CLIMATE INNOVATION FINANCE AUTHORITY

Meeting Minutes: MnCIFA Credit Committee Meeting

Date: 09/11/2024

Minutes prepared by: Parisa Rostamkhani

Location: Zoom Session

Attendance:

- The meeting began at approximately 11:03am.
- Present: Nelmark, Fowler, Teiken, Sultanova, Mills, Kumar
- McKinnon joined at 11:30a
- Absent: Benjamin

Approval of August 14th Meeting Minutes:

- Motion: Teiken, Second: Fowler
- Unanimous approval – roll call vote

Proposed Project:

- Klein went over the Avenues for Youth credit memo. He explained the reason this project was pulled from Board action in August was due to MMB's position that the DEED grant has a superior lien and the August credit memo indicated that MnCIFA would have the superior lien. He indicated that this credit memo now indicates that the DEED grant may have a superior collateral position. The loan terms will remain the same as August credit memo. The credit ratios, based on historical data, indicate the organization did not have any debt and was in a strong financial position. He recommended that the Credit Committee approve the $4.5MM loan for Avenues for Youth project and be sent to the Board for final approval.

Discussion:

- Nelmark questioned the funding timelines, and if the funds would be able to be re-deployed prior to the strategic plan and investment strategy being complete. Klein indicated that the funds could be redeployed but that he did not anticipate funding needs exceeding our available funds before December.
- Kumar asked for a ratio analysis based on projected financial information. Klein indicated that he would provide that information in the credit memo that would go to the Board. Kumar recommended that the motion to approve should require this change.
- Questions were made on how to plan for the repayment and how to determine the mortgage vs. PACE assessment. Klein indicated that would be determined prior to funding.
- As a non-profit, there is no anticipation of any guarantees or sponsor.
- The PACE assessment or mortgage is a strong collateral position even if the DEED grant is determined to be superior.

Approval of Project Proposal Recommendation to Board:

- Motion to approve the credit as revised with the requirement of projected financial ratios:
    - Motion: Mills, Second: Fowler
- Unanimous approval– roll call vote

Other Business:

- Katherine Teiken updated the Strategic plan and investment strategy and discussed the different public engagement plans.
- Scoring model development was brought into discussion.

Adjourn:

- Motion: Fowler, Second: Teiken
- Unanimous approval – roll call vote
- Meeting ended approximately 11:40am