THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN EXEMPT FACILITY PROJECT

APPLICANT:

PROJECT SPONSOR (Borrower):

PROJECT NAME:

We, the undersigned, hereby make Application to The California Debt Limit Allocation Committee ("CDLAC") for the purpose of providing an exempt facility as described herein.

We agree it is our responsibility to provide CDLAC with one original and one duplicate copy of a complete Application, accompanied by a check made payable to CDLAC in the amount of \$1,200, and a completed Performance Deposit Certification Form. We understand that succinct answers providing the requested information are required. We understand that if additional space is required, each additional page will be clearly labeled. We agree that it is also our responsibility to provide all information that is deemed by CDLAC to be necessary to evaluate our Application. We understand that CDLAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the Application. We recognize that we have a duty to inform CDLAC when any information in the Application or supplemental materials is no longer true and to supply CDLAC with accurate information.

We represent that we have read all Government Code sections relevant to the CDLAC Regulations Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds ("Regulations"). We acknowledge that CDLAC recommends that we seek advice from bond counsel.

We acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation.

In carrying out the development and operation of the proposed project, we agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all CDLAC program requirements.

We acknowledge that our Application will be evaluated based on federal and state statutes and regulations pertaining to Qualified Private Activity Bonds for Exempt Facility Projects and the CDLAC Regulations, which identify the minimum requirements, evaluation criteria, priorities and other standards which will be employed to evaluate Applications.

We acknowledge the information submitted to CDLAC in this Application or supplemental thereto may be subject to the Public Records Act or other disclosure. We understand that CDLAC may make such information public. CDLAC will maintain as confidential, certain financial information, but cannot guarantee confidentiality.

The Project Sponsor declares under penalty of perjury that the information contained in the Application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of its knowledge and belief. The Applicant declares that the information contained in PARTS I and II of the Application is true and correct to the best of its knowledge and belief, and as to information contained in the Application, exhibits, attachments, and further or supplemental documentation provided by the Project Sponsor, the Applicant is not aware of any information that would cause the Applicant to believe that the Application contains any untrue information or omits to state any material information. We understand that misrepresentation may result in the cancellation of an Allocation, and other actions which CDLAC is authorized to take.

The Project Sponsor certifies that the project can be completed within the development budget and the development timetable set forth in our Application. The Project Sponsor further certifies that the proposed project can be operated in the manner proposed within the operating budget set forth in the Application.

The Applicant certifies that it is in compliance with all applicable statutes, laws, rules, and regulations necessary for the transaction of its business.

We agree to hold CDLAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the awarded Allocation.

We acknowledge that all Application materials are to be submitted by 4:00 p.m. on the appropriate date.

The California Debt Limit Allocation Committee 915 Capitol Mall, Room 311 Sacramento, CA 95814

Signature of Applicant's Senior Official

Signature of Project Sponsor

Print Name

Title

Date_____

Regulations, forms and additional information may be obtained by accessing the Committee's web site at <u>http://www.treasurer.ca.gov/cdlac.htm</u> or by calling the Committee at (916) 653-3255.

The California Debt Limit Allocation Committee complies with the Americans with Disabilities Act (ADA). If you need additional information or assistance, please contact the Committee at 916/653-3255 or TDD 916/654-9922

Title

Print Name

Date

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR AN ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN EXEMPT FACILITY PROJECT

All references to federal statute are cited for information only. Bond Counsel must be consulted as the requirements are subject to change.

PART I - FINANCING TEAM INFORMATION

1. ISSUER (APPLICANT) OF BONDS

Name of Issuing Agency: Name of Senior Official: Title of Senior Official: Mailing Address: City: State: Zip Code:

Issuer's Federal Identification No.:

ISSUER CONTACT (staff person who can answer questions regarding this application)

Name of Staff Person:	
Title of Staff Person:	Telephone: ()
Name of Agency (if different from #1 above):	Fax: ()
Mailing Address:	E-Mail:
City:	
State:	
Zip Code:	

2. BOND COUNSEL

Name of Firm: Name of Attorney: Mailing Address of Firm: City: State: Zip Code:

3. BOND UNDERWRITER

Name of Firm: Name of Contact: Mailing Address of Firm: City: State: Zip Code: Telephone: () Fax: () E-Mail:

Telephone: (

)

Fax: (

E-Mail:

)

Telephone: () Fax: () E-Mail:

4. PRIVATE PLACEMEN Name of Firm: Name of Contact: Mailing Address of Firm City: State: Zip Code:	NT AGENT (IF APPLICABLE) n:	Telephone: (Fax: () E-Mail:)
5. PRIVATE PLACEMEN Name of Firm: Name of Contact: Mailing Address of Firm City: State: Zip Code:	NT BOND PURCHASER (IF APPLICABLE) n:	Telephone: (Fax: () E-Mail:)
6. CREDIT ENHANCEM Name of Firm: Name of Contact: Mailing Address of Firm City: State: Zip Code:		Telephone: (Fax: () E-Mail:)
7. FINANCIAL ADVISO Name of Firm: Name of Contact: Mailing Address of Firm City: State: Zip Code:		Telephone: (Fax: () E-Mail:)

PART II – ALLOCATION/BOND ISSUE INFORMATION

- 1. Amount of allocation requested: \$
- 2. Proposed date of bond issuance:
- 3. Date of inducement:

Attach (Attachment "A") a copy of the adopted resolution. (See Section 5033.5 of CDLAC Regulations.)

4. Date of TEFRA hearing:

Proof (**Attachment "B"**) of the TEFRA process must be submitted to the Committee : 1) No later than 30 calendar days following the application deadline if an Allocation Round Process is established; or 2) No less than 30 calendar days prior to the scheduled allocation meeting at which the Application will be considered if an Open Application Process is established. The proof of TEFRA, as described in Section 5033(6) is either: 1) a copy of the adopted TEFRA resolution with the approval of the bond issuance, **or**, if the resolution will not be available within the required timeframe, **2**) a written certification by the Applicant as to the date, time, location, and outcome of the public hearing, the approval of the issuance of bonds by the applicable elected representative, and that such actions comply with the provisions of 26 U.S.C. Section 147(f), accompanied by a copy of the notice announcing the public hearing.

5. Indicate whether bonds will be sold in a public offering or in a private placement:

Indicate whether the bonds will be variable or fixed rate:

If bonds carry a variable rate:

- a. Identify the index:
- b. How frequently will the bonds be re-marketed and by whom?
- c. Is there a feature to allow a conversion to a fixed rate at some time in the future? If so, under what conditions and when?
- 6. Indicate by a **"YES"** or **"NO"** whether the bond issuance will be used to convert taxable debt to tax-exempt debt:

If **"YES"**, provide the date, if applicable, on which the proposed Project will lose its ability to use tax-exempt bond financing:

7. Briefly describe credit enhancement structure or private placement transaction (include, at a minimum, the construction or interim financing, if applicable, the amount, closing deadlines, security/collateral provided, guaranties, anticipated closing date, etc.):

Attach (Attachment "C"), if more than one commitment, label Attachments in sequential order as "C-1, C-2", etc.) the credit enhancement commitment or commitment to purchase privately placed bonds. (See Sections 5061-5064 of the CDLAC Regulations.)

(If there will be no Credit Enhancement for the bonds, CDLAC staff may require that the Project Sponsor submit an engineering or economic feasibility study, or both. In cases where the Project Sponsor has completed such studies, the CDLAC staff may request that a review by an independent consultant, who has been approved by the CDLAC Executive Director, be completed. The Project Sponsor shall pay the fees of such independent consultant.)

8. Anticipated bond rating (see Section 5061 of the CDLAC Regulations):

	<u>Rating</u>	Date Rating Anticipated
Fitch		
Moody's		
Standard & Poor's		
Other		

 Indicate the amount of <u>taxable</u> bonds and other means of financing, in addition to the cash equity required by the Credit Enhancer, that will be utilized in conjunction with the requested allocation of tax-exempt bonds (See Section 5433 of the CDLAC Regulations).

Attach (Attachment "D") documentation demonstrating that the proceeds of the taxable bonds and other means of financing, in addition to the cash equity required by the Credit Enhancer, will be used towards project expenses that are directly related to the acquisition, construction/rehabilitation, equipment purchase/installment, or operation of the proposed Project.

PART III - PROJECT SPONSOR INFORMATION

- 1. Please answer the following questions for both the Project Sponsor ("Borrower") and the user of the facility, if different:
 - A. Official business name, address, telephone number, fax number, e-mail address and contact person:

BORROWER: USER:

- B. Any "Doing Business As" names:
- C. Address of Project Sponsor's headquarters, if different from address in "A" above:
- D. Other operating locations in California:
- E. The legal structure of the Project Sponsor i.e. (corporation, partnership or sole proprietorship):

Complete the appropriate section below:

Corporation

- 1) Officers of the Corporation
- 2) Major Shareholders (10% or more)
- 3) Date and place of incorporation
- 4) For publicly held corporations, stock exchange on which the company is listed. If traded over the counter or on NASDAQ, please indicate the market makers.

Partnership

- 1) Names and addresses of general and limited partners, and share of ownership.
- 2) Date of partnership.

Sole Proprietorship

- 1) Date and place of establishment.
- F. Federal Tax Identification Number for Project Sponsor and user, including IRS Office where tax returns are filed:
- G. Description of present physical facilities, including size and use of facility:
- H. Other tax-exempt financings currently outstanding:
- 2. If the Project Sponsor or user is an owner, subsidiary or affiliated directly or indirectly with any other business or organization, indicate the relationship.

PART IV - PROJECT INFORMATION

- 1. Project Name:
- 2. Project Street Address:

City:

County:

Zip Code:

(The zip code must be included. If the project site does not yet have a street address, contact the local United States Post Office for an approximate zip code.)

Federal Congressional District in which the proposed Project is located:

State Senate District in which the proposed Project is located:

State Assembly District in which the proposed Project is located:

Census Tract in which the proposed Project is located:

3. Description of Proposed Project:

Attach (Attachment "E") a description of the proposed project. The description must include: 1) the type of operation or processes that will be conducted at the proposed facility, 2) the end product or consumer services to be provided, 3) the number of acres to be acquired, 4) the amount of square footage to be constructed/renovated, 5) description of any new equipment or vehicles to be installed or purchased, 6) the communities to be served by the proposed facility, and 7) any other special feature of the proposed Project (i.e. new technology).

4. Costs of the Project. State the total costs associated with the acquisition of the site and construction of the proposed project, including any utilities and proposed machinery and equipment purchases. Separate the costs based on their financing sources: the left column should total the bond amount; the sum of both columns should equal the total project costs.

	To Be Paid From Bond Proceeds	To Be Paid From All Other Sources
Acquisition of Land	\$	\$
Acquisition of Existing Buildings		
Fees and Other Charges Related to Sale		
Rehabilitation of Existing Building(s)		
Site Preparation		
Construction of New Building(s)		
Utilities Connection		
Acquisition and Installation of Used Equipment		
Acquisition and Installation of New Equipment		
(a) Invoice		
(b) Installation		
(c) Other (please explain)		
Engineering/Architecture		
Legal, Permits, etc.		
Bond Issuance Expenses (including discount)		
Letter of Credit or Bond Insurance Fee		
Interest During Construction		
From to		
Interest Income During Construction		
From to		
Other (please explain)		
	Total Bond Amount	Total Other Costs
	\$	\$

PART V – MINIMUM REQUIREMENTS

Applicants are advised to read Sections 5420-5423 of the CDLAC Regulations regarding Exempt Facility Projects when answering the following questions.

- 1. Attach (Attachment "F") evidence that the use of tax-exempt bond financing will create more public benefits than any other means of financing available to the Project Sponsor. At a minimum, the documentation must compare tax-exempt bond financing with other means of financing available to the Project Sponsor, such as bank loans, lines of credit, taxable bonds and other instruments.
- 2. Attach (Attachment "G") a copy of the California Environmental Quality Act (CEQA) final Notice of Decision or a certification from the appropriate planning agency attesting to the filing of the final Notice of Decision.

What is the date by which an appeal to the Final Notice of Decision may be filed?

If an appeal has been filed, attach (Attachment "G-1") narrative providing the following information:

- 1. What is the nature of the appeal?
- 2. Has appellant posted a bond?
- 3. Has appellant sought injunctive relief?
- 4. What was the outcome of the litigation at the trial court level?
- 3. Attach (Attachment "H"), if more than one attachment, label each attachment in sequential order as "H-1, H-2" etc.) evidence of all relevant approvals or permits relating to the project (i.e. solid waste facilities permit, air discharge permit, conditional use permit, zoning variances, etc.) from federal, state or local planning agencies other than ministerial approvals in one or more of the following forms (identify the form of evidence by responding "YES" to the appropriate item):
 - A. Copies of local land use approvals, which allow the discretion of local elected officials to be applied (General Plan amendments, rezoning, conditional use permits, etc.):
 - B. Documentation by a local agency that clearly demonstrates the agency's intentions to acquire the Project Site, or a portion of the Project Site, through eminent domain proceedings:
 - C. A copy of the permit certification letter submitted to the California Pollution Control Financing Authority (CPCFA) (if used, the form should be labeled **Attachment "H"**).
- 4. For Applicants other than the California Pollution Control Finance Authority, the Committee will perform a formal policy review prior to award of Allocation to new industries that apply for Exempt Facility bond authority. The Committee will establish a process for evaluating requests for Allocation for technologies that are unfamiliar to the Committee and for industries that have not previously or recently requested an award of Allocation from the Committee. When such Applicants request Allocation, the Committee will conduct a review of the technology, the industry, and the state of environmental or other regulations. The Committee may request assistance of other federal, state, and local agencies when conducting this review. The Applicant and/or Project Sponsor may be asked to provide additional information relevant to the Committee's review. The review process shall result in a written policy concerning the new area of business.

PART VI - EVALUATION CRITERIA

Applicants are advised to read Section 5440 of the CDLAC Regulations regarding Exempt Facility Projects when answering the following questions.

Section 5400 of the CDLAC Regulations defines a "First Tier Business" as a business that (a) is primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste, (b) is a privately-held or employee-owned entity whose ownership interests are not available to members of the public, and (c) has fewer than 3,000 employees (together with affiliates), based on the average employees per pay period during the most recent twelve (12) months before submittal of an Application; or (2) a business which is not primarily engaged in the collection, recycling, transportation, and/or disposal of solid waste that is classified as a small business under regulations of the California Pollution Control Financing Authority (Title 4, California Code of Regulations, Sections 8001-et seq.).

Section 5400 of the CDLAC Regulations defines a "Regulatory Mandate" as a local, state or federal government mandate such as California Public Resources Code, Section 40000 et seq., a local public health department notice and order, a Regional Water Quality Control Board issued cease and desist order, or similar directive.

- 1. Answer "YES" or "NO" to the following:
 - A. The Project Sponsor is a "First Tier Business Under Regulatory Mandate" as defined above pursuant to Section 5400 of the CDLAC Regulations:
 - B. The Project Sponsor is a "First Tier Business Not Under Regulatory Mandate" as defined above pursuant to Section 5400 of the CDLAC Regulations:
 - C. The Project Sponsor is not a First Tier Business, but is under a Regulatory Mandate (5400 of the CDLAC Regulations):

If **"YES"** to any of the above, attach (**Attachment "I"**) a certification from the Project Sponsor's accountant or legal counsel that (1) cites the regulatory mandate and (2) certifies and provides documentation that the Project Sponsor meets the characteristics enumerated in the above definition of a "First Tier Business" as applicable to the proposed Project.

D. The proposed Project is other than a solid waste disposal facility as described in A through C, above, and is eligible for tax-exempt bond financing pursuant to Section 5400 of the CDLAC Regulations:

If **"YES"**, identify the type of exempt facility from the list below that describes the proposed Project (Section 5400 of the CDLAC Regulations):

- i. Bonds will be issued by a government agency to acquire any property from an investor-owned utility;
- ii. A Sewage facility;
- iii. A facility for the furnishing of water;
- iv. A facility for the local furnishing of electric energy or gas;
- v. A qualified hazardous waste facility;
- vi. A mass commuting facility;
- vii. A local district heating or cooling facility;
- viii. Environmental enhancements of hydroelectric generating facility;
- ix. A high-speed inter-city rail facility;
- x. An Enterprise Zone Facility Bond project; or
- xi. An Equipment Only Purchase Program for solid waste disposal facilities administered by the California Pollution Control Financing Authority.

2. Public Benefits of the Proposed Project (Section 5430 of CDLAC Regulations)

Answer **"YES"** or **"NO"** to each of the following to indicate whether the proposed Project will provide such public benefit.

- A. Improved air quality:
- B. Improved water quality:
- C. Improved energy efficiency:
- D. Recycling of commodities (glass, aluminum and other marketable materials) and greenwaste (composting and other organic wastes):
- E. Safe disposal of solid waste that is in compliance with all applicable state and federal environmental regulations regarding solid waste disposal:
- F. Consumer cost savings or efficiencies:

Attach (**ATTACHMENT "J"**) a narrative describing the above public benefits of the proposed Project. At a minimum, the narrative should include one or more of following, whichever are applicable:

- A. The measures taken by the Project Sponsor to mitigate the impact on air quality as a result of the proposed Project or to improve the air quality in the community in which the proposed Project is located.
- B. The extent to which energy savings will result from (1) the utilization of designs, materials, or techniques that will reduce energy usage during the construction or rehabilitation of the proposed Project according to recognized efficiency standards, such as those promulgated by the California Energy Commission, or (2) the installation of new equipment that will reduce energy usage compared to the equipment formerly used by the Project Sponsor.
- C. The measures taken by the Project Sponsor to (1) mitigate the impact on water quality as the result of the proposed Project's discharge of waste into groundwater and surface water sources, (2) prevent pollution of environmentally-sensitive wetland and coastal land areas that are in close proximity to the proposed Project, or (3) improve the water quality in the community in which the proposed Project is located.
- D. The capacity of the proposed Project to recycle commodities (glass, aluminum, plastic, and other marketable materials) or greenwaste and reuse of such commodities or greenwaste in the manufacture of environmentally sensitive products.
- E. The past performance of the Project Sponsor or entity which will operate the proposed Project regarding compliance with all applicable regulations governing solid waste disposal.
- F. A description of the projected capacity of a materials recovery component of a proposed Project to assist in waste stream diversion.
- G. The extent to which the proposed Project will provide cost benefits to the consumers residing in the communities served by the Project, such as the prevention of fee increases for solid waste disposal or water or energy services.
- 3. Leverage (Section 5433 of CDLAC Regulations)

Applications will be evaluated based on information provided in **Attachment "D"** required by Item #9 in PART II of this Application.

4. Local Government Support (Section 5434 of CDLAC Regulations)

Attach (Attachment "K") evidence of local government support for the proposed Project. Such evidence must be documentation from a regulatory agency or other local government entity that clearly demonstrates government support and the proposed Project's ability to support and contribute to local waste management policy, environmental policy, and planning. Such documentation may include the identification of the proposed Project in the applicable elements of an approved County Integrated Waste Management Plan or Regional Agency Waste Management Plan.

PART VII – LEGAL STATUS OF PROJECT SPONSOR

If a separate sheet is used to respond to the following questions, the sheet shall be labeled Attachment L.

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome. For a publicly-traded company, the relevant sections of the company's 10K, 8K, and 10Q most recently filed with the Securities and Exchange Commission may be attached in response to question #1. With respect to a response for question #2, previous 10K, 8K, and 10Q filings of the company may be attached if applicable.

1. Disclose material information relating to any legal or regulatory proceeding or investigation in which the project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the project sponsor that is involved in the management, operation, or development of the project.

2. Disclose any civil, criminal, or regulatory action in which the project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

PART VIII – SELLER OF PROPERTY INFORMATION

This PART is to be completed if bond proceeds will finance the acquisition of property.

- Name of Property Seller: Business Street Address: City: State: Zip code: Telephone number: ()
- 2. Principals, business addresses and telephone numbers of each partner comprising the Seller:
- 3. When is sale of property expected to close escrow?

EXFP APPLICATION DOCUMENTS CHECKLIST

This checklist is provided to assist you in making sure that a completed application package is filed with the Committee. If an attachment does not apply, please write N/A in the space provided.

Your application package must contain the following:

Check Box	Document Description	Attachment Name
	\$1,200 initial filing fee made payable to CDLAC (See Section 5033(b)(2) of CDLAC Regulations)	N/A
	Signed Deposit Certification Form (See Section 5033(b)(1) of CDLAC Regulations)	N/A
	Two (2) Completed and <u>signed</u> application forms	N/A
	Adopted Inducement Resolution (See Section 5033(b)(5) of CDLAC Regulations.)	Α
	Evidence of TEFRA hearing (either adopted resolution or certification) (See Section 5033(b)(6). of CDLAC Regulations.)	В
	Evidence of Credit Enhancement or Bond Purchase Commitment (See Section 5061 of CDLAC Regulations.)	С
	Evidence of Leveraging (Section 5433 of CDLAC Regulations)	D
	Description of proposed Project CDLAC form	E
	Comparison of benefits created by tax-exempt vs. taxable financing (Section 5420 of CDLAC Regulations)	F
	Evidence of CEQA documentation (Section 5421 of CDLAC Regulations)	G
	Narrative of CEQA appeal (Section 5421 of CDLAC Regulations)	G-1
	Evidence of permits and approvals documentation (Section 5422 of CDLAC Regulations)	Н
	Evidence of First Tier Business/Regulatory Mandate (Section 5440 of CDLAC Regulations)	I
	Evidence of public benefits (Section 5432 of CDLAC Regulations)	J
	Evidence of local government support (Section 5434 of CDLAC Regulations)	K
	Legal Status of Applicant and Project Sponsor	L
	Two (2) duplicate copies of the Application with Attachments [NOTE: Any subsequent mailings of additional application materials should be in <u>duplicate</u> .]	DUPLICATE

ATTACHMENT E

DESCRIPTION OF THE PROPOSED PROJECT

The description must include:

- 1) The type of operation or process that will be conducted at the proposed facility.
- 2) The end product or consumer services to be provided.
- 3) The number of acres to be acquired.
- 4) The amount of square footage to be constructed/renovated.
- 5) Description of any new equipment or vehicles to be installed or purchased.
- 6) The communities to be served by the proposed facility.
- 7) Any other special feature of the proposed project (i.e. new technology)