

MINUTES

**California Pollution Control Financing Authority
901 P Street, Room 102
Sacramento, California
June 20, 2023**

In accordance with Government Code Section 11133 et. Seq., 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) 853-5257: Meeting ID: 987 6693 6958 and Participant Code 560284

1. Call to Order & Roll Call

Fiona Ma, Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:43 a.m.

Members Present: Fiona Ma, CPA, State Treasurer
Dave Oppenheim for Malia M. Cohen, State Controller
Erica Gonzales for Joe Stephenshaw, Director of Finance

Staff Present: Juan Fernandez, Deputy Treasurer
Shela Tobias-Daniel, Executive Director
Christina Sarron, Deputy Executive Director
Andrea Gonzalez, Grant Program Manager
Deanna Hamelin, Bond Program Manager
Nicholas Montalvo, Associate Governmental Program Analyst
Solomita Malko, Associate Governmental Program Analyst
Robert Salls, Associate Governmental Program Analyst
JoOnna Trushkov, Office Technician
Hannah Lee (Remotely), Office Technician
Ryan Dannewitz, Office Technician
Nicholas Polisner, Office Technician

Quorum: The Chairperson declared a quorum

2. Minutes (Action Item)

Treasurer Ma asked the Board members if there were any questions or comments concerning the meeting minutes from the April 18, 2023, board meeting. There were none.

Mr. Oppenheim moved approval of the minutes; Ms. Gonzales provided the second.

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

The minutes were approved.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

**3. Executive Director's Report (Information Item)
Presented by Shela Tobias-Daniel, Executive Director**

Ms. Tobias-Daniel stated that CPCFA has been drafting regulations for the CA Investment & Innovation Program (Cal IIP), the new grant program for community development financial institutions (CDFIs). She said that CPCFA expects to present the new regulations at a Board meeting later this summer.

She stated that the CalCAP CA Air Resources Board (CARB) program, which has been providing credit enhancement to financial institutions making loans to small fleets for heavy-duty air quality compliant trucks, is preparing to sunset as such CARB is shifting its funding focus to zero emission vehicles. At the same time, CPCFA is exploring possible new CalCAP programs using the independent contributor function with CARB and utilities.

Ms. Tobias-Daniel stated that CPCFA has also been busy with outreach, including events with the Small Business Development Centers (SBDCs), FDIC, CAMEO, CCEDA, and the Urban Land Institute to educate financial institutions, small business advisors, and community partners about the State Small Business Credit Initiative (SSBCI) 2.0 program. She also attended the Electric Charging Hub Grand Opening at the Power Inn Light Rail station along with staff from the California Alternative and Advanced Transportation Financing Authority (CAEATFA), where the Treasurer had been one of the opening speakers and was instrumental in assembling the contributors to the project effort. She stated that it was very impressive to see the level 3 chargers, which charge large vehicles such as a bus in no time flat.

Ms. Tobias-Daniel continued that next month, CPCFA and the California Infrastructure and Economic Development Bank (IBank) are partnering on a webinar about SSBCI 2.0 for community partners. CPCFA will provide information to them but will be mostly focused on getting input on how to effectively communicate with different groups, especially communities with members that qualify as socially and economically disadvantaged individuals (SEDI).

Ms. Tobias-Daniel stated that since the last Board meeting in April, she was pleased to report CPCFA's office technician team is once again fully staffed with the hiring of Ryan Dannewitz. Mr. Dannewitz is new to state service after teaching English in Japan. Additionally, CPCFA added three retired annuitants to its team, Alice Munoz, Pamela Nelson, and Gwendolyn Peeler. She indicated that the retired annuitants are working on file scanning and preparing for CPCFA's move to the Bonderson building.

She continued her report by stating that there were two items approved under her delegated authority to report since the last CPCFA Board meeting:

1. On April 20, 2023, she approved an Initial Resolution for Tri-City Economic Development Corporation dba Tri-CED Community Recycling for \$11,016,000. Bond/note proceeds will be used for the acquisition of equipment and construction of facilities for the collection, processing, recycling, transportation, and disposal of solid waste.
2. On May 12, 2023, she approved and signed amendments to the Second Supplemental Indenture, and Certificate of Authority for an interest rate index change from LIBOR to SOFR on the EDCO Refuse Services, Inc., Series 2016 transaction.

Treasurer Ma asked if there were any public comments on the Executive Director's report. There were no public comments.

4. Business Items (Action Items)

A. Request to Approve a Final Resolution Authorizing the Issuance of Solid Waste Refunding Revenue Bonds

Presented by: Solomita Malko, Associate Governmental Program Analyst

Joined in person by: John Wang, Bond Counsel with Orrick, Herrington & Sutcliffe LP.

Joined Remotely by: Underwriter representative, John Emerson with BofA Securities, Inc., and Company representatives Calvin Boyd and Samir Chokshi

Republic Services, Inc., and/or its affiliates requested approval of a Final Resolution for a total amount not to exceed \$144,205,000 in solid waste refunding revenue bonds to refinance the outstanding California Pollution Control Financing Authority Series 2010A solid waste refunding revenue bonds.

The original project consisted of financing improvements to existing landfill facilities and acquisition of equipment.

There were two additions to the underwriting team on the transaction. The three underwriters for this transaction are: BofA Securities, Inc., Academy Securities, Inc., and Loop Capital Markets LLC.

Staff recommended the approval of Final Resolution No. 23-01-618 in a total amount not to exceed \$144,205,000 for Republic Services, Inc. and/or its affiliates.

Ms. Gonzales moved approval of the item; there was a second from Mr. Oppenheim.

Treasurer Ma asked if there were any questions or comments from the Board or the public. Mr. Oppenheim asked if there were any savings associated with the refunding of the bond, to which John Emerson with Bank of America replied with the information that extending the final maturity of the bonds to be due August 1, 2023, and there will be a new final maturity so there will not be any savings associated with the bonds. Calvin Boyd, Vice President, and Treasurer of Republic Services took the time to thank the bond members of CPCFA staff for their work on this item.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

B. Request to Amend Infill Grant Documents Under the California Recycle Underutilized Sites (CALReUSE) Remediation Program

1. Sacramento Railyards Project Extension

Presented by: Robert Salls, Associate Governmental Program Analyst

Downtown Railyards Venture, LLC, (the "Grantee") requested approval of an amendment to extend the term of the Infill Grant Agreement to July 31, 2024, under the CALReUSE Remediation Program.

On November 19, 2008, the CPCFA Board approved a grant in the amount of \$5,000,000 for remediation of the Sacramento Railyards project site. The Board also pre-approved the Project for additional grant funding up to \$9,750,000. All reimbursable costs submitted by the Grantee and the disbursement of the Grant is complete, with the total allocation of \$7,126,857.56.

On July 19, 2022, the Board approved an amendment to the Infill Grant Agreement to extend the term until July 31, 2023, due to supply chain shortages resulting from the Covid-19 Pandemic.

On April 10, 2023, five individuals gained access to the site of the project and turned on a fire hose valve on the 6th floor of one of the buildings. The large volume of water caused substantial damage to the structure and improvements on every floor. Because of the integrated design of the building interconnected building systems were damaged and previously completed portions of the project will need to undergo remediation and re-building. At this time, the developer is expecting a minimum of six months delay in construction of the housing. The Grantee has included additional time to account for further

potential construction delays.

Extending the term of the Infill Grant Agreement through July 31, 2024, allows the Grantee to complete the Infill Development Project, obtain the necessary certificates of occupancy, and complete the Infill Development Report as required by the Program.

CPCFA staff recommended approval of a resolution extending the current Grant expiration to July 31, 2024. Staff has prepared a resolution that the Board can utilize if they wish and is available to answer Board questions.

Treasurer Ma asked if there were any questions or comments from the Board or the public. Amanda Frazier, Controller on the Railyards Project, commented about their disappointment regarding the delay and damage caused. She then thanked the CPCFA Board for their understanding regarding the request for the extension.

Mr. Oppenheim moved approval of the item; there was a second from Ms. Gonzales.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

2. Hunter's Point Project Extension

Presented by: Andrea Gonzalez, Staff Services Manager I

The Office of Community Investment and Infrastructure, also known as the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, (the "Grantee") requested approval of an amendment to extend the term of the Infill Grant Agreement to December 31, 2023, under the CALReUSE Remediation Program.

On November 19, 2008, the CPCFA Board approved a grant in the amount of \$5,000,000 for remediation at the former Hunters Point Naval Shipyard. All reimbursable costs have been submitted by the Grantee and the disbursement of the Grant is complete.

The final development block of housing in the Infill Development Project has encountered delays due to supply chain issues for two components of the project, the elevators, and the car stackers. The delay of these components will result in a delay of issuance of the Certificate of Final Completion and Occupancy.

- Delivery of the elevators has been pushed back to July and need to be inspected thereafter.
- Delivery of the car stackers is expected in September.

Extending the term of the Infill Grant Agreement through December 31, 2023, allows the Grantee to complete the Infill Development Project, obtain certificate of occupancy, and complete the Infill Development Report as required by the Program.

CPCFA staff recommended approval of a resolution extending the current Grant expiration to December 31, 2023.

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

Ms. Gonzales moved approval of the item; there was a second from Mr. Oppenheim.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

3. MacArthur Community Transit Partners Project Extension

Presented by: Andrea Gonzalez, Staff Services Manager I

MacArthur Transit Community Partners, LLC, requested an amendment to the Infill Grant Agreement to extend the term until July 31, 2024, to comply with additional soil gas vapor monitoring required by the San Francisco Bay Regional Water Quality Control Board (“Water Board”).

On November 19, 2008, the Board approved a grant in the amount of \$2,981,000 for the remediation of a brownfield site that previously contained an automotive repair garage, two gas stations, and on-site dry-cleaning operations.

Remedial work under the CALReUSE grant has been completed. However, the oversight agency for the project, the Water Board, required the developer of Parcel C1 to monitor soil gas vapors for a specified period before providing a “no further action” letter.

The recent winter rains have delayed the final on-site soil vapor testing to June 2023. Final environmental/vapor reporting is expected to be submitted to the City of Oakland by end of June 2023. The final acceptance process with the City of Oakland is expected to take 4-6 months, which is beyond the current grant expiration date of June 30, 2023.

Extending the term of the Infill Grant Agreement through July 31, 2024, allows the Grantee to comply with additional soil gas vapor monitoring required by the Water Board.

CPCFA staff recommended approval of a resolution extending the current Grant expiration to July 31, 2024.

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

Mr. Oppenheim moved approval of the item; there was a second from Ms. Gonzales.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

C. CPCFA Interagency Agreement with the State Treasurer's Office (STO)

Presented by: Nicholas Montalvo, Associate Government Program Analyst

Staff requested approval to enter into an Interagency Agreement with the State Treasurer's Office (STO) in the amount of \$484,688 for administrative support services to CPCFA.

This is a standard yearly agreement. The STO provides CPCFA with executive policy direction and administrative services including, budgeting, personnel, accounting, legal consultation, IT support and security, procurement, and various other services.

The overall cost is allocated among the Boards, Commissions, and Authorities based on each agency's personnel years. CPCFA has retained a similar staffing level from the previous year, and this is reflected in the contract amount being similar for this fiscal year. The term of the contract is from July 1, 2022, through June 30, 2023.

Staff recommended the approval of Resolution No. 23-04-001 to authorize the Executive Director or Deputy Executive Director to execute an Interagency Agreement with the State Treasurer's Office for Fiscal Year 2022/2023 in an amount not to exceed \$484,688.

Treasurer Ma asked if there were any questions or comments from the Board or the public. Mr. Oppenheim commented about the great value the state is getting with CPCFA.

Mr. Oppenheim moved approval of the item; there was a second from Ms. Gonzales.

The item was passed by the following vote:

Fiona Ma, CPA, State Treasurer	Aye
Erica Gonzales, for the Director of Finance	Aye
Dave Oppenheim, for the State Controller	Aye

5. **Public Comment**

Treasurer Ma asked if there were any comments from the public on matters that were not on the agenda. There were none.

6. **Adjournment**

There being no further business, public comments, or concerns, the meeting adjourned at 11:07 a.m.

Respectfully submitted,



Shela Tobias-Daniel
Executive Director