

**Golden State Finance
Authority (GSFA)
Board of Directors Meeting**



**Friday, October 1, 2021
8:00 a.m.**

**1215 K Street, Suite 1650
Sacramento, California 95814**

**Golden State Finance Authority (GSFA)
Board of Directors Meeting
Friday, October 1, 2021 - 8:00 a.m.
The Portola Hotel and Spa at Monterey Bay
Two Portola Plaza
Monterey, CA 93940**

The October 1, 2021, GSFA Board of Directors Meeting will be conducted at the location listed above. Members of the public may attend the meeting in-person, or may watch or listen to the meeting using one of the following methods:

1. Join the Zoom meeting application on your computer, tablet or smartphone:

Go to: <https://rcrcnet.zoom.us/j/83644580476>

Enter Password: 145611

2. Call-in and listen to the meeting:

Dial +1 (669) 900-9128

Enter meeting ID: 836 4458 0476

Enter password: 145611

PUBLIC COMMENT USING ZOOM: Members of the public who join the Zoom meeting, either through the Zoom app or by calling in, will be able to provide live public comment at specific points throughout the meeting.

EMAIL PUBLIC COMMENT: One may also email public comment to mdemelo@rcrcnet.org before or during the meeting. All emailed public comments will be forwarded to all GSFA Board of Directors members.

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation or an alternative format to assist you in observing and commenting on this meeting, or an alternative agenda document format, please contact GSFA at (916) 447-4806 or by email at mdemelo@rcrcnet.org by 8:00 a.m. Thursday, September 30th to ensure arrangements for accommodation.

AGENDA

1. Call to Order & Determination of Quorum

Chair, Supervisor Bob Williams, Tehama County

2. Approval of Minutes – August 18, 2021 Board Meeting

Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise

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3. Member County Concerns

4. Public Testimony

At this time any member of the public may address the Board. Speakers are asked to state their name for the record. Comments are usually limited to no more than 3 minutes per speaker.

5. Executive Director's Report

Pat Blacklock, Executive Director

6. Program Updates

Craig Ferguson, Deputy Director

- 7. **Economic Development Activity Updates**
 - a. **Broadband Program Update** **Page 6**
Barbara Hayes, RCRC Chief Economic Development Officer
 - b. **Economic Development and Infrastructure Initiative** **Page 8**
Bob Burris, RCRC Deputy Chief Economic Development Officer

- 8. **Project Status Update on Golden State Natural Resources, Inc. (GSNR) – Information Only** **Page 10**
Greg Norton, GSNR President

- 9. **Informational Item** *(Items in this section are provided as information to the Board and are non-action items)*
 - a. **Financial Update** **Page 15**
Lisa McCargar, Chief Financial Officer
Milena De Melo, RCRC Controller

- 10. **Adjournment**

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, please call Milena De Melo at (916) 447-4806 at least 48 hours before the meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment, please let staff know if you would like to speak on a specific agenda item.



**Golden State Finance Authority
Board of Directors Meeting
August 18, 2021
9:00 a.m.
1215 K Street, Suite 1650
Sacramento CA 95814**

MINUTES

Call to Order & Determination of Quorum

The meeting was called to order at 9:03 a.m. by Chair, Supervisor Bob Williams, Tehama County. A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
David Griffith	Alpine
Doug Teeter	Butte
Jack Garamendi	Calaveras
Denise Carter	Colusa
Gerry Hemmingsen	Del Norte
Lori Parlin	El Dorado
Paul Barr	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Matt Kingsley	Inyo
EJ Crandell	Lake
Aaron Albaugh	Lassen
Miles Menetrey	Mariposa
Glenn McGourty	Mendocino
Lloyd Pareira	Merced
Geri Byrne	Modoc
Stacy Corless	Mono
Chris Lopez	Monterey
Diane Dillon	Napa
Dan Miller	Nevada
Jim Holmes	Placer
Kevin Goss	Plumas
Bob Tiffany	San Benito
John Peschong	San Luis Obispo
Les Baugh	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Mat Conant	Sutter
Bob Williams	Tehama
Dennis Townsend	Tulare

Kathleen Haff Tuolumne
Randy Fletcher Yuba

Absent

Brian Oneto Amador
David Rogers Madera
Jeremy Brown Trinity
Angel Barajas Yolo

Officers in Attendance

Patrick Blacklock, Executive Director
Craig Ferguson, Deputy Director
Lisa McCargar, Chief Financial Officer

Others in Attendance

Terry Woodrow, Alpine County Alternate
Gary Bridges, Lassen County Alternate
Ned Coe, Modoc County Alternate
Mary-Ann Warmerdam, RCRC Senior Vice President – Governmental Affairs
Barbara Hayes, RCRC Chief Economic Development Officer
Arthur Wylene, RCRC General Counsel
Tracy Rhine, RCRC Senior Legislative Advocate
Staci Heaton, RCRC Senior Regulatory Affairs Advocate
John Kennedy, RCRC Legislative Advocate
Leigh Kammerich, RCRC Regulatory Affairs Advocate
Sarah Dukett, Legislative Advocate
Sidd Nag, Legislative Advocate
Maggie Chui, RCRC Senior Governmental Affairs Coordinator / Clerk of the Board
Milena De Melo, RCRC Controller
Elizabeth Jensen, RCRC Assistant Controller
Sanjay Lee, RCRC Financial Analyst
Terrance Rodgers, RCRC Economic Development Officer
Layne Frederiksen, RCRC IT Manager
Dorothy Poole, RCRC External Affairs Coordinator
Carolyn Sunseri, RCRC Marketing Director
Carolyn Jhaji, RCRC Communications Director
Mary Pitto, RCRC Regulatory Affairs Specialist – Consultant
Jerry Tyrrell, Broadband Alliance of Mendocino County
Russell Gould, The Gould Group
January Riddle, Alpine County Supervisor
Jennifer Larocque, Communications Specialist Sonoma County Administrator's Office
Jeffrey Thorsby, Nevada County Staff
Nadia Tipton, Mendocino County Staff
Glyn Milburn, Ygrene Energy Fund
Crystal Crawford, Ygrene Energy Fund
Randy Hanvelt, ACL

Approval of Minutes – June 18, 2021 Board Meeting

Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise

Supervisor Dan Miller, Nevada County, motioned to approve the minutes of the June 18, 2021 GSFA Board of Directors Meeting. Supervisor David Griffith, Alpine County, seconded the motion. Motion unanimously passed with a roll call.

AYE: Alpine, Butte, Calaveras, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Lake, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Shasta, Sierra, Sutter, Tehama, Tulare, Tuolumne, Yuba

NAY: None

ABSTAIN: None

ABSENT: Amador, Colusa, Lassen, Madera, Siskiyou, Trinity, Yolo

Member County Concerns

None

Public Testimony

None

Executive Directors Report

Patrick Blacklock, Executive Director noted that the Board will shortly get an in-depth overview of the housing programs offered by GSFA that will be presented by Carolyn Sunseri, RCRC’s Marketing Director. A few months back, the staff received the same overview and deemed it eye opening and very informative.

Build Minority Wealth through Homeownership - 2021 Strategic Initiative

Carolyn Sunseri, RCRC Marketing Director provided an overview of 2021-2024 housing initiative of the RCRC Strategic Plan specifically as it relates to building minority wealth through home ownership. Ms. Sunseri summarized the positive impacts of homeownership on families and communities, barriers to homeownerships, and the history of the program. Additionally, Ms. Sunseri shared with the Board the overarching goal of the program to: 1) Empower Mortgage and Real Estate Partners; 2) Advance Minority Homebuyer Education; and 3) Cultivate Minority Homebuyers. Lastly, Ms. Sunseri shared GSFA’s lending targets and benchmarks for success by 2024.

Supervisors along with Ms. Sunseri engaged in an extended discussion about the program and what each board member can do at the local level to help promote this and other programs offered by GSFA.

Program Updates

Craig Ferguson provided an update on the existing Housing and Energy Programs. Mr. Ferguson noted that the Minority Wealth through Homeownership Strategic Initiative is one of several strategic initiatives of GSFA.

Additionally, Mr. Ferguson provided the update on bond issuance which he anticipates will close sometime toward the end of August or in early September. The Financing Action Team provided an authorization for the issuance, sale and delivery of Golden State Finance Authority Taxable Single Family Mortgage Revenue Bonds in the Principal Amount Not to Exceed Twenty-One Million Dollars (\$21,000,000) to Provide for the Financing of Second Mortgage Loans when it met on July 30, 2021.

Economic Development Activity Update

Rural Broadband Update

Barbara Hayes, RCRC Chief Economic Development Officer provided an update on GSFA and RCRC's efforts related to Broadband expansion. To advance the investment and delivery of robust broadband to rural California, RCRC has developed a proposed plan of work with different levels of service and deliverables, that will increase RCRC member county readiness to take advantage of broadband funding and investment opportunities. The proposed plan of work is divided into Levels as follows:

1. Level One – foundational readiness
2. Level Two - information-sharing and capacity-building that will result in increased awareness and involvement of local governments.
3. Level Three - demonstration project(s) modeled on an open-access, public-benefit, municipal model.

Additionally, Ms. Hayes noted that during the July Executive Committee approved and authorized the Executive Director to apply for and accept a broadband strategic plan and Comprehensive Economic Development Strategy (CEDS) development grant from the U.S. Economic Development Administration was approved. Executive Director and RCRC staff are working on the application and anticipate submitting it to U.S. Economic Development Administration in the next few days.

Lastly, RCRC and GSFA are working on forming an entity in which all Broadband work will take place called Golden Connect Authority, a California JPA. A recommendation from staff to establish and form such entity will go to the RCRC Board of Directors for approval.

Authorization for the Executive Director to Apply for and Accept a Broadband Strategic Plan and CEDS Development Grant from the U.S. Department of Commerce Economic Development Administration – ACTION

Based on the above summary, Ms. Hayes shared the following recommendation with the Board of Directors.

Recommendation

It is recommended that the GSFA Board of Directors grant signing authority to the Executive Director, as needed for submittal of the grant application to the U.S. Department of Commerce EDA for the development of broadband strategic plans and CEDS for counties enumerated in the grant.

Supervisor Chris Lopez, Monterey County, motioned to approve the recommendation noted above. Supervisor David Griffith, Alpine County, seconded the motion. Motion unanimously passed with a roll call.

AYE: Alpine, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Lake, Lassen, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Shasta, Sierra, Siskiyou, Sutter, Tehama, Tulare, Tuolumne, Yuba

NAY: None

ABSTAIN: None

ABSENT: Amador, Madera, Mariposa, Trinity, Yolo

Chair Bob Williams, reopened public testimony

Supervisor Matt Kingsley, Inyo County and Golden State Natural Resources (GSNR) Chair of the Board of Directors provided an update on GSNR Supervisor Kingsley, shared with the Board that GSNR is moving full speed ahead and is entering the second phase of pre-development. GSNR continues to work on environmental studies for the property in Jamestown, CA and is in active negotiations to purchase a second property in Northern California. Additionally, work is being performed on our establishing presence at the Port of Stockton. Lastly, GSNR has hired, Kevin Cann, as Vice President to assist in managing pre-development operations.

Adjournment

GSFA Chair, Supervisor Bob Williams, Tehama County, adjourned the meeting of the GSFA Board of Directors at 10:21 a.m.



To: GSFA Board of Directors
From: Barbara Hayes, Chief Economic Development Officer
Date: September 27, 2021
Re: Broadband Program Update- **Information Only**

SUMMARY

To advance the investment and delivery of robust broadband to rural California the Board of Directors has approved a plan of work that is divided into three levels. Updates on progress and activities within each level are provided below.

Level One

Level One is designed to assist member counties in achieving “foundational readiness” relative to accessing and inviting broadband investment into counties in a strategic manner that ultimately delivers broadband for all residents and businesses. This level of work includes arming all member counties who do not currently have a Broadband Strategic Plan, with the opportunity for development of such a plan. Broadband Strategic Plans are required to access many federal sources of funding for broadband deployment. Additionally, Broadband Strategic Plans will allow local governments to be informed and deliberate when directing and permitting investment by incumbent service providers.

- Grant application submitted to US Department of Commerce Economic Development Administration on September 3, 2021. Currently under review.

Level Two

Level Two is directed to all RCRC member counties and includes information-sharing and capacity-building that will result in increased awareness and involvement of local governments in broadband investment and access for their residents and businesses. Information on best practices and unique approaches employed by member counties and municipal broadband providers across the US will be shared via webinars and documents.

- New member of Fiber Broadband Association and member of the Association’s Public Officials Working Group

Level Three

Level Three involves the launching of Demonstration Project(s) modeled on an open-access, public-benefit, municipal model. The Demonstration Project(s) would be

selected based on business modeling that includes, among many components: address density, geology/geography, demographics, existing service being provided, broadband infrastructure partners, and local government support.

The Demonstration Project(s) would require the establishment of a new entity that would be comprised of and led by county governments. The new entity would bring resources and partnerships that would be unique to broadband deployment in California.

- RCRC Board approved the formation of Golden State Connect Authority, a Joint Powers Authority under which will fall broadband-related work - August 18, 2021
- Invitation to join Golden State Connect Authority extended to all RCRC member counties – September 7, 2021. (Requested to review and return executed JPA documents by October 15, 2021.)
- Continued evaluation of Demonstration Project areas
- Continued conversations with potential broadband partners
- Staff invited to serve on key advisory boards



To: GSFA Board of Directors
From: Bob Burris, RCRC Deputy Chief Economic Development Officer
Date: September 27, 2021
Re: Economic Development and Infrastructure Initiative

SUMMARY

Infrastructure is a critical area of focus to unlock the full potential of economic development in California’s rural counties. It allows local governments to serve existing populations and to meet future growth and economic development opportunities. It has been widely recognized that infrastructure funding is not occurring in rural counties nationwide at the same rate as more heavily populated urban areas, and this is especially true in California. There are a number of reasons for this, including; a large proportion of financing solutions that are often complex, require up front capital and guaranteed revenue streams, some or all creating budgetary obstacles; more populated counties and cities are in the path of a greater volume and variety of economic activities and therefore greater early demand for services (i.e. broadband, EV charging stations, energy generation capacity) and in turn quicker positive cash flow; and/or an historic under-representation where funding policy decisions are made.

In response to economic challenges from COVID-19 and the growing need for a broad-based infrastructure investment, the Federal and State governments have proposed, augmented, and/or created infrastructure funding programs that create significant opportunities for our member counties.

Infrastructure Investment and Jobs Act

The initial piece of legislation receiving bipartisan acceptance creates \$550 billion in new infrastructure spending in the U.S. over the next five years. This includes, but is not limited to roads and bridges, broadband, airports, ports, water, energy, EV charging stations, clean transportation and more. Each spending measure includes a proposed pathway to investment including federal agencies, established programs, and proposed establishment of new programs. While passed in August, the enactment of the bill is tied to the passage of the much larger “Reconciliation” package now being debated in the House of Representatives.

(California) Community Economic Resilience Fund (CERF)

Passed on September 7, 2021 as AB 162, CERF creates a \$600 million fund from monies received by California from the federal Coronavirus Fiscal Recovery Fund of 2021 to support regional economic recovery efforts over the next five years. Funds will

be distributed in the form of competitive grants to regions that will be established by a formed Inter-Agency Leadership Team and managed by the Workforce Services Branch of the Employment Development Department. Funds will be available to support, 1.) strategy development/planning, 2.) pre-development, and 3.) implementation. It is estimated that Phase 1 requests for proposals will be created and distributed to regions by the end of the year 2021.

There are other specific funding measures that will likely provide support to specific infrastructure roll out. For example, the Governor's 2021-2022 Budget includes \$3.9 billion in zero-emission vehicle investments, including \$1.165 billion for the California Energy Commission to deploy zero-emission vehicle (ZEV) fueling infrastructure and ZEV-related manufacturing.

Economic Development and Infrastructure Initiative

Falling in line with our core strategic planning objective of advancing economic development and infrastructure investment in rural California, the Economic Development and Infrastructure Initiative will work in coordination with a network of representatives from federals, state, and local governments, industry specialists, organizations, and consultants. The Initiative will focus on three core levels of work:

Infrastructure Funding and Program Resource Hub

The term Infrastructure invokes an almost infinite number of topics and issues. The Infrastructure Investment and Jobs Act alone has within it roughly \$550 billion funding covering 15 major infrastructure types, all with multiple subcategories. A Resource Hub will be created to provide easy access for member counties to needed infrastructure program/funding information from federal, state, and private agencies and organizations.

County Infrastructure Investment Identification and Support

Utilizing its expertise in economic development, RCRC will work with member counties to identify and prioritize key infrastructure investment areas that will unlock the greatest degree of economic impact, locate the optimal program for funding support, and provide guidance in moving through the process of seeking funding. This will require not only a comprehensive knowledge of opportunities, but an increased capacity to provide analytics, including a spatial database (GIS) of economic, demographic and infrastructure information, economic tools such as IMPLAN, and technical specialists.

Planning and Implementation

Where there is an agreed upon multi-county need, source(s) of funding, and significant contribution to economic health, RCRC will proactively identify or create new opportunities for project development. As within the Broadband Initiative, opportunities for pursuit of multi-county grant applications for infrastructure planning and, where appropriate, implementation, will be evaluated and pursued.

The Economic Development and Infrastructure Initiative will provide several layers of support, from developing and maintaining a comprehensive database of programs and funding opportunities to support the infrastructure priorities of our member counties, to assisting in the acceleration of infrastructure projects from planning to implementation.



To: GSFA Board of Directors
From: Greg Norton, GSNR President
Date: September 27, 2021
Re: Project status update on Golden State Natural Resources, Inc. (GSNR) –
Information Only

Summary

This item is intended to provide the GSFA Board of Directors with an update on the current GSNR project status, financial position, and answer GSFA Board of Directors questions related to project developments.

Attachment:

- GSNR key consultants and description of their respective roles in the project.



GSNR Consultants and Partners

Owner's Engineer

- Nexus Program Management Group
Steve Roberts, President
Chris Amey, Senior Consultant
Jake Peer, Manager of Projects
Sidney Key, Project Engineer

Provides expertise on capital-intensive project development with in-depth knowledge of project finance and support all facets of development including site selection, financial modeling, fuel supply, offtakes, permitting, front-end engineering and design (FEED) studies and engineering, procurement and construction (EPC) contracts. Manages FEED with well-structured front-end design processes which are critical to allow GSNR to structure a robust RFP package for optimum EPC bid pricing. Provides direction on path-to-close analyses to help streamline GSNR project development by performing a detailed analyses of current development status and produces comprehensive reports to identify the bankability gaps and generate a path-to-close roadmap.

Offtake Agreement Procurement

- Verto Impact Partners, LLC
Wayne Young, Managing Partner
Glenn Smith, Managing Partner

Provide expertise and insight to complete requirements associated with securing industry conformed long term biomass offtake agreement(s) into available markets. Verto also provides full economic life cycle advisory and management services to individual projects, companies and portfolios with the

objective of creating best-in-class strategic platforms. Clients include project sponsors, owners and investors.

Forestry & Wood Product Production

- CT Bioenergy Consulting, LLC
Chris Trott, RPF #2049

Provides expertise and advice on feedstock access, availability, and viability, GIS assessment, transportation & logistics, workforce, existing industry & infrastructure, partnership opportunities and risk mitigation.

- Lost River Fire Management / Cohesive Strategies
LostRiverFire.com
ForestandRangelands.gov
Claren Nilsson, President

Provides expertise and insight on forest management practices – both mechanical thinning and prescribed burning. Brings close working relationships with USFS, CalFIRE, and local forest owners. Is a member of the USDA Western Region Cohesive Strategies Working Group – covering Western U.S.

Environmental – NEPA & CEQA

- Dudek
Dudek.com
Steve Peterson, Principal In Charge
Brian Grattage, Project Manager
Tad Bell, Governmental Affairs Consultant
Jonathan Rigg, CEQA/NEPA
Scott Eckhardt, Registered Forester

Provide expertise and strategic guidance on navigating the associated federal and state environmental (NEPA & CEQA) processes, requirements, and expectations in preparation of Programmatic and Project-Specific Environmental Impact Report and/or Environmental Impact Statement for GSFA and GSNR.

Legal

- Kutak Rock
KutakRock.com
Buck Heim, Partner

Provide expert counsel on tax-related matters associated with GSNR. Provided critical input in the development of application to Internal Revenue Service seeking 501(c)3 status for GSNR during 2019. Serve as Bond Issuer Counsel for project debt issuance.

- Sullivan Cromwell, LLC
SullCrom.com
Imosi Nyata, Partner (New York Office)
John Savva, Partner (Palo Alto Office)

Provide expert counsel on matters related to GSNR structure, financing, and development of international contracts for sale of GSNR products to customers in export markets.

Finance, Structure, Program Management

- Gould Group
GouldGroup.net
Russ Gould, President & CEO

Provides advice and counsel to GSNR in areas of finance, organizational structure, investor development and investor relations, and governance.

Real Estate

- Colliers International
Colliers.com
Bob Dean, Senior Vice President

Provides real estate information, insight, and services to GSNR as licensed real estate professional. Brings career experience in evaluating and presenting site information and recommendations, conducting due diligence on real estate-related matters, and managing purchase and lease discussions with owners and/or owners' representatives. Colliers International provides research, mapping, and title services, as may be necessary.

Other Consultants as needed

Additional consultants and contractors have been utilized for specific purposes such as feasibility studies, Triple-Bottom-Line and Cost-Benefit Analysis, Feedstock GIS mapping ; Phase 1 and 2 environmental assessments, logo and website design, etc.



To: GSFA Board of Directors
From: Lisa McCargar, Chief Financial Officer
 Milena De Melo, RCRC Controller
Date: September 27, 2021
Re: Financial Update – Informational Item

Summary

To assist the Board of Directors in exercising their fiduciary responsibility over GSFA, we have included certain financial information, including total cash and investments in CalTRUST, LAIF, and our securities brokerage account, providing an update as of July 31, 2021 compared to balances as of December 31, 2020. The balances are as follows:

	July 31, 2021	December 31, 2020
Current Assets		
Cash in banks	\$9,668,330	\$10,553,884
Cash in CalTRUST and LAIF	5,296,516	5,281,468
Cash in securities brokerage account	61,115,559	64,406,257
Total cash and investments	\$76,080,405	\$80,241,609

Additionally, GSFA has the following financial commitments as of July 31, 2021:

Purpose	Amount Committed	Amount Outstanding as of 7/31/2021	Remaining Committed as of 7/31/2021
Self-Generation Incentive Program (SGIP) – GSFA Funds	\$5,000,000	\$0	\$5,000,000
Self-Generation Incentive Program (SGIP) – CEC Funds	2,500,000	2,060,695	439,305
Revolving Loan Fund to Member Counties	3,000,000	136,855	939,305
GSNR Start-up Loan	10,000,000	3,000,000	7,000,000
GSFA Program Investment - Open Doors Program	40,000,000	22,411,985	17,588,015
Multi-Family Program Investment	5,000,000	3,200,000	1,800,000
Totals	\$65,500,000	\$30,809,535	\$32,766,625

For questions, please contact Lisa McCargar or Milena De Melo.