

MINUTES

**California Pollution Control Financing Authority
901 P Street, Room 102
Sacramento, California
July 15, 2025**

Public Participation Call-In Number: (800) 723-2481, **Phone Conference ID:** 287 134 161#
TEAMS Meeting ID: 236 915 427 476 4, **Passcode:** ir3U7Gk6

1. Call to Order & Roll Call

Khaim Morton, Deputy Treasurer, called the California Pollution Control Financing Authority (CPCFA or Authority) meeting to order at 10:30 a.m.

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

Staff Present: Shela Tobias-Daniel, Executive Director
Doreen Smith, Deputy Executive Director
Lauren Dominguez, CalCAP Program Manager
Andrea Gonzalez, Cal IIP Program Manager
Solomita Malko, Bond Program Manager
Jill Hess, Executive Assistant
Ryan Dannewitz, Associate Governmental Program Analyst
Rajiv Reddy, Staff Services Analyst
Theodore Hoffman, Staff Services Analyst

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 June 17, 2025, board meeting. There were none.

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

Christian Beltran 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
Christian Beltran, 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 began the Executive Director's Report by providing updates on CPCFA's programs, legislative matters, and outreach efforts.

Ms. Tobias-Daniel then provided updates on the CPCFA programs:

She stated that in the Tax-Exempt Bond Program, the team completed the SB99 audit and submitted it to the State Controller's Office (SCO) at the end of June. She was pleased to report that there were no findings in the audit.

She then spoke about the California Recycle Underutilized Sites Program (CALReUSE) and stated that staff submitted the annual report for 2023-2024 to the legislature and that a copy has been posted to the CPCFA webpage.

Ms. Tobias-Daniel then mentioned that for the California Investment & Innovative Program (Cal IIP), the staff are preparing for the 2025-2026 grant awards cycle.

She stated that in the California Capital Access Program (CalCAP) news, the State Small Business Credit Initiative (SSBCI) report for quarter two has been submitted. She noted that \$7.2 million was expended in the program. 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 is expected to be active by the end of this year.

Ms. Tobias-Daniel mentioned the legislative efforts affecting the Authority. She discussed that Assembly Bill 786, which will change CPCFA's name from California Pollution Control Financing Authority to Capital Programs and Climate Financing Authority is continuing to advance and has most recently passed through the Senate.

Ms. Tobias-Daniel highlighted items on the federal level, including how tax-exempt private activity bonds were maintained after negotiations on the Big Beautiful Bill.

On the outreach front, CPCFA staff attended four events since the last board meeting. These events were for various programs and staff continue to provide materials and partner with other agencies to get the word out about CPCFA programs and establish connections. She mentioned how important it is to continue outreach efforts to ensure small business borrowers understand how our programs could assist them.

Ms. Tobias-Daniel welcomed Michael Xiong as CPCFA's new CalCAP analyst.

Ms. Tobias Daniel concluded her ED report by noting the actions taken under her delegated authority since the June 17, 2025, Board Meeting:

- On June 27, 2025, an Initial Resolution was approved for Anchor J Dairy, LLC in the amount of \$9 million to support the construction of solid waste disposal facilities at a dairy located in Stevinson, California.
- On June 27, 2025, an Initial Resolution was approved for Silva Family Dairy Biogas, LLC in the amount of \$10 million to support the construction of a lagoon dairy digester at a dairy in Stevinson, California.
- On June 20, 2025, a conduit financial services contract was approved with Richardson and Company LLP for a three-year period and an amount of \$77,700 with an optional one-year extension and an additional \$25,900. The contract is pending DGS approval.

Deputy Treasurer Morton mentioned the Creative Economy Finance Network (CEFN) and how important it is to get information about programs to small business owners who are looking for funding. Mr. Oppenheim asked if it was possible to have a presentation about the CEFN in the next board meeting to help with understanding and context within the CPCFA program. Mr. Oppenheim then congratulated CPCFA on a successful audit and asked about grants and taxes within the Big Beautiful Bill with regard to collateral damage to CPCFA.

Ms. Tobias-Daniel answered by saying that most of the damage was due to missed opportunities within the electrification and decarbonization efforts. She spoke about the cancellation of certain parts of the inflation reduction act and impacts on other programs, such as CARB. She was happy to report that CPCFA's Zero-Emission (ZE) program was not impacted, but that the federal Electric Vehicle voucher program was affected. She then mentioned that CPCFA is going to work on innovative ways to encourage people to use our zero-emission program since the federal EV tax credit program was

canceled in the Big Beautiful Bill. Ms. Tobias-Daniel closed by saying that CPCFA is continuing to monitor the situation.

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

4. Business Item (Action Item)

A. Request to Approve a Final Resolution Authorizing the Issuance of Additional Tax-Exempt Revenue Notes for New Money and Refunding Purposes and a Request to Approve a Resolution for Small Business Assistance Fund (SBAF) Costs of Issuance Assistance

Presented by: Yoerina Handojo, Associate Governmental Program Analyst

Ms. Handojo presented a request for Board approval of Final Resolution No. 25-01-624 in an amount not to exceed \$27,615,130, in tax-exempt notes, of which \$17,615,130 will refund prior bonds. This Final Resolution supersedes the prior Final Resolution approved by the Authority on February 18, 2025. The Borrower is also requesting the approval of a Small Business Assistance Fund (SBAF) Resolution, which will supersede the prior SBAF Resolution, in an amount not to exceed \$90,000. She stated that the note proceeds will finance the purchase of new sorting equipment and other upgrades to be installed at its existing recycling facility in Fremont. The equipment includes five high-speed optical sorters, an eddy current separator, and a drum feeder. Proceeds will also be used for upgrades to the facility including exterior painting, scale improvements, repaving, upgrades to a solar power generation system, a new backup generator, replacement of approximately 80,000 square feet of an existing roof, and an upgraded fire protection system.

She stated that initially, the Borrower selected US Bank as the note purchaser for the Series 2025 Notes, as specified in the prior approved Final Resolution No. 25-01-624. However, due to the departure of industry experts and principals at US Bank, the Borrower selected City National Bank as the note purchaser. The Borrower also secured a grant from CalRecycle and requests the new money amount of the Series 2025 Notes not to exceed \$10,000,000. This reduction increased the amount of SBAF assistance that the Borrower is eligible for.

Additionally, she spoke about the Borrowers request to refund bonds issued by the Authority in 2016, which are held by U.S. Bank. The Prior Bonds were issued to

refund bonds issued by the Authority in 2010, which refunded bonds issued by the Authority in 2005. The Borrower decided that it would be more manageable to consolidate the new money for the Project, and refunding Prior Bonds under one note purchaser, City National Bank.

Mr. Oppenheim said that he supports the item and asked about the reasoning for the departure of U.S. Bank in the waste financing arena.

Mark Holmstedt, Municipal Advisor with Piper Sandler & Co, answered by saying that several years ago, U.S. Bank acquired Union Bank of California. With that acquisition, they also acquired numerous individuals with expertise in environmental and solid waste space. In late 2024 and early 2025, U.S. Bank subsequently made personnel changes and ultimately the principals responsible for the BLT Enterprises financing were asked to leave U.S. Bank. Mr. Holmstedt continued, saying that BLT Enterprises tried to continue to work with U.S. Bank but ultimately selected City National Bank for financing. He also mentioned that BLT Enterprises existing notes are through U.S. Bank and that it is in their best interest to refinance those notes so they can be consolidated within City National Bank.

Mr. Oppenheim mentioned that it is impressive that CPCFA is able to offer refinancings, thereby ensuring that borrowers are comfortable with their financing.

Mr. Holmstedt agreed with Mr. Oppenheim and spoke about his many decades of working with CPCFA and that he is thankful and appreciative of the savings that borrowers have had. He then mentioned that other borrowers with financing through U.S. Bank will also be coming forward to CPCFA with refinancing requests.

Deputy Treasurer Morton 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 Mr. Beltran.

The item was passed by the following vote:

Christian Beltran, 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 July 15, 2025, at 10:57am.

Respectfully submitted,

Shela Tobias-Daniel

Shela Tobias-Daniel
Executive Director