



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

PUBLIC NOTICE OF MEETING

California Organized Investment Network (COIN) Advisory Board

Thursday, November 7, 2024
1:00 p.m. – 4:00 p.m. (PST)

California Department of Insurance, 300 Capitol Mall, Sacramento, CA
Check in on 17th Floor. Meeting in 17th Floor Conference Room #17005, Wheelchair
Accessible (videoconference & Microsoft Teams)

California Department of Insurance, 1901 Harrison Street, Oakland, CA
Check in on 3rd Floor. Meeting in 6th Floor Conference Room #60285, Wheelchair Accessible
(videoconference & Microsoft Teams)

California Department of Insurance, 300 S. Spring Street, Los Angeles, CA
Check in on 9th Floor. Meeting in 9th Floor Conference Room #9001, Wheelchair Accessible
(videoconference & Microsoft Teams)

RSVP to Robby Samra at: 916-798-9709 or coin@insurance.ca.gov
Provide five days for reasonable Accommodation Requests

Other locations with COIN Advisory Board members attending virtually:

12800 Riverside Drive, 2nd Floor, Valley Village, CA 91607
2000 2nd St., Coronado, CA 92118
4525 E Paradise Village Pkwy N, Phoenix, AZ 85032
5701 S. Eastern Ave, Commerce, CA 90040
2900 E Cesar Chavez Avenue, Los Angeles CA 90033
6301 Owensmouth Avenue, 6th floor, Woodland Hills, CA 91367

This public meeting will also provide a virtual option via Microsoft Teams Video Conferencing services with the option to participate online or via telephone.

Join on your computer, mobile app, or room device on the day and time of the meeting.

Access the meeting online by using the Microsoft Teams link at:

Join on your computer, mobile app, or room device

[Click here to join the meeting](#)

Meeting ID: 231 355 789 791

Passcode: t9chyn

Join with a video conferencing device:

cdi-insurance@m.webex.com

Video Conference ID: 113 257 406 9

Instructions to connect to the meeting:



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If you join the Microsoft Teams meeting online, your microphone will automatically be muted. If you would like to make a comment, please type into the chat box that you wish to speak, and you will be unmuted, or you may type your question/comment directly into the chat box, which will be read aloud for you.

If you are joining via telephone, you may dial in as a teleconference-only participant using the access code provided; however, you will be unable to see any of the projected materials that are part of the presentation, and you will not have the ability to comment live.

- The California Organized Investment Network (COIN) meetings operate under the requirements of the Bagley-Keene Open Meeting Act (Act) set forth in Government Code Section 11120-11132. The Act generally requires that COIN publicly notice meetings, prepare agendas, accept public testimony, and conduct sessions in public unless specifically authorized by the Act to meet in closed session. Agenda items may be taken out of order and action (e.g. voting) may be taken on any agenda item.
- COIN conducts public meetings to ensure adequate opportunity for public participation. Time limitation on public comments is at the discretion of the Chair and must relate to agenda items. Materials reviewed during meetings are available for public review and comment on the Department of Insurance website at <https://www.insurance.ca.gov/0250-insurers/0700-coin/50-COIN-Advisory-Board/>. Members of the public may also email: CDIBoards@insurance.ca.gov to request a copy of the materials.
- Requests for disability-related accommodations or modifications should be made to the Appointments Officer at (916) 492-3335, or via email: CDIBoards@insurance.ca.gov no later than five (5) business days prior to the day of the meeting.



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California Organized Investment Network (COIN)

Advisory Board Meeting

Thursday, November 7, 2024
1:00 p.m. – 4:00 p.m. (PST)

AGENDA

| Topic | Presenter | Goal | Action |
|---|---|-----------------|---------------|
| 1. Opening Remarks | TC Wilson, Chair | Opening Remarks | None |
| 2. Roll Call | Peter Streit, COIN | Roll Call | None |
| 3. Minutes Approval | TC Wilson, Chair | Review | Vote |
| 4. Presentations | Martin Muoto, SoLa Impact Joseph Idaszak, Brookfield | Presentation | None |
| 5. COIN Legislation Proposals – Data Call | Sukh Randhawa, COIN | Discussion | None |
| 6. 2024 Investment Bulletin Recap | Francisco Raygoza, COIN | Discussion | None |
| 7. Break (Optional) | | | |
| 8. Future COIN Events | COIN Staff | Discussion | None |
| 9. Pensions & Investments Article | Francisco Raygoza, COIN | Discussion | None |
| 10. Next Year, CAB Meetings | Sukh Randhawa, COIN | Discussion | None |
| 11. Final Remarks & Adjourn | TC Wilson, Chair | Final Remarks | None |



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COIN ADVISORY BOARD – Agenda Item 1: Opening Remarks

TC Wilson, COIN Advisory Board Chair



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COIN ADVISORY BOARD – Agenda Item 2: Roll Call

| | Board Member | Present (check box) |
|-----------|---|--------------------------------|
| 1 | Commissioner Ricardo Lara <u>or</u> Commissioner’s Primary Designee Sukh Randhawa <u>or</u> Commissioner’s Contingent Secondary Designee Michael Martinez | |
| 2 | TC Wilson, Chair | |
| 3 | Debra Gore-Mann, Vice Chair | |
| 4 | Deborah La Franchi | |
| 5 | Doug Bystry | |
| 6 | Gina Zapanta | |
| 7 | Ileana Ovalle | |
| 8 | Jai Sookprasert | |
| 9 | Maïté Irakoze Baur | |
| 10 | Ophir Bruck | |
| 11 | Rudy Espinoza | |
| 12 | Stephanie Chan | |
| 13 | Vanessa Delgado | |

Observers

| Name | Title | Company |
|-------------|--------------|----------------|
| | | |
| | | |
| | | |
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COIN ADVISORY BOARD – Agenda Item 3: Approval of Minutes

TC Wilson, COIN Advisory Board Chair

Objective: Vote to approve the August 1, 2024, Board Minutes

Attachment:

August 1, 2024, COIN Advisory Board Minutes



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COIN ADVISORY BOARD Minutes

Thursday, August 1, 2024, 1:00 p.m. to 4:00 p.m.
California Department of Insurance

Telephone conference dial-in number: : 916-245-2537, Access code: 574 554 952#

The meeting was called to order at 1:02 p.m. by TC Wilson, the Board Chair.

- | | |
|--|---|
| 1) Sukh Randhawa, COIN Staff | 8) Maïté Irakoze Baur, Farmers Group, Inc. |
| 2) Douglas Bystry, Clearinghouse CDFI | 9) Jennifer Keith, Watt Investment Partners |
| 3) Ophir Bruck, S&P Global (absent) | 10) Gina Zapanta, Z.A. Lawyers |
| 4) Stephanie Chan, State Compensation Insurance Fund | 11) T. C. Wilson, The Doctors Company |
| 5) Rudy Espinoza, Inclusive Action for the City (absent) | 12) Ileana Ovalle, Qualcomm Institute |
| 6) Debra Gore-Mann, The Greenlining Institute | 13) Heberto Sanchez, Latino Education Fund (absent) |
| 7) Vanessa Delgado, Azure Development | |

1. **Welcome:** TC Wilson welcomed everyone to the Thursday, August 1, 2024 meeting, the second meeting of the 2024 calendar year. TC mentioned that our last meeting went over in time and that we should jump right in and focus on ending the meeting on time. TC did bring up that as the Vice Chair seat was open Debra Gore-Mann was elected and has accepted the position.

2. **Roll Call:** Peter conducted the Roll Call. All Board members were present except for Vanessa Delgado.

3. **March 14, 2024 Board Minutes:** TC Wilson sought a motion and approval of the March 14th, 2024 board meeting minutes. Ileana moved to approve the motion, and Doug seconded it. All were Ayes.

4. **VETZ and Social Impact Presentations**

Academy Asset Management presented first. The presentation was led by Seth Rosenthal and Chance Mims. By design, over 50% of their employees are military veterans. Seth presented on the VETZ ETF, which they launched, an Academy Veteran Impact ETF. The underlying assets are government-backed residential mortgages and small business loans to veterans, their families, and veteran-owned businesses. The impact is that 172 Veteran Loans are invested in VETZ, there has been \$3.6M service member savings from using Veteran Programs; 5% of borrowers are not eligible to traditional loans.

The second presentation was by Payden and Rygel led by Tom Elder and Adam Congdon. They presented the Payden California Municipal Social Impact Fund (Mutual Fund). The fund invests in many social impact categories including affordable housing, green energy, socioeconomic advancement, and more. They have designed a specific framework that assesses a score of the fund's social impact. The fund has been rated 5-star by Morningstar.

5. **COIN Strategy, Improvements, and Focus**

TC & Sukh began the conversation as this was a topic we wanted to bring up in the March 2024 CAB meeting before running out of time. Sukh raised the question to the board as to which areas we should be primarily driving staff focus. TC stated that affordable housing will probably always be number one on the list of priorities for COIN investments. Investments with environmental benefits are also significant, especially those related to wildfire risk reduction, and healthcare access in underserved communities.

Stephanie Chan added Green investments as broader category, given they provide both environmental and social benefits. Ophir mentioned that Green investments provides a broad umbrella of investment opportunities, with both impact and risk management benefits. For wildfire investments, it was great to have Blue Forest present at a prior board meeting on their investments around forest resiliency, which is critical to the State and real time wildfire prevention. The discussion centered on adaptation measures and how that can preserve capital. We

discussed energy transition and how more investments in renewable energy are needed in within the regulatory environment. Wildfire risk modeling insurer, FortressFire, was discussed as well as investments that address insurability and risk modeling.

Debra stated that Greenlining does a lot of work around climate equity. There are a lot of public funds coming into the space. The EPA has a \$27 billion greenhouse gas reduction investment; a \$10 billion California Climate Bond will be on the state ballot in November 2024. These public funds will be matched or otherwise leverage the climate investments by the private side. This echoes the need for more Green investments and the continued use of diverse investment managers, including women-managed funds. Ileana added to wildfire-related investments, that insurability is a constant issue in California, and therefore, we need to find investments that mitigate wildfires to protect our forests and the environment.

6. Supplemental Questionnaire & Letter to Insurance Companies

Francisco began the conversation by stating that the focus of this project was to improve the quality, rather than quantity, of what we approve for the COIN platform. Additionally, part of this effort was to do some of the legwork of metrics and key components of what insurance companies want to invest in. Additionally, Francisco mentioned that we had Ricardo Lara send out a letter to all insurance companies in our scope and got contacts for 53 out of 275 insurance companies. Francisco confirmed that we expect to have this finalized by our next board meeting in November.

7. Break (Optional) – Skipped

8. Deal Flow and Salesforce Update

Sukh started this conversation by talking about the 10 investments that have been approved this year, as well as the nine that we have in the pipeline to approve. Sukh asked how to get capital for CDFIs noting that we can get capital for large CDFIs but it's the smaller ones we have difficulties with. Doug stated that it doesn't seem like we will ever get there regarding the smaller CDFIs, but recognized the continued efforts.

Rudy added that we still need to figure out how to get it done. There is a lot of turbulence in the CDFI market, and insurers could play a role in that. We can't give up on that idea, and it's imperative that the State of California support the CDFI industry in California. Sukh mentioned that we are not giving up, and trying to find a structure that fits insurance companies' portfolios.

Ophir mentioned that sustainable timber funds would be helpful. New Forests is one name that comes to mind. Surplus Notes from FortressFire are interesting. TC mentioned that ETFs are being created for private investments in the future, sooner than we think. So, that could be a good option for insurers looking to move private investments off Schedule BA.

Robby quickly updated the board that the staff, IT, and Touchpointe are diligently working on the Salesforce implementation and that Salesforce is currently slated to be up and running by year-end.

9. COIN Investment Bulletins

Sukh discussed the survey that we do each year with investment managers to see how much investments were made in COIN qualified investments. The update included the 2022 data which included a total of over \$1B in direct investments. Additionally, of the 24 approved bulletins, 11 were funds by Diverse Investment Managers. From these investments we were able to track that it created 5,218 jobs.

10. Final Remarks and Adjourn

TC Wilson moved to adjourn the meeting. Maite approved the motion, and Debra seconded it. All were Ayes.



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COIN ADVISORY BOARD – Agenda Item 4: Presentation

Martin Muoto, SoLa Impact
Dan Hidder, Brookfield

Objective: Martin Muoto will discuss the recently approved COIN investment bulletin, SoLa Impact Community Revitalization and Affordability Fund, and their work on Affordable Housing. Joe Idaszak will cover the COIN-approved investment bulletin, Brookfield Global Renewables & Sustainable Infrastructure Strategy.

Martin Muoto
Founder and CEO
SoLa Impact

Martin Muoto is the Founder and CEO of SoLa Impact, the largest vertically-integrated developer of affordable housing in Southern California. SoLa Impact's motto of "Doing Well by Doing Good" focuses on building cost-effective multifamily housing, while achieving market-rate returns. This double bottom line strategy has enabled SoLa to improve the lives of thousands of residents in California's low-income neighborhoods, house hundreds of formerly homeless families, and develop award winning projects such as The Beehive and the SoLa Technology & Entrepreneurship Center.

Under Martin's leadership, SoLa Impact has been recognized by Forbes, the LA Times, the WSJ, the American Institute of Architects, the Pension Real Estate Association (PREA), and the California State Congress for its vision and its innovative approach to social impact. Through four funds, SoLa Impact has invested over \$1 billion in building affordable and workforce housing in low-income communities, building over 3,000 units across 30 projects, and becoming one of the fastest growing private companies in the country.

Martin was previously an operating executive at several technology companies and a venture capital partner at Accretive Partners and General Atlantic Partners in New York. He graduated with honors from The Wharton School of Business at The University of Pennsylvania.

Joseph Idaszak
Director, Portfolio Manager
Brookfield Global Renewables & Sustainable Infrastructure Strategy

Joseph Idaszak has 12 years of industry experience and is a Director on the Public Securities Group's Infrastructure Securities team. Joseph is a dedicated Portfolio Manager for the Global Renewables & Sustainable Infrastructure team. He is also responsible for covering North American and European infrastructure securities focusing on the Utilities, Renewables, Clean Technology and Social Infrastructure sectors. Prior to joining the firm in 2016, Joseph was an Investment Associate at Silverpath Capital Management where he focused on Renewables,



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Utilities and MLPs. Before that, he was an Investment Banking Analyst at Goldman, Sachs & Co. where he focused on Renewables, Clean Technology, Industrials and Healthcare. Joseph earned a Bachelor of Business Administration from the University of Notre Dame.

Q&A will be after each presentation.



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COIN ADVISORY BOARD – Agenda Item 5: COIN Legislation Proposals – Data Call

Sukh Randhawa, COIN

Focus:

The COIN Community Investment Survey (CIS) Data Call language was initially included in the Insurance Omnibus Bill, SB 577 (2024). However, following meetings with external stakeholders, it was requested that it be removed. Since the omnibus bill is meant to remain non-controversial, the State complied with that request, and thus, the COIN CIS Data Call language was not included in the final signed bill.

Discussion:

- What is the Board's position on future CIS Data Calls? Should COIN pursue a CIS Data Call in 2025?
- Are there other bills the department should introduce to further the mission of the COIN Program?



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COIN ADVISORY BOARD – Agenda Item 6: 2024 Investment Bulletin Recap

Francisco Raygoza, COIN Staff

In 2024, a total of 17 COIN investment bulletin applications were reviewed

- Of those 17, 16 investment bulletins were approved
- Of the 16 approved, five of them are diverse investment managers
- These 16 investments can raise nearly \$3 billion of investments in California into green energy, affordable housing, healthcare, and small businesses.

| Bulletin Tracking Summary | | | |
|----------------------------------|----------------------------|-----------------------|------------------------------|
| Year | Number of Bulletins | Number of DIMs | Total Investment (\$) |
| 2016 | 5 | N/A | \$25,000,000 |
| 2017 | 7 | N/A | \$51,000,000 |
| 2018 | 5 | N/A | \$0 |
| 2019 | 10 | N/A | \$856,791,041 |
| 2020 | 22 | 8 | \$4,321,055,829 |
| 2021 | 15 | 6 | \$2,081,000,000 |
| 2022 | 24 | 11 | \$1,003,550,000 |
| 2023 | 19 | 7 | \$6,838,775,000 * |
| 2024 | 16 | 5 | \$2,938,037,500 * |
| 2016-2022 | 123 | 37 | \$18,115,209,370 |

* 2023 and 2024 bulletins continue to raise capital. Therefore, total investment numbers are not yet available, but we have provided the total potential investment figures based on estimates.



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2024 Approved COIN Investment Bulletins

| | Management Company | Investment | DIM | Sector |
|----|--------------------------------|--|-----|--------------------------------------|
| 1 | Nuveen | CPACE Lending Fund II | No | Mixed Use |
| 2 | Amet Partners | Amet Partners LP | No | Green Financing |
| 3 | Bridge IG | Workforce and Affordable Housing Fund III LP | No | Affordable LMI Rental Housing |
| 4 | Impact Community Capital | IMPACT Mortgage Opportunities Fund II, L.P. | No | Affordable LMI Rental Housing |
| 5 | R4 Capital | R4 Housing Partners XXII LP | No | Affordable LMI Rental Housing |
| 6 | Academy Securities | Academy Veteran Impact ETF | Yes | Affordable LMI Ownership Housing |
| 7 | Calvert (Morgan Stanley) | Calvert Mortgage Access Fund | No | Affordable LMI Ownership Housing |
| 8 | Burnt Island Ventures | Burnt Island Ventures Fund II, LP | No | Green Financing (Water conservation) |
| 9 | Illumen Capital | Illumen Catalyst Fund, LP | Yes | Mixed Use |
| 10 | Illumen Capital | Illumen Capital III, LP | Yes | Mixed Use |
| 11 | SoLa Impact | SoLa Community Revitalization and Affordability Fund, LP | Yes | Affordable LMI Rental Housing |
| 12 | R4 Capital | R4 Housing Partners XXIII LP | No | Affordable LMI Rental Housing |
| 13 | KKR | KKR Global Climate Fund | No | Green Financing |
| 14 | Vontobel Asset Management Inc. | Vontobel Global Environmental Change | No | Green Financing |
| 15 | HPS Investment Partners, LLC | HPS Sustainability and Energy Transition Fund | No | Green Financing |
| 16 | Momentum Securities, Inc. | Momentum Securities & RBC CDIP | Yes | Small Business Loans |



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COIN ADVISORY BOARD – Agenda Item 7: Break (Optional)



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COIN ADVISORY BOARD – Agenda Item 8: Future COIN Events

COIN Staff

Possible Events:

- Collaboration with other public or private institutions
- COIN-hosted events
- Webinars
- Other suggestions

Discussion: Open to Q&A.



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COIN ADVISORY BOARD – Agenda Item 9: Pensions and Investments Article

Francisco Raygoza, COIN

Focus:

Key Takeaways from article

Discussion:

- Questions, concerns, or comments on the article.



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COIN ADVISORY BOARD – Agenda Item 10: Future CAB Meeting Dates

Sukh Randhawa, Chief

March:

- Option 1: Wednesday, March 12th
- Option 2: Thursday, March 13th

August:

- Option 1: Thursday, August 14th
- Option 2: Thursday, August 7th

November:

- Option 1: Thursday, November 13th

Option 2: Thursday, November 6th



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COIN ADVISORY BOARD – Agenda Item 11: Final Remarks and Adjourn

TC Wilson, COIN Advisory Board Chair