

MINUTES

**California Pollution Control Financing Authority
(CPCFA)
915 Capitol Mall, Room 587
Sacramento, California
Tuesday, January 19, 2021**

In light of the COVID-19 pandemic and in accordance with the requirements of Executive Order N-25-20 to provide social distancing at state body meetings, CPCFA provided Authority members, participants, and members of the public the opportunity to participate in this meeting via teleconference.

Public Participation Call-In Number: (877) 810-9415 and Participant Code: 6535126

1. CALL TO ORDER & ROLL CALL

Treasurer Fiona Ma, Chairperson, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:31 a.m.

Members Present: Via Microsoft Teams Meeting:
Fiona Ma, CPA, State Treasurer
Gayle Miller for Keely Martin Bosler, Director of Finance
Mary-Ann Warmerdam for Betty T. Yee, State Controller

Staff Present: Via Microsoft Teams Meeting:
Nancee Robles, Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Treasurer Ma asked if there were any questions or comments concerning the meeting minutes from the meeting held Tuesday, November 17, 2020. There were none.

Ms. Warmerdam moved approval of the minutes; upon a second, the minutes were unanimously approved.

The item was passed by the following vote:

Gayle Miller for Keely Martin Bosler, Director of Finance	Aye
Mary-Ann Warmerdam for Betty Y. Lee, State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Robles gave the Board an overview of CPCFA's activities and accomplishments for 2020, stating the necessity to telework during the COVID-19 pandemic allowed CPCFA to discover new ways to be efficient and effective in its work. CPCFA issued eight green bonds for \$410 million, which was three more projects than the prior year.

Ms. Robles thanked the California Debt Limit Allocation Committee (CDLAC) Board for setting the allocation pool for exempt facilities at \$600 million for 2021. Since CPCFA has about \$2 billion in projects in its pipeline for 2021 and 2022, the Authority will be working on a scoring system to be sure that the allocations go to the most deserving projects that will be the most beneficial to the people of California.

Ms. Robles then mentioned the California Air Resources Board (CARB) partnered Truck program, which has assisted businesses and put 4,600 cleaner running vehicles on the roads to move goods. This number is equal to the last two years each in the program despite the pandemic. Since the program began in 2009, CPCFA has assisted in the financing of over 30,000 cleaner running trucks on California's roads. CPCFA also provided capital access to over 800 small businesses last year.

Ms. Robles went on to mention the great teamwork of the staff and their adaptability and resiliency to keep the programs running smoothly.

Since the last board meeting in November, Ms. Robles approved one initial resolution (IR) and she and the designee, Deputy Executive Director Janae Davis, approved one post issuance item each. The IR was approved for Valley Green Fuels LLC, for \$250 million. Valley Green Fuels will convert an asphalt and biofuel terminal into a renewable fuels refinery in the Central Valley.

Ms. Robles closed her report by informing the Board of the post issuance items that were approved under the delegated authority. She stated that she approved a final draw of a previously approved bond transaction for Caglia Environmental, LLC in the amount of \$2.5 million. She stated that Ms. Davis approved a final draw of \$16,780,000 for Zero Waste Energy, in her absence.

4. BUSINESS ITEMS

A. RESOLUTION AUTHORIZING DELEGATION AUTHORITY TO THE EXECUTIVE DIRECTOR AND DEPUTY EXECUTIVE DIRECTOR FOR CERTAIN DISCRETIONARY ROUTINE MATTERS TO THE AUTHORITY'S BOND PROGRAM.

Presented by: Andrea Gonzalez, Associate Governmental Program Analyst

Ms. Gonzalez stated that staff requested Authority approval of a resolution re-authorizing delegation authority to the Executive Director and Deputy Executive Director of CPCFA for certain discretionary routine matters with respect to the

Authority's bond program. The current delegation resolution will expire on January 31, 2021.

Ms. Gonzalez stated that the purpose of the delegation resolution is to define the various amendments and actions for which the Executive Director and Deputy Executive Director may give the Authority's consent or approval without obtaining the approval of the Authority at a meeting.

Ms. Gonzalez concluded her report by stating that staff recommended the adoption of Resolution No. 21-01-001 authorizing delegation authority to the Executive Director and Deputy Executive Director for certain discretionary routine matters with respect to the Authority's bond program. This delegation resolution would be in force through January 31, 2023.

Ms. Warmerdam moved approval of the item; there was a second.

Treasurer Ma asked if there were any questions or comments from the Board or public. There were none.

The item was passed by the following vote:

Gayle Miller for Keely Martin Bosler, Director of Finance	Aye
Mary-Ann Warmerdam for Betty Y. Lee, State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

B. REQUEST TO AMEND INFILL GRANT DOCUMENTS UNDER THE CALIFORNIA RECYCLE UNDERUTILIZED SITES (CALReUSE) REMEDIATION PROGRAM

Presented by: Alison French-Tubo, Associate Governmental Program Analyst

Ms. French-Tubo introduced the Carson Reclamation Authority (CRA) Infill Grant Agreement representatives, John Raymond, CRA's Executive Director, and Sunny Soltani, CRA's legal counsel and informed the Board that both representatives were on the phone.

Ms. French-Tubo explained that the staff summary report details a series of events that have led to the project being delayed on two benchmarks (now being referred to as milestones) included in the Grant Agreement and thus a situation of default. As requested by the CPCFA Board, CRA provided a letter that shows their progress with a feasible plan to fund, and that they are working on alternative project milestones.

Ms. French-Tubo stated that staff has identified that the feasible plan to fund includes components as requested, including funding sources from the sale of land adjacent to the Outlets and a possible bond issuance. However, the still evolving impacts of the Covid-19 pandemic on a retail project and gathering place like the Los Angeles Premium Outlets and the entire development process, in addition to the pending nature

of funding sources, limits the data available for evaluation of future events and alternative project milestones.

Ms. French-Tubo also mentioned that staff identifies that this project, and the housing associated with it, exist in communities that have been historically underserved as well as exposed to pollution burdens. Referencing the CalEnviroScreen 3.0 scoring system, the Outlets is in a community that scores in the category indicating the most adversely burdened status possible, and the housing locations in a community that is in the second-most adversely burdened category. Therefore, a project resulting in reduced environmental contamination and an increase in tangible assets, such as CRA's project, continues to benefit the public interest and to advance the purposes of the CALReUSE Remediation Program.

Ms. French-Tubo stated that staff recommended the Board approve Resolution 21-03-001 to accept the feasible plan to fund, and to extend the cure period to allow for the submission and evaluation of an updated feasible plan to fund and alternative project milestones, due by July 6, 2021 for presentation to the Board at the July 20, 2021 meeting.

Ms. French-Tubo concluded by asking Mr. Raymond to elaborate on any particulars he deemed necessary as information to the Board and the public.

Mr. Raymond responded by stating that there is no report to make because the staff report reflects all of the necessary information at this time. Mr. Raymond stated that they are appreciative of the CPCFA team during these challenging times.

Treasurer Ma mentioned that she attended the ground breaking of the CRA site prior to Covid-19. Treasurer Ma proceeded to ask the Board if they have any further questions for Mr. Raymond.

Ms. Warmerdam asked Mr. Raymond what the retail component of the project looks like moving forward due to Covid-19 and how they will be affected. She also asked if CRA is looking at other options should retail not be the answer for the space.

Mr. Raymond stated that it is an outlet mall which is a type of retail that has remained competitive when full-price retail development projects have not. Mr. Raymond went on to say that the proximity of the project to major landmarks such as LAX Airport, as well as a specific exit for the development will help the traffic to the shopping center and retail spaces. Mr. Raymond also stated that if the developer repurposed the structure for something other than retail, everything would have to be restructured and reconfigured because 2,200 structural piles are already built, over 20% of the slab is complete, and the installation of geotextile liner is over 50% complete. Mr. Raymond also noted that Carson residents would not likely support a project other than retail for this location.

Treasurer Ma asked if there were any questions or comments from the Board or public. There were none.

Ms. Miller moved approval, there was a second.

Ms. Warmerdam mentioned that she would like the opportunity in the future to learn more about why and/or what takes these projects like this longer to conclude the process, as well as to talk through the criteria and guidelines for projects like the CRA's.

The item was passed by the following vote:

Gayle Miller for Keely Martin Bosler, Director of Finance	Aye
Mary-Ann Warmerdam for Betty Y. Lee, State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

5. PUBLIC COMMENT

Treasurer Ma asked if there were any comments from the public. There were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 10:53 a.m.

Respectfully submitted,

(Originally signed by)

Nancee Robles
Executive Director