

MINUTES

**California Pollution Control Financing Authority
901 P Street, Room 102
Sacramento, California
June 17, 2025**

Public Participation Call-In Number: (800) 723-2481, **Phone Conference ID:** 231 561 811#
TEAMS Meeting ID: 267 100 516 141, **Passcode:** Xv6P45cL

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: Shela Tobias-Daniel, Executive Director
Doreen Smith, Deputy Executive Director
Lauren Dominguez, CalCAP Section Manager
Solomita Malko, Bond Program Manager
Jill Hess, Executive Assistant
Yoerina Handojo, Associate Governmental Program Analyst
Ryan Dannewitz, Associate Governmental Program Analyst
JoOnna Trushkov, Staff Services Analyst
Rajiv Reddy, Staff Services Analyst
Theodore Hoffman, Staff Services Analyst
Kirsten Hensley, Office Technician

Quorum: The Chairperson declared a quorum

2. Minutes (Action Item)

Deputy Treasurer Morton asked if there were any comments or corrections to the meeting minutes from the April 15, 2025, board meeting. There were none.

Deputy Treasurer Morton asked if there were any public comments. One caller, Julie Edwards from Pajaro Valley Unified School District, asked for clarification on the item being considered but did not provide a comment. There were no other comments.

Michele Perrault moved approval of the minutes; David Oppenheim provided the second.

The minutes were approved.

The item was passed by the following vote:

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

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

Ms. Tobias-Daniel provided a report to the Authority on CPCFA's Tax-Exempt Bond Program and California Capital Access Program (CalCAP) activity, legislative efforts, staffing updates, outreach, and actions taken under delegated authority since the last Authority meeting on April 15, 2025.

Ms. Tobias-Daniel reported that CPCFA continues to demonstrate meaningful progress across its programs. Under the Bond Program, on May 6, 2025, staff released a Request for Proposal (RFP) for conduit financial audit services in accordance with requirements set forth in Senate Bill 99. The RFP aims to secure a qualified audit firm to provide financial auditing and examination services. Responsive proposals were due by May 30, 2025. Following the evaluation process, CPCFA posted a Notice of Intent to Award the contract to Richardson & Company, LLP on June 9, 2025. Contract documents are currently being finalized, and the agreement is expected to be effective July 1, 2025.

In the California Recycle Underutilized Sites (CALReUSE) program, staff are diligently working to finalize and post the 2025 CALReUSE Annual Report. Pursuant to legislative requirements, the report will be sent to the legislature on or before June 30, 2025.

The CalCAP program remains active in enrolling small business and collateral support loans. Since the April meeting, CalCAP has utilized approximately 50 percent of the first and second tranches of funding from the State Small Business Credit Initiative (SSBCI). CPCFA, in coordination with California Infrastructure and Economic Development Bank, anticipates submitting a request to the U.S. Treasury for a third tranche of SSBCI funding later this summer, prior to September 2025.

Ms. Tobias-Daniel highlighted the upcoming launch of CPCFA's statewide Loan Participation Project (LPP), which is intended to broaden access to capital by enabling CPCFA to partner with private lenders and purchase a portion of loans issued to eligible

small businesses. The Authority has dedicated \$150 million in SSBCI funds to the LPP. In tandem with the statewide launch, CPCFA has also obligated \$15 million in SSBCI/SEDI funds for a targeted LPP initiative in partnership with LA Metro's Economic Development Pilot Fund. This targeted effort will support underserved businesses within a two-mile corridor extending from Little Tokyo to Crenshaw, Inglewood, and out to LAX. The program will be managed by Vermont-Slauson Local Development Corporation, a certified Community Development Financial Institution (CDFI).

She went on to report about the legislative efforts affecting the Authority. Assembly Bill 786, which proposes to change the name of the Authority, successfully passed out of the Senate Committee on Business, Professions and Economic Development and has been referred to the Senate Appropriations Committee.

In the area of outreach and advocacy, CPCFA staff participated in the Council of Development Finance Agencies' (CDFA) Federal Policy Conference in Washington, D.C., in April. Executive Director Tobias-Daniel was invited to present on CPCFA's experience designing and managing the CalCAP for Small Business and CalCAP Collateral Support programs, and how these programs operate on a sustainable, evergreen basis. The presentation was well received by those in attendance.

Staff have also engaged in significant outreach, tabling or presenting at thirteen events focused on CalCAP, Collateral Support, CalCAP for Small Business, and the Zero Emission Heavy Duty Vehicle (ZEHDV) Programs. CPCFA attended four events specifically related to ZEHDV programs, including the Advanced Clean Transportation (ACT) Expo, where the team established promising new connections and welcomed Global Finance CDFI as a new lender across all three ZEHDV programs.

Personnel updates included the promotion of Lauren Dominguez to Staff Services Manager II, where she will serve as the CalCAP Section Manager.

Ms. Tobias-Daniel concluded her ED report by noting the following actions taken under her delegated authority since the April 15, 2025, meeting:

- On April 15, 2025, she approved an interagency agreement with the State Treasurer's Office in the amount of \$185,450 for annual rent and security expenses.
- On May 5, 2025, she approved an Initial Resolution for Maple Dairy, LP in the amount of \$7 million in tax-exempt bonds for the purchase and installation of

equipment as well as the construction of new solid waste disposal facilities in Bakersfield.

- On May 15, 2025, she signed the order of authority authorizing a \$2.7 million, which represented a fifth draw request for Garaventa Enterprises, Inc.

Board members expressed appreciation for the outreach, financial program enhancements, and expansion of the CalCAP lender participation.

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

4. Business Items (Action Items)

A. Request to Approve a Contract with Community Capital Alliance, LLC to assist with the Loan Participation Project for the California Capital Access Program (CalCAP)

Presented by: Lauren Dominguez, CalCAP Section Manager

Ms. Dominguez presented a request for Board approval of Resolution No. 25-02-03 to approve Agreement CPCFA02-24 with Community Capital Alliance, LLC, in an amount not to exceed \$1,800,000 over three years. The contractor will assist with the administration, implementation, and reporting for CalCAP's new Loan Participation Project (LPP).

This initiative follows the U.S. Treasury's July 2024 approval of California's modified allocation agreement under the State Small Business Credit Initiative (SSBCI), which allocated \$150 million to CPCFA for the development and implementation of a Loan Participation Program. The LPP will enable CPCFA to purchase participations in loans originated by lenders to eligible small businesses, enhancing access to affordable capital across California.

Community Capital Alliance, LLC will provide critical operational infrastructure, including development of an accessible digital database for loan screening and prequalification, facilitation of reporting required under SSBCI guidelines, and collaborative engagement with community banks, minority depository institutions, and state partners to support program rollout and success.

Brant Smith, President for Community Capital Alliance, LLC and Cindy Cheng, Chief Credit Officer for Pacific Coast Banker's Bank, expressed support for the partnership and emphasized the program's ability to create direct investment and reduce barriers for small businesses.

Staff recommended the adoption of Resolution No. 25-02-03 approving an Interagency Agreement between CPCFA and Community Capital Alliance, LLC, to assist with the LPP in an amount not to exceed \$1,800,000 over three years.

Deputy Treasurer Morton asked if there were any public comments associated with the item. There were none.

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

The item was passed by the following vote:

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

B. Request to Approve Final Resolution Authorizing the Issuance of Tax-Exempt Revenue Notes for Arakelian Enterprises, Inc. d.b.a. Athens Services

Presented by: Yoerina Handojo, Associate Government Program Analyst

Ms. Handojo presented a request for Board approval of Final Resolution No. 25-01-626 in an amount not to exceed \$75,000,000. She stated that the note proceeds will finance the acquisition of solid waste disposal vehicles, construction of materials recovery facilities (MRFs), equipment upgrades, and land acquisition for facility expansion across multiple locations, including a new MRF in Irwindale.

She went on to say that the project supports statewide environmental goals by aiding the borrower's continued compliance with Senate Bill (SB) 1383 for organic waste diversion. Athens Services is a large business; however, currently the Small Business Assistance Fund (SBAF) fee is waived pursuant to Title 4, California Code of Regulations, Section 8035(e) for financings that close on or before December 31, 2026. A Tax Equity and Fiscal Responsibility Act (TEFRA) hearing was held on June 12, 2025, in accordance with applicable regulations, and no opposition was received.

An application requesting a \$75,000,000 in volume cap allocation was submitted to the California Debt Limit Allocation Committee (CDLAC) and is scheduled for consideration at the June 18, 2025, meeting.

Staff recommended the approval of Final Resolution No. 25-01-626 in an amount to exceed \$75,000,000 for Arakelian Enterprises, Inc. dba Athens Services.

Deputy Treasurer Morton asked if there were any public comments associated with the item. Mark Holmstedt, Municipal Advisor with Piper Sandler and long-time advisor to Athens Services, provided comments in support of the item. Mr. Holmstedt stated he has worked with Athens since the early 1980s and spoke to the company's growth from a small business to one of the largest commercial waste haulers in the City of Los Angeles. He noted Athens' success in meeting SB 1383 organic waste diversion goals and emphasized the significance of CPCFA's tax-exempt financing in supporting the development of one of the state's largest materials recovery facilities (MRFs) in Irwindale. Mr. Holmstedt expressed his appreciation for the Authority's role in facilitating Athens' continued environmental leadership in meeting waste diversion goals.

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

The item was passed with the following vote:

Michele Perrault, for the Director of Finance	Aye
David Oppenheim, for State Controller	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 on June 17, 2025, at 11:00 a.m.

Respectfully submitted,

Shela Tobias-Daniel

Shela Tobias-Daniel
Executive Director