June 29, 2023

**Board Members in Attendance:**

Treasurer Dave Young, Board Chair

Malcolm Evans

Dianne Myles

Antonio Soto

**Additional Attendees:**

Austin Earp, Treasury Staff

Jim Eke, Treasury Staff

Erin Gallegos, Treasury Staff

Sean Gould, OEDIT

Terrance Grady, CHFA

Sheena Kadi, Treasury Staff

Jeff Kraft, OEDIT

Harsha Sekar, Michael, Best and Friedreich LLP

Sam Taylor, Treasury Staff

Justin Vause, CHFA

Mary Wickersham

**2:03 — 2:07 Welcome, roll call**

**2:07 — 2:10 Meeting minutes from May 11, 2023 Board Meeting.**

Antonio moved approval of the May 11, 2023 Board meeting minutes with two spelling corrections and one change. Dianne seconded the motion.

* Dave Young – Yes
* Malcolm Evans – Yes
* Diane Myles – Yes
* Doug Price – Excused
* Antonio Soto – Yes

**2:10 — 2:26 Updates and Tranche 2 Funds Approval**

Tranche 2 will launch on July 19th and will consist of 15 million dollars. The State’s first loss is going to be 3 million dollars. Staff is confirming with the Federal Treasury, but it looks like this money will be coming from the SSBCI funds. The unused credit enhancement funds will automatically roll over to the 2nd tranche. Mary explained SSBCI and how it can be used in the tranche. As well as how the CLIMBER program is set up in three ways to provide capital to small businesses. Sam needs approval from the Board to use State funds for the second tranche.

Malcolm made the motion that the Board hereby allocates $3,000,000 to CHFA, as Loan Program Manager, to be used as first loss capital for the Participation and Direct Lending Capital CLIMBER tools, to be used as first loss direct lending capital in accordance with policies previously adopted by the Board. Antonio seconded the motion.

* Dave Young – Yes
* Malcolm Evans – Yes
* Diane Myles – Yes
* Doug Price – Excused
* Antonio Soto – Yes

**2:26— 2:50 DLC Loan Request – First Southwest**

First Southwest Community Fund is an existing partner and they are requesting a $750,000 loan from CLIMBER DLC. $250,000 of these funds will be used to make loans and lines of credit to eligible borrowers that meet CLIMBER DLC requirements. As an exception to policy, $500,000 of these funds will be used to repay a bridge loan from First Southwest Bank that is being provided to enable FSWCF to fund a loan to a CLIMBER eligible business applicant that was closed on June 16, 2023. Justin explained that there was some administrative confusion about a loan they closed. To solve this problem, First Southwest provided a short-term line of credit to fund the loan they were committed to. Once this request is approved, they will pay that back. The Board members were provided with a memo that explained everything. Staff recommends the Board approves this request. CHFA answered questions from the Board.

Antonio made a motion to approve the request. Malcolm seconded the motion.

* Dave Young – Yes
* Malcolm Evans – Yes
* Diane Myles – Yes
* Doug Price – Excused
* Antonio Soto – Yes

**2:50 — 2:59 Tranche 2 Loans Participation and CCR/S\*\*\*\***

The working group is trying to figure out how to approve the participation program. Only two loans have been made since the beginning of the program. The group has decided to give the banks more time to review this program. The Board will receive an official memo from CHFA when things are decided. The Board will not be voting on anything today.

**3:04— 3:05 pm Public comments:** facilitated by Dave Young

* Written Comments
	+ There were no written comments.
* Verbal Comments
	+ There were no verbal comments.

**The meeting was adjourned at 3:05 pm.**