



CALIFORNIA CAPITAL ACCESS LOAN PROGRAM (CALCAP)

2024 ANNUAL REPORT TO THE LEGISLATURE



**A PROGRAM OF THE
CALIFORNIA POLLUTION CONTROL
FINANCING AUTHORITY**

JUNE 2025

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ABOUT THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

The California Pollution Control Financing Authority (CPCFA) administers programs, which incentivize capital investment in specific economic activities reflecting state and federal policy goals.

CPCFA was approved as part of the State Treasurer's Office in 1972 and began taking action March 7, 1973. Our name references our original mission, to act as a conduit to the public finance markets, for private activity bond projects that addressed industrial air and water pollution mitigation.

CPCFA's mission has evolved, first with the implementation of a Small Business Assistance Fund (SBAF) to provide a subsidy to small businesses seeking access to the public finance markets; second with legislative action in 1994 to establish and administer the California Capital Access Program (CalCAP) with a transfer from SBAF; and the addition of the California Investment & Innovation Program (Cal IIP), a grant program benefiting federally certified community development financial institutions (CDFI).

Currently, CPCFA provides California businesses with access to capital through the administration of programs serving a variety of goals, including:

- Bond Program – Helping businesses construct solid waste, recycling, water, wastewater, and carbon dioxide capture projects as a conduit issuer of tax-exempt bonds;
- CalCAP – Assisting small businesses in obtaining loans for business start-up, expansion, and working capital through the California Capital Access Program for Small Business and Collateral Support Program;
- CalCAP Zero Emission – Collaborating with other state agencies, including the California Air Resources Board, California Energy Commission, and Southern

California Edison to provide lenders with incentives to finance zero-emission medium- and heavy-duty vehicles and infrastructure; and

- Cal IIP – Providing grants to CDFIs meeting the needs of borrowers in disadvantaged communities throughout California.

This annual report to the Legislature describing the California Capital Access Loan Program is prepared pursuant to the California Pollution Control Financing Authority Act, Health and Safety Code Section 44559.6.

CPCFA Board Members:

Fiona Ma, CPA, Chair
State Treasurer

Malia M. Cohen
State Controller

Joe Stephenshaw, Director
Department of Finance

EXECUTIVE SUMMARY

The California Pollution Control Financing Authority (CPCFA) successfully concluded another year assisting small businesses in California through our California Capital Access Loan Program, more commonly known as California Capital Access Program or CalCAP. CalCAP serves as the umbrella term for various subordinate credit enhancement programs including: CalCAP for Small Business (CalCAP SB), the Collateral Support Program (CalCAP CSP), and the CalCAP Zero-Emission Heavy-Duty Programs (CalCAP ZEHD). All of our small business credit enhancement programs, with the exception of the aptly named Collateral Support Program (CSP), operate using a loan loss reserve (LLR) structure; both structures provide a risk management tool to participating financial institutions (PFIs) so they can be more willing and confident to loan to small businesses.

As planned, in the Spring of 2024, CalCAP launched the Zero-Emission Heavy Duty programs for zero-emission heavy-duty and medium-duty vehicles and infrastructure, continuing our partnership with CARB and building new partnerships with the California Energy Commission (CEC) and Southern California Edison (SCE).

For 2024 loan enrollments for all CalCAP programs totaled 2,560 equating to approximately \$198.9 million in loan dollars, \$31.3 million in contributions to LLRs and CSP, and resulting in 1,474 jobs created. We enrolled 10 new lenders bringing total PFIs to 25.

During the lifetime of all of CalCAP's various subordinate programs, from 1994 to December 2024, PFIs have supplied private capital for and enrolled 72,464 loans from 56 of California's 58 counties.

Credit enhancements offered by CPCFA for loans enrolled in CalCAP for Small Business, CSP, CalCAP Seismic Safety and CalCAP's Americans with Disabilities Act Financing Program are eligible for supplemental contributions for loans made to borrowers whose businesses and properties are located in a Severely Affected

Community (SAC). CPCFA's regulations define a Severely Affected Community as an "economically distressed geographic area", as designated by the Executive Director.

Examples of an economically distressed geographic area might include: disruption to supply chain; physical damage to the business or property; mandatory evacuation areas; employee/customer home was at risk; quarantines; temporary closure due to safety risk; customers and/or sales lost; wildfires; floods; extended power outage due to public safety power shutoffs; or if the business or residence is located in a CDFI Investment Area. Loans to borrowers affected by these situations are eligible for the SAC contribution with the submission of a certification. In 2024, CalCAP issued \$500,329 in supplemental contributions for loans enrolled in CalCAP for Small Business.

CPCFA continuously conducts outreach to lenders, small businesses, and business-serving organizations for all CalCAP programs, including events for the SSBCI and Zero-Emissions programs. Events include webinars, workshops, trade booths, ZEHDV One-Stops and conferences, and presentations as panel members for events hosted by the State Treasurer's Office and partners such as the US Treasury, Federal Deposit Insurance Corporation, IBank, California Office of the Small Business Advocate (CalOSBA), legislative members, and California's Small Business Development Centers (SBDCs).

CALIFORNIA CAPITAL ACCESS LOAN PROGRAM (CALCAP) FUNDING SUMMARY

CalCAP for Small Business (CalCAP SB) was established by legislation enacted in AB 253 (Chapter 1163, Statutes of 1994). CalCAP assists small businesses in obtaining loans through participating financial institutions (lenders). CalCAP uses a loan loss reserve credit support model that may provide up to 100% reimbursement on losses as a result of qualifying loan defaults.

While each lender is entirely liable for its loan losses, those losses may be reimbursed from each lender's loan loss reserve account. The loan loss reserve accounts are funded through fees paid by the borrower and lender and contributions made by CPCFA.

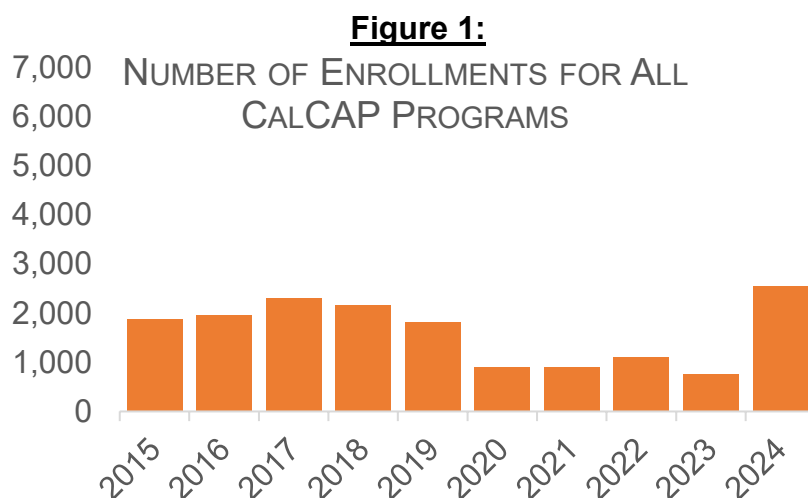
Prior to 2010, CPCFA funded CalCAP with \$38.3 million transferred from CPCFA's Small Business Assistance Fund (SBAF), itself sourced from fees CPCFA collected from large businesses financing projects through CPCFA's Bond Program. In October 2010, the Legislature appropriated \$6 million from the State's General Fund to supplement CPCFA's funding.

In 2011, CalCAP expanded rapidly when it received an allocation of federal funds from the State Small Business Credit Initiative (SSBCI 1.0) administered by the U.S. Department of the Treasury (U.S. Treasury), made available by the Small Business Jobs Act of 2010. The U.S. Treasury mandates that funding be used to help historically underserved business and very small businesses.

CPCFA received from U.S. Treasury half of the \$168 million total allocation awarded to the State of California and implemented a second program, the Collateral Support Program (CalCAP CSP), to supplement the CalCAP for SB in 2013. The CSP provides a cash pledge of up to 50% to the lender on behalf of the borrower. If no claim is made prior to the expiration of enrollment, the cash pledge is returned to the program to support more loans to small businesses.

In 2021, the U.S. Treasury reauthorized the State Small Business Credit Initiative (SSBCI 2.0) under the American Rescue Plan Act of 2021 and awarded California \$1.18 billion divided between CPCFA and the California Infrastructure and Economic Development Bank (IBank). CPCFA received half of California’s total allocation and was awarded approximately \$590 million to be delivered in three tranches. CPCFA received the first tranche, \$178.5 million, of its allocation in November 2022. After successfully deploying the first tranche and meeting California’s goal for Socially and Economically Disadvantaged Individual (SEDI) borrowers, CPCFA and IBank applied for the second tranche of SSBCI funds in July 2024 and CPCFA received its second tranche, \$203.5 million, of California’s allocation in January of 2025.

Through regulatory action, CalCAP is in the process of expanding its portfolio of programs to include a Loan Participation Program (LPP) in order to accelerate the deployment of SSBCI funding. CPCFA requested to modify its original SSBCI Allocation Agreement in March 2024, to allow for the inclusion of a Loan Participation Program under SSBCI. U.S. Treasury approved California’s request to modify its Allocation Agreement on July 25, 2024, that allocated \$150 million to a new Loan Participation Program administered by CalCAP. We anticipate that the LPP will be in operation by the end of 2025.



*Figure 1 shows total annual loan enrollment for all CalCAP programs.

Under CalCAP, CPCFA has rolled out the CalCAP Zero-Emission Heavy-Duty Programs (CalCAP ZEHD) which are three new zero-emission pilot programs for medium- and heavy-duty trucks and infrastructure that was modeled after the very successful CalCAP CARB program, a credit enhancement program which supported small business loans for heavy-duty vehicles complying with emissions standards. The CalCAP ZEHD programs assist fleets and owner-operators transition to zero-emission technologies which can include electric or hydrogen. These programs are being administered through CPCFA's ongoing partnership with the California Air Resources Board (CARB) and the California Energy Commission (CEC) and its newest partnership with Southern California Edison (SCE).

In 2016, CPCFA launched CalCAP ADA. With a \$10 million appropriation from Assembly Bill 1230 (Chapter 787, Statutes of 2015), the CalCAP ADA program assists small businesses with financing to alter or retrofit existing facilities to increase access and comply with the requirements of the federal Americans with Disabilities Act of 1990. To date, no loans have been enrolled in this program.

In June 2016, Senate Bill 837 (Chapter 32, Statutes of 2016) appropriated \$10 million to CPCFA to fund CalCAP Seismic Safety. Implemented through rulemaking effective January 2017, CalCAP Seismic Safety incentivizes private lending for California small business and residential property owners to finance the cost of seismic retrofits for existing buildings and homes vulnerable to future earthquakes. There have been four loans enrolled in this program.

CPCFA's continued transparency of the CalCAP programs assures stakeholders are included in discussions and offers opportunities. Webinars and one-on-one meetings are offered throughout the year for participating lenders to learn about program changes, updates, and to provide feedback. Lenders are encouraged to attend these informational webinars and those that are unable to view live meetings are invited to view webinar recordings and presentations that are posted on CPCFA's website. By utilizing the rulemaking framework through the Office of Administrative Law, the program criteria and administration are clear. The framework also permits CPCFA to

update program regulations in response to statutory updates, changes in funding, and other market dynamics.

CALCAP FOR SMALL BUSINESS PROGRAM (CALCAP FOR SB) RESULTS 2024

CalCAP for Small Business Loan Dollars – Participating financial institutions are able to enroll a portion up to 100% of a qualified loan in CalCAP for Small Business. In 2024, more than \$114.8 million was enrolled in CalCAP for Small Business out of the approximately \$141.9 million in dollars loaned. The average loan size was approximately \$56,883. At the end of December 2024, CalCAP for Small Business lenders have cumulatively loaned approximately \$3.06 billion since the program began in 1994. See Figure 2 below.

CalCAP for Small Business Loan Volume – In 2024, CalCAP for Small Business enrolled 2,495 small business loans made to 2,199 borrowers. Over the last three years, there have been an average of 1,440 loans enrolled per year. At the end of December 2024, the total number of loans enrolled in CalCAP for Small Business since 1994 is 28,399. See Figure 3 below.

CalCAP for Small Business Contributions – CPCFA contributes a percentage of each loan amount into the lender's loan loss reserve account when it is enrolled in CalCAP for Small Business. In 2024, CPCFA contributed over \$7.75 million towards lenders' loan loss reserves.

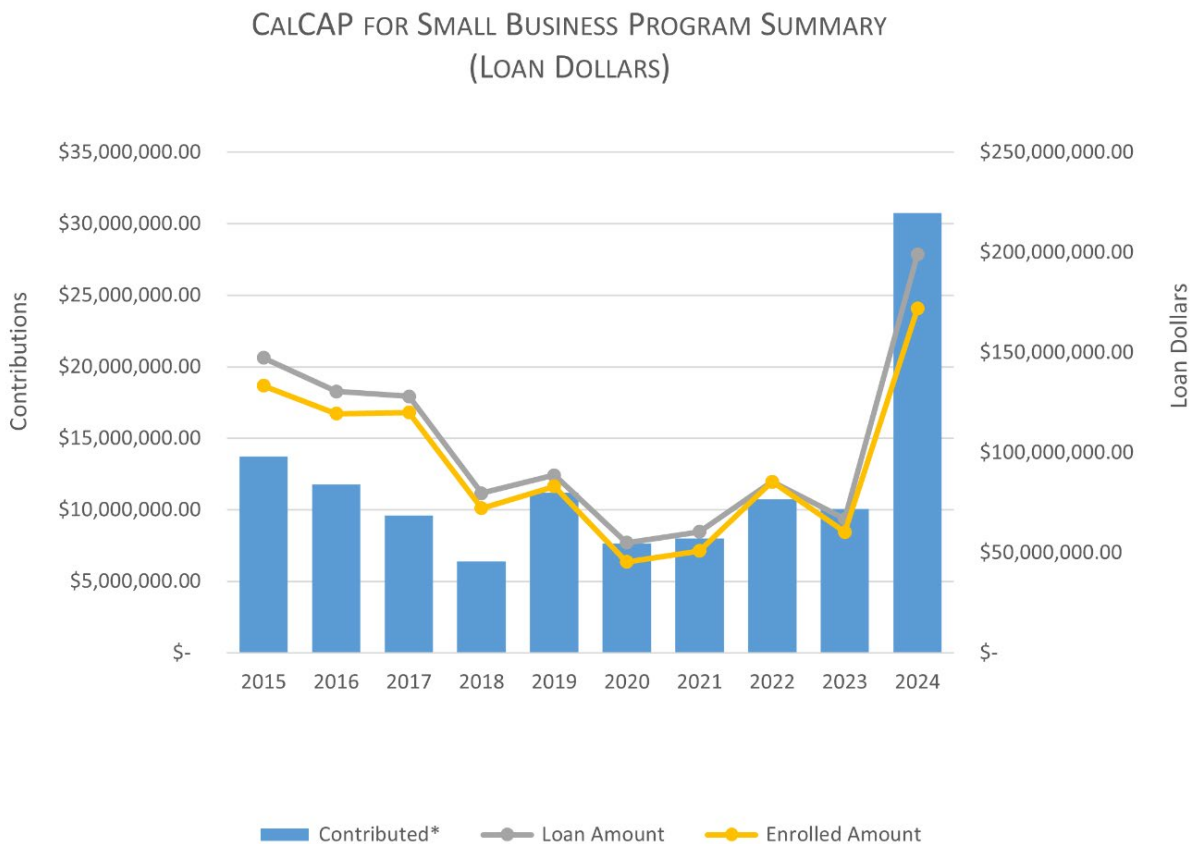
State Small Business Credit Initiative (SSBCI) 2.0 Contributions – Of the 2,495 loans enrolled in CalCAP for Small Business in 2024, 2,441 received SSBCI contributions, totaling \$2,333,434.

State Funds – Of the 2,495 loans enrolled in CalCAP for Small Business, 54 received State contributions totaling \$28,381.

Socially and Economically Disadvantaged Individuals (SEDI) – Of the 2,495 loans enrolled in CalCAP for Small Business, 1,642 were for SEDI-owned small businesses. CPCFA contributed \$4,890,041 in SSBCI funds towards those loans.

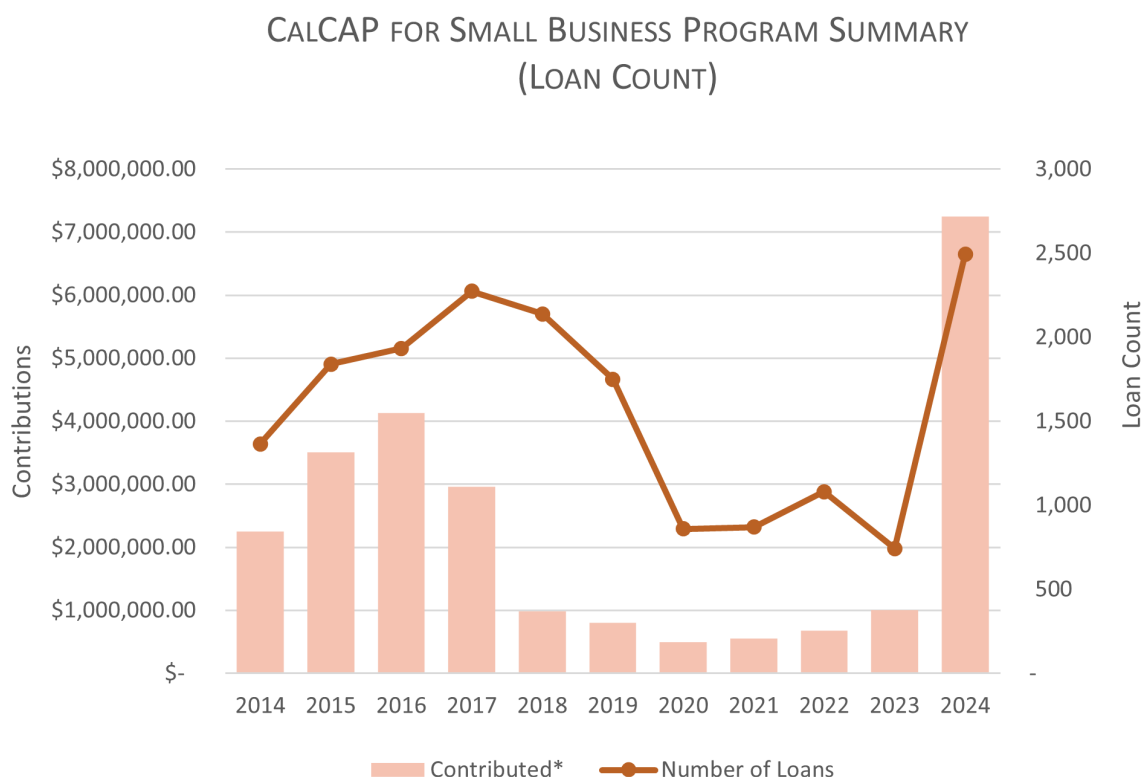
Severely Affected Community (SAC) – Of the 2,495 loans enrolled in CalCAP for Small Business, 601 were to small businesses located in a SAC. In 2024, CalCAP for Small Business issued \$500,329 in supplemental contributions.

Figure 2:



*2019 data reflects a statutory reduction in State contributions that took effect in April 2017.

Figure 3:



*2019 data reflects a statutory reduction in State contributions that took effect in April 2017.

CalCAP for Small Business Microloans – A microloan is a business loan under \$50,000. In 2024, of the 2,495 loans made to California small business owners, 1,226 loans totaling approximately \$37.8 million were microloans.

CalCAP for Small Business Jobs – In 2024, loans enrolled in CalCAP for Small Business helped create 1,076 new jobs and retain 4,311 existing jobs.

CalCAP for Small Business Loans by Industry – The following chart, Figure 4, describes the distribution of enrollment activity by sector, using the North American Industry Classification System (NAICS) Sector number

Figure 4:**2024 CalCAP for Small Business Program Loans by Industry**

NAICS Sector	Description	# of Enrollments	Loaned Dollars	Enrolled Dollars
11	Agriculture, Forestry, Fishing and Hunting	10	\$ 2,301,367	\$ 1,031,000
21	Mining, Quarrying, and Oil and Gas Extraction	0	\$ -	\$ -
22	Utilities	0	\$ -	\$ -
23	Construction	29	\$ 1,689,832	\$ 1,487,186
31-33	Manufacturing	21	\$ 742,314	\$ 742,314
42	Wholesale Trade	23	\$977,100	\$ 954,993
44-45	Retail Trade	48	\$ 1,854,815	\$ 1,774,700
48-49	Transportation and Warehousing	2,050	\$119,763,720	\$ 95,053,119
51	Information	7	\$ 271,000.00	\$ 271,000.00
52	Finance and Insurance	5	\$ 129,643	\$ 129,643
53	Real Estate and Rental and Leasing	10	\$ 450,215	\$ 447,700
54	Professional, Scientific, and Technical Services	50	\$ 1,944,194	\$ 1,919,194
55	Management of Companies and Enterprises	0	\$ -	\$ -
56	Administrative and Support/Waste Management/Remediation Services	22	\$ 1,279,640	\$ 867,635
61	Educational Services	11	\$ 583,246	\$ 583,246
62	Health Care and Social Assistance	33	\$ 1,255,281	\$ 1,255,281
71	Arts, Entertainment, and Recreation	8	\$ 328,900	\$ 328,900

72	Accommodation and Food Services	121	\$ 6,809,811	\$ 6,637,845
81	Other Services (except Public Administration)	46	\$ 1,516,892	\$ 1,365,112
92	Public Administration	1	\$ 25,000	\$ 25,000
Grand Total		2,495	\$141,922,975	\$114,873,874

CalCAP for Small Business Geographic Area Served – Exhibit A on page 28 shows the distribution of the loans enrolled in 40 counties in 2024 and indicates the number of enrollments and approximate dollars loaned by county.

CalCAP for Small Business Loan Loss Claims – CalCAP processed and approved 121 claims filed by lenders against their loan loss reserve accounts in 2024, totaling approximately \$1.75 million (Figure 5). The default rate for 2024 was 4.96%. Figure 6 shows the default rate percentage for the last 10 years.

Figure 5:

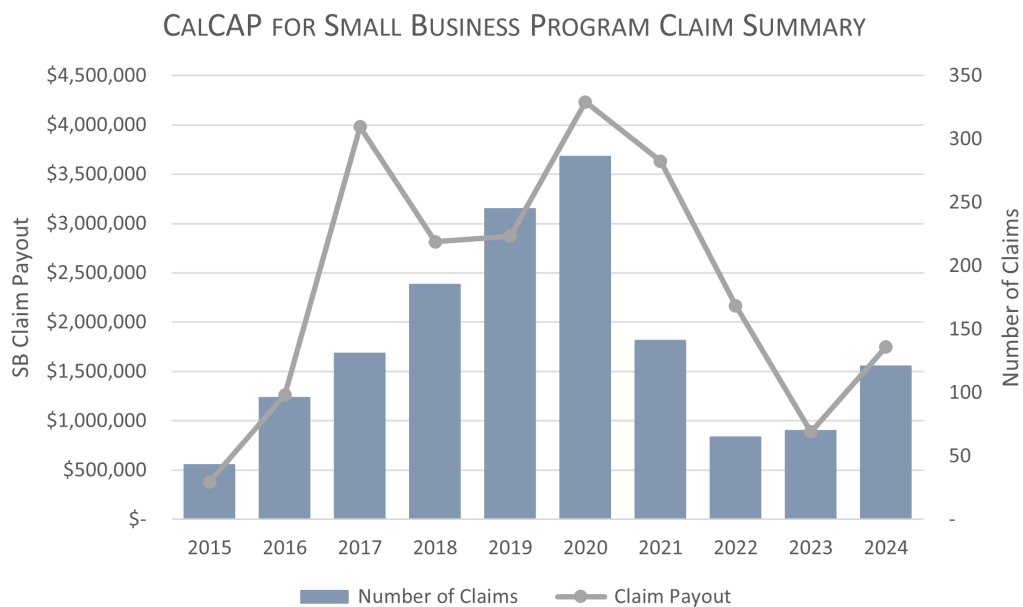
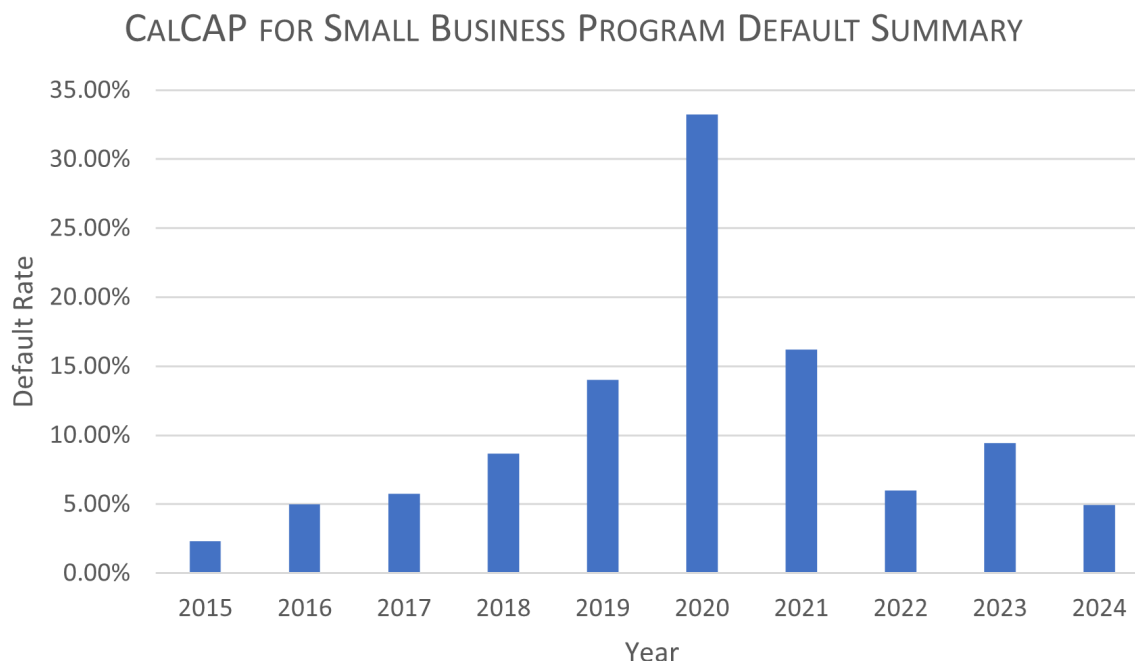


Figure 6:



*Starting 2024 - Claim Default rate is calculated by total number of claims divided by the total number of loans.

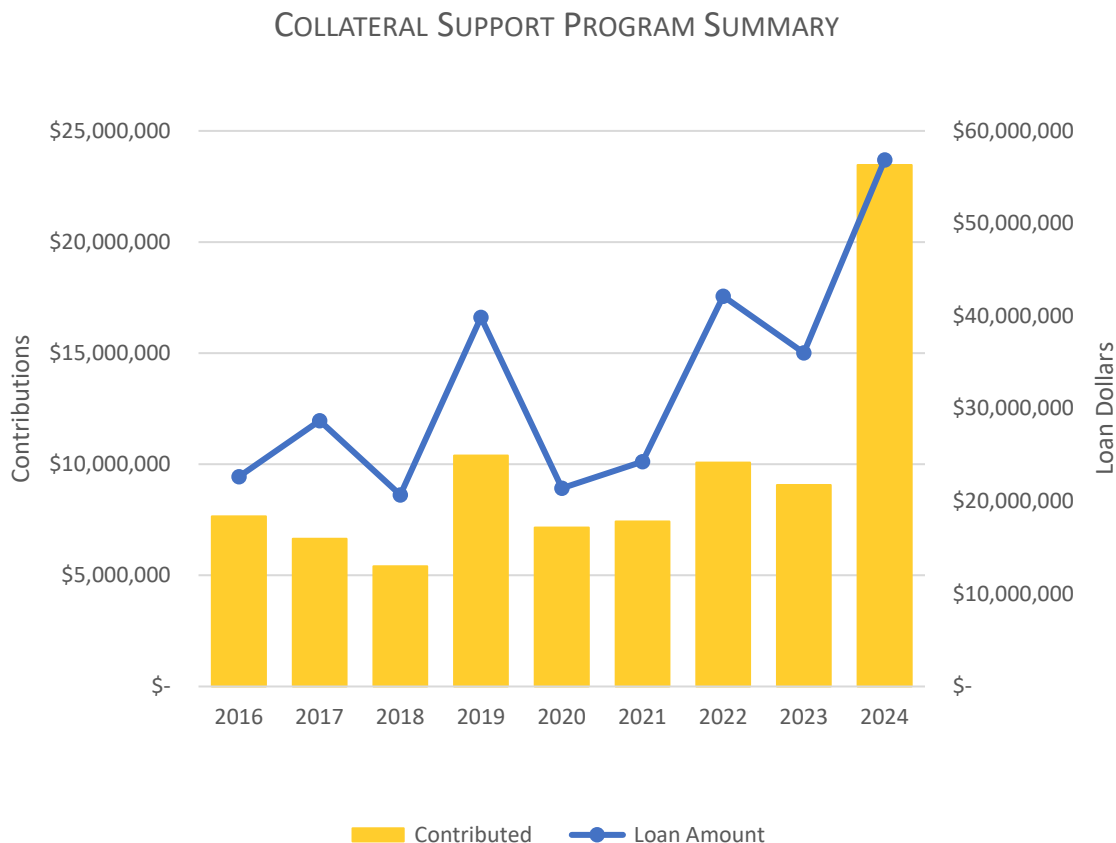
CalCAP SSBCI Fund Balance – CalCAP received its second tranche of over \$203 million from the U.S. Treasury for the SSBCI 2.0 program on January 16, 2025, that will continue to help support loans enrolled in the CalCAP/SB and CSP Programs. CalCAP received \$136.7 million in main allocation funding, \$30.8 million in SEDI allocation funding, \$10.8 million in VSB allocation funding, and an additional \$24.9 million in SEDI incentive funding for hitting California’s SSBCI SEDI goal of 48.87%.

COLLATERAL SUPPORT PROGRAM (CSP) RESULTS 2024

CSP was designed to enable financing for small businesses with a collateral shortfall. In January 2013, CSP was approved by the U.S. Treasury as part of CPCFA's \$85 million allocation under SSBCI 1.0. CPCFA provides a cash deposit to the lender to hold as partial collateral against potential loss.

As of December 31, 2024, CPCFA had contributed a total of \$23.4 million in cash deposits to support 63 loans totaling an amount of approximately \$57 million. To date, CPCFA had contributed a cumulative total of \$141.4 million in cash deposits for 472 loans. (Figure 7).

Figure 7



CSP Loan Volume – In 2024, CPCFA enrolled 63 loans to 60 borrowers. At the end of December 2024, the total number of loans enrolled in CSP since 2013 is 472.

CSP Loan Dollars – In 2024, CSP leveraged approximately \$57 million dollars in lending. The average loan size was approximately \$902,593.

CSP Loan Contributions – In 2024, CPCFA contributed approximately \$23.4 million in cash deposits to support loans to small businesses.

CSP State Funded Loans – In 2024, CPCFA contributed approximately \$605,613 in State funded cash deposits to support loans to small businesses.

CSP SSBCI Funded Loans – In 2024, CPCFA contributed approximately \$20.7 million in SSBCI funded cash deposits to support loans to small businesses.

CSP Fund Balance – As of December 31, 2024, the balance available in the State-funded CSP total approximately \$40 million. The balance available from the SSBCI-funded CSP totals approximately \$3.98 million.

Severely Affected Community (SAC) – Of the 63 loans enrolled, 21 were to small businesses located in a SAC. CPCFA approved supplemental cash deposits for those loans in the amount of approximately \$1.4 million.

Socially and Economically Disadvantaged Individuals (SEDI) – Of the 63 loans enrolled, 27 were to SEDI-owned businesses. CPCFA approved supplemental cash deposits for those loans in the amount of \$653,747.

CSP Jobs – In 2024, loans enrolled in the CSP helped create 397 new jobs and retain 1,103 existing jobs.

CSP Loans by Industry – The following chart, Figure 8, describes the distribution of enrollment activity by sector, using the NAICS Sector number.

Figure 8:

2024 Collateral Support Program Loans by Industry

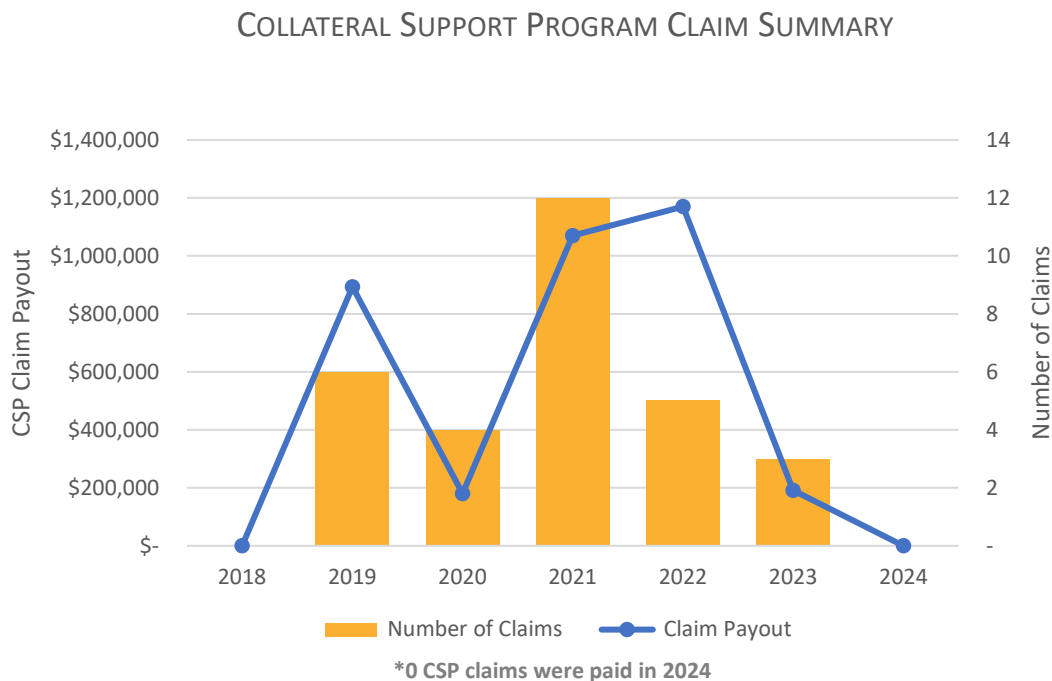
NAICS Sector	Description	# of Enrollments	Loaned Dollars	Enrolled Dollars
11	Agriculture, Forestry, Fishing and Hunting	0	-	-
21	Mining, Quarrying, and Oil and Gas Extraction	0	-	-
22	Utilities	1	\$1,000,000	\$1,000,000
23	Construction	6	\$3,992,736	\$3,992,736
31-33	Manufacturing	3	\$182,136	\$182,136
42	Wholesale Trade	6	\$26,720,843	\$26,720,843
44-45	Retail Trade	2	\$351,413	\$351,413
48-49	Transportation and Warehousing	7	\$899,493	\$897,485
51	Information	1	\$103,291	\$103,291
52	Finance and Insurance	0	-	-
53	Real Estate and Rental and Leasing	4	\$14,198,760	\$14,198,760
54	Professional, Scientific, and Technical Services	9	\$4,975,369	\$4,975,369
55	Management of Companies and Enterprises	0	-	-
56	Administrative and Support/Waste Management/Remediation Services	2	\$149,544	\$149,544
61	Educational Services	5	\$2,655,310	\$2,655,310

62	Health Care and Social Assistance	2	\$210,000	\$210,000
71	Arts, Entertainment, and Recreation	4	\$412,766	\$412,766
72	Accommodation and Food Services	11	\$1,011,664	\$1,011,664
81	Other Services (except Public Administration)	0	-	-
92	Public Administration	0	-	-
	Total	63	\$56,863,328	\$56,861,321

CSP Geographic Area Served – **Exhibit B** on page 32 shows the distribution of the loans enrolled in 17 counties, the number of enrollments, and approximate dollars loaned.

CSP Claims – There were no CSP claims filed in 2024 (Figure 9).

Figure 9:



CSP Recapture – Loans supported by CSP are subject to recapture at the end of the support term. The recapture process takes contributed funds and returns them to the CSP program. In 2024, CSP recaptured approximately \$1.2 million in State funds on 12 loans. No funds were recaptured in 2024 for SSBCI supported loans. The recaptured funds will be used for future CSP loans to sustain each funding source program.

CALCAP ZERO-EMISSION HEAVY-DUTY PROGRAMS (CALCAP ZEHD) RESULTS 2024

The CalCAP Zero-Emission Heavy-Duty programs, launched in the Spring of 2024, consist of three pilot programs that CalCAP administers on behalf three independent contributors, the California Air Resources Board (CARB), the California Energy Commission (CEC), and Southern California Edison (SCE).

Through agreements with these independent contributors, the programs are able to assist California fleets and owner-operators purchase or lease zero-emission medium and heavy-duty vehicles and their supporting infrastructure. The programs were developed to provide contributions from CARB, CEC, or SCE equaling 25% of each enrolled loan deposited in the loan loss reserve account assigned to the corresponding lender. Borrowers may also layer their loans with various other incentive programs which help bring the cost down for these zero-emission vehicles and infrastructure.

The CalCAP Zero-Emission Heavy-Duty Air Quality Loan Program (CalCAP ZEHDV), is a state-wide pilot for zero-emission heavy-duty and medium-duty vehicles, funded with an initial \$5 million contribution and supplemented with an additional \$4 million contribution from CARB.

The CalCAP Zero-Emission Heavy-Duty Infrastructure Loan Pilot Project (CalCAP ZEHDV) is a state-wide pilot for zero-emission heavy-duty and medium-duty infrastructure, funded by \$5 million contribution from CEC.

The CalCAP Zero-Emission Truck, Bus and Infrastructure Finance Program (CalCAP ZETBIF) is a utility-service-area pilot for zero-emission heavy-duty and medium-duty vehicles and infrastructure, funded by \$20 million contribution from SCE.

In 2024, two lenders participated in the CalCAP ZEHD programs. Of those two lenders, both enrolled loans in the CalCAP ZEHDV program. No loan enrollments were received for the CalCAP ZEHDV or the CalCAP ZETBIF programs.

CalCAP ZEHDV Program Loan Dollars – In 2024, approximately \$143,076 in total loans were enrolled in CalCAP ZEHDV and CPCFA paid contributions of \$35,769 towards that amount. The average loan size was approximately \$71,538.

CalCAP ZEHDV Program Loan Volume – In 2024, 2 loans were made to 2 borrowers to purchase 2 trucks.

CalCAP ZEHDV Program Jobs – In 2024, loans enrolled in CalCAP ZEHDV helped create 1 new job and retain 1 existing job.

Terminal Rental Adjustment Clause (TRAC) Leases – A TRAC lease is a different type of lending instrument that some lenders choose to use, giving borrowers another option for purchasing the zero-emission trucks. In 2024, there were no TRAC leases enrolled in the CalCAP ZEHDV program.

CalCAP ZEHDV Program Loans by Industry – The two loans enrolled in the program were listed under the Transportation and Warehousing sector (48-49) of the North American Industry Classification System (NAICS).

CalCAP ZEHDV Program Geographic Area Served – **Exhibit C** on page 22 shows the distribution of the CalCAP ZEHDV-funded loans enrolled in 50 counties and indicates the number of enrollments and approximate dollars loaned.

CalCAP ZEHDV Program Loan Loss Claims – There were no claims filed in the CalCAP ZEHDV program in 2024.

CalCAP ZEHDV Program Fund Balance – As of December 31, 2024, the balance available in the CalCAP ZEHDV fund was approximately \$ 8.3 million.

CalCAP ZEHDV Program Fund Balance – As of December 31, 2024, the balance available in the CalCAP ZEHDV fund was approximately \$4.5 million.

CalCAP ZETBIF Program Fund Balance – As of December 31, 2024, the balance available in the CalCAP ZETBIF fund was approximately \$ 18.5 million.

OTHER CALCAP SPECIALTY PROGRAMS

California Americans with Disabilities Act Small Business Capital Access Loan Program (CalCAP ADA)

CPCFA developed and implemented CalCAP ADA in 2016. The program was created through Assembly Bill 1230 (Chapter 787, Statutes of 2015) with a \$10 million one-time appropriation. CalCAP/ADA is designed to assist with financing costs to alter or retrofit existing small-business facilities in order to comply with the requirements of the federal Americans with Disabilities Act of 1990. Loans enrolled in this program may be used for the cost of surveying facilities for non-compliance, estimating and planning eligible alterations, construction costs, and other related expenses but excluding business expansion. This program includes a recapture mechanism to encourage financial sustainability of the program.

Assembly Bill 1553 (Chapter 644, Statutes of 2017) expanded the definition of small business for the purposes of CalCAP ADA to include businesses with less than \$5 million in total gross annual income, expanding the types of businesses that qualify for funding. Assembly Bill 1553 also authorized CPCFA to use its Small Business Assistance Fund (SBAF) moneys to incentivize participation in the CalCAP ADA loan loss reserve program by providing for the reimbursement of required Certified Access Specialist (CAsp) reports.

Assembly Bill 1547 (Chapter 645, Statutes of 2018) further modified the definition of a small business for purposes of CalCAP ADA to mean a business that is independently owned and operated and not dominant in its field, and with 30 or fewer full-time employees or less than \$5 million in total gross annual income from all sources. CalCAP ADA has not enrolled any loans to date. Despite extensive outreach to small businesses throughout the state, a lack of participation in this program is often attributed to a hesitation on the part of small businesses that are tenants/lessors and are reluctant to take out debt for improvements on facilities they do not own.

CalCAP did not enroll a loan in the CalCAP ADA Program in 2024.

CALIFORNIA SEISMIC SAFETY CAPITAL ACCESS LOAN PROGRAM (CALCAP SEISMIC SAFETY)

CalCAP Seismic Safety was launched January 2017. The program was created through Senate Bill 837 (Chapter 32, Statutes of 2016) with a \$10 million one-time appropriation. The purpose of CalCAP/Seismic Safety is to incentivize private financing for California small businesses and residential property owners (including multi-dwelling units and mobile homes registered by the California Department of Housing and Community Development) for the costs to seismically retrofit existing buildings and homes. Proceeds from loans enrolled in CalCAP Seismic Safety may be used for seismic retrofit construction alterations performed on a qualified building or its components to substantially mitigate seismic damage.

Assembly Bill 1547 (Chapter 645, Statutes of 2018) modified the term “qualified building” to mean a residential or commercial building identified by the local building code official as a building in need of seismic retrofitting and either a building of a type that is potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1981. Assembly Bill 1547 discontinued the occupancy requirement for a qualified building to be eligible under CalCAP/Seismic Safety and authorized a qualified loan under CalCAP Seismic Safety to finance passive real estate.

Since 2016, CalCAP Seismic Safety has enrolled four loans for multi-unit buildings in the greater Los Angeles area for a total of \$385,000. CPCFA paid contributions in the amount of \$43,000.

CalCAP did not enroll a loan in the CalCAP Seismic Safety Program in 2024.

OUTLOOK FOR 2025

Access to capital is a perennial priority for the growth and sustainability of small businesses and non-profits. Since inception, CalCAP's unique features continually appeal to lenders seeking tools to manage the risk of loaning to small businesses and non-profits. CalCAP's mechanisms and simple loan enrollment processes allow lenders to focus on using their own practices to serve customers. For every dollar CalCAP contributes through one of its credit enhancement programs, approximately \$10 of private capital is invested in small businesses throughout California. This leverage ratio is critical for the deployment of additional tranches of federal funding through the federal SSBCI 2.0. The second tranche of SSBCI 2.0 funds were received by California at the end of 2024.

The funds from the second tranche will be used to support the CalCAP for Small Business Program and Collateral Support Program and the new and upcoming CalCAP Loan Participation Project which is in its final stages of standing up. CalCAP will continue to work with qualifying financial institutions, organizations serving small businesses, and community organizations throughout California to increase lender participation in CalCAP to be able to then serve more small businesses throughout the state while also meeting its goal to receive the third and final tranche of SSBCI 2.0 funding. CPCFA is excited to support the growing needs of California's small-business community with the moneys received and increase lender participation and education of these programs.

CPCFA's network of community-based lenders continue to impact the needs of socially and economically disadvantaged individuals (SEDI). Along with the second tranche of SSBCI 2.0 funding received, California received a SEDI incentive amount of approximately \$25 million for its robust support of SEDI small businesses throughout the state. CPCFA remains strategic in its marketing, outreach, and recruitment efforts by targeting lenders who serve geographic communities that are home to a high number of SEDI-owned businesses in areas throughout California. CPCFA continues ongoing engagement with different state agencies and partner with entities such as the

California Bankers Association, the Small Business Administration, Small Business Majority, Small Business Development Corporations (SBDCs) and other community outreach organizations and affiliates who focus on how to meet the needs of those businesses.

The CalCAP Zero-Emission Heavy-Duty Programs (CalCAP ZEHD) which are comprised of three separate pilot programs designed to complement one another, launched in the Spring of 2024.

Each program's independent contributor provides a contribution rate of 25% to each enrolled loan, which is significantly more than previous programs and uses the successful loan loss reserve model. These programs are in partnership with the California Air Resources Board (CARB), the California Energy Commission (CEC) and Southern California Edison (SCE) and are administered by CalCAP to assist with the goals of speeding the transition to zero-emission vehicles that are medium-duty and heavy-duty (MDHD) and its supporting infrastructure, primarily by owner-operators and small fleets. Along with ongoing industry specific outreach and engagement, CPCFA anticipates more lender participation and loan enrollments will occur in 2025.

Information About Participating Financial Institutions (PFIs) for All CalCAP Programs: https://www.treasurer.ca.gov/cpcfa/calcap/PFI_lenders.pdf

**EXHIBIT A:
GEOGRAPHIC AREA SERVED: CALCAP FOR SMALL BUSINESS
PROGRAM 2024**

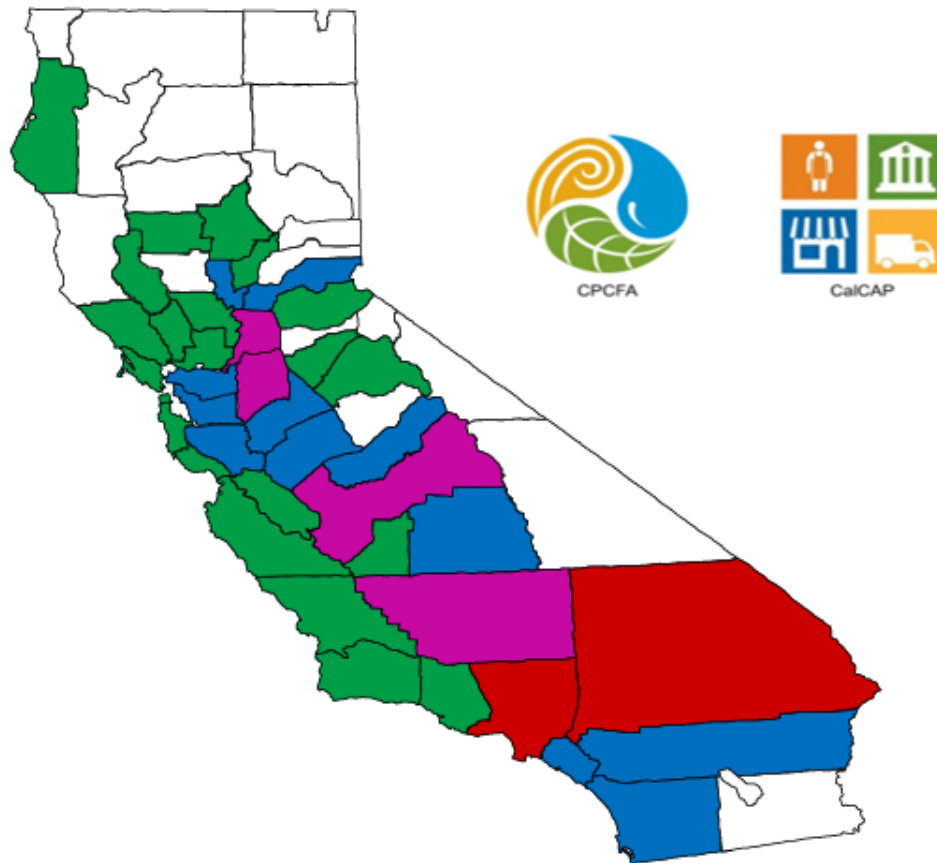


EXHIBIT A DATA:

GEOGRAPHIC AREA SERVED: CALCAP FOR SMALL BUSINESS PROGRAM 2024

Color	Value (Total Enrolled Amount)
	\$0.00
	\$1 - \$999,999
	\$1,000,000 - \$4,999,999
	\$5,000,000 - \$9,999,999
	\$10,000,000 - \$50,000,000
	\$50,000,001.00

Color on Map	Counties	Total Number of Loans	Total Enrolled Amount	Total CalCAP Contribution
	Alameda	67	\$3,056,101.87	\$19,892.24
	Alpine	0	\$0.00	\$0.00
	Amador	0	\$0.00	\$0.00
	Butte	2	\$153,448.90	\$0.00
	Calaveras	1	\$59,386.19	\$0.00
	Colusa	0	\$0.00	\$0.00
	Contra Costa	31	\$1,636,090.29	\$1,500.00
	Del Norte	0	\$0.00	\$0.00
	El Dorado	4	\$171,607.47	\$0.00
	Fresno	660	\$30,394,683.86	\$329,305.92
	Glenn	1	\$36,161.30	\$0.00
	Humboldt	2	\$104,208.41	\$0.00

	Imperial	0	\$0.00	\$0.00
	Inyo	0	\$0.00	\$0.00
	Kern	227	\$10,833,872.10	\$37,623.68
	Kings	3	\$86,198.00	\$0.00
	Lake	1	\$16,293.95	\$0.00
	Lassen	0	\$0.00	\$0.00
	Los Angeles	160	\$7,565,672.73	\$64,571.58
	Madera	27	\$1,231,566.92	\$11,365.46
	Marin	5	\$220,000.00	\$0.00
	Mariposa	0	\$0.00	\$0.00
	Mendocino	0	\$0.00	\$0.00
	Merced	46	\$1,901,778.09	\$13,781.16
	Modoc	0	\$0.00	\$0.00
	Mono	0	\$0.00	\$0.00
	Monterey	11	\$533,733.54	\$3,550.00
	Napa	5	\$292,289.59	\$750.00
	Nevada	0	\$0.00	\$0.00
	Orange	37	\$1,779,348.85	\$26,324.74
	Placer	25	\$1,028,982.63	\$6,366.12
	Plumas	0	\$0.00	\$0.00
	Riverside	74	\$3,796,184.20	\$50,582.76
	Sacramento	289	\$10,281,799.83	\$99,411.66
	San Benito	2	\$99,951.41	\$0.00
	San Bernardino	163	\$9,127,034.37	\$90,493.50
	San Diego	41	\$1,135,767.75	\$18,113.88
	San Francisco	11	\$684,877.06	\$2,300.00
	San Joaquin	294	\$14,528,964.03	\$134,926.54
	San Luis Obispo	8	\$397,153.29	\$2,850.00
	San Mateo	9	\$429,467.00	\$5,040.00
	Santa Barbara	9	\$476,920.61	\$0.00
	Santa Clara	59	\$3,175,946.52	\$20,263.14

	Santa Cruz	4	\$204,750.44	\$0.00
	Shasta	0	\$0.00	\$0.00
	Sierra	0	\$0.00	\$0.00
	Siskiyou	0	\$0.00	\$0.00
	Solano	18	\$721,217.35	\$6,513.44
	Sonoma	14	\$581,139.64	\$4,900.00
	Stanislaus	73	\$3,166,757.30	\$80,152.74
	Sutter	45	\$2,082,709.08	\$9,362.80
	Tehama	0	\$0.00	\$0.00
	Trinity	0	\$0.00	\$0.00
	Tulare	36	\$1,469,447.70	\$5,500.00
	Tuolumne	2	\$126,572.64	\$0.00
	Ventura	16	\$881,248.52	\$0.00
	Yolo	10	\$267,824.32	\$14,021.66
	Yuba	3	\$136,716.49	\$0.00

**EXHIBIT B:
GEOGRAPHIC AREA SERVED: COLLATERAL SUPPORT
PROGRAM 2024**

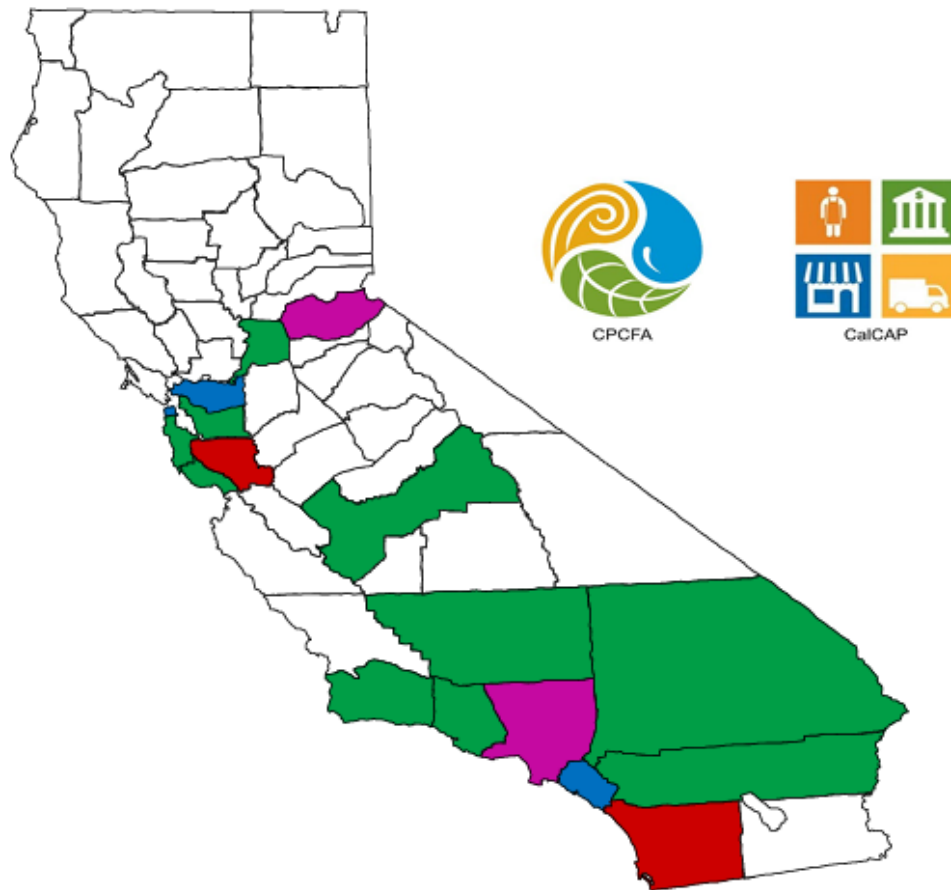


EXHIBIT B:
GEOGRAPHIC AREA SERVED: COLLATERAL SUPPORT
PROGRAM 2024

Color	Value (Total Enrolled Amount)
	\$0.00
	\$1 - \$999,999
	\$1,000,000 - \$4,999,999
	\$5000000 - \$9,999,999
	\$10,000000 - \$50,000,000
	\$50,000,001.00

Color on Map	Counties	Total Number of Loans	Total Enrolled Amount	Total CalCAP Contribution
	Alameda	4	\$281,783.99	\$41,116.40
	Alpine	0	\$0.00	\$0.00
	Amador	0	\$0.00	\$0.00
	Butte	0	\$0.00	\$0.00
	Calaveras	0	\$0.00	\$0.00
	Colusa	0	\$0.00	\$0.00
	Contra Costa	2	\$2,623,891.00	\$15,479.10
	Del Norte	0	\$0.00	\$0.00
	El Dorado	1	\$14,500,000.00	\$70,329.10
	Fresno	1	\$72,282.46	\$99,800.00
	Glenn	0	\$0.00	\$0.00
	Humboldt	0	\$0.00	\$0.00

	Imperial	0	\$0.00	\$0.00
	Inyo	0	\$0.00	\$0.00
	Kern	1	\$103,291.00	\$182,314.10
	Kings	0	\$0.00	\$0.00
	Lake	0	\$0.00	\$0.00
	Lassen	0	\$0.00	\$0.00
	Los Angeles	28	\$17,328,642.11	\$5,081,008.05
	Madera	0	\$0.00	\$0.00
	Marin	0	\$0.00	\$20,716.40
	Mariposa	0	\$0.00	\$0.00
	Mendocino	0	\$0.00	\$0.00
	Merced	0	\$0.00	\$0.00
	Modoc	0	\$0.00	\$0.00
	Mono	0	\$0.00	\$0.00
	Monterey	0	\$0.00	\$0.00
	Napa	0	\$0.00	\$0.00
	Nevada	0	\$0.00	\$0.00
	Orange	4	\$2,983,904.00	\$119,244.10
	Placer	0	\$0.00	\$0.00
	Plumas	0	\$0.00	\$0.00
	Riverside	1	\$418,800.00	\$357,599.30
	Sacramento	1	\$110,142.50	\$87,332.80
	San Benito	0	\$0.00	\$0.00
	San Bernardino	1	\$110,000.00	\$178,500.00
	San Diego	7	\$9,460,077.76	\$79,642.20
	San Francisco	2	\$2,200,000.00	\$0.00
	San Joaquin	0	\$0.00	\$0.00
	San Luis Obispo	0	\$0.00	\$0.00
	San Mateo	2	\$175,612.00	\$0.00
	Santa Barbara	2	\$161,143.36	\$26,887.28
	Santa Clara	4	\$6,130,557.58	\$10,329.10

	Santa Cruz	1	\$46,402.43	\$10,329.10
	Shasta	0	\$0.00	\$0.00
	Sierra	0	\$0.00	\$0.00
	Siskiyou	0	\$0.00	\$0.00
	Solano	0	\$0.00	\$0.00
	Sonoma	0	\$0.00	\$0.00
	Stanislaus	0	\$0.00	\$100,600.00
	Sutter	0	\$0.00	\$0.00
	Tehama	0	\$0.00	\$0.00
	Trinity	0	\$0.00	\$0.00
	Tulare	0	\$0.00	\$0.00
	Tuolumne	0	\$0.00	\$0.00
	Ventura	1	\$154,791.00	\$63,729.95
	Yolo	0	\$0.00	\$0.00
	Yuba	0	\$0.00	\$0.00

EXHIBIT C:

GEOGRAPHIC AREA SERVED: CALCAP ZERO-EMISSION HEAVY-DUTY VEHICLE AIR QUALY LOAN PROGRAM 2024



EXHIBIT C DATA:
GEOGRAPHIC AREA SERVED: CALCAP ZERO-EMISSION
HEAVY-DUTY VEHICLE AIR QUALITY LOAN PROGRAM 2024

Color	Value (Total Enrolled Amount)
	\$0.00
	\$1 - \$999,999
	\$1,000,000 - \$4,999,999
	\$5,000,000 - \$9,999,999
	\$10,000,000 - \$50,000,000
	\$50,000,001.00

Color on Map	Counties	Total Number of Loans	Total Enrolled Amount	Total CalCAP Contribution
	Alameda	0	\$0.00	\$0.00
	Alpine	0	\$0.00	\$0.00
	Amador	0	\$0.00	\$0.00
	Butte	0	\$0.00	\$0.00
	Calaveras	0	\$0.00	\$0.00
	Colusa	0	\$0.00	\$0.00
	Contra Costa	0	\$0.00	\$0.00
	Del Norte	0	\$0.00	\$0.00
	El Dorado	0	\$0.00	\$0.00
	Fresno	0	\$0.00	\$0.00
	Glenn	0	\$0.00	\$0.00
	Humboldt	0	\$0.00	\$0.00
	Imperial	0	\$0.00	\$0.00

	Inyo	0	\$0.00	\$0.00
	Kern	0	\$0.00	\$0.00
	Kings	0	\$0.00	\$0.00
	Lake	0	\$0.00	\$0.00
	Lassen	0	\$0.00	\$0.00
	Los Angeles	2	\$143,076.09	\$143,076.09
	Madera	0	\$0.00	\$0.00
	Marin	0	\$0.00	\$0.00
	Mariposa	0	\$0.00	\$0.00
	Mendocino	0	\$0.00	\$0.00
	Merced	0	\$0.00	\$0.00
	Modoc	0	\$0.00	\$0.00
	Mono	0	\$0.00	\$0.00
	Monterey	0	\$0.00	\$0.00
	Napa	0	\$0.00	\$0.00
	Nevada	0	\$0.00	\$0.00
	Orange	0	\$0.00	\$0.00
	Placer	0	\$0.00	\$0.00
	Plumas	0	\$0.00	\$0.00
	Riverside	0	\$0.00	\$0.00
	Sacramento	0	\$0.00	\$0.00
	San Benito	0	\$0.00	\$0.00
	San Bernardino	0	\$0.00	\$0.00
	San Diego	0	\$0.00	\$0.00
	San Francisco	0	\$0.00	\$0.00
	San Joaquin	0	\$0.00	\$0.00
	San Luis Obispo	0	\$0.00	\$0.00
	San Mateo	0	\$0.00	\$0.00
	Santa Barbara	0	\$0.00	\$0.00
	Santa Clara	0	\$0.00	\$0.00
	Santa Cruz	0	\$0.00	\$0.00

	Shasta	0	\$0.00	\$0.00
	Sierra	0	\$0.00	\$0.00
	Siskiyou	0	\$0.00	\$0.00
	Solano	0	\$0.00	\$0.00
	Sonoma	0	\$0.00	\$0.00
	Stanislaus	0	\$0.00	\$0.00
	Sutter	0	\$0.00	\$0.00
	Tehama	0	\$0.00	\$0.00
	Trinity	0	\$0.00	\$0.00
	Tulare	0	\$0.00	\$0.00
	Tuolumne	0	\$0.00	\$0.00
	Ventura	0	\$0.00	\$0.00
	Yolo	0	\$0.00	\$0.00
	Yuba	0	\$0.00	\$0.00