

**Golden State Finance
Authority (GSFA)
Executive Committee Meeting**



**Wednesday, October 16, 2019
11:00 A.M.**

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

**Golden State Finance Authority (GSFA)
Executive Committee Meeting
1215 K Street, Suite 1650
Sacramento, CA 95814**

October 16, 2019 – 11:00 a.m.

Executive Committee Members:

Supervisor Kevin Cann, Mariposa County
Supervisor Bob Williams, Tehama County
Supervisor Matt Kingsley, Inyo County
Supervisor Daron McDaniel, Merced County
Supervisor Stacy Corless, Mono County
Supervisor Rex Bohn, Humboldt County

Supervisor Michael Kobseff, Siskiyou County
Supervisor Aaron Albaugh, Lassen County
Supervisor Diane Dillon, Napa County
Supervisor Jack Garamendi, Calaveras County
Supervisor Kuyler Crocker, Tulare County

Agenda

- I. **Call to Order and Determination of Quorum**
Chair, Supervisor Kevin Cann, Mariposa County

- II. **Approval of Minutes of the July 10, 2019 Meeting**
(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise) Page 1

- III. **Public Comment**
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.

- IV. **Business and Administrative Matters** (Discussion and possible action relative to)
*Greg Norton, Executive Director
Lisa McCargar, Chief Financial Officer
Craig Ferguson, Deputy Director
Arthur Wylene, Legal Counsel*
 - a. **GSFA Lake County Disaster Relief Extension – ACTION** Page 3
 - b. **Direction Regarding Potential Startup Loan to Golden State Natural Resources – ACTION** Page 5

- V. **Program Updates** (Discussion and possible action relative to)
Craig Ferguson

- VI. **Economic Development Update**
Barbara Hayes, RCRC Chief Economic Development Officer

- VII. **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, contact Sarah Bolnik by calling (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. The agenda for this meeting of the Executive Committee of the Golden State Finance Authority was duly posted at its offices, 1215 K Street, Suite 1650, Sacramento, California, 72 hours prior to the meeting.

**Golden State Finance Authority (GSFA)
Executive Committee Meeting
1215 K Street, Suite 1650 Board Room
Sacramento, CA 95814
(916) 447-4806**

July 10, 2019 – 10:30 a.m.

Executive Committee Members:

Supervisor Kevin Cann, Mariposa County
Supervisor Bob Williams, Tehama County
Supervisor Matt Kingsley, Inyo County
Supervisor Daron McDaniel, Merced County
Supervisor Stacy Corless, Mono County
Supervisor Rex Bohn, Humboldt County

Supervisor Michael Kobseff, Siskiyou County
Supervisor Aaron Albaugh, Lassen County
Supervisor Diane Dillon, Napa County
Supervisor Jack Garamendi, Calaveras County
Supervisor Kuyler Crocker, Tulare County

Minutes

Call to Order and Determination of Quorum

GSFA Vice Chair, Supervisor Bob Williams, Tehama County, called the meeting of the Golden State Finance Authority Executive Committee to order at 10:55 a.m. A quorum was determined at that time; those present were as follows:

<u>Supervisors in Attendance</u>	<u>County</u>
Bob Williams	Tehama
Matt Kingsley	Inyo
Daron McDaniel	Merced
Stacy Corless	Mono
Rex Bohn	Humboldt
Michael Kobseff	Siskiyou
Aaron Albaugh	Lassen
Diane Dillon	Napa
Jack Garamendi	Calaveras

Absent Members

Kevin Cann	Mariposa
Kuyler Crocker	Tulare

Others in Attendance

Greg Norton, Executive Director
Craig Ferguson, Deputy Director
Lisa McCargar, Chief Financial Officer
Sarah Bolnik, RCRC Economic Development Specialist
Justin Caporusso, RCRC Vice President External Affairs
Paul A. Smith, RCRC Vice President Governmental Affairs
Barbara Hayes, RCRC Chief Economic Development Officer
Arthur Wylene, RCRC General Counsel

Maggie Chui, RCRC Governmental Affairs Coordinator
Carolyn Sunseri, RCRC Marketing Director

Approval of Minutes of the May 22, 2019 Meeting

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

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the minutes of the May 22, 2019 GSFA Executive Committee Meeting. Supervisor Daron McDaniel, Merced County, seconded the motion. Motion passed.

Public Comment

None

GSFA Quarterly Reports

Lisa McCargar, Chief Financial Officer, presented the GSFA Quarterly Investment Report, Budget Report, and Liquidity Report for period ending May 31, 2019.

Proposed Revisions to the GSFA JPA Agreement

Greg Norton, Executive Director, reviewed with the Executive Committee the proposed changes that need to be made to the GSFA JPA agreement. Arthur Wylene, RCRC General Counsel discussed the process that will need to be taken by each member county to finalize these changes if approved by the GSFA Board of Directors.

Supervisor Michael Kobseff, Siskiyou County, motioned to approve the proposed revisions to the GSFA JPA Agreement. Supervisor Stacy Corless, Mono County, seconded the motion. Motion passed.

Program Updates

Craig Ferguson, Deputy Director, provided an update on the current GSFA programs to the Executive Committee.

Adjournment

GSFA Chair, Supervisor Kevin Cann, Mariposa County, adjourned the meeting of the GSFA Executive Committee at 11:18 a.m.



Golden State Finance Authority (GSFA)
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (855) 740-8422 · Fax: (916) 444-3219 · www.gsfahome.org

To: GSFA Executive Committee
From: Lisa McCargar, Chief Financial Officer
Date: October 8, 2019
Re: GSFA Lake County Disaster Relief Extension - **ACTION**

Issue

In 2016, GSFA provided two disaster assistance grants to Lake County for the Valley fire in the amounts of \$350,000 and \$700,000. The \$350,000 has been expended, however the County of Lake has notified GSFA that \$350,000 of the \$700,000 grant remains unspent. The balance of \$350,000 is due to expire on December 31, 2019, and the County of Lake is requesting a one-year extension to December 31, 2020.

The county indicated that the funds are still very crucial for the county and that only 20% of the rebuild efforts are complete. There is still a great deal of housing insecurity.

Recommendation

It is recommended that the GSFA Executive Committee consider a one-year extension for of the remaining \$350,000 unspent disaster assistance grant funds and, if approved, direct GSFA to prepare and present a revised agreement to the GSFA Board of Directors for approval.



To: GSFA Executive Committee
From: Greg Norton, Executive Director
Date: October 8, 2019
Re: Direction Regarding Potential Startup Loan to Golden State Natural Resources, Inc. - **ACTION**

Summary

As the GSFA Executive Committee is aware, GSFA has formed the nonprofit entity Golden State Natural Resources, Inc. (GSNR) to pursue an innovative program of funding forest resiliency and wildfire fuels reduction through processing and resale of the resulting biomass. Pre-development activities for this program are well underway, including formation of GSNR and organization of its Board of Directors, application for 501(c)(3) tax exempt status, and engagement of financial, legal, and environmental consultants. Additionally, GSFA has recently been awarded a 20-year Master Stewardship Agreement by the United States Forest Service covering the entirety of Region 5 (i.e., most of California), which provides the long-term framework for program activities on forest lands.

It is anticipated that the initial pre-development phase of this program will be funded through a combination of GSFA's resources and state, federal, and private foundation grant funds. During the 2019 fiscal year and prior, GSFA's investment in the program has been in the form of in-kind resources (i.e., dedicated staff time) and consultant services paid from GSFA's budget. The 2019 GSFA budget included \$811,000 for economic development related activities. As the GSNR entity has now been established, GSFA is interested in transitioning program development activities to GSNR effective January 2020, thereby allowing GSNR to take over the relevant consultant contracts and otherwise commence business operations.

To effectuate this transition, it is proposed that GSFA provide a loan of up to \$10,000,000 to GSNR to fund program activities in 2020 and thereafter. The exact amount and terms of the loan are still under development and will depend upon a final determination of both GSNR's fiscal needs and other available revenues (e.g., grants). These details are expected to be finalized by December and would be presented to the GSNR Board of Directors for approval before consideration by the GSFA Board. In the past, GSFA has loaned similar funds, at market rate terms and conditions, to National Homebuyers Fund (NHF) to support its programs (most recently in 2014), and it is

anticipated that the loan to GSNR would be structured similarly to ensure legal compliance and avoid a gift of public funds.

The GSFA Executive Committee is respectfully requested to authorize GSFA to present the finalized loan proposal to the full GSFA Board for action at the December meeting, upon approval of the loan request and documentation by the GSNR Board. We anticipate that the loan would be completed in early 2020 and will position GSNR to commence active participation in program development activities beginning in 2020.

Recommendation:

It is recommended that the GSFA Executive Committee discuss the potential loan to GSNR to be presented to the full GSFA Board in December.

