



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

September 22, 2025
Entrepreneurs Sandbox – Purple Box
643 Ilalo St., Honolulu, HI 96813

Member(s) Present, In-Person

Craig Nakanishi, Chairperson (Mr. Nakanishi)
Edward Barnabas, (Mr. Barnabas)
Gregory Uehara, (Mr. Uehara)
Chad Whalton, (Mr. Whalton)

Staff Present, In-Person

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

Member(s) Present, Virtually

Jaclyn Kaina, (Ms. Kaina)
Matthew Sullivan, (Mr. Sullivan)

Counsel Present, In-Person

John Cole, Deputy Attorney General
(Mr. Cole)

Member(s) Absent

Greg Kim, (Mr. Kim)
Kelly Ueoka, (Mr. Ueoka)
Dane Wicker, (Mr. Wicker)

Members of the Public Present, In-Person

W. Van Beers, Accenture
Sonia Romero, ThriveHI
Raymond Sin, U.S. Air Force
George Yarbrough, GSY Consulting

Members of the Public Present, Virtually

Kehaulani Kukahiko, Kauai Economic
Development Board
Jaymie Nakama, House Finance

1. Call to Order, Public Notice Quorum

Meeting called to order at 2:00 PM



2. Roll Call

Mr. Lam conducted a roll call. Present in-person are Chair Nakanishi, Mr. Barnabas, Mr. Uehara, and Mr. Whalton. Ms. Kaina and Mr. Sullivan join via Zoom. Mr. Kim, Mr. Ueoka and Mr. Wicker are absent and have been excused.

3. Approval of Meeting Minutes

Chair requests a motion to approve the August 27, 2025, board minutes.

Motion to approve made by Mr. Whalton / Second by Mr. Ueoka

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

Motion approved, 6/0

4. Discussion of HTDC Programs

Mr. Lam advises that he will be providing an overview of facilities, programs, and current sponsorship. Current facilities under HTDC are the Entrepreneurs Sandbox, high occupancy rate, profitable, expecting to generate income of \$40 thousand this year with projected balance of \$200 thousand in our account by end of fiscal year. MRTC (Maui Research & Technology Center) located in Kihei, Maui has a lower occupancy rate of 88% but working to fill, also profitable generating \$460 thousand this fiscal year with projected balance of \$590 thousand which is lower than expected as we are budgeting to replace the 10-11 year old chiller which will cost approximately \$500 thousand. Two other parcels are the First Responders Tech Campus (FRTC) located in Mililani which is not occupied just land, spending \$25,000 to maintain and land on Kauai that has a tenant but not earning too much income.

Mr. Barnabas asks if there were tenants on FRTC.

Mr. Lam advises we were going to build on FRTC but it is currently being transferred to ADC (Agribusiness Development Corporation).

Mr. Sullivan advises that it would be great to see the tenants currently in the facilities.



Mr. Lam advises that BlueStartups held their Cohort 17 in the coworking space at the Sandbox for the last eight weeks, noting that events and coworking space generates more income than the office spaces upstairs. We may want to consider being a more events focused space but may require upgrades to the AV. Also visited MRTC during the AMOS (Advanced Maui Optical and Space Surveillance Technologies) Conference, tenants currently month to month, building could some updates on carpets, air conditioning (a/c) and lighting improvements. FRTC and Kauai there are currently no updates.

Mr. Lam advises four programs are funded through general fund, SBIR (Small Business Innovation Research) Phase 0,I, SBIR Phase 2,3, MAP (Manufacturing Assistance Program) and Accelerator, the only program that requires a match is the MEP (Manufacturing Extension Program) Program which is a federal program that the state has to match. Most programs require match those who receive money from us, SBIR Phase 1, 2 ,3 is a matching grant program they must win a federal SBIR, the MAP is a 20% grant, Accelerator requires a match, HiCap does not require a match for the technical assistance but if the VC (Venture Capital) comes in for funding, they have to bring in matching funding.

Mr. Uehara asks for an additional table to include what the program is supporting as it would be helpful.

Mr. Lam updates on sponsorship, Honolulu Tech Week was 50 events over eight days, highlighting branding and awareness for Hawai'i's tech ecosystem was huge. Made in Hawai'i, AI Summit for TRUE Hawai'i and the HVCA (Hawai'i Venture Capital Association) and we just signed the Hawai'i Center for AI that is doing broad public training for AI.

Chair asks if there is any testimony from the public.

Mr. Sim handed out metrics to review, provided books to read and discussed attending events held at the Sandbox, a central point in Honolulu.

5. Fiscal Year 2026 Budget

Mr. Lam refers to the Fiscal Year 26 Budget how HTDC is funded and where we plan on spending this year. Divided into two categories restricted and unrestricted funding, controls how we can spend the money we receive. We are carrying over \$7.5 million from previous year, all restricted going to a specific category, we are getting \$4.2 million

general funds, \$24 million special funds from the federal funds and \$387 thousand unrestricted funds.

Mr. Lam continues the breakdown, \$7.5 million carryover..\$2.2 is restricted funded, \$5.3 which is the SSBCI (State Small Business Credit Initiative) to venture capital, bringing in \$1.7 less restriction, \$1 million for the SBIR, MAP and Accelerator programs. Restricted special funds, SSBCI additional \$21.6 million, tranche 3 will all be going to HGIA (Hawai'i Green infrastructure Authority) towards the loan program, also have \$261 thousand towards the technical assistance program which we are sourcing ourselves, \$535 thousand for SBOP (Small Business Opportunity Program) that is also technical assistance that is given to Chamber of Commerce for technical assistance on the neighbor islands, \$120 thousand federal dollars for FAST (federal and state technology partnership) program that helps SBIR companies, \$600 thousand for MEP companies renewed till March, and \$925 thousand for HCATT (Hawai'i Center for Advanced Transportation Technologies) for the microgrid project at Pearl Harbor. Unrestricted funding or flexible money, \$300 thousand from interest earned from investments-money sitting in the revolving fund, money earned from the Kauai Ground lease, and money earned from Studio space from Sandbox and money earned from MRTC disbursement \$0 listed, there is money sitting in the account but we are saving for roof and a/c repairs.

Mr. Walton asks how much money MRTC has.

Mr. Lam confirms approximately \$1 million before any repairs.

Mr. Lam continues to describe operations spend for the FY26 year, rent for facility, property management, insurance, supplies, travel, training, parking-lease, and equipment updates. The program spends to include sponsorships, events, conferences, contractors and marketing-public relations.

Mr. Barnabas asks if there are any areas that are more critical if there was more budget available.

Mr. Lam advises that the field level strategy as look at the whole eco-system figure out where we need to support, we probably need more money as there are new programs that we don't have at HTDC. SBIR we only fund half the companies that apply and MAP we only fund two thirds of the companies that apply.

Mr. Lam requests for approval of the fiscal year 2026 – summary and budget



Chair asks for a motion to approve the fiscal year 2026 budget.

Motion to approve the fiscal year 2026 budget made by Mr. Whalton / second by Ms. Kaina

Chair asks if there are any discussions or questions on the presentation.

Mr. Sullivan requests a current year and previous year comparison.

Motion approved, 6/0

6. HTDC – Strategic Plan Draft Update

Mr. Lam discusses his three-year goals, year one implementation and KPI (key performance indicator). Goal for the first three years is to create three different strategies. One is to look at the broad eco-system, call it the field create initiative, strengthen collaboration, bring in data to the discussion and to lead Hawai'i to a tech eco-system to complete globally. The second is to look at our current programs and what are we are doing to service individual companies either expand, pivot or deprioritize what we are doing and the third is to get HTDC as an organization into a position as a field catalyst.

Mr. Lam continues describing the new field catalyst programming subgoals, creating clarity and direction among the eco-system, strengthening data and infrastructure and knowledge systems, build trust and collaborate infrastructure, expand partnerships not only within Hawai'i, strengthen place-based identity in Native Hawaiian leadership. We are working on the strategy, creating an advisory counsel made up of representative in the eco-systems just there to advise, doing more conferences. We want to prototype a map of the ecosystem, figure out the missing data that is necessary to grow the ecosystem, to provide information to the Legislatures who may be unfamiliar with the sector but receive questions. Figure out a blueprint for the ecosystem-relationship building.

Mr. Barnabas wants clarification on the first goals.

Mr. Lam advises that being the only state agency focused on tech our strategy needs to be a little broad, these are three-year goals we are looking to accomplish in the first year.



Mr. Lam continues with goal two, sunset the accelerator program and pivot SBIR and MAP niche specific. Reason for the accelerator program as a potential sunset, it is hard to measure the impact of us giving money and where they are putting money into other companies and if they are successful. Also there is a question of local companies applying as well as the same companies applying.

Goal three advancing operational capacity for the staff, making sure the team can move faster and have the right skillsets. Real estate, seems to be the source of our unrestricted funding. If we could get the Sandbox at the same place that generates the same revenue as MRTC we would be in a good place for programming. There would be opportunities as we figure out what tech niches we should focus, are there in fracture needs on in the Big Island or Kauai or here that if we do the initial investment and have tenants pay us.

Chair asks if we are proposing to become landlords again.

Mr. Lam proposes that could be the main strategy.

Chair advises that there were prior issues with HTDC being landlords.

Mr. Lam advises we are targeting the following tech niches, ocean, aerospace, cybersecurity, and energy, health, sectors multiple reports identified as potential areas to focus on. Aerospace is very specific sector so broaden it so space, energy and cyber is more horizontal so it will leave us with three ocean, space and health we will call level one. We will have to go to level two and three to focus on, for example ocean we will specify maritime, aquaculture, deeper aquaculture as it relates to seaweed as it relates to climate change.

Chair voices concern that we continue to look at what we are good at and nothing else and maybe not what we want to do.

Mr. Lam states our goals are to create jobs and grow the economy.

Mr. Sullivan comments that the three areas do not have enough substance but it would be great to articulate it in a more direct way. He mentions that sponsorships if you can connect Hawai'i companies to meet other companies-globally.

Mr. Barnabas expresses that it seems like this is a lot for the staff, pick the right amount for the staff to be successful. Pick a plan that is implemental for the team.



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

1. Hawai'i Small Business Capital (HI-Cap) Program

Mr. Lam advises that during the November meeting there will be two potential HICap investments.

2. INNOVATE Hawai'i

Mr. Lam advises that we did receive the official notice of the extension thru March.

3. Sponsorship

Mr. Lam reiterates the AI sponsorship for the neighbor island training.

4. Hawai'i Research and Tax Credit

Mr. Lam refers to the attachment R&D tax credit for Hawai'i companies doing Research and Development. This is the first year that all the money was not claimed.

Mr. Sullivan clarifies previous years the way the amount was calculated was based total annual spend for fiscal year and percent of that, Every year it would exceed the maximum, when it was extended for five year it changed to only year to year spend, they are not able to claim as much tax credit.

8. Announcements

9. Adjournment

Chair requests a motion to adjourn.

Motion to adjourn made by Mr. Uehara



Posted on 10/16/25 @ 7:54 am
Hawaii Technology Development Corporation
521 Ala Moana Blvd Ste 255 | 808-539-3806
Honolulu, Hawaii 96813 | www.htdc.org

Meeting adjourned at 3:18

Respectfully submitted,
Stephanie Yuu-Sato
Acting Board Secretary

