

MINUTES

**Capital Programs & Climate Financing Authority
901 P Street, Room 102
Sacramento, California
January 20, 2026**

Public Participation Call-In Number: (800) 723-2481, **Phone Conference ID:** 551 935 665#
TEAMS Meeting ID: 240 863 847 597 9, **Passcode:** 8rf6mo7A

1. Call to Order & Roll Call

Khaim Morton, Deputy Treasurer, called the Capital Programs & Climate Financing Authority (CPCFA or Authority) meeting to order at 12:26 pm.

Members Present: Khaim Morton for Fiona Ma, CPA, State Treasurer
David Oppenheim for Malia M. Cohen, State Controller
Michele Perrault for Joe Stephenshaw, Director of Finance

Staff Present: Shela Tobias-Daniel, Executive Director
Andrea Gonzalez, Cal IIP Program Manager
Melissa Foster, SSBCI Program Manager
Ryan Dannewitz, Cal IIP Analyst II
Jill Hess, Executive Assistant
Erin Loriaux, CalCAP Analyst II
JoOnna Trushkov, CalCAP Analyst I
Theodore Hoffman, CalCAP Analyst I
Rajiv Reddy, CalCAP Analyst I

Quorum: The Chairperson declared a quorum

2. Minutes (Action Item)

Deputy Treasurer Morton asked if there were any comments or corrections to the meeting minutes from the December 9, 2025, board meeting. There were none.

Deputy Treasurer Morton then asked if there were any public comments on the item. There were none.

David Oppenheim moved approval of the minutes; Michele Perrault provided the second.

The minutes were approved.

The item was passed by the following vote:

David Oppenheim, for State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton, for State Treasurer	Aye

3. Executive Director’s Report (Information Item)
Presented by Shela Tobias-Daniel, Executive Director

Ms. Tobias-Daniel began the Executive Director’s Report by providing updates on CPCFA’s programs, legislative matters, and outreach efforts, along with brief highlights from 2025.

She first discussed the Bond Program, reporting that CPCFA tripled the number of bond issuances in 2025, completing six issuances during the year. She noted that this increased activity, along with ongoing post-issuance requests, kept staff busy throughout the year. With support from the Board, staff amended program regulations to adjust the fee structure, making conduit bond issuance more affordable for small business borrowers and improving program competitiveness. She reported that the Bond Program began 2026 by submitting the annual CDIAC Debt Transparency Report on January 7, 2026, which was well ahead of the January 31, 2026 deadline. She noted that staff are also working diligently on the Annual Financial Transaction Report due to the State Controller’s Office on January 31, 2026, and the 2025 Annual Report due to the legislature on March 31, 2026.

Ms. Tobias-Daniel then provided an update on the California Investment and Innovation Program (Cal IIP). She reported that Cal IIP kicked off 2025 by awarding approximately \$14.9 million in grants to support Community Development Financial Institutions (CDFIs). These grants enhance the capacity of CDFIs to provide technical assistance and access to capital in economically disadvantaged communities. She explained that CDFIs are mission-driven institutions that serve as an alternative to conventional lending by considering a broader range of lending criteria. Many also provide technical assistance alongside capital access. She stated that Cal IIP grants support CDFIs by strengthening working capital, administrative capacity, and lending ability. She noted that it was fitting that Cal IIP concluded 2025 by preparing for a third round of funding, which was scheduled for Board consideration at this meeting.

She then provided an update on the California Capital Access Program (CalCAP) and the State Small Business Credit Initiative (SSBCI). Ms. Tobias-Daniel reported that CPCFA received its second tranche of SSBCI funding, totaling over \$203 million, and reached the required 80 percent deployment threshold in October 2025. Achieving this milestone allowed the State to request its third and final SSBCI tranche of approximately \$208 million, which was submitted on November 18, 2025. She emphasized that

California received the largest SSBCI allocation of any state and that early concerns existed regarding whether deployment thresholds could be met. She noted that California's success demonstrates the strength of CPCFA's programs and partnerships.

Mr. Oppenheim asked whether SSBCI funds that are repaid return to a specific account or are treated as general funds. Ms. Tobias-Daniel explained that repaid funds return directly to the program, allowing the funds to revolve and support long-term program sustainability.

Ms. Perrault asked about the distribution of SSBCI funds between CPCFA and its partner agency, the California Infrastructure and Economic Development Bank (I-Bank), and whether one program was deploying funds more quickly than the other. Ms. Tobias-Daniel explained that CPCFA and its partner structured their interagency agreement to allow flexibility to shift funds between programs to ensure continuous deployment. She noted that this structure allowed funds to move where needed and be returned as appropriate, ensuring efficient statewide deployment.

Ms. Tobias-Daniel also reported that staff advanced development of a statewide Loan Participation Program, with the first loan expected as part of a soft launch in early 2026. She further noted that CPCFA entered into a contract with MStreetX to design and implement a modern, scalable, and secure database system to replace the Authority's legacy platform.

She then provided an update on the Zero Emissions Program, reporting that the Zero Emissions Heavy-Duty Infrastructure Interagency Agreement was amended to add five million in additional funding. She noted continued program growth, including the addition of eight lenders to the program portfolio during 2025.

On the outreach front, Ms. Tobias-Daniel reported that CPCFA staff supported the Authority's rebranding and name change to the Capital Programs and Climate Financing Authority. She highlighted staff involvement in planning and supporting the California Creates Golden State Manufacturing Forum in October and reported that CPCFA staff participated in or coordinated attendance at more than 175 outreach events statewide during 2025.

Ms. Tobias-Daniel acknowledged the Authority's administrative team, noting that their support is critical to CPCFA and its operations.

She concluded her report by summarizing actions taken under her delegated authority since the December 9, 2025 Board Meeting:

- On December 11, 2025, she approved a post-issuance request for California Waste Solutions, Inc., authorizing amendments to the indenture and certificate of authority.
- On December 16, 2025, she approved a fourth and final draw request for the issue that closed on July 31, 2025, for Arakelian Enterprises Incorporated (doing business as Athens Services), in the amount of \$4,600,000 for a December 19, 2025 draw.

Deputy Treasurer Morton invited questions or comments from the Board. Board members provided brief remarks commending staff outreach efforts and program engagement.

Deputy Treasurer Morton asked if there were any public comments. There were none.

4. Business Item (Action Item)

A. Request to Approve Grant Awards for the California Investment and Innovation Program (Cal IIP)

Presented by: Ryan Dannewitz, Cal IIP Analyst II

Mr. Dannewitz began his presentation by requesting Board approval to award grants under the California Investment and Innovation Program (Cal IIP) in a total amount of \$9,999,999.64. He explained that legislation requires Cal IIP to award grants to eligible Community Development Financial Institutions (CDFIs) by February 1, 2026.

He reported that the application deadline for the 2025–2026 Cal IIP funding round was October 1, 2025, and that CPCFA received a total of 77 applications. Of those applications, 73 applicants met the program’s eligibility requirements and were recommended for grant awards. Four applicants did not meet the minimum eligibility requirements and were not considered for an award.

Mr. Dannewitz explained that Exhibit A, attached to the staff report, included a list of applicants, organizational information, funding categories, and individual award amounts. Exhibit B provided a summary of awardees, the communities they serve, and proposed uses of grant funds.

He reviewed the statutory eligibility requirements for Cal IIP grant awards, which include current federal CDFI certification, a minimum number of loans made prior to application, a minimum net worth threshold, and demonstrated service to California

communities. Eligible uses of grant funds include working capital and increasing total net assets to enhance lending capacity.

Mr. Dannewitz then described the funding categories established by CPCFA to adjust award sizes. He reported that nine applicants qualified for the Small and Emerging category and will each receive \$222,222.22, totaling \$1,999,999.98. One applicant qualified for the Tier 1 category and will receive \$100,000. Sixty-three applicants qualified for the Tier 2 category and will each receive \$125,396.82, totaling \$7,899,999.66. The total recommended grant awards across all categories equal \$9,999,999.64.

He noted that the recommended awardees serve communities across the state and address needs including small business support, housing, childcare, community development, nonprofit lending, and engagement of underbanked populations. He concluded by stating that staff recommended approval of Resolution No. 26-05-001, authorizing Cal IIP grant awards in the total amount requested.

Deputy Treasurer Morton then asked if there were any public comments associated with the item. One public comment was received from Rachel Mueller, Director of Advocacy for the California Coalition for Community Investment (CCCI). CCCI is a statewide coalition of CDFIs and Rachel expressed her appreciation for the program and support for continued investment in underserved communities.

Deputy Treasurer Morton asked if there were any other public comments associated with the item. There were none.

Ms. Perrault moved approval of the item; there was a second from Mr. Oppenheim.

The item was passed by the following vote:

Michele Perrault, for the Director of Finance	Aye
David Oppenheim, for the State Controller	Aye
Khaim Morton, for the State Treasurer	Aye

5. Public Comment

Deputy Treasurer Morton asked if there were any comments from the public on matters that were not on the agenda.

6. Adjournment

There being no further business, public comments, or concerns, the meeting adjourned on date, at time.

Respectfully submitted,

Shela Tobias-Daniel
Executive Director