

MINUTES

**California Pollution Control Financing Authority
901 P Street, Room 102
Sacramento, California
June 18, 2024**

**Public Participation Call-In Number (877) 853-5257: Meeting ID: 987 6693 6958
Passcode: 560284**

1. Call to Order & Roll Call

Khaim Morton, Deputy Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:31 a.m.

Members Present: Khaim Morton for Fiona Ma, CPA, State Treasurer
David Oppenheim for Malia M. Cohen, State Controller
Michele Perrault for Joe Stephenshaw, Director of Finance

Staff Present: Christina Sarron, Deputy Executive Director
Ted Ballmer, Senior Attorney
Doreen Smith, (remotely) CalCAP Section Manager
Deanna Hamelin (remotely), Bonds and Grants Section Manager
Lauren Dominguez, SSBCI Program Manager
Solomita Malko (remotely), Bond Program Manager
Alison French-Tubo, (remotely) Staff Services Manager I
Andrea Gonzalez, Staff Services Manager I
Thaddaeus Brown, Associate Governmental Program Analyst
Jakran Singh, Staff Services Analyst
Morgan Matz, (remotely) Staff Services Analyst
Ryan Dannewitz, Staff Services Analyst
JoOnna Trushkov, Staff Services Analyst
Theodore Hoffman, (remotely) Office Technician
Tyler Hanks, Staff Services Analyst
Jill Hess, Executive Assistant

Quorum: The Chairperson declared a quorum.

2. Minutes (Action Item)

Deputy Treasurer Morton asked the Board members if there were any questions or comments concerning the meeting minutes from the May 21, 2024, board meeting. There were none.

Deputy Treasurer Morton asked if there were any public comments. There were none.

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

The minutes were approved.

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton for the State Treasurer	Aye

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

Ms. Tobias-Daniel began her report talking about the addition of carbon capture facilities as a tax-exempt private activity bond category in 2021 at the federal level. She continued that CPCFA staff would like to add this project type to its current exempt facility eligible projects for participation in the Bond Program. The State Treasurer’s Office (STO) found sponsor for the bill in Assembly Member Wendy Carillo, who introduced Assembly Bill (AB) 2731 in February of 2024. Carillo’s office is recruiting a Senator to represent the bill on the floor. There is no fiscal impact to the state’s budget, private activity bonds are funded through private capital, and staff are hopeful for a positive outcome. The bill will position CPCFA to help finance these types of carbon capture facility projects as the technology emerges.

Ms. Tobias-Daniel stated that the SB 99 Audit for FY ending 22/23 is due to the State Controller’s Office (SCO) by July 1, 2024. Work is being done with the auditor, Richardson & Company, to get this completed.

Ms. Tobias-Daniel then stated that California Investment and Innovation Program (Cal IIP) Manager, Andrea Gonzalez, presented at the California Community Economic Development Association (CCEDA) 2024 Annual Policy and Funding Conference on June 4, 2024. She continued that the Cal IIP staff have begun preparation for the February 2025 Community Development Financial Institutions (CDFI) grant awards with the application process starting in Fall of this year. Staff continues to raise awareness and outreach for the Cal IIP program.

Ms. Tobias-Daniel talked about the Federal Deposit Insurance Corporation (FDIC) Orange County Region Small Business Forum in Santa Maria where California Capital Access Programs (CalCAP) employees engaged lenders and small businesses in the rural North Santa Barbara County area.

CalCAP continues implementation of its three Zero Emission heavy duty vehicle programs, the CalCAP/California Air Resources Board (CARB), CalCAP/California Energy Commission (CEC), and CalCAP/Southern California Edison (SCE) programs. We received the funding for the CalCAP/CARB and CalCAP/CEC programs and continue to work with the SCE to obtain its funding. Staff presented at the Advance

Clean Fleets Regulation Truck Regulation Implementation Group (TRIG) on June 5, 2024.

Ms. Tobias-Daniel then moved on to the subject of Outreach which is a priority to CPCFA and is ongoing. Staff attended and/or presented at the Small Business Event for Senate District 21 which was hosted by Sen. Aisha Wahab's office in Santa Clara on May 31, 2024; staff also participated in The State Treasurer's Office - Quarterly Updates for Local Government "Inside the Vault: Resources for Local Leaders" webinar on June 12, 2024; and there are two CalCAP Analysts attending Politico's "Funding the Future: California's Transportation Transformation" event being held that very day, June 18, 2024, in Sacramento.

Ms. Tobias-Daniel stated since the last Board Meeting in May, no actions were taken under her delegated authority.

Deputy Treasurer Morton stated that he appreciated the work that has been done by staff on AB 2731. He acknowledged how difficult it is to get into Legislature. He stated that he would like to hear more about CDFI Grant awards in the future. He also stated that he appreciates the continued outreach to smaller cities throughout the state.

Mr. Oppenheim stated that he would like a copy of the Sponsor Support letter for AB 2731. He indicated that he would investigate ways the Controller's Office can assist. A concern of Mr. Oppenheim's was from the auditor's report. There was a significant risk identified. The use of management override of controls. He asked if anything has been addressed and alleviated.

Ms. Tobias-Daniel stated that the Auditors are aware of the use of delegated authority and that it is not used too often. Items are vetted carefully before it is used, and these items are always reported to the Board in a timely fashion.

PLEASE NOTE: CPCFA'S AUDITOR REPORT HAD NOT BEEN RELEASED AT THE TIME OF THIS BOARD MEETING. CPCFA'S AUDITOR REPORT DOES NOT HAVE A "FINDING." THE REPORT REFERRED TO BY MR. OPPENHIEM WAS FOR A DIFFERENT AUTHORITY AND MISTAKENLY ATTRIBUTED TO CPCFA.

This concluded Ms. Tobias-Daniel's Executive Director's report.

4. Business Items (Action Items)

4.A.1 Request to Extend Infill Grant Agreement under the California Recycle Underutilized Sites (CALReUSE) Remediation Program

Presented by Jakran Singh, Staff Services Analyst

Downtown Railyard Venture, LLC ("Grantee") requested an extension of the Infill Grant Agreement, dated June 25, 2009, from July 31, 2024, to July 31, 2026, under the CALReUSE Remediation Program ("Program").

The extension is due to continued construction delays caused by the vandalism to the site that occurred in April 2023. They are also including additional time to account for any unforeseen construction delays.

The Pump Station Outfall has been pushed back to October 2024 due to delays in manufacturing and delivering electrical components.

The 6th street bike Improvements have been completed and the improvements on Telegrapher/Stevens Street are currently being constructed, with bidding for the final Affordable Housing and Sustainable Communities project scope scheduled for May 2024, aiming for full completion by Summer 2025.

The Grantee has completed remediation, and, despite the delay caused by the vandalism, they continue to make progress towards the completion of the housing development.

Staff recommended the approval of a Resolution No. 24-03-002 extending the term of the Infill Grant Agreement from July 31, 2024, to July 31, 2026, for the Sacramento Railyards project.

Deputy Treasurer Morton commented that the housing is desperately needed.

Deputy Treasurer Morton then asked if any of the board members would like to make any comments on behalf of the Item. Ms. Perrault commented that the delay is unfortunate but agreed that the housing is much needed. Mr. Oppenheim agreed with those comments.

Deputy Treasurer Morton then asked if there were any public comments. There were none.

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

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton, for the State Treasurer	Aye

4.A.2 Request to Amend Grant Documents Under the California Recycle Underutilized Sites (CALReUSE) Remediation Program

Presented by: Thaddaeus Brown, Associate Governmental Program Analyst

MacArthur Transit Community Partners, LLC, (“Grantee”) requested an amendment to the Infill Grant Agreement to extend the term until July 31, 2026, to comply with additional soil gas vapor monitoring required by the San Francisco Bay Regional Water Quality Control Board (“Water Board”).

The Grantee is still working with their environmental consultant coordinating soil vapor monitoring at the site with the Water Board. As of April 23, 2024, the most recent round of soil vapor testing was completed. Test results indicate that contaminants of potential concern (COPCs) at the site continue to show stable to decreasing concentration trends. Based on these results, the Grantees consultant will prepare and submit a report to the Water Board by the end of June 2024 with a recommendation to approve a low-threat closure of the site. Additional tasks that are required prior to site closure are anticipated to take several months. Therefore, the Grantee requests an extension of the Infill Grant Agreement to July 31, 2026.

Staff recommended approval of Resolution No. 24-03-003 to extend the current grant expiration to July 31, 2026, for the MacArthur Transit Village project.

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

Deputy Treasurer Morton then asked if there were any other questions or comments from the Board. Ms. Perrault stated that she appreciated information provided.

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

The item was passed by the following vote:

David Oppenheim, for the State Controller	Aye
Michele Perrault, for the Director of Finance	Aye
Khaim Morton, for the State Treasurer	Aye

5. **Public Comment**

Deputy Treasurer Morton 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 11:09 a.m.

Respectfully submitted,

Shela Tobias-Daniel, Executive Director