4+ operating testbed sites**, a pilot advanced manufacturing location, and a permanent **O‘ahu-based Blue Economy Center**.



We believe this strategy will create a self-reinforcing cycle of growth for our state's ocean cluster.

04

Thriving Ocean Innovation Pipeline

05

Workforce: Nextgen Ocean Talent

Why

We don't have a clear pathway for startups to grow and succeed in Hawai'i

Hawai'i has globally competitive ocean programs at UH and HPU, but lacks career pathways for multi-disciplinary ocean tech careers

Goal

A stronger ocean innovation pipeline with an **accelerator supporting 5–6 ocean technology companies annually**, at least **1 annual innovation challenge(s)** hosted by local state or corporate organizations, at least **1 annual JIP, 5+ peer-to-peer partnerships** with other established ocean clusters

Clear pathways into blue economy careers, supported by **10+ committed industry partners, 3+ coordinated workforce programs**, and a dedicated blue jobs platform.



1. Socialize HTDC's "field catalyst" strategy
2. Introduce the concept of an "Ocean Innovation Hui"
3. Lay the foundations of a 5-Year Ocean Tech Strategic Plan for Hawai'i

90+ Member Ocean Innovation Hui



Q34 Advanced Manufacturing

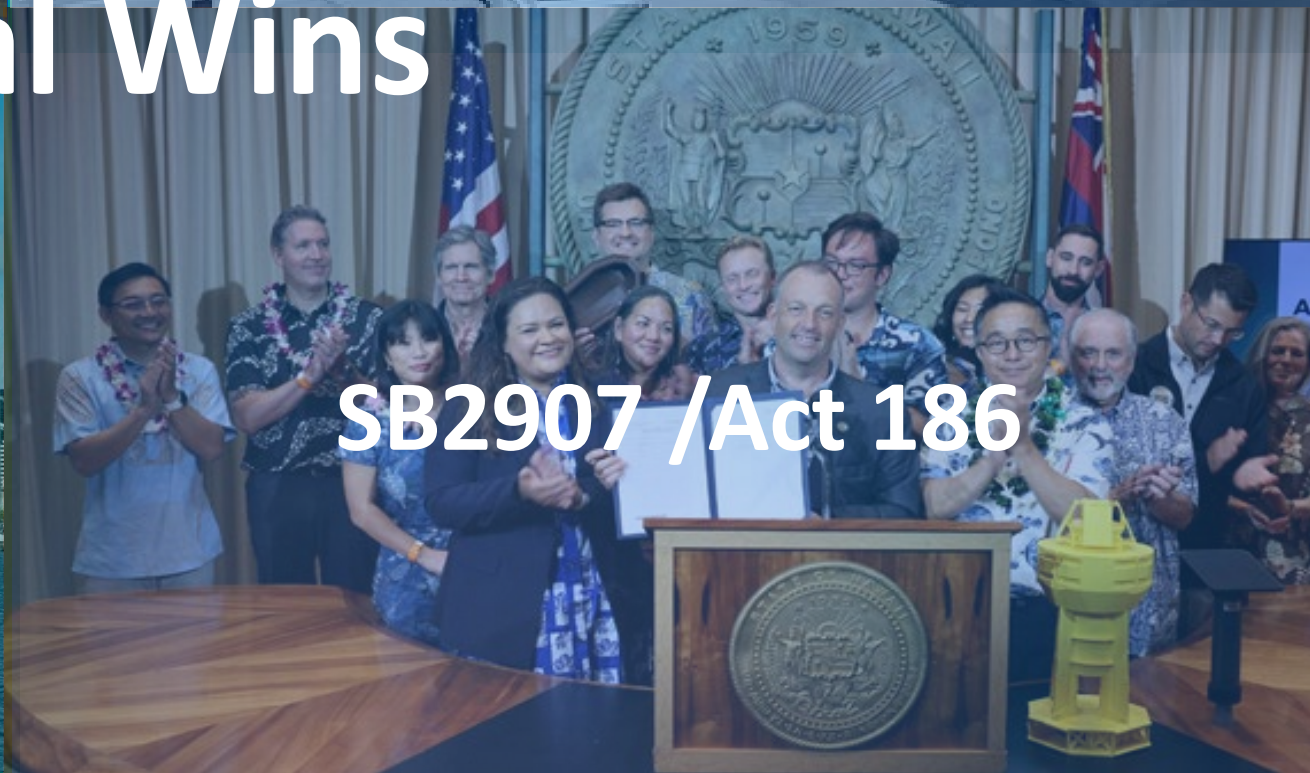


Initial Wins

Partnership with Port of SD

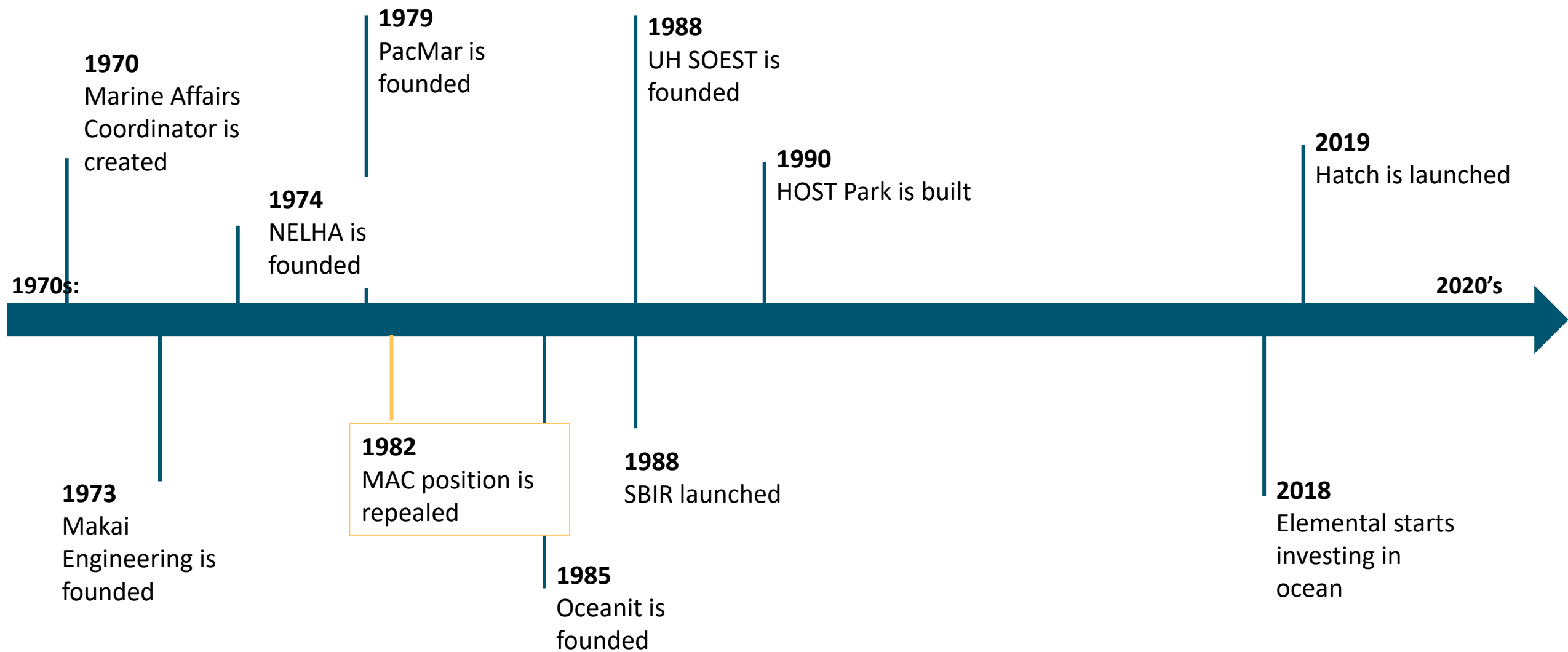


SB2907 /Act 186





But this idea isn't new: Hawai'i has tried using the cluster model to grow our blue economy before, with promising but limited results.



Though there have been meaningful wins, we haven't maintained far-reaching impact, or long-standing momentum. This time, we're learning from our former mistakes, and building on wins, to achieve state-wide moonshot economic growth

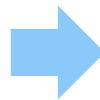
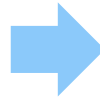
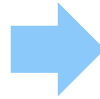
Initial Challenges

Coordination and “big picture” thinking rested on one person, and the position was tied to political whims

Strong focus on university and research capabilities, not enough investment in economic development

One-off investments (e.g., SBIR, HOST Park) led to big cliffs for companies

Initial large investments happened on outer islands, increasingly high barriers, legislature and community lost patience



Learnings and Solutions

HTDC as a stable backbone for the cluster, paired with clear governance bodies (Hui, MAB) to carry on the work

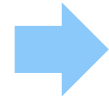
Strategy with a core focus for building, scaling, and attracting companies through infrastructure and programmatic supports

Creating holistic end-to-end pipeline of supports for companies, where each program builds into another

A strategy where initial wins are on Oahu where critical mass of companies and talent are located, and visibility is high



Our strategy will help us start, scale, and attract companies to grow the blue economy



Meaningful **increase in GDP**, circulating wealth equitably across the community



High-wage, values-aligned, meaningful **careers** accessible by local residents



Mitigate ocean-related challenges faced by agencies and corporations, reducing significant long-term potential costs



An established brand in the Pacific as ocean leaders and innovators

Opportunity for Feedback

Now that you've seen what a sector specific strategy looks like in practice, are you okay to move forward with a **general overarching strategy** in tandem with **sector specific strategies** released separately? What feedback or questions do you have for our ocean tech strategy?

RESPONDING TO YOUR FEEDBACK

What are we doing now? How are we paying for this? Is this plan feasible?

FY27 is about continuing the momentum achieved in FY26



PROGRAMMATIC

**Align legacy
programs and
demonstrate value
through early wins**



OPERATIONAL

**Build the
organizational
capacity to deliver**

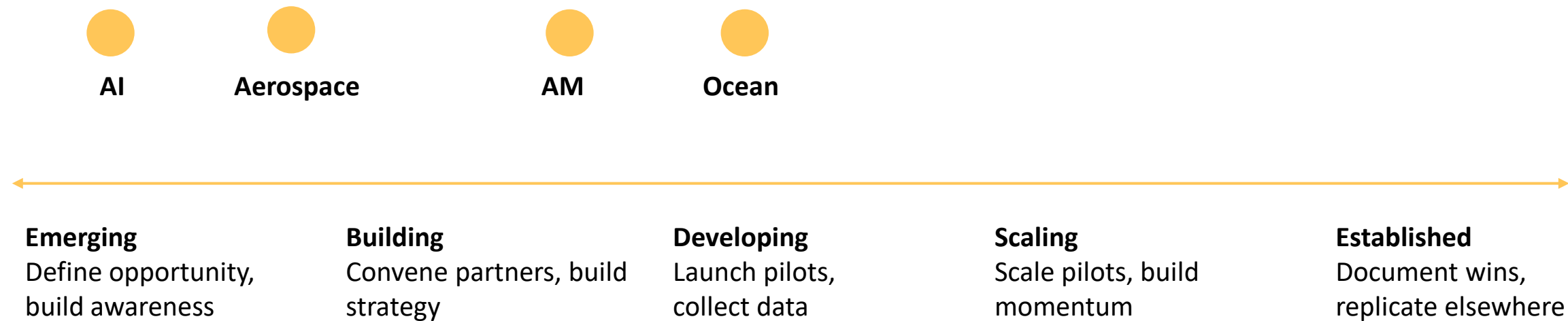


FINANCIAL

**Stabilize and
strengthen our
resource base**



First, as it relates to our programmatic goals, each focus sector is at a **different stage of development**





We will prove ourselves through quick wins as relevant to each sector. Some highlights are noted below:

Ocean

Convene partners, launch pilots, collect data

- Convene partners through Marine Affairs Board, Ocean Hui, working groups
- Launch first ever ocean innovation challenge
- Collect data on workforce needs, permitted testing sites, investment landscape
- Sign at least 2 more MOUs with sister clusters

AM

Convene partners, build strategy, launch pilots, collect data

- Convene partners through AM Board Working Group
- Sign MOUs with at least 3 key partners (e.g., UH)
- Develop AM growth strategy
- Bring Q34 to 85% capacity
- Launch internship program in partnership with Kui Hao

Space

Build awareness, convene partners, build strategy

- Convene partners through Aerospace Board Working Group, Aerospace advisory council
- Develop aerospace growth strategy
- Advocate for Hilo Hangar bill

AI

Define opportunity, build awareness

- Launching AI Board Working Group and advisory council
- Publish 1-2 reports to inform legislators on AI



While also beginning to transition our legacy programs to better align with our new vision and sector focuses.

Key activities include:

- Identify how sponsorships, HI-CAP, and SBIR can better support focus sectors
- Sunset the accelerator program until sector specific needs are identified

Updated Legacy New



To accomplish our objectives, we'll focus on three operational goals



Build the right team

Fill 2-4 empty positions, hire 2-3 contractors with specialized expertise



Automate administrative tasks

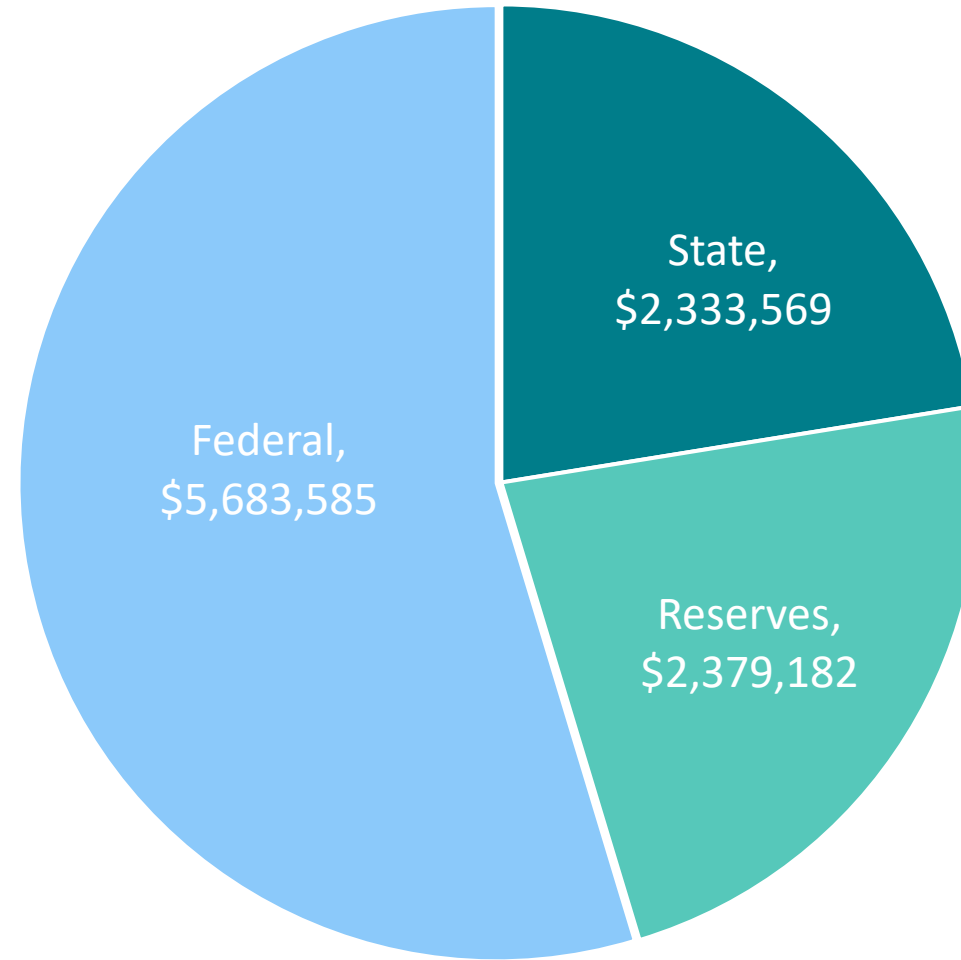
Create SOPs and AI agents to automate 5 hours of weekly admin work



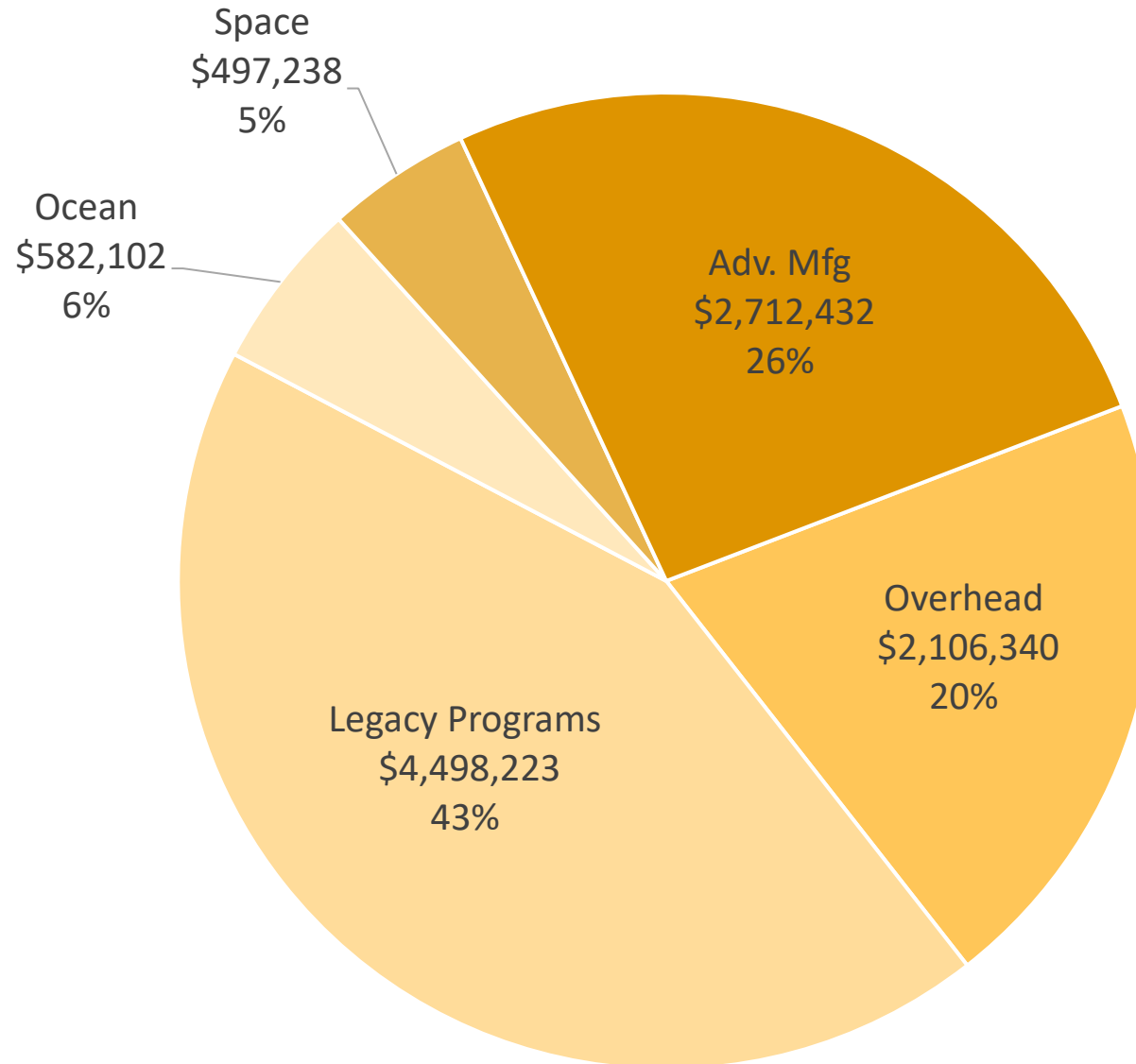
Communicate impact

Bring on contractors for communications and legislative advocacy, make this a core focus

For FY27, we have a total budget of \$10.4M, with \$5.7M coming from federal grants, \$2.3M coming from state appropriations, and \$2.4M coming from reserves.



Our expenses can be broken down into legacy programs (\$4.5M), emerging sector initiatives (\$3.8M), and general overhead (\$2.1M).



Though this year HTDC has a healthy budget to power its work, our future funding is less clear, highlighting the need to become more financially sustainable

Challenge

This year, **23% of our budget comes from reserves**, which are somewhat finite in nature



Strategic Response

Improve our real estate portfolio to generate more income and replenish reserves.

Our **\$2.3M in state funding is not guaranteed for FY28** amid a constrained budget outlook (storm recovery).



Prove our value to the State through programmatic wins, stronger communication, and high-impact new initiatives.

Our **emerging sector initiatives require growing investment** to reach impactful scale



Apply to federal funding with more focused applications



Now that we’ve identified our programmatic wins and how we are going to operationalize them, and how we’re going to pay for them, it’s time to talk about legislative priorities

	HTDC's Catalyze Hawai'i Strategic Plan				
		Biennium		Biennium	
	FY27	FY 28	FY29	FY30	FY31
Time Period	Jul '26 – Jun '27	Jul '27 – Jun '28	Jul '28 – Jun '29	Jul '29 – Jun '30	Jul '30 – Jun '31
Budget	Budget is already allocated	State funding for FY28 AND FY29 will be determined during upcoming leg session. Big money ask year	Budget <i>can</i> carry over.	State funding for FY30 AND FY31 will be determined during upcoming leg session. Big money ask year	Budget can carry over

We've identified the following preliminary legislative priorities, which we will discuss and present in more detail during our December board meeting.



\$2.5M (TBC)

**FY28 General
Program Funding**

Annual funds to support emerging sector programs (ocean, space, adv manu, AI) and other overhead



\$250K

**Ocean Innovation
Challenge**

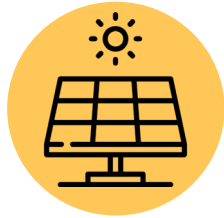
Up to \$250K in match funding to pay for first ever ocean innovation challenge launching in September



\$180K

**Marine Affairs
Coordinator**

Funding to pay for marine affairs coordinator position



\$1-7M (TBC)

**Resiliency for Real
Estate**

Funding to improve disaster resilience across HTDC facilities, including backup power, battery storage, and connectivity.



\$51.2M

**Misc. DBEDT Led
Asks**

CIP funding for facility and land purchase for Aerospace, Advanced Manufacturing and Creative Industries and Textiles.

****Alignment and overlap strongly with DBEDT's strategy and supports the work of sister-agencies. Potential revenue generation for HTDC.**

Opportunity for Feedback

Is there anything written in our FY27 operating plan that would keep you from voting to approve it?

Vote

Do you approve HTDC to move forward with our FY27 operating plan?

Appendix

Additional materials to support above

The Blue Economy

Energy

Provides offshore and nearshore energy, including offshore wind, renewables, and aquaculture-based biofuels

Recreation & Tourism

Offers residents and visitors recreational experiences, from paddling, surfing, swimming, sailing, snorkeling, diving, fishing and more

Coastal Resiliency

Ensure coastal infrastructure is resilient and prepared for sea-level rise, extreme weather and disaster events, and addresses marine pollution

Medicine

Contributes over 20,000 biochemicals for life-saving treatments

Blue Carbon

Absorb and store carbon to mitigate climate change

Ancestral Knowledge & Indigenous Values

Kilo (observation), Loko i'a (fishponds), Ho'okele (wayfinding)

Aquatic or Blue Foods

Contributes 20% of the world's animal protein consumption, providing food security for 3 billion people globally

Transportation and Trade

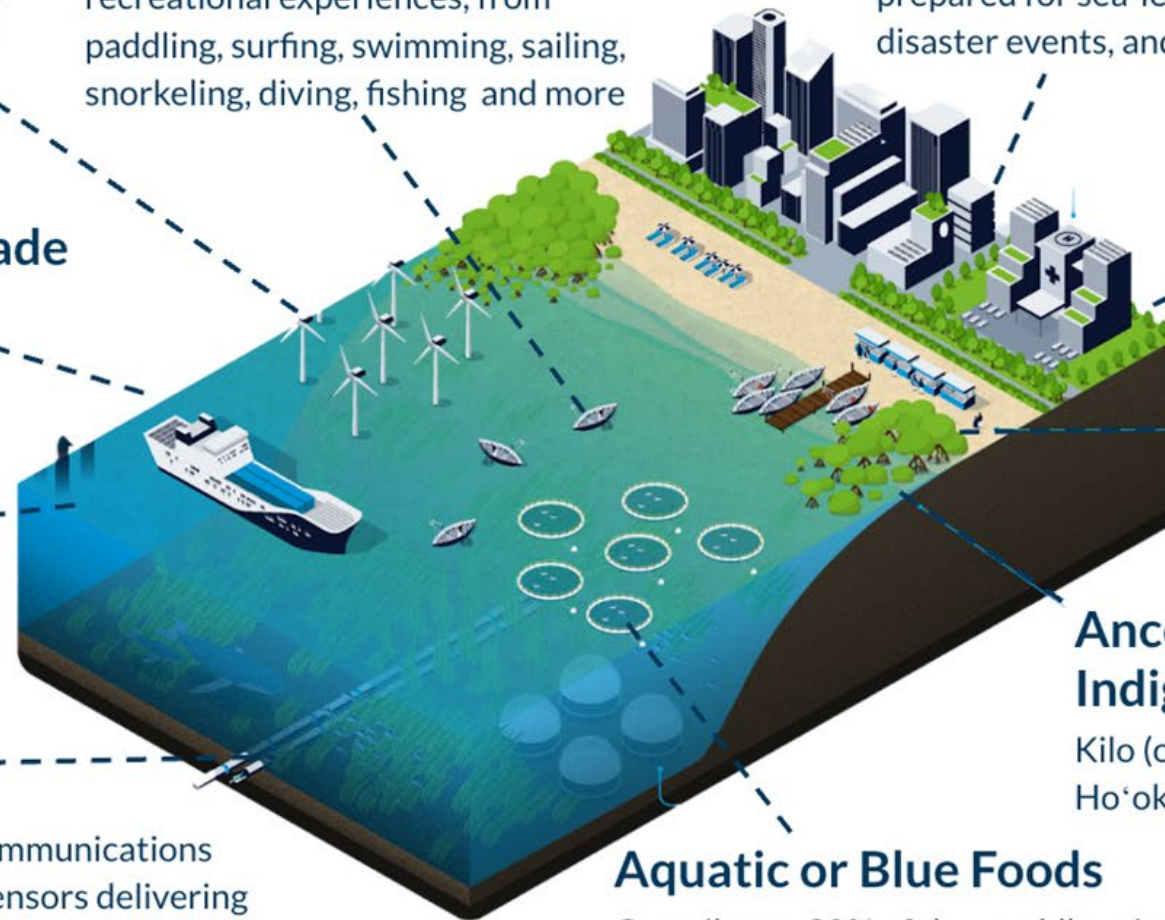
Responsible for over 80% of global trade movements

Oxygen

Produces over 50% of oxygen we breathe

Intelligence & Communications

Facilitates over 95% of global communications through undersea cables, with sensors delivering critical data for ocean and atmospheric applications





There is a \$3T blue economy opportunity at the global level

Blue Economy Growth Rate
vs. Rest of Economy

2.5x

Global Market Size
as of 2026

\$2.4T

Estimated CAGR

6.8%

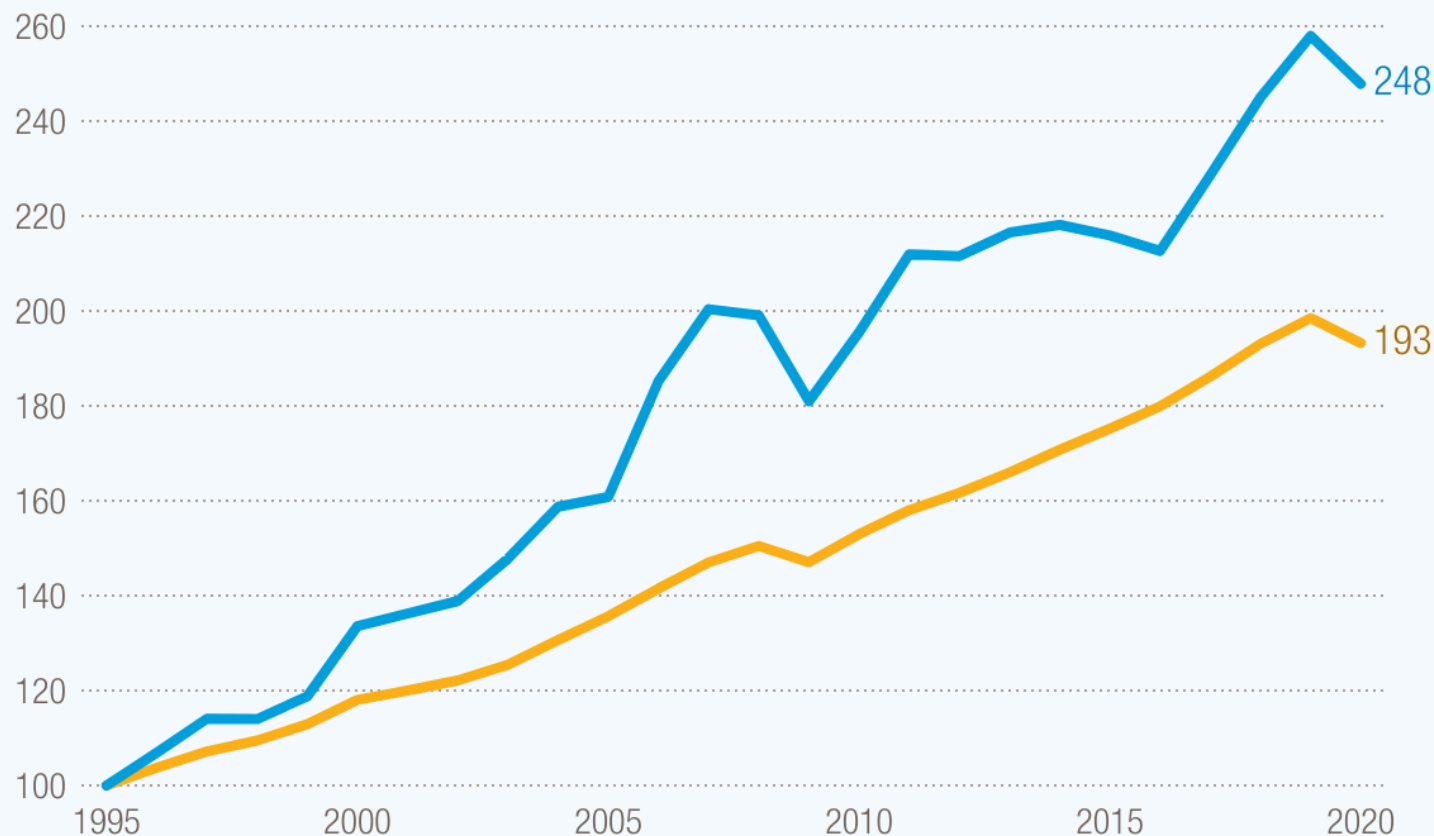
Source: [Coherent Market Insights](#), UNCTAD



Ocean economy is growing faster than other sectors

Global ocean economic activity growth, Index 1995 = 100, 1995–2020

— Global ocean economic activity — The rest of the world economy



Source: UN Trade and Development (UNCTAD) 2025 based on OECD Ocean Economy Monitor, preliminary estimates, June 2024.



Hawai'i Has Always Been a Blue Economy Leader

Hawai'i Blue
Economy Size

\$10B

Marine Businesses
Over Last Decade

+23%

Average Wages Over
the Last Decade

+41%

Blue Economy Jobs
in Hawai'i

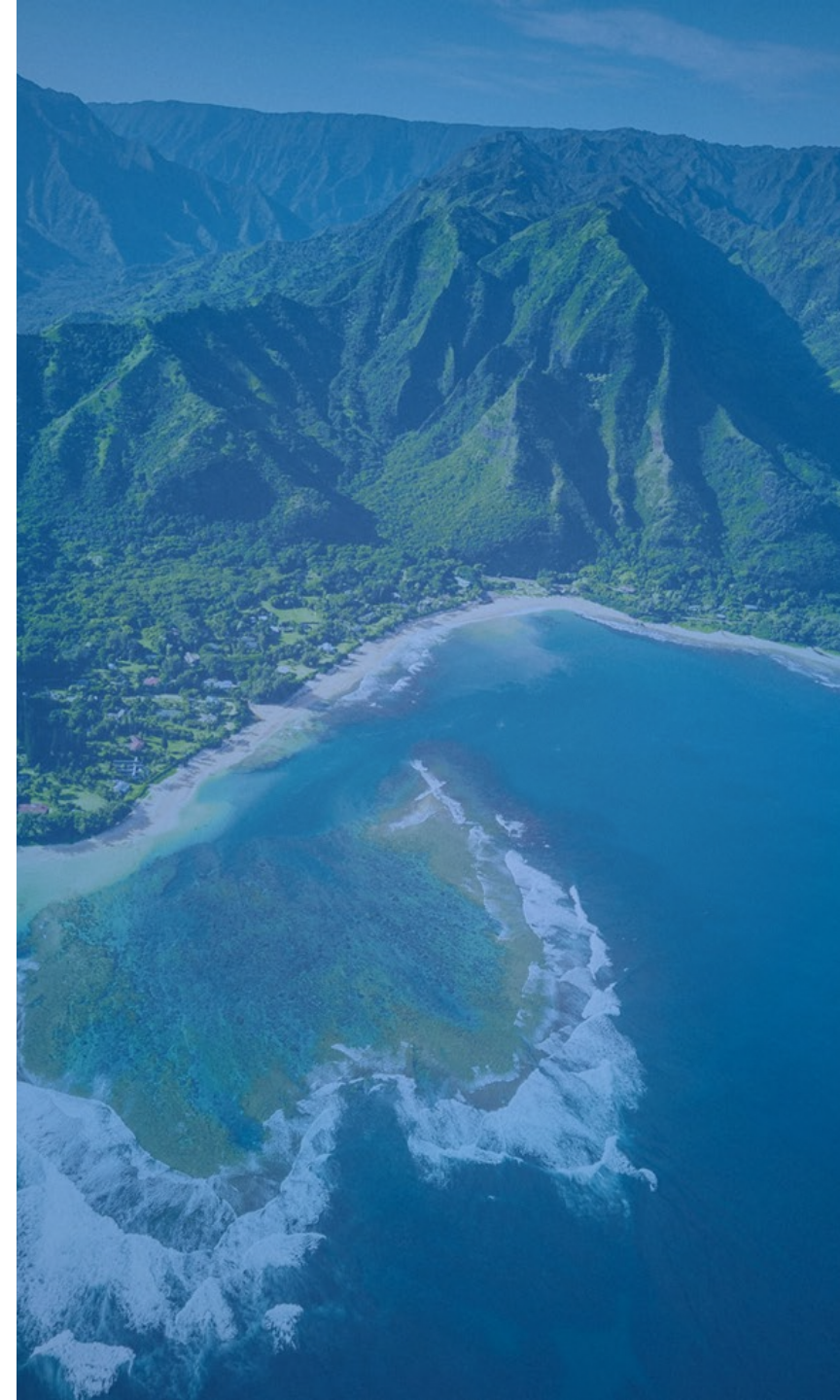
~100,000

US Largest Exclusive
Economic Zone (EEZ)

2nd

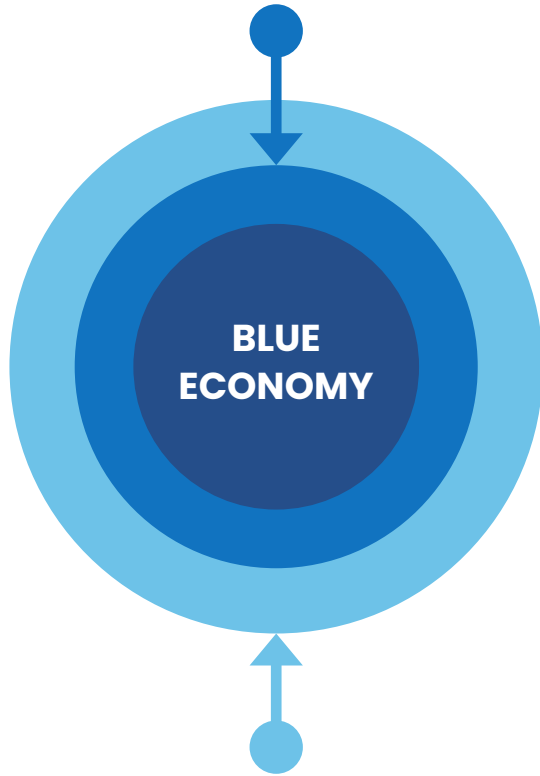
US Ranking of
Marine Education

10th





**Marine Fisheries and Aquaculture •
Maritime Transport and Logistics •
Coastal and Marine Tourism • Energy**



**Ocean Data • Nature-Based •
Biotechnology • Additive Materials •
Marine Renewable Energy •
Decarbonization • Robotics**

Reasons For Growth

Climate change

Food security

Maritime security

Energy transition

Supply chain resilience

**Ocean resource
management**



Examples of Innovative Solutions



Blue Ocean Gear

smart buoys for
gear recovery and
ocean intelligence



Hohonu

intelligent flood
monitoring sensors for
coastal hazards



Inversa

value-added products
made from invasive fish,
helping species control



Pacific Hybreed

climate-resilient
shellfish breeding for
food security



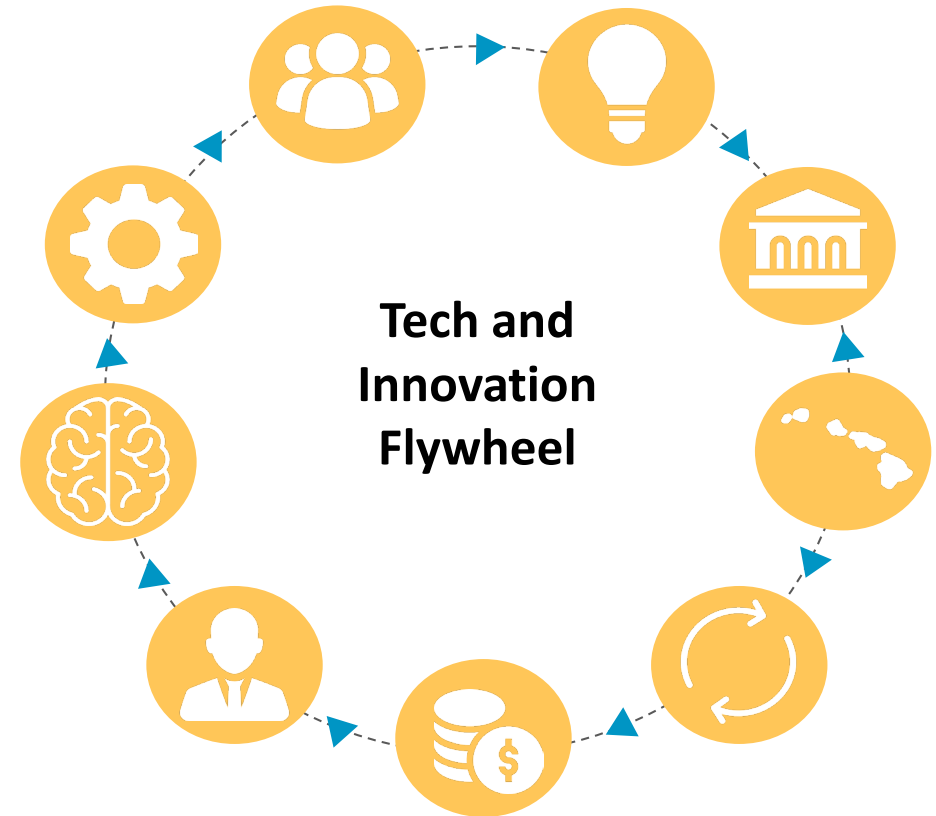
Reefmasons

3D printed coral
structures for coastal
protection

Our theory of change centers around the **cluster model**

Economic development happens when there is **geographic proximity** because there is knowledge and resource sharing

Economic development happens when ecosystem builders across **many different organizations effectively work together** to grow the economy.



Hawai'i serves as a critical role in the middle of the Pacific Ocean





CASE STUDY



Maritime Blue – Pacific Northwest's Ocean Cluster

Maritime Blue is a strategic alliance dedicated to accelerating innovation in the Blue Economy.

FOUNDED 2018

FOUNDING STATE PARTNERS: Washington Gov. Inslee, Washinton State Department of Commerce, Port of Seattle

FOCUSES: Sustainable Fishing & Seafood, Healthy Ocean Ecosystems, Digital Transformation, Maritime Decarbonization, Ocean Renewable Energy

ECONOMIC IMPACT (2017-2021)

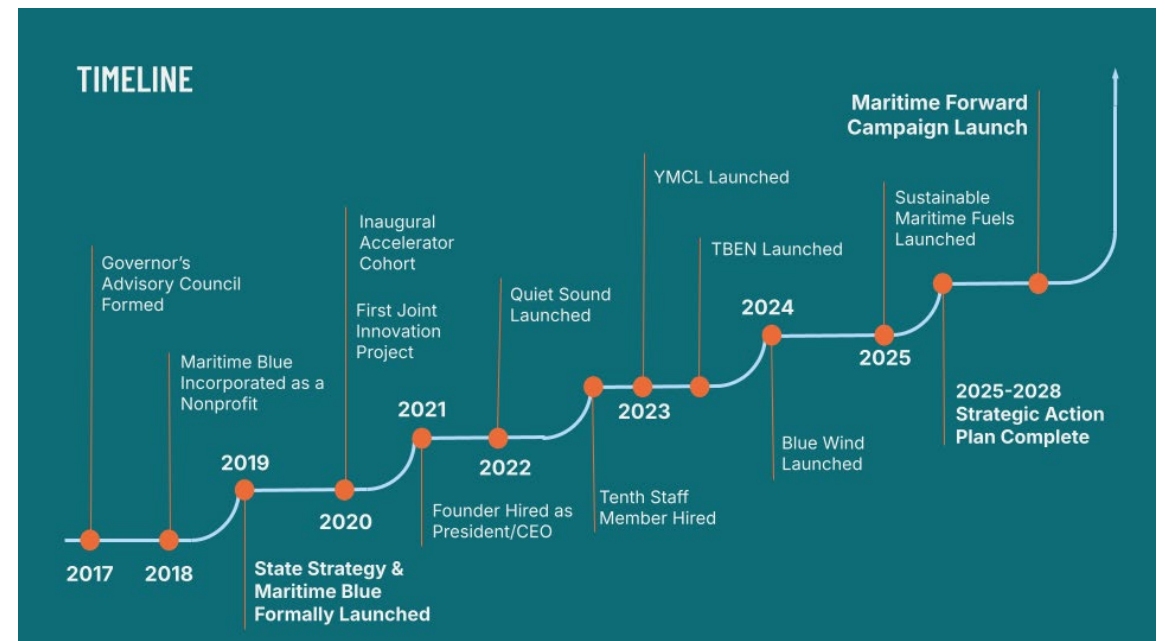
- 91% increase in revenues
- 150% increase in jobs
- *For every 1 direct job, an additional 1.6 jobs are created through secondary impacts*



Manufacturing

This former tall ship captain is on a mission to modernize the maritime industry

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Hawai'i serves a critical role in the middle of the Pacific



FY2027

Pacific Partnerships

Partner with other clusters, start creating two-way paths for deal flow

FY2028

Innovation Challenge

Work with local corporates or state agencies to identify a problem. Launch a global call for startups to try and solve the problem. Winner gets \$100K to pilot the technology locally.

FY2029

Joint Innovation Project

Turning an Innovation Challenge pilot, to a full scale procurement.

FY2030

Accelerator Launched

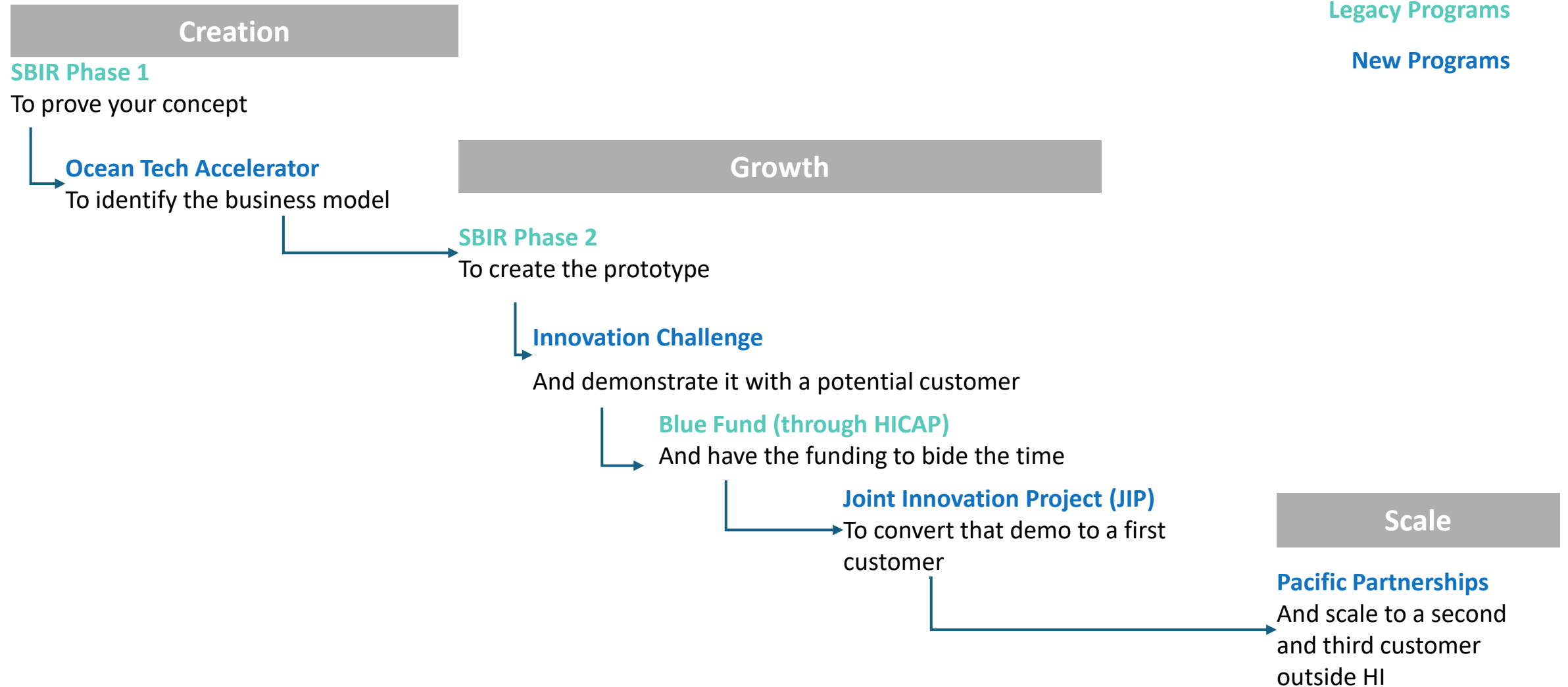
Based on success and data from innovation challenge and JIPs, design and launch an accelerator that feeds directly into each challenge

FY2031

New Patient Capital

Launch a blue fund

Creating an end-to-end pipeline of support with touchpoints at every stage

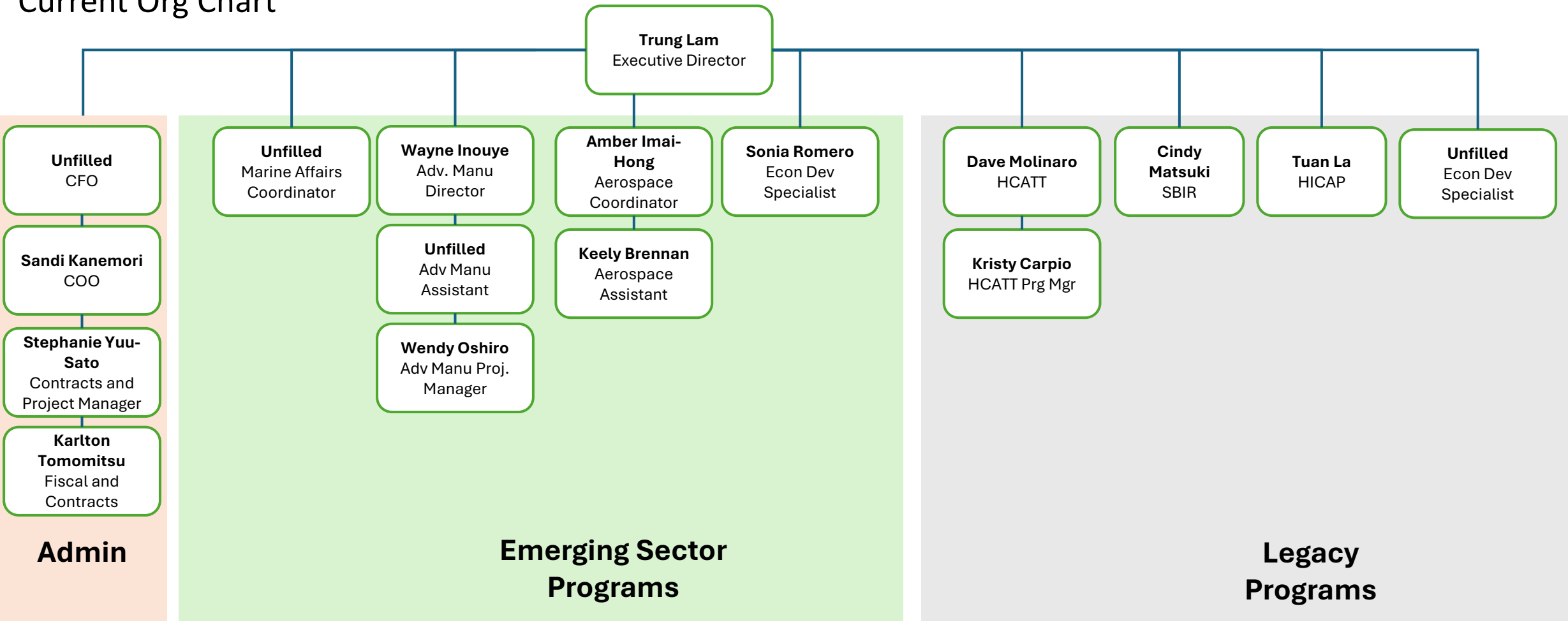


We are excited by the progress made in FY26, which has led to promising early momentum for our agency

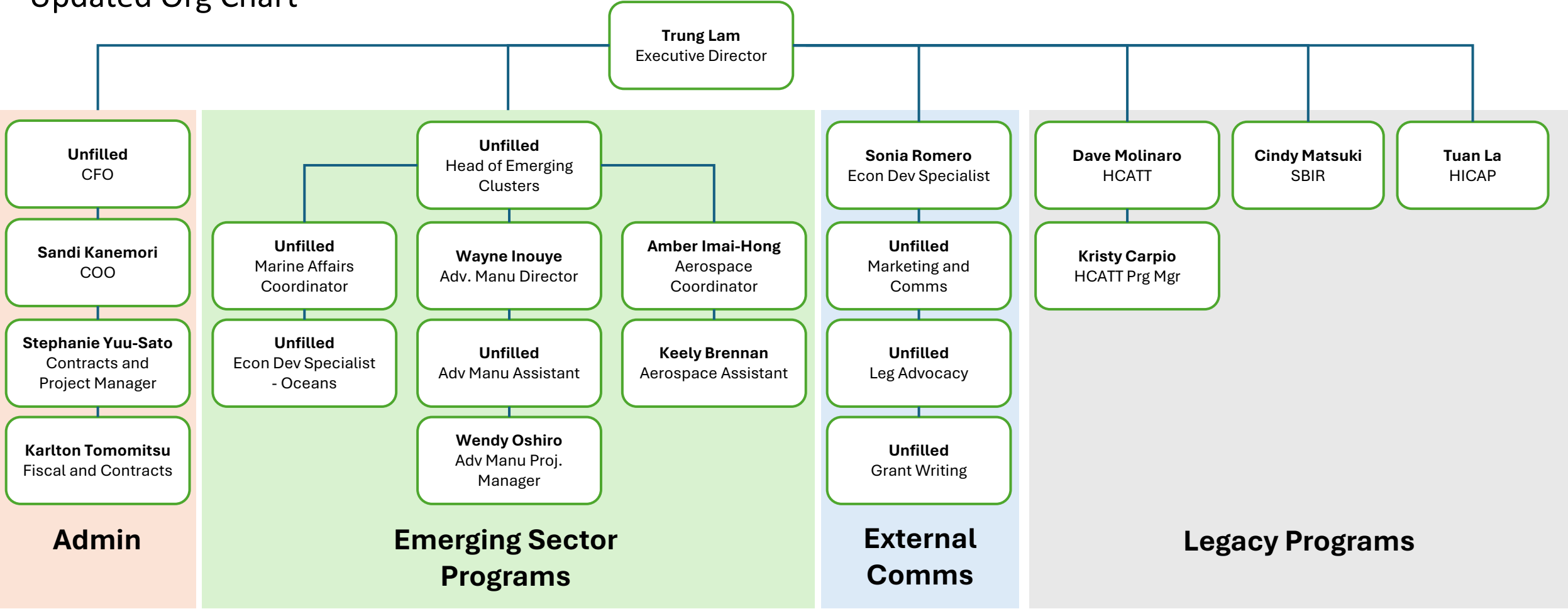
- Hosted **5+ Ecosystem Conferences** with **450 attendees** across all events
- Launched and grew our **Ocean Innovation Hui** to 90+ members, gathering monthly
- **Passed SB2907/Act 168** on the first introduction, something less than 8% of bills achieve
- **Launched Q34**, the state's first shared advanced manufacturing space
- Developed an **MOU with the Port of San Diego**, and helped facilitate 7 one-on-one company meetings, 2 of which might lead to demonstration projects with the Port
- Distributed **\$40K in sponsorships** across **12 partner events**, which reached **6.6K+ attendees**



Current Org Chart



Updated Org Chart



Updated Org Chart

Goal	What	How	Why
Build the team	Fill critical vacancies and add essential expertise	3 FTE positions filled (CFO, Marine Affairs Coordinator, Economic Dev Specialist), 3 contracted positions filled for marketing, grant writing, and legislative advocacy	Team can focus on what they are good at.
Strengthen the systems	Leverage AI to automate 5 hours/week of administrative work	10 SOPs created, 3 processes automated using AI agents	Free up staff time and capacity to use on delivering impact
Communicate impact	Build legislative confidence in HTDC and establish a stronger case for continued state investment.	Marketing and legislative advocacy contractors hired, develop and execute legislative engagement strategy; regularly communicate HTDC results and impact to legislators.	Impact is being heard and felt by legislators—more willing to fund us

Operational Goals Details

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Budget Scenario Analysis

Priority	Optimistic	Base	Pessimistic
Situation	HTDC builds momentum and wins at least \$2.3M in state funding	Cautious optimism from the legislature. Receives a little less than \$2.3M	State takes away \$2.3M, forcing HTDC to rely heavily on reserves
Response	Use FY27 as a bridge year	Targeted growth, strengthening capabilities directly tied to raise more money	Freeze most hiring, determine which programs to sunset, focus entirely on real estate and federal grants
Implications	Larger investments in FY28 and beyond	FY28-FY30 is still about “building our case” rather than expanding the portfolio	Focus on reducing cost structure and extending runway

Recognizing our agency's capacity limits, we believe HTDC's role over the next five years should be that of a trusted knowledge hub across these various AI topic areas.

HTDC's Role

HTDC will synthesize leading research from reputable sources on AI's implications for Hawai'i.*

*HTDC will identify where additional local research or analysis is needed and help convene the partners and resources necessary to fill those gaps.

For Example: The Stanford Institute for Human-Centered Artificial Intelligence (HAI) gathers researchers across its seven schools to publish interdisciplinary white papers, research, policy briefs to help identify how AI can accelerate scholarship, transform education, and create positive social impact. They disseminate their findings both digitally and through in-person convenings of educators, policy-makers, and government officials.

Potential Outputs

- **Policy brief** for legislators on the estimated job loss and new jobs created
- **Strategic plan** for growth in AI-adoption in Hawai'i over the next five years
- **AI Stakeholder Convenings:** Roundtables that bring together government, industry, academia, and community leaders around emerging AI opportunities and challenges.

Potential KPIs

- # of reports published annually
- # of policy decisions informed by HTDC research
- # of stakeholder convenings
- # of stakeholders engaged

FY27 Grant Pipeline

Grant	Amount	Status	Due Date
APEX OTA Phase II	\$20M	Waiting on Phase I results	March 2027
EPSCoR E-RISE	\$8M	Application period	July 2027
NIST MEP	\$8M	Recompete in March 2027	March 2027
NSF: 24-584, Advanced Technological Education	\$1M	Submitted in support of UH, waiting on results	October 2026

OLD



Hawai'i's Pacific Cluster

01

Why

Economic development is hard and requires coordination across many stakeholders

What

HTDC convenes stakeholders, gathers necessary data, aligns folks behind a strategy, and mobilizes action

Impact

Less duplication, data-driven economic development, more federal grants

Key Players

HTDC

Progress To Date

Act 186 creates the Marine Affairs Board
Ocean Innovation Hui
MOUs with NELHA, ADC



Statewide Ocean AM and Testbed Network

The Challenge

Hawai'i has globally unique conditions for deploying ocean technologies, but there are a few challenges:

- Lack of clarity on and access to relevant testbed locations
- 3+ year long permitting timelines
- Minimal local manufacturing space
- No clear central hub where testing, prototyping, and collaboration can happen in the same place

Our Strategy

To respond to these challenges, HTDC will...

- Create a tech piloting playbook that maps out all testbed locations
- Increase the number of pre-permitted testbed locations
- Develop shared advanced manufacturing locations based on demand
- Build an Oahu-based hub to serve as the central node for these other facilities



Thriving Ocean Innovation Pipeline

04

The Challenge

Despite its research capabilities, Hawai'i fails to gain a critical mass of ocean tech companies, keeping the sector stagnant.

- Not enough pipeline of companies
- Local tech companies struggle to find a first customer locally
- Difficult to scale and find customers outside of Hawai'i while being based here
- Lack of access to patient capital

Our Strategy

To respond to these challenges, HTDC will...

- Launch a local ocean tech accelerator
- Launch Innovation Challenges and Joint Innovation Projects (JIP)
- Develop partnerships with other Pacific ocean clusters
- Launch a blue financing vehicle



Workforce: Nextgen Ocean Talent

05

Why

Local companies struggle to hire,
local residents struggle to find jobs

What

Clear, employer-driven workforce
pathways (awareness, training,
placement) for local residents

Impact

High-wage, values aligned jobs for
local residents, local companies with
access to ample high-quality talent

Key Players

DOE, Universities (UH, HPU, CCs),
Local Corporates, Philanthropists,
Chamber of Commerce

Progress To Date

Started a workforce working group
for ocean tech, trying to build on
CoC's efforts



Regenerative Blue Economy

02

Why

The ocean is a public resource. We must recycle wealth back into the community to get community support

What

Building community-driven frameworks, and financial tools for wealth reinvestment

Impact

Increase in wealth and prosperity for local residents, more money staying in Hawai'i

Key Players

Hawai'i based cultural organizations, Universities (UH, HPU, CCs)

Progress To Date

Started a regenerative wealth working group to spearhead this initiative.

Key Risk: Though we have budget for FY27, there is an honest reality that beyond this point, HTDC's financial future is less clear.

HTDC is entering a new funding environment. General funds used to cover programs and positions. Now we must use revolving funds and real estate returns to cover our positions. **This is a significant shift that indicates that until we can prove our worth, the legislature primarily wants to pay for programmatic expenditures, rather than overhead.**

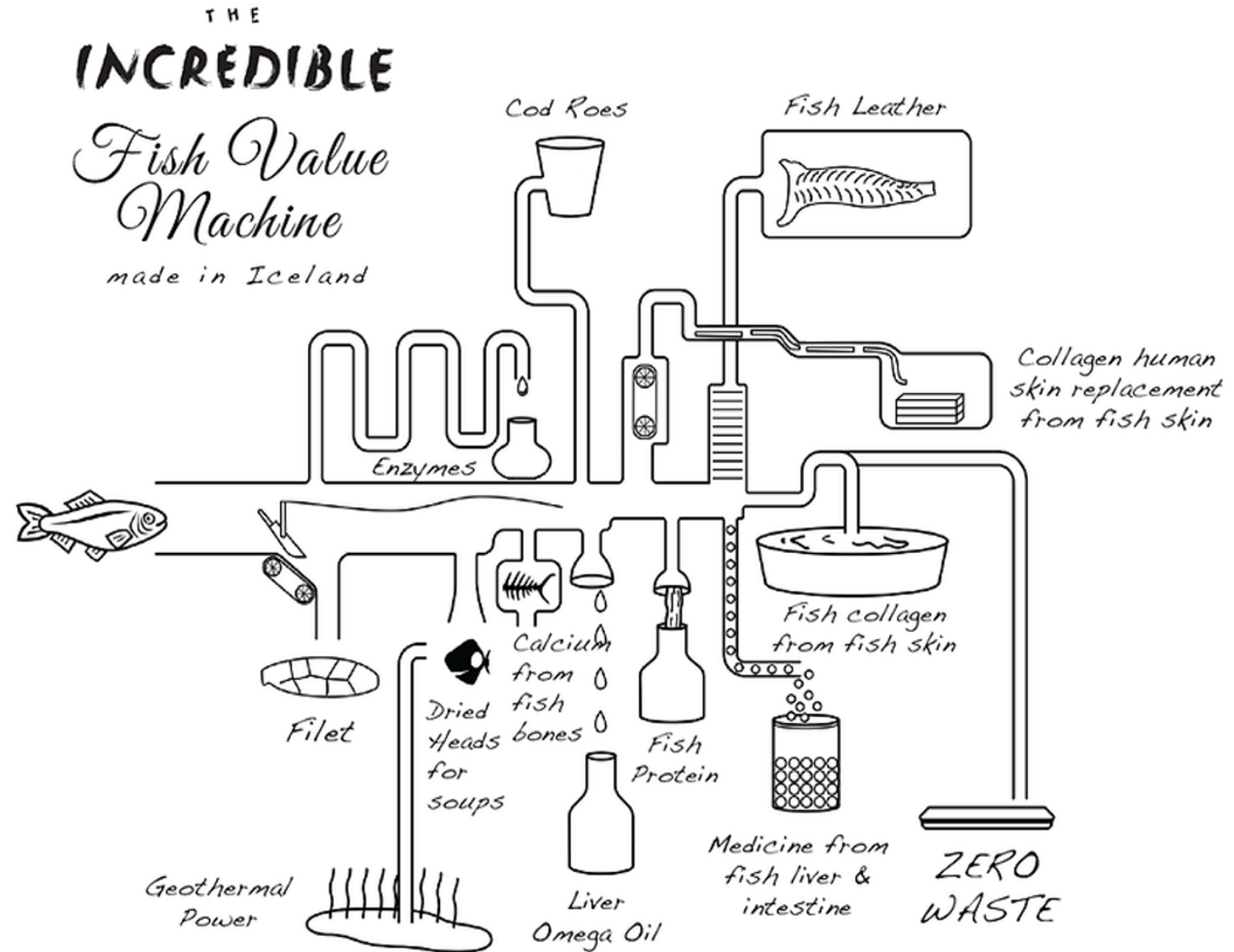
HTDC has enough revolving funds to cover state positions at **an annual cost of \$1.8M (this assumes all unfilled positions are filled)**. We have **~8 years of runway** to fund core staff overhead (excluding federally funded staff). **However, there are a variety of short- and medium-term risks. When analyzing HTDC's current budget and revenue streams:**

- **~\$2.3M** of this year's programmatic budget comes from temporary emergency general funds, which are **not guaranteed to be renewed past this year**. We cannot use this money on staff overhead. If these funds are not renewed, we cannot continue SBIR, MAP, ocean programming, space programming, and sponsorships without dipping further into our revolving funds.
- **~\$5.5M** comes from federal funds. We have a recurring grant (MEP) for the past 10 years, which allocated **\$0.8M/year. This grant expires in March of 2027**. We are competing for a 5-10 year renewal. This program is what allows us to pursue our advanced manufacturing work. If we do not win the MEP recompetes, we cannot continue our advanced manufacturing work again without dipping into our revolving funds.
- **~\$1.8M** comes from our ~\$12M revolving fund, which **the State could decide to pull to address other budget shortfalls**. In the 2026 Legislative session Act 148 was passed which moved excess special funds out of programs to cover general fund costs.

Note: Revolving funds finance activities on a recurring basis, **with money generally remaining available to be reused** rather than reverting to the State's general fund at the end of a fiscal year. **Special funds** are revenues that are legally or administratively dedicated to a specific purpose, program, or activity and **remain available to be reused** beyond the fiscal year. **General funds** are state tax revenues appropriated by the Legislature to support government programs and operations and must be spent during the year.

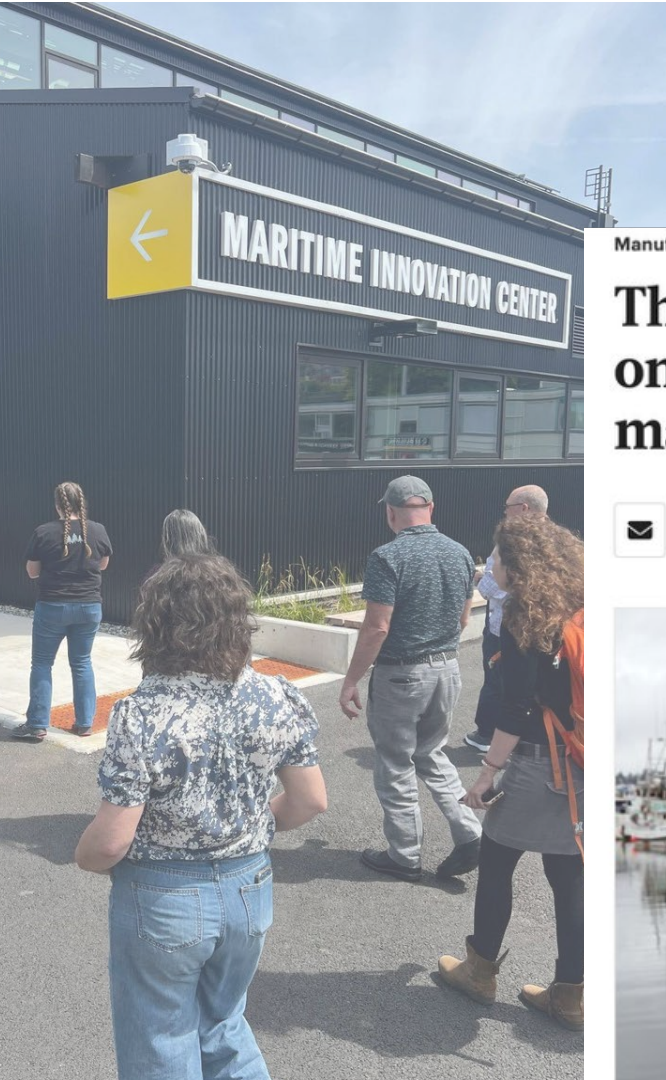
CASE STUDY

Iceland Ocean Cluster



CASE STUDY

Maritime Blue – Pacific Northwest's Ocean Cluster



Manufacturing

This former tall ship captain is on a mission to modernize the maritime industry

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FOUNDED IN 2018

FOCUS AREAS: Sustainable Fishing & Seafood, Healthy Ocean Ecosystems, Digital Transformation, Maritime Decarbonization, Ocean Renewable Energy

IMPACT REPORTED**

2017

\$21.4B revenues*, 69,500 jobs

2021

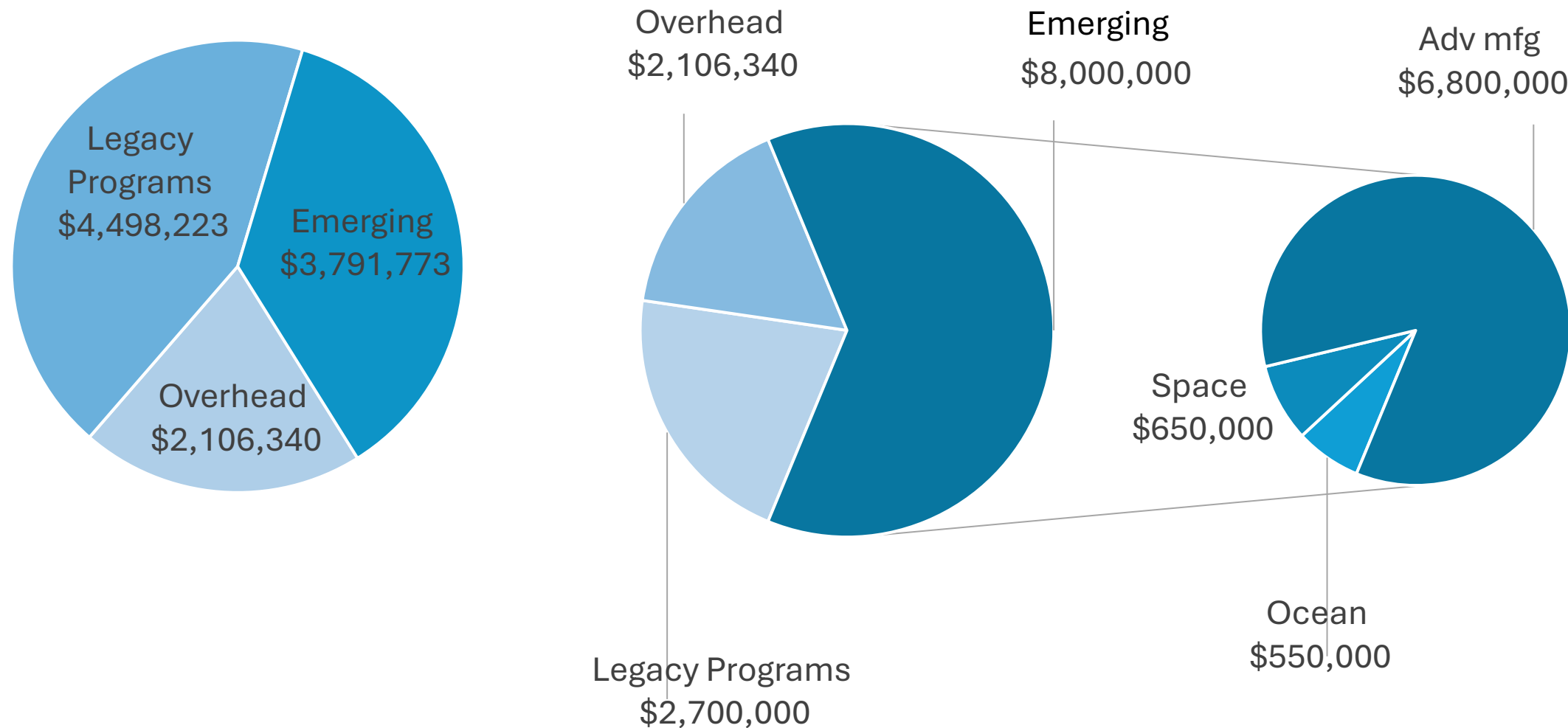
\$41B revenues*, 174,000 jobs

*For **every 1 direct job**, an additional **1.6 jobs are created** through secondary impacts.***

Recognizing the limits of our agency, we believe focusing on AI job growth opportunities should remain HTDC's short term priority.

	Importance	Relevance to HTDC	Expertise	Suggested Action
Infrastructure for AI	Med	Med	Low	
What infra do we need to build (ie data centers, energy) to enable AI?	High	Med	Low	
AI job loss mitigation	High	High	Low	
How do we prepare our workforce for the inevitable job losses from AI?	High	Low	Low	
What are interesting economic growth opportunities that Hawaii can capture with AI, especially as it relates to ocean and space?				
AI ethics				
How must AI be regulated?				
AI integration				
How can we best AI-enable local government and businesses to make them more efficient?				

For FY28 we will see the budget shift dramatically more towards our emerging sectors of Ocean, Space, and Advanced Manufacturing compared to FY27 if we win our grants, and sunset legacy programs







Roadmap

2026 | Build the Foundation

Establish the Ocean Innovation Hui, pass ocean cluster legislation, map the ecosystem, and launch the Q34 manufacturing pilot.

2027 | Activation

Identify specific workforce, innovation project opportunities and policy priorities, identify pilot network expansion, forge U.S. Pacific regional partnerships, secure funding.

2030 | Sustainment

Host a global blue economy summit, scaling long-term initiatives and cementing Hawai'i as the Pacific's ocean tech anchor.

2029 | Expansion

Launch new permanent pilot site, launch regenerative financing vehicles, and solidify workforce and innovation pathways.

2028 | Milestone Year

Deploy Joint Innovation Projects, pilot key workforce and innovation programs, begin work on new pilot sites, build international partnerships, and host the inaugural statewide summit.

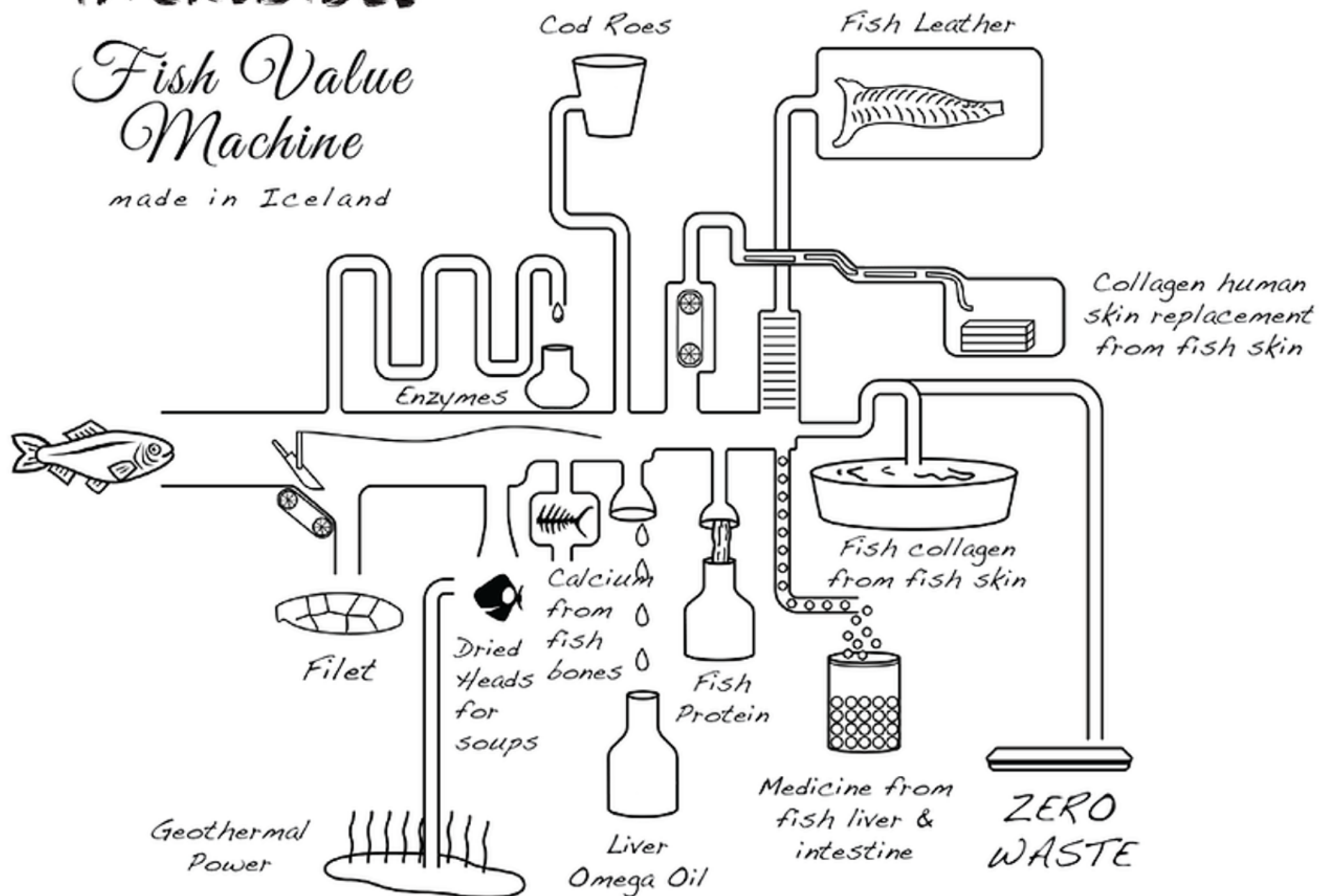
Iceland Ocean Cluster



THE
INCREDIBLE

*Fish Value
Machine*

made in Iceland



Blue Economy



Seal it with a fish

Kristín Unnur Ásgeirsdóttir's path to healing began with fish-skin grafts from Kerecis

kerecis
Coloplast Group

Kerecis intact fish-skin grafts are transforming lives. Used for healing wounds and regenerating tissue. Scan the QR code for more.



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USA Today The Guardian Newsweek CNN Bloomberg

