

# CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

## STAFF REPORT

### APPROVAL OF CLIMATE CATALYST FUND FINANCING PLAN CLIMATE-SMART AGRICULTURE

#### **I. Introduction**

The California Infrastructure and Economic Development Bank (“IBank”) staff recommends the IBank Board of Directors (the “Board”) adopt Resolution No. 22-12 approving the adoption of the Climate Catalyst Fund Financing Plan – Climate-Smart Agriculture. IBank is statutorily required to produce Financing Plans for each sector in which the Climate Catalyst Fund will deploy capital, establishing alignment with leading state agencies in those sectors, and articulating project eligibility and evaluation criteria under the Climate Catalyst Fund.

#### **II. Background and Discussion**

The Climate Catalyst Revolving Loan Fund Act (AB78, statutes of 2020), signed into law by Governor Newsom June 29, 2020, requires that IBank establish a program to provide financial assistance to eligible private and public sponsors of climate infrastructure projects. A previous IBank resolution, No. 22-02, approved the statutorily required Criteria, Priorities and Guidelines for the Selection of Projects Under the Climate Catalyst Revolving Loan Fund Program, which governs the activities of the Climate Catalyst Fund across multiple sectors into the future.

Sector-specific Financing Plans, such as the one proposed for Climate-Smart Agriculture, will indicate to the market where IBank will be active, and how it will align with state policy goals for each sector. Both documents are essential to the transparent and efficient functioning of the Climate Catalyst Fund program.

Climate Catalyst Fund statute also requires that each aligned state agency (termed “consulting agency” per statute) submit a letter, for Board consideration prior to approval of a Financing Plan, affirming support for the proposed Financing Plan, and highlighting any areas of disagreement. For the purposes of this Financing Plan, the Department of Food and Agriculture is the consulting agency, and their letter affirming support for the Plan is being offered for Board review. No areas of disagreement are highlighted.

#### **III. Conclusion and Recommendation**

IBank staff believes that the document entitled “Climate Catalyst Fund Financing Plan – Climate-Smart Agriculture” clearly establishes the potential categories and eligibility criteria for financing under the Climate Catalyst Fund, and is consistent with the guidance expressed by the relevant consulting agency. Therefore, IBank staff recommends the Board approve Resolution No. 22-12.