



CLIMBER Small Business Loan Program  
Oversight Board  
Meeting Minutes  
August 27, 2020

**Board Members in Attendance:**

Treasurer Dave Young, Board Chair  
Akasha Absher  
Peter Calamari  
Rosy McDonough  
Doug Price

**Staff Attendees:**

Emily Buckley, Assistant Attorney General  
Sean Gould, OEDIT Staff  
Jeff Kraft, OEDIT Staff  
Leah Marvin-Riley, Treasury Staff  
Emma Ragona, Treasury Staff  
Mary Wickersham, Treasury Staff

**2:03-2:04 Welcome, Roll Call:** Dave Young, Mary Wickersham

- The meeting, which was conducted online, was called to order by Chair Dave Young at 2:03 p.m.

**2:04-2:10 Meeting Minutes from previous meeting:** Dave Young

- Dave reported that he and Emma reviewed the minutes and edited the formatting to create a more general description for each segment.
- Akasha moved the minutes for 8/6/20, Doug seconded the motion
  - Akasha Absher – yes
  - Peter Calamari – yes
  - Rosy McDonough – yes
  - Doug Price – yes
  - Dave Young – Yes
- Doug moved the minutes for 8/13/2020, Peter seconded the motion
  - Akasha Absher – yes
  - Peter Calamari – yes
  - Rosy McDonough – yes
  - Doug Price – yes
  - Dave Young – yes

**2:10-3:10 Updates:**

**Lender Focus Groups:** Jeff Kraft, and **Options/recommendations for underwriting working group:** Akasha Absher and Doug Price

- Jeff announced that he had conducted a series of focus groups and workshops with lenders. They reintroduced the CLIMBER concept to CDFI's and then presented some specific products. These draft products include: Direct Lending Capital, CLIMBER Credit Reserve, and Loan Participation. Akasha and Doug both joined calls with different groups discussing the products. Jeff presented the group with a presentation about the products being presented along with details on lender types, rules and regulations, and if it meets CLIMBER's terms.
- Dave decided to change the "Options/recommendations for underwriting working group" agenda item to this point in the meeting because Akasha indicated she needed to leave the Board meeting early.
- Akasha and Doug discussed with the Board that underwriting is required by statute. The statute requires a standard of underwriting CDFI's rely on a credit reserve that is administered by CHFAA, it was mentioned that the standard will be increasing going forward. Doug mentioned that the loan policy and the loan loss reserve will increase 20% with no identity risks associated. However, there are issues regarding hospitality because of COVID-19 and the reduced tourism within the state. There was also discussion of possibly microtargeting some of these small businesses that are in the hospitality section. The next steps include taking feedback into account and continuing to be in contact with CDFI's and banks worshipping a little more.

**Plan for small business engagement:** Rosy McDonough and Jeff Kraft

- Jeff announced to the Board that he started the first conversations with Rosy's colleagues Glenn Plagens and Joey Jenkins. Jeff asked about their opinions on CLIMBER and if they could give us a small business owner that can serve on a focus group. The Board discussed that the working groups can talk directly with business owners or CDFI's and report the results back to the Board.

**Fundraising:** Peter Calamari and Mary Wickersham

- Peter and Mary reported to the Board that they both have been having helpful conversations with the banks. A plan is in place to approach other banks once a presentation is complete. They announced to the Board that they plan on having a presentation around Labor Day so they can start fundraising. The goal is to be formally fundraising for the GAP and CLIMBER funds by September 7th.

**Tax Credit Sale:** Dave Young and Mary Wickersham

- Mary has a draft of RFP for Tax Credit services. Once it gets approval from Dave or other Treasury staff it will be going out to the field. Mary also mentioned that there are potential Tax Credit partners that have been awaiting the draft.

**3:10-3:50 Discussion: Geographic distribution:** Rosy McDonough, Jeff Kraft and Sean Gould

- Sean presented to the Board that Rosy, Jeff and he have been working on four options for how to distribute a \$50M CLIMBER Fund Tranche. They explained that option four, which was recently created based on Rosy's presentation during the last meeting, may be the best option because it balances both rural areas that may be underserved or distressed communities and also includes minorities by ethnicity or race. Sean added that the money is equitably distributed between 46 counties with this option. HB20-1413 requires setting targets for women, veteran, and rural owned businesses. The Board did not make a decision during this meeting but agreed to mull it over and have Rosy make a recommendation for the next meeting and look to make a decision then.

**3:50-3:53 Review financial model:** Peter Calamari and Mary Wickersham

- This item was postponed to the next meeting.

**3:53-3:55 Public Comments:** Dave Young

- **Oral comments**
  - There were no oral public comments.
- **Written comments**
  - There were no written public comments.

**3:55-4:02 Next steps:** Dave Young, Mary Wickersham

- The next meeting is September 10th @ 2p.m.
- Future meetings of the Board are:
  - September 24 @2 p.m.
  - October 8 @ 2 p.m.
  - October 22 @ 2 p.m.

**The meeting was adjourned at 4:02 p.m.**