



CLIMBER Small Business Loan Program
Oversight Board
Meeting Minutes
January 21, 2021

Board Members in Attendance:

Treasurer Dave Young, Board Chair
Akasha Absher
Monique Lovato
Doug Price

Staff Attendees:

Jim Eke, Treasury Staff
Erin Gallegos, Treasury Staff
Sean Gould, OEDIT Staff
Steve Johnson, CHFA ED
Jeff Kraft, OEDIT Staff
LeeAnn Morrill, First Assistant Attorney
General & General Counsel to the AG
Justin Vause, CHFA Staff
Mary Wickersham, Treasury Staff

2:03 — 2:06 Welcome, roll call: Dave Young, Jim Eke

2:05 — 2:06 Meeting minutes from previous meeting: Dave Young

- Doug moved approval of the minutes from the January 14, 2021 Oversight Board meeting. Monique seconded the motion.
 - Akasha Absher – Excused
 - Peter Calamari – Excused
 - Monique Lovato – Yes
 - Doug Price – Yes
 - Dave Young – Yes

2:06 — 2:26 Updates

- **Fundraising:** Mary Wickersham
 - The private fundraising group is close to several confirmations, but they have no new announcements since the last meeting.
- **CHFA Contract:** Mary Wickersham
 - The State and CHFA are still working on the IGA. It should be completed soon.
- **Federal PPP:** Jim Eke
 - Financial institutions are starting to process applications for the new PPP. Jim does not know how many loans will be completed, but he is continuing to track those details. CLIMBER will have a soft rollout to let the financial institutions

focus on PPP. CLIMBER will use this time for additional preparations and to make any changes, if necessary, that would allow CLIMBER to be complementary with PPP. There was a brief discussion on how different parts of the state have been impacted and that every recession is different.

- **CHFA Marketing Update:** Dave Young
 - CLIMBER now has a stand-alone website: <http://climber-colorado.com>. The website is not finished, but currently redirects to the CHFA website. The marketing team at CHFA is working on logos, colors, and messaging. The options will be presented to the Board through email for feedback. Once the content has been finalized and the website content is added to the site, the stand-alone website will become operational.
- **Timeline:** Jim Eke
 - Jim updated the timeline to make it easier to see progress. Some new items have been added in new rows of the timeline spreadsheet regarding marketing and the website. For ease of viewing, the rows for items that have been completed have been hidden. Hidden rows can be made visible again through a spreadsheet command if members wish to see any hidden item.

2:26 — 2:41 Allocation of capital to credit enhancement for launch: Jim Eke, Jeff Kraft, Mary Wickersham

- The credit enhancement tool can be launched without the private fundraising being complete because the credit enhancement tool uses only the State funds, which have already been raised through tax credit sales. A soft rollout will start with the credit enhancement tool, and once private funding is secured the other two tools will be added. The CLIMBER fund will receive the State funds during February once the IGA is complete, and can use up to \$10 million across all three tools in each tranche. A Board decision is required to identify how much money will be allocated to the credit enhancement tool for the first tranche. Mary and CHFA recommended between 2 and 5 million. There was a discussion of allocating a lower amount of money, with the option of being able to add more if needed.
- Akasha joined the meeting at 2:32 pm.
- At 2:37 pm Doug moved the Board allocate \$3 million for the credit enhancement tool. Akasha seconded the motion.
 - Akasha Absher – Yes
 - Peter Calamari – Excused
 - Monique Lovato – Yes
 - Doug Price – Yes
 - Dave Young – Yes

2:41— 3:20 Approach on race and gender in CLIMBER Board policy: Mary Wickersham, Jim Eke, Jeff Kraft

- Dave informed the Board that any member may request executive session if the member needs more legal advice on this topic. The staff distributed a document with proposed revisions to Board policy, which are summarized as follows:
 1. To comply with the statutory requirement with setting targets, the Board would publish a table with benchmark data from public sources with a variety of measures. CLIMBER would track the data and compare it to the benchmarks in the published table.
 2. The Board would instruct CHFA to develop marketing strategies and outreach to businesses owned by women and minorities.
 3. Amend the definition of underserved businesses as follows:
 - a) Businesses located in low- and moderate-income areas of the state or that serve low- and moderate-income areas, and those that are owned by low- and moderate-income individuals,
 - b) Businesses in economically distressed areas of the state,
 - c) Businesses in underserved areas of the state,
 - d) Businesses owned by veterans, or
 - e) Rural businesses.
 4. The Board would review data on the distribution of CLIMBER capital to businesses owned by women and minorities at the same time it reviews distribution to underserved businesses, according to previously adopted policy.
 5. The Board will direct Treasury and OEDIT policy staff to explore potential legislative changes for a future date.
 6. The Board will direct staff to make changes to the previously adopted policies to conform to the new policy.
- The Board discussed the proposal. Monique and Akasha expressed concerns that the benchmarks might be construed as a ceiling number, instead a number to surpass. Jeff emphasized that it is the Board's prerogative to decide how the benchmarks are utilized.
- Akasha moved the Board adopt the policy with the added sentence in item 4. The added sentence is "The Board will make future changes to Board policy depending on the distribution of capital to women and minority businesses at those points in time."

Monique seconded the motion.

 - Akasha Absher – Yes
 - Peter Calamari – Excused
 - Monique Lovato – Yes
 - Doug Price – Yes
 - Dave Young – Yes

3:20 — 3:24 Public comments: facilitated by Dave Young

- Written Comments
 - There were zero written comments.
- Verbal Comments
 - Earl Staelin from Rocky Mountain Public Banking institute made comments about the CLIMBER program and public banking. Dave thanked Mr. Staelin for attending the meeting and making his remarks.

3:24 – 3:30 Next steps/meetings: Mary Wickersham, Jim Eke

- February 4th at 2 pm: Oversight Board meeting

The meeting was adjourned at 3:30 p.m.