

MINUTES

**California Pollution Control Financing Authority
901 P Street, Room 102
Sacramento, California
October 21, 2025**

Public Participation Call-In Number: (800) 723-2481, **Phone Conference ID:** 551 935 665#
TEAMS Meeting ID: 240 863 847 597 9, **Passcode:** 8rf6mo7A

1. Call to Order & Roll Call

Fiona Ma, State Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:44 a.m.

Members Present: 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
Theodore Ballmer, Legal Counsel
Lauren Dominguez, CalCAP Section Manager
Isabel Becerra, CalCAP Program Manager
Solomita Malko, Bond Program Manager (remote)
Alison French-Tubo, Outreach Manager (remote)
Jill Hess, Executive Assistant
Morgan Matz, Associate Governmental Program Analyst
Tyler Hanks, Staff Services Analyst (remote)
Rajiv Reddy, Staff Services Analyst
Theodore Hoffman, Staff Services Analyst

Quorum: The Chairperson declared a quorum

2. Minutes (Action Item)

Treasurer Ma asked if there were any comments or corrections to the meeting minutes from the September 23, 2025, board meeting. There were none.

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

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
Fiona Ma, CPA, State Treasurer	Aye

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

Ms. Tobias-Daniel began the Executive Director's Report by providing updates on CPCFA's programs, legislative matters, and outreach efforts.

Ms. Tobias-Daniel provided updates on legislation by announcing that as of January 1, 2026, CPCFA will be known as the Capital Programs and Climate Financing Authority, thanks to Assembly Bill 786 authored by Assembly member Solache. The costs of the transition will be minimized by reusing materials such as banners for conventions and conferences that already use only the CPCFA acronym. Associated documents will have the name updated in the normal course of business. The timing also coincides nicely with the STO's current project to modernize the website. She mentioned that it was a goal to pay homage to CPCFA's original mission of environmental financing by keeping climate in the new name but also show how CPCFA has evolved to offer more than just environmental financing and also serving small businesses.

She then spoke about the Bond Program and provided updates on its continued work on the Maple Dairy transaction and mentioned that staff will be holding a TEFRA hearing on November 20, 2025 and are currently working on the final resolution.

Ms. Tobias-Daniel then mentioned that the California Investment & Innovative Program (Cal IIP) application submission deadline was October 1, 2025 for 2026 awards and that the Cal IIP team is working diligently to review the applications that were submitted. The Cal IIP staff will present their award recommendations at the January 2026 CPCFA Board meeting. She continued by mentioning that we received a total of 77 applications and are excited about the participation in the program this round.

She stated that in the California Capital Access Program (CalCAP) area, CPCFA submitted the State Small Business Credit Initiative (SSBCI) report for quarter three, which ended September 30, 2025, to the California Infrastructure and Economic Development Bank (IBank). She noted that we expended over \$14.3 million in SSBCI funds between the Small Business Program, Collateral Support Program, and SSBCI administration costs. She also stated that California is projected to reach the 80% mark in expended SSBCI funds by the end of November 2025, enabling us to apply for our third and final tranche of SSBCI funding from United States Treasury. She continued by

saying that the statewide Loan Participation Program (LPP) is progressing as planned and we will be seeking approval for the initial terms and conditions and types of credit solutions offered through the program.

Ms. Tobias-Daniel said that she wanted to address any concerns regarding the federal government shutdown as it relates to our federally funded SSBCI program and said that because it is funded outside of the annual appropriations process, the Treasury SSBCI Office currently remains staffed and is operational.

Treasurer Ma pointed out that the money has been already set aside and cannot be taken back.

Ms. Tobias-Daniel then gave an update on the outreach front by saying that numerous CPCFA staff are planning to attend the California Creates Golden State Manufacturing Forum that will take place on October 29, 2025. She added that she will be moderating a panel at that event. Ms. Tobias-Daniel mentioned that although late summer and early fall brought a seasonal lull in events to attend, since the last board meeting on September 23, 2025, the CPCFA Outreach team plus CPCFA management and staff have attended the following events:

- Presented and/or tabled at five events about CalCAP Collateral Support, CalCAP for Small Business, and CalCAP ZEHD
 - Including a key event for CalCAP ZEHD, the California Trucking Show which is held annually in Ontario, CA
- Attended two events to learn and network
- Conducted three unique meetings about CPCFA programs
- In addition, the Tax-Exempt Bond program webpages have been completely re-organized with a focus on providing a high-level overview for all stakeholders as well as the detailed information needed by financing team members

Ms. Tobias-Daniel then spoke about staff updates which included announcing that Morgan Matz, Bond program analyst, has been promoted from Staff Services Analyst to Associate Governmental Program Analyst and CPCFA has welcomed a new analyst to the team, Youki Arai.

Ms. Tobias Daniel concluded her ED report by noting the actions taken under her delegated authority since the September 23 2025, Board Meeting:

- On September 29, 2025, she signed an Order of Authority approving a second draw request on the issue that closed on July 31, 2025 for Arakelian Enterprises,

Inc. dba Athens Services in the total amount of \$45,000,000 for an October 2, 2025 draw.

- On October 2, 2025, she signed an Order of Authority approving a 6th and final draw on the issue that closed on November 21, 2023 for Garaventa Enterprises, Inc. in the total amount of \$7,750,000 for an October 7, 2025 draw.

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

4. Business Items (Action Items)

A. Request to Approve a Loan Participation Program in accordance with the Capital Access Program for Small Business and Setting Initial Financing Terms

Presented by: Lauren Dominguez, CalCAP Section Manager

Ms. Dominguez started her presentation by sharing that CPCFA received approval to implement a loan participation program under the State Small Business Credit Initiative (SSBCI) Act in July 2024. CPCFA contracted with a third-party administrator, Community Capital Alliance (CCA), LLC, to help support the operational capabilities necessary for the development, implementation, administration, and marketing of the LPP.

She continued by adding that CCA and CPCFA have been actively collaborating with community banks to identify the most effective loan solutions available through the LPP. A primary benefit of the LPP is the expansion of affordable credit to small businesses, particularly those owned by socially and economically disadvantaged individuals and very small businesses. As a result of consultations with CCA and stakeholders, staff identified the following three credit solutions most immediately appropriate for implementation of the LPP: SBA 504 Bridge Loan, short-term lines of credit, and term loans.

The terms and conditions for each of the credit solutions described in Attachment A represents staff's collective belief in what will be most advantageous for small business borrowers, while allowing community banks the opportunity to offer more competitive interest rates, complementary services like treasury management, merchant processing, and advisory support that help them thrive long after loan origination. For convenience, these terms and conditions are summarized in Table 1 of the Staff Summary.

She said that LPP will be structured as a loan purchase program in which CPCFA purchases a portion of a loan originated by an eligible participating financial institution, typically 25%–50% of the loan principal and carrying a fixed or below-market interest rate that reduces borrower costs while maintaining program

sustainability. A participating financial institution will service the loan in accordance with CalCAP regulations, remit the program's share of payments to CPCFA, and provide consistent performance and compliance reports as mandated by the U.S. Treasury SSBCI reporting requirements. Through the LPP, CPCFA with the assistance of the California State Treasurer's Office, is directly investing in the small businesses that power California's economy: driving innovation, job creation, and community vitality. This approach strengthens the State's economic core and builds resilience from the ground up.

Ms. Dominguez finished her presentation by adding that staff recommends the adoption of Resolution No. 25-02-04 to approve a Loan Participation Program and setting the initial financing terms and conditions.

Treasurer Ma asked if this was a new program and what the maximum loan amount will be.

Ms. Dominguez confirmed that it is a new program and that the maximum loan amount will be \$20 million.

Treasurer Ma asked if the business will go through CPCFA or the Small Business Administration (SBA).

Ms. Dominguez answered that they will go through CPCFA's third party administrator, Community Capital Alliance, but one of the loan solutions we are able to provide is an interim SBA 504 loan.

Treasurer Ma asked if there will be a list of who's eligible, how they can apply, and what the interest rates are.

Ms. Dominguez answered saying yes and that it's available in attachment A, after the resolution.

Treasurer Ma asked when this program will be available.

Ms. Dominguez stated that it will be available starting in the first quarter of 2026.

Alison French-Tubo added that the updated talking points will be sent over this afternoon.

Treasurer Ma stated that this information should be put in the small business resource guide.

Ms. French-Tubo stated that the portal is not active yet, but when it is, CPCFA will be sure to coordinate to add this information.

Treasurer Ma asked if there were any public comments associated with the item.

There was one comment from Brant Smith, President of Community Capital Alliance (CCA).

Mr. Smith stated that CCA is excited to work with the STO and that the structure of the program is being worked on with community banks across California. He said they will have a footprint that covers all 58 counties, and they have a particular focus on underserved counties and short-term lines of credit. He added by saying that they have the SB504 bridge loan and that community banks do the underwriting and credit for each small business loan and they come to CCA as a 3rd party administrator. CCA helps distribute SSBCI funds for approved loans. CCA will be using Treasury guidelines for eligible businesses when it comes to underwriting and credit decisions. CCA will come in as a partner for 25% to 50% of the loan amount, depending on the structure of the loan. CCA will also ensure that this is as easy and convenient as possible, especially for small businesses.

Treasurer Ma asked if small startups could use this program.

Mr. Smith said that they can use a line of credit or a short-term loan and added that they will have banks from Humboldt all the way down to San Diego and their primary focus is contracting, manufacturing, food services, and the service industry.

Mr. Smith concluded by saying that some credit enhancement programs are passive, but the LPP program will take money and put it directly in the pockets of small businesses, making it an active program.

Treasurer Ma asked if farmers or ranchers can use the program.

Mr. Smith confirmed that farmers or ranchers are eligible to use the program.

Treasurer Ma added that this was being worked on during COVID when small businesses needed lines of credit and mentioned prior use of Lendistry as a lending partner. She asked if this was the same program.

Ms. Tobias-Daniel said that it's a different program but that she recalls being told in the past that the Treasurer is very interested in lines of credit and to ensure lines of credit are addressed in future program developments.

Mr. Smith added that there is a public portal available where businesses can see if they are eligible and apply for eligibility, as well as choose a bank or they can be directed to one of the eighty banks.

Treasurer Ma said that this portal is necessary as calling all banks individually is too much work and time for small businesses. She also said it would be great to put together a social media post about this program.

Mr. Oppenheim thanked Treasurer Ma for the leadership on this program and said that the State Controller is very interested in making capital available, especially in economically disadvantaged communities. He added that working with stakeholders and community members makes this program amazing and easy to access by breaking down barriers to access the capital. He concluded by saying that he loves this program because CPCFA will be able to participate with follow-through and communication, and that this program draws federal dollars, which makes it a Nobel Prize program.

Mr. Oppenheim asked if the LPP will need a regulation package to implement the three pieces.

Theodore Ballmer answered by saying that the board meeting is part of the process, pursuant to the resolution and the term sheet attached to the resolution.

Treasurer Ma gave her thanks and appreciation to the CPCFA team and other stakeholders involved.

Treasurer Ma asked if there were any public comments associated with the item. 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:

Michele Perrault, for the Director of Finance	Aye
David Oppenheim, for State Controller	Aye
Fiona Ma, CPA, State Treasurer	Aye

B. Request to Approve a Contract with MStreetX, Inc. to provide and administer a fully functional FinTech Platform database for the California Capital Access Program

Presented by: Isabel Becerra, CalCAP Program Manager

Ms. Becerra started her presentation by saying that CPCFA through CalCAP administers programs which incentivize capital investment in specific economic activities reflecting state and federal policy goals. CalCAP currently uses the

Funding, Reporting, and Enrollment Database (FRED) application in concert with Crystal Reports software to administer its loan programs. The FRED was implemented in 2010 and has never been updated. An agreement with MStreetX, Inc. is necessary for the conversion of an on-premises FRED system to their cloud-based solution, as well as the ongoing subscription costs of the new environment for the next five years.

She added that the Capital Access Application Tool (CAAT), sold through small business MStreetX, Inc., is a unique financial technology solution developed by a former U.S. Treasury outreach manager to assist states with meeting the U.S. Treasury guidelines and reporting requirements for the U.S. Treasury's SSBCI program. The U.S. Treasury's SSBCI reporting requirements are specific and extensive including a variety of financial, demographic, quarterly, annual, and ad hoc reporting. The CAAT solution meets these extensive reporting requirements in addition to providing an online-based user-friendly interface for administering our various loan programs.

She concluded by saying that staff recommends the approval of Resolution No. 25-02-05 to authorize the Executive Director or Deputy Executive Director to execute Agreement CPCFA03-25 with MStreetX, Inc. in the amount not to exceed \$2,247,700 over five years.

Treasurer Ma asked if there were any public comments associated with the item.

There was one comment from the MStreetX CEO, David Rixter.

Mr. Rixter stated his thanks to the Treasurer and CPCFA's mission to foster small business growth in California. He continued by saying that MStreetX is honored to contribute and that from his past experiences, he has valuable insights to the challenges and opportunities associated with deploying flexible capital to small businesses. He concluded by saying that we have a collective opportunity to streamline the participation process and to leverage technology to support efforts like CPCFA's in deploying capital to small businesses. Finally, MStreetX is well equipped to support CPCFA and its mission and is encouraged by this opportunity.

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
Fiona Ma, CPA, State Treasurer	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 on October 21, 2025, at 11:12am.

Respectfully submitted,

Shela Tobias-Daniel

Shela Tobias-Daniel
Executive Director