

Meeting Minutes: Minnesota Climate Innovation Finance Authority Board of Directors

Date: 8/19/2026

Minutes prepared by: Parisa Rostamkhani

Minutes approved on: 9/16/2026

Location: MPCA Office Conference Room #100 / Hybrid Meeting

Attendance:

- The meeting began at approximately 9:34 a.m.
 - Present: Haagenonson, Kumar, Kohlasch, Nelmark, Pawlisch, Mills
 - Ryan Baumtrog proxy for Katherine Teiken
 - Fowler joined meeting at 9:49 am. Sultanova joined at 9:52 a.m.
 - Nelmark left at: 11:00 a.m.
 - Absent: Benjamin, Warmuth, Teiken, Perushek

Approval of Agenda:

- Motion: Pawlisch, Second: Mills
- Unanimous approval- roll call vote

Approval of Board Meeting Minutes:

- June 17, 2026, Board Meeting Minutes & July 13, 2026, Special Board Meeting Minutes:
 - Motion: Mills, Second: Haagenonson
 - Unanimous approval - roll call vote

Communications & Government Affairs Update:

- Mo Schriener, Director of Communications and Engagement, gave an update on the recent events.
 - On July 30, Peter Klein, Arpita Bhattacharyya, and Rachel Lauer attended the Avenues for Youth Grand Opening.
 - Peter Klein and BOD Member, Lissa Pawlisch, attended the August 8 Bookmatch Grand Opening in Sandstone.
 - Upcoming engagement events include Renew Highway 2 Event in Bemidji, MN on August 25. This will be hosted by Fresh Energy and Headwaters RDC.
 - On September 9 – 10, there will be an Iron Range tour, as well as MnSEIA Gateway to Solar exhibit table on September 29-30
- Strategic Plan 2026 update:
 - Statutory requirements include approval of MnCIFA Strategic Plan every 2 years, with the approval date set for December 15, 2026. The plan is not

- required to be submitted to Minnesota Legislature.
- MnCIFA has a contract with Public Consulting Group for EJ community engagement. This includes statewide outreach with 1:1 group discussions. Preliminary report will be given at the October BOD meeting.
- MAD consultants are also helping assist in this process with guiding BOD Strategic Plan Committee and creating framework for integration and coordination on Investment, Strategic, and annual report. They will provide assistance with 2026 Annual Report, with the draft being reviewed at the October BOD meeting. The Annual Report will be submitted to MN Legislature by February 1, 2027.
- Government Affairs 2027 Planning Timeline:
 - September: Policy proposals due
 - October: Budget proposals due
 - November: New governor admin and MMB transition team begin 2027 session plans
 - December: Prelim OG approval for policy and budget proposals
 - January 4: New governor sworn in
 - January 12: MN Legislature starts 2027 session

Investment Team Update:

- Pipeline and Loan Product update: MnCIFA is currently processing two full applications and awaiting 8 other applications to submit their full applications, totaling \$26M. The Investment Team is developing a Loan Loss Reserve (LLR) and Community Decarbonization Loan Fund (CDLF) products.
- 2026 Call for Applications Round 2: This will launch at the MnCIFA Quarterly Public meeting on September 30, at 12 p.m. The launch will include the new products as well as direct loan applications. In October and November there will be extensive communications and outreach planned with webinars that will be held in collaboration with various partners, such as Clean Energy Resource Teams (CERTs), Great Plains Institute (GPI), and Minnesota Technical Assistance Collaborative.
- The Board Approval and Recission Policy:
 - Policy Purpose: *The purpose of this policy is to communicate a set of standards for the MnCIFA Investment and Servicing Teams when seeking approval from the Credit Committee and/or the Board of Directors, as well as standards for when approved or closed loans have material changes.*
 - Highlights for post-approval pre-closing will consist of board approvals that have expirations dates (maximum of one year). Credit approval memos will contain ranges of key loan terms (rate, term, etc.).
 - Highlights for post-closing are borrower-requested modifications within the original Credit Approval Memo ranges that may be approved by MnCIFA Executive Team. The material changes or changes outside ranges will require approval by the Credit Committee and BOD's.

- Motion requested to approve Board Recission and Approval Policy: Pawlisch, Second: Nelmark
 - Unanimous approval – roll call vote
- Requesting approval to rescind the March 19, 2025, Neighborhood Development Center (NDC) to loan that was approved for \$3M to finance the solar installation and geothermal HVAC system components for its to-be constructed project, Lake and Chicago Innovation Center. MnCIFA recommends rescinding loan approval and performing a new underwriting when the Project is ready to move forward. NDC's current target for full finance closings is March 2027 with a construction start of April 2027 and 13 – 14 months of construction.
 - Motion requested to rescind NDC Innovation Center Loan: Nelmark, Second: Hughes
 - Unanimous approval – roll call vote
- Requesting approval to rescind the Winegar, Inc. loan that was approved on May 21, 2025. This was a \$1.8M loan for the purchase and installation of a 600-kW (AC) solar energy system at its manufacturing facility in Waseca, MN. Winegar has attempted to secure an interconnection agreement with Xcel Energy, but has been unsuccessful, and MnCIFA cannot close without a signed interconnection agreement. Winegar informed MnCIFA on June 8, 2026, that the project has not moved forward and understand that the approval will be rescinded.
 - Motion to rescind loan to Winegar, Inc.: Haagenson, Second: Mills
 - Unanimous approval – roll call vote
- The Investment Team is working with MMB to develop specific loan origination policies and procedures that describe core processes outlined in the lending manual. These policies include, Counterparty Risk Due Diligence (CRDD), Project Risk Spread Pricing Policy, Capital Structure Policy, Loan Amortization and Repayment, and Collateral Policy.
- Counterparty Risk Due Diligence Policy defines the counterparty risk factors that MnCIFA assesses as part of its underwriting of new loans and monitoring of its outstanding loan portfolio. Guiding principles include eliminate waste, fraud, and abuse (including the misuse of Authority's funds and resources by its counterparties), Reduce borrower repayment risk to the Authority, and protect the reputation of the State of Minnesota and that of the Authority.
 - Motion requested to approve Counterparty Risk Due Diligence Policy: Haagenson, Second: Pawlisch
 - Unanimous approval – roll call vote
- Community Decarbonization Loan Fund Pilot: This is a limited wholesale lending pilot that gives MnCIFA a scalable way to reach smaller, community – based qualified green energy projects through trusted local lenders. The proposed pilot fund size for MnCIFA is \$5M – \$15M, with 3-5 qualified intermediary lenders. Requesting board approval to authorize staff to launch pilot, develop guidelines, underwriting standards, terms, reporting requirements, and risk control. Each of these deals will be approved by BOD. The goal for the proposed pilot timeline is to move concept approval to pilot launch/disbursement within 12 to 15 months.

Finance Team Update:

- Requesting a loan modification with Lake Street Solar, LLC. due to utility connection and application processing delays, Lake Street Solar has requested a repayment deferral. After analysis of interim financials, MnCIFA Finance Team recommends the following:
 - Risk rating downgrade from a 3 (Moderate/Low Risk) to a 4 (Moderate/High Risk)
 - Extend date of first repayment to 2/1/2027
 - Re-amortize loan balance over remaining 78-month long term
 - Accrued interest to be capitalized at the end of deferment period and amortized with remaining loan balance
 - Require monthly construction and utility connection updates from the Borrower until date of first payment
 - Motion requested to modify the loan with Lake Street Solar, LLC: Kohlasch, Second: Mills
 - Unanimous approval – roll call vote
- Portfolio dashboard update: As of 7/31/2026
 - Number of loans in servicing: 12
 - MnCIFA committed loan balance: \$29,858,700
 - Private funding leveraged: \$92,270,581
 - MnCIFA share of project totals: 24.2%
 - Note: Min-max commitment for closed loans: \$250,000 - \$5,000,000 with average closed loan commitment of \$2,488,225
- Loan Servicing Dashboard update: as of 7/31/2026
 - FY26 Summary:
 - Revenue billed: \$3,612,987
 - Amount received (total): \$3,596,955 with 99.56% of revenue billed
 - Amount outstanding at year end: \$16,032
 - Origination fees collected: \$57,500 with 100% fees billed

2028-2029 Biennial Budget:

- Margaret Kelly gave an overview for the 2028-2029 biennial budget. This is a month's long process, with the first phase MnCIFA is in now involving an updated budget narrative. A base budget will be submitted in mid-October. The final phase will be the decision making and presentation on the budget. A board meeting will be held in September for approval of the 2028-2029 Biennial Budget narrative.
 - Motion to approve Kohlasch, Second: Pawlisch
 - Unanimous approval – roll call vote

Other Business & Discussion for the Board:

- The December 16, 2026, board meeting has been moved to Wednesday, December 9, 2026.

Motion to Adjourn:

- Motion: Kohlasch, Second: Pawlisch
- Unanimous approval – roll call vote
- Meeting ended approximately at 11:29 a.m.