BioFi Project



Hawai‘i Investment Ready

Coordinating Capital for an Island Economy

HAWAIIAN ISLANDS **WEBSITE**

Hawai‘i Investment Ready (HIR) is a Native Hawaiian-led nonprofit working to change how capital reaches enterprises addressing Hawai‘i’s social, economic and environmental challenges.

Its work is grounded in the Hawaiian pae ‘āina, or archipelago, where geographic isolation makes the relationships between ecological and economic systems particularly visible. Hawai‘i imports much of what it consumes, land and operating costs are high, and locally rooted enterprises often compete within markets structured around global supply chains.

HIR draws inspiration from the Hawaiian concept of the *ahupua‘a*, traditional land divisions generally extending from mountain to sea and connecting forests, freshwater, agriculture, communities and nearshore ecosystems. The implication for finance is straightforward: an enterprise cannot be understood only through its own balance sheet when its activities affect—and depend upon—a much larger system.

HIR began in 2013 as Hawai‘i’s first Native-led social-enterprise accelerator and became an independent 501(c)(3) nonprofit in 2017. Its work has since evolved from preparing individual enterprises for investment toward changing the wider system through which capital is allocated across Hawai‘i.

Challenge

HIR initially focused on a familiar impact-investing problem: promising social enterprises often struggled to access capital because they lacked financial systems, investment structures or business models that investors considered ready.

Years of working with entrepreneurs revealed another side of the problem. Even when enterprises became stronger, the capital available to them remained fragmented. Government programmes, philanthropy, banks and impact investors operated through different institutions and risk frameworks, often without coordination.

HIR’s Hawai‘i Capital Scan examined more than 150 financial products and interviewed 48 food-system funders and investors and 24 enterprises. It found a financial landscape in which capital existed, but often did not match the size, stage, risk profile or circumstances of Hawai‘i’s small and growing food businesses.

COVID-19 made these structural weaknesses particularly visible as disruption to imports exposed Hawai‘i’s dependence on external food systems. HIR subsequently worked with Kamehameha Schools, Lili‘uokalani Trust and roughly 250 food-system stakeholders to map the system and identify leverage points including capital flows, policy and regional processing, packing, storage and distribution infrastructure.

The question became larger than how to make more businesses “investment ready”: how could the capital system itself become better aligned with what Hawai‘i’s economy needed?

Model

HIR now works simultaneously with enterprises and capital providers.

Its accelerator helps nonprofit and for-profit social enterprises strengthen their business models, financial management, governance, impact measurement and fundraising strategies. Entrepreneurs receive coaching and technical assistance intended to help them access the resources appropriate to their stage of development.

HIR also works directly with funders and investors. Through initiatives including Leveraging Hawai‘i Capital, the Hawai‘i Capital Scan and its Funder Cohorts, it convenes philanthropy, government, lenders and private investors to examine where capital is—or is not—flowing and how different providers can coordinate around shared priorities.

Its Food Systems Accelerator brought these two sides together. Beginning in 2022, an Enterprise Cohort worked alongside a Funder Cohort of more than 20 capital providers from government, philanthropy and the private sector. Rather than simply matching investors with

businesses, HIR used the process to develop both enterprises and the capital ecosystem around them.

HIR continues to operate this model. In 2026 it launched its seventh accelerator cohort—and third focused specifically on food systems—with 12 enterprises from across Hawai‘i.

Finance

HIR itself has historically relied largely on philanthropic capital to fund the research, convening, acceleration and technical assistance underlying its work.

During COVID-19, it also took on a more direct capital-deployment role, stewarding more than $2.7 million in federal CARES Act funding to social-impact enterprises on O‘ahu. The experience demonstrated how HIR could sit between capital providers and enterprises while coordinating public, philanthropic and private actors around common needs.

Its most significant step into financial infrastructure is the ‘Āina Aloha Economy Fund, launched in 2024 in partnership with Mission Driven Finance.

The Fund grew out of the broader ‘Āina Aloha Economic Futures framework, a Native Hawaiian-led effort to articulate an economic future grounded in principles including ‘āina—land and that which feeds—community well-being, equity and shared prosperity.

The Fund provides flexible, patient debt to Hawai‘i social enterprises that fall between philanthropy and conventional commercial finance. A grant-funded first-loss layer absorbs some of the risk for other capital providers, allowing non-philanthropic capital to participate in investments it might otherwise consider too risky.

HIR complements the financing with technical assistance and connections to other capital providers. The Fund can also work alongside other lenders and funders rather than attempting to meet an enterprise’s entire financing need itself.

This makes the Fund one component of a broader capital system. Philanthropy can pay for ecosystem mapping, enterprise development and first-loss protection; patient investment capital can finance enterprises able to repay it; and conventional lenders or investors can participate where businesses mature sufficiently to meet their requirements.

Outcomes

Over its first decade, HIR has served more than 80 nonprofit and for-profit enterprises. Among entrepreneurs participating in its programmes, 57% were Native Hawaiian and 90% were institutionally underserved; 65% of participating enterprises were Native-led.

HIR has also provided dedicated financial-management support to more than 60 entrepreneurs across 29 enterprises.

Its current portfolio reporting describes 65 accelerator enterprises supporting approximately 1,400 jobs and generating $100 million in annual revenue. The figures measure a portfolio

subset rather than all organizations HIR has served over its history, which explains the difference from the 80-plus cumulative figure.

The continuation of the Food Systems Accelerator into 2026 also indicates that what began as a response to the vulnerabilities exposed by COVID has developed into an ongoing strategy for strengthening Hawai‘i’s food economy.

Lessons

HIR’s evolution suggests that making enterprises investment-ready is only half of the problem. Capital providers themselves may need better information, stronger relationships and new ways of coordinating if capital is going to reach enterprises that conventional markets overlook.

Its Capital Scan shows the value of mapping the existing financial system before creating another vehicle. Rather than beginning with the assumption that Hawai‘i simply needed “more capital,” HIR examined what capital already existed, where it was flowing and where specific gaps remained.

HIR’s experience also demonstrates a distinct role for philanthropy within blended finance. In the ‘Āina Aloha Economy Fund, philanthropic capital can absorb first-loss risk, enabling patient debt to reach enterprises that may not yet qualify for conventional financing. Grants also support the technical assistance and coordination required to make those investments possible.

Perhaps most importantly, HIR treats capital coordination itself as work. Researching financial flows, preparing enterprises, convening funders and translating between community priorities and financial institutions require people and resources. Without that connective capacity, even substantial pools of capital may remain fragmented.

What’s Next

HIR continues to move from an accelerator centered primarily on individual enterprises toward a broader infrastructure for coordinating capital across Hawai‘i. The ‘Āina Aloha Economy Fund adds an investment vehicle to the enterprise development, research and funder coordination HIR has built over more than a decade.

The emerging model is therefore not simply a fund. It is an attempt to improve the whole pathway through which capital moves: understanding the needs of the place, strengthening enterprises, identifying gaps in existing finance, aligning capital providers and creating new instruments where the existing system cannot meet those needs.