



STATE OF CALIFORNIA

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

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Governor

Betty Yee
State Controller

<p>FOR CDLAC USE ONLY</p> <p>Application No.: _____</p> <p>Analyst: _____</p>
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THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

**APPLICATION FOR AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)
QUALIFIED ENERGY CONSERVATION BONDS (QECB)**

APPLICANT: _____

ISSUER: _____

PROJECT SPONSOR (private activity bonds only): _____

The Applicant hereby makes Application to The California Debt Limit Allocation Committee (“CDLAC” or “Committee”) for the purpose of providing a qualified conservation energy bond program as described herein.

The Applicant agrees that it is the Applicant’s responsibility to provide the Committee with one original and one duplicate copy of the complete Application, accompanied by a check made payable to the Committee in the amount of ~~\$600~~**1200** and a completed Performance Deposit Certification form. The Applicant understands that succinct answers providing the requested information are required. The Applicant understands that if additional space is required, each additional page will be clearly labeled. The Applicant agrees that it is also the Applicant’s responsibility to provide all information that is deemed by the Committee to be necessary to evaluate the Application. The Applicant understands that the Committee may verify the information provided and analyze materials submitted as well as conduct its own investigation to evaluate the Application. The Applicant recognizes that it has a duty to inform the Committee when any information in the Application or supplemental materials is no longer true and to supply the Committee with accurate information.

The Applicant represents that it has read all Government Code sections relevant to the CDLAC Regulations Implementing the Allocation of the State Ceiling on Qualified Governmental and/or Private Activity Bonds (“Regulations”). The Applicant acknowledges that the Committee recommends that the Applicant seek advice from bond counsel.

The Applicant acknowledges 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 program, the Applicant agrees to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Committee program requirements. The Applicant acknowledges that the Application will be evaluated based on federal and state statutes

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

The California Debt Limit Allocation Committee complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of the California Debt Limit Allocation Committee in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, you may contact the California Debt Limit Allocation Committee at (916) 653-3255 or TDD (916) 654-9922.

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

APPLICATION FOR A RE-ALLOCATION OF THE STATE CEILING ON QUALIFIED PRIVATE ACTIVITY AND/OR GOVERNMENTAL BONDS FOR AN ENERGY CONSERVATION BOND PROGRAM

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. Name of Applicant (entity issuing bonds):

Mailing Address:
City, State, Zip Code:

Federal Identification No.:

For mailing of official documents:

Name of Senior Official:
Title of Senior Official:

Telephone #: ())
Fax #: ())
E-mail:

For questions concerning application:

Name of Contact Person:
Title of Contact Person:
Mailing Address:
City, State, Zip Code:

Telephone #: ())
Fax #: ())
E-mail:

2. Name of Issuer (if different than Applicant)

Mailing Address:
City, State, Zip Code:

Federal Identification No.:

For mailing of official documents:

Name of Senior Official:
Title of Senior Official:

Telephone #: ())
Fax #: ())
E-mail:

For questions concerning application:

Name of Contact Person:
Title of Contact Person:
Mailing Address:

Telephone #: ())
Fax #: ())
E-mail:

City, State, Zip Code:

3. Name of Bond Counsel Firm:

Name of Attorney:	Telephone #: ())
Mailing Address:	Fax #: ())
City, State, Zip Code:	E-mail:

4. Name of Tax Counsel Firm (if applicable):

Name of Attorney:	Telephone #: ())
Mailing Address:	Fax #: ())
City, State, Zip Code:	E-mail:

5. Name of Bond Underwriter Firm:

Name of Agent:	Telephone #: ())
Mailing address:	Fax #: ())
City, State, Zip Code:	E-mail:

6. Name of Financial Advisor Firm:

Name of Agent:	Telephone #: ())
Mailing Address:	Fax #: ())
City, State, Zip Code:	E-mail:

7. Name of Credit Enhancement Provider (if applicable):

Name of Agent:	Telephone #: ())
Mailing Address:	Fax #: ())
City, State, Zip Code:	E-mail:

8. Name of Project Sponsor (Borrower entity, for private activity bonds only):

Name of Senior Officer:	Telephone #: ())
Title of Senior Officer:	Fax #: ())
Mailing Address:	E-mail:
City, State, Zip Code:	

Name of Contact Person (if different from Senior Officer):

Title of Contact Person:	Telephone #: ())
	Fax #: ())
	E-mail:

PART II – ALLOCATION/BOND ISSUE INFORMATION

1. Amount of allocation requested: \$

2. Proposed date of bond issuance:

3. Attach (**Attachment “A”**) issuer’s adopted resolution(s) approving the Program and authorizing application to the Committee. (See Section 5033(b)(5) of the CDLAC Regulations)

4. Date of TEFRA approval (for private activity bonds only):

Submit (**Attachment “B”**) proof of TEFRA
(Public approval process required by 26 U.S.C. Section 147(f)).
(See Section 5033(b)(6). of the CDLAC Regulations.)

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

6. If applicable, briefly describe credit enhancement structure or private placement transaction (include, at a minimum, 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 Article 6 of the CDLAC Regulations.)

7. Anticipated bond rating (see Sections 5061, 5063 and 5064 of the CDLAC Regulations):

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

PART III - PROJECT / PROGRAM INFORMATION

1. Proposed Project/Program Description.

Attach (**Attachment “D”**) a narrative of the proposed Project or Program that, at a minimum, must include all of the following:

A. General information for all projects or programs:

1. Legal Name of Applicant
2. Date and Place Organized and Ownership Structure
3. Owners of Applicant (Include percent ownership) (if applicable)
4. Corporate Officers (if applicable)
5. Site location, if applicable
(please enter property address, city, county, zip code and census tract information below)

a) Project Street Address:

City:
County:
Zip Code:

b) Census Tract in which the proposed Project is located:	
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B. Project and/or Program information:

1. Qualified Conservation Purpose and Details of Project (general description of project and its purpose)
(Only complete sections that are applicable)

SUMMARY INFORMATION

a) Technology:

- i. What is the individual product cost? How does this compare with the cost of competing technologies?
- ii. Is the technology new or does it make a significant (increase in output/efficiency, decrease in cost, new method) improvement on existing technology?
- iii. Does the technology already have significant market penetration?
- iv. Is the technology eligible for any other existing incentives?

b) Quantify the annual greenhouse gas and criteria pollutant emissions reductions that will result from the project.

c) Job Creation

- i. How many temporary jobs will be created?
- ii. How many full time jobs will be created?

2. Provide information regarding the project's compliance with all local, state, and federal requirements, including the status of construction permits and environmental approval.

REQUIRED ARRA INFORMATION

- 1) If applicable, what are capital expenditures to be used for (qualified uses listed below)?
 - a) Reduction of energy consumption in publicly-owned buildings by at least 20 percent
 - b) Implementation of green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs)

- c) rural development involving the production of electricity from renewable energy resources
 - d) any qualified facility eligible for the production tax credit under Section 45 of the IRS Code
 - e) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.
- 2) For projects that are not financing capital expenditures, what are expenditures to be used for (qualified uses listed below)?
- 3) Please describe the goal of expenditures with respect to research facilities, and research grants, to support research for the development of:
- a) cellulosic ethanol or other nonfossil fuels
 - b) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels
 - c) increasing the efficiency of existing technologies for producing nonfossil fuels
 - d) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation
 - e) technologies to reduce energy use in buildings
- 4) Please describe qualified demonstration project designed to promote commercialization of:
- a) green building technology; and/or,
 - b) conversion of agricultural waste for use in the production of fuel or otherwise; and/or,
 - c) advanced battery manufacturing technologies; and/or,
 - d) technologies to reduce peak use of electricity; and/or,
 - e) technologies for the capture and sequestration of carbon dioxide emitted from combining fossil fuels in order to produce electricity.
- 5) Please describe public education campaigns to promote energy efficiency.
- 6) Energy Efficiency:
- a) Will project result in a reduction in energy consumption of publicly owned building?
 - b) Will project result in an increase in efficiency of existing technologies for producing non-fossil fuels?
 - c) Will project result in a reduction in fossil fuel production due to development of automobile battery technologies and other technologies?
 - d) Will project result in a reduction in general energy usage due to technology?
 - e) Will project result in a reduction in the consumption of energy due to the development of mass commuting facilities and other related facilities?
 - f) How does this compare to similar mainstream and emerging technologies?
- 7) Project Cost and Financing Information for All Projects
- a) Project cost (breakdown by cost for land, buildings, equipment, other, Total)
 - b) Source(s) of Project funding (breakdown by funding for land, buildings, equipment)
 - c) Estimated target date of financing
 - d) Estimated term of financing
 - e) Financial team information
 - f) Will issuer be issuing private activity bonds?

PART IV – SELLER OF PROPERTY INFORMATION

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

1. 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?

PART V – ELIGIBILITY REQUIREMENTS

Applicants are advised to read Section 5571 of the Committee’s Regulations regarding the Qualified Energy Conservation Bond Program when answering the following questions.

1. An application must meet the following eligibility requirements:
 - A. Eligible QECB Reallocation Applicant Requirement: Applicant must be a city, county, state entity or Indian Tribal Government located in the State of California.
 - B. Eligible QECB Reallocation Issuer Requirement: Issuer must be Eligible Issuer of QECB’s. (Please see definition immediately below).

Per IRS Notice 2009-29, “Eligible issuers include States, political subdivisions as defined for purposes of § 103, and entities empowered to issue bonds on behalf of any such entity under rules similar to those for determining whether a bond issued on behalf of a State or political subdivision constitutes an obligation of that State or political subdivision for purposes of § 103 and § 1.103-1(b) of the regulations.”

2. Attach (**Attachments “F” and “G”**) evidence documenting the proposed Energy Conservation Project and/or Program will meet the following Qualified Conservation Purpose and Readiness Requirements:
 - A. Qualified Conservation Purpose Requirement.
 - 1) 100 percent of the proceeds of the QECB issue must be used for one of the following “qualified conservation purposes” (**Attachment “F”**):
 - a) Capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (iii) rural development involving the production of electricity from renewable energy resources, or (iv) any qualified facility eligible for the production tax credit under Section 45 of the IRS Code.
 - b) Expenditures with respect to research facilities, and research grants, to support research in (i) development of cellulosic ethanol or other non-fossil fuels, (ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (iii) increasing the efficiency of existing technologies for producing non-fossil fuels, (iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or (v) technologies to reduce energy use in buildings.
 - c) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles uses for mass commuting.
 - d) Demonstration projects designed to promote the commercialization of (i) green building technology, (ii) conversion of agricultural waste for use in the production of fuel or otherwise, (iii) advanced battery manufacturing technologies, (iv) technologies to reduce peak use of electricity, or (v) technologies for the capture and sequestration of carbon dioxide emitted from combining fossil fuels in order to produce electricity.
 - e) Public education campaigns to promote energy efficiency.
 - B. Readiness requirement.
 - 1) The Project Sponsor and/or Governmental Entity must attach a detailed time schedule for the following elements of the project and/or program. (**Attachment “G”**)
 - a) Estimated date of issuance
 - b) If applicable, estimated beginning date and ending date of project construction.
 - c) If applicable, estimated funding of grants for research and research facilities.

- d) If applicable, estimated beginning of public education campaigns
- e) If applicable, estimated implementation of demonstration projects
- f) If applicable, estimated date that site control will be established

2) The Project Sponsor and/or Governmental Entity must provide proof of Credit Enhancement and/or a Private Placement Purchaser as evidenced by a commitment to provide a letter of credit and / or commitment to purchase the bonds. (**Attachment “C”**)

3) The Project Sponsor must provide evidence that they have obtained (or will obtain) all required public entitlement requirements (**Attachment “H”**).

C.) Reporting Requirement (this requirement will be noted in the CDLAC resolution)

The Project Sponsor and/or Governmental Entity must provide routine status reports of the usage of QECCB allocation as authenticated by qualified third party (quarterly or other timeline as determined by the Committee). (**EXHIBIT A**)

PART VI – EVALUATION CRITERIA

Upon a determination that an Application has met the minimum requirements set forth in PART V, Applicants will receive points and be ranked according to how they perform within their particular project and/ or program pool:

1. Capital Expenditures Pool

A. Qualified Facilities (Private Activity Use and Governmental Use) (10 point maximum). (Attachment “J”)

All Qualified Facility Projects must be in compliance with the Renewable Portfolio Standard Eligibility Requirements of the California Energy Commission.

1. Ten points will be awarded to the wind facility, closed-loop or open-loop biomass facility, geothermal or solar energy facility, small irrigation power facility, landfill gas facility, trash combustion facility or qualified hydropower facility that produces the highest amount of kilowatt hours of electricity. (first place)
2. Five points will be awarded to the wind facility, closed-loop or open-loop biomass facility, geothermal or solar energy facility, small irrigation power facility, landfill gas facility, trash combustion facility or qualified hydropower facility that produces the second highest amount of kilowatt hours of electricity. (second place)
3. Two points will be awarded to the wind facility, closed-loop or open-loop biomass facility, geothermal or solar energy facility, small irrigation power facility, landfill gas facility, trash combustion facility or qualified hydropower facility that produces the third highest amount of kilowatt hours of electricity. (third place)
4. No points will be awarded to the project that produces the lowest amount of kilowatt hours of electricity.
5. Qualified Facility Projects that include Energy Efficient Publicly Owned Buildings may apply for bonus points if they meet the criterion set out in Section 5580(a)(4).

B. Energy Consumption Reduction and Pollution Reduction of Mass Commuting Facilities and Related Facilities (Private Activity Use and Governmental Use) (12 point maximum). (Attachment “K”)

1. Twelve points will be awarded to the Mass Commuting Facility and/or Related Facility that will result in the lowest amount of energy consumption and/or highest amount of pollution reduction. (first place)
2. Eight points will be awarded to the Mass Commuting Facility and/or Related Facility that will result in the second lowest amount of energy consumption and/or second highest amount of pollution reduction. (second place)
3. Four points will be awarded to the Mass Commuting Facility and/or Related Facility that will result in the third lowest amount of energy consumption and/or third highest amount of pollution reduction. (third place)
4. No points will be awarded to the Mass Commuting Facility and/or Related Facility that will result in a highest energy consumption and/or lowest pollution production.

5. Mass Community Facility and/or Related Facility projects that include Energy Efficient Publicly Owned Buildings may apply for bonus points if they meet the criterion set out in Section 5580(a)(4).

C. Rural Development Electricity from Renewable Resources
(Private Activity Use and Governmental Use) (12 point maximum).
(Attachment “L”)

1. Twelve points will be awarded to the rural project that will produce the highest amount of kilowatt hours of electricity from renewable resources. (first place)
2. Eight points will be awarded to the project that will produce the second highest amount of kilowatt hours of electricity from renewable resources. (second place)
3. Four points will be awarded to the project that will produce the third highest amount of kilowatt hours of electricity from renewable resources. (third place)
4. No points will be awarded to the project that produces the lowest amount of kilowatt hours of electricity.
5. Elective: Two additional points will be awarded to a rural project that delivers electricity to a population of 10,000 (or more) that are not on the electricity grid at the time of application.
6. Rural Development Electricity from Renewable Resource projects that include Energy Efficient Publicly Owned Buildings may apply for additional bonus points if they meet the criterion set out in Section 5580(a)(4).

D. Energy Efficient Publicly Owned Buildings (Governmental Use Only) (10 point maximum).
(Attachment “M”)

One point will be awarded to projects for every percentage point beyond the minimum required (20%) that energy consumption is reduced in a publicly owned building. This information must be certified by a licensed mechanical engineer or architect.

II. Energy Program Pool

A. Effectiveness of Research Investments (10 point maximum)
(Attachment “N”)

1. Ten points will be awarded to the research that will result in technology with the lowest carbon footprint in terms of Greenhouse Gas Emissions. (first place).
2. Five points will be awarded to the research that will result in technology with the second lowest carbon footprint (second place).
3. Two points will be awarded to the research that will result in technology with the third lowest carbon footprint (third place).
4. No points will be awarded to the research that will result in technology with the highest carbon footprint.

B. Demonstration Projects (10 point maximum).
(Attachment “O”)

The criteria used to evaluate the approach of the Demonstration Project will include, but will not limited to the following: the size, experience and capacity of

the demonstration client base, the verification of the practicality and marketability of the demonstrated technology by a third party, and the overall degree of environmental benefit of the demonstrated technology. Overall degree of environmental benefit of the technology will be measured by reductions in energy consumption measured in kWh saved and/or the amount of greenhouse gas emissions measured in MMTCO₂e (million metric tons of CO₂ equivalent). Applicants will be required to document their previous success with the introduction, marketing and production of a new technology. (See Attachment X)

1. Ten points will be awarded to the Demonstration Project that has the most comprehensive and impactful approach to the commercialization of green technologies. (first place)
2. Five points will be awarded to the Demonstration Project that has the second most comprehensive and impactful approach to the commercialization of green technologies. (second place)
3. Two points will be awarded to the Demonstration Project that has the third most comprehensive and impactful approach to the commercialization of green technologies. (third place)
4. No points will be awarded to the Demonstration Project that has the least comprehensive and impactful approach to the commercialization of green technologies.

C. Public Education Campaign (10 point maximum)
(Attachment “P”)

The following criteria will be used to evaluate a Campaign’s approach: number and size of clients willing to host public education seminars (authenticated by clients); depth and clarity of potential public education seminars; number of seminars per dollar of allocation.

1. Ten points will be awarded to the Public Education Campaign with the most comprehensive approach to increasing public awareness of energy efficient technologies, energy conservation funding sources, etc. (first place)
2. Five points will be awarded to the Public Education Campaign with the second most comprehensive approach to increasing public awareness of energy efficient technologies, energy conservation funding sources, etc. (second place)
3. Two points will be awarded to the Public Education Campaign with the third most comprehensive approach to increasing public awareness of energy efficient technologies, energy conservation funding sources, etc. (third place)
4. No points will be awarded to Public Education Campaign with the least comprehensive approach to increasing public awareness of energy efficient technologies, energy conservation funding sources, etc.

III. Loan / Grant Program Pool (10 point maximum).
(Attachment “Q”)

A. Two points will be awarded for every loan that will be funded per \$10,000 of allocation used. One point will be awarded for every grant that will be funded per \$10,000 of allocation used.

B. Loans and Grants can be for capital expenditures associated with implementing green community programs, research grants for promoting green technologies, demonstration projects and public education campaigns.

C. Applicants will be asked to provide the following information: description of what is being funded with the loans and/or grants; capacity of the funding (i.e. - the number and size of

the loans); loan criteria and awarding process; and compliance measures that will be imposed on recipients of loans and/or grants.

D. Federal tax law mandates that 100 percent or more of the available project proceeds be spent for CDLAC will require Applicants to provide documentation evidencing their initial usage of bond proceeds.

QECB APPLICATION DOCUMENTS CHECKLIST

This checklist is provided to ensure 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
	\$ 600 1200 initial filing fee. (See Section 5033(b)(2) of the CDLAC Regulations.)	-
	Signed Deposit Certification Form (for private activity bonds only). (See Section 5033(b)(1) of the CDLAC Regulations.)	-
	One (1) Completed and signed application form and one (1) duplicate. Duplicate shall be bound in a three ring binder with all attachments labeled.	-
	Issuer's Adopted Resolution(s) authorizing Program & CDLAC Application (See Section 5033(b)(5) of the CDLAC Regulations.)	A
	Evidence of TEFRA process (for private activity bonds only) (See Section 5033(b)(6). of the CDLAC Regulations.)	B
	Evidence of Credit Enhancement or Bond Purchase Commitment. (See Article 6 of the CDLAC Regulations.)	C
	Program description narrative	D
	Project /Program Cost Breakdown	E
	Evidence of Minimum Requirement-Qualified Conservation Purpose (See Section 5571(e) of the CDLAC Regulations)	F
	Evidence of Minimum Requirement-Time Schedule	G
	Verification of Zoning and Local Approvals (private activity bonds only)	H
	Multiple Allocation Tracking Information	I
	Qualified Facilities Energy Production Information (if applicable)	J
	Mass Commuting Facilities Energy Consumption and Pollution Reduction Information (if applicable)	K
	Rural Development Electricity Production from Renewable Resources Information (if applicable)	L
	Energy Efficient Publicly Owned Buildings Information (if applicable)	M
	Effectiveness of Research Investments Information (if applicable)	N
	Demonstration Project Information (if applicable)	O
	Public Education Campaign Information (if applicable)	P
	Loan / Grant Program Information (if applicable)	Q
	Legal Status Questionnaire (for private activity bonds only)	R
	Required Tracking Information	EXHIBIT A
	Duplicate copy of the CDLAC Application with Attachment [NOTE: Any subsequent mailings of additional application materials should be in duplicate.]	

PERFORMANCE DEPOSIT CERTIFICATION FORM
FOR AN APPLICATION FOR AN ALLOCATION OF QUALIFIED PRIVATE ACTIVITY BONDS

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE (CDLAC)
915 Capitol Mall, Room 311
Sacramento, CA 95814
(916) 653-3255

CERTIFICATION OF THE _____ (Applicant)
REGARDING AN APPLICATION FOR QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION

In connection with the following Qualified Private Activity Bond Application:

APPLICANT: _____

AMOUNT OF ALLOCATION REQUESTED: \$ _____

PROJECT NAME/PROJECT TYPE: _____

the undersigned officer of the _____ **(Applicant)** hereby certifies as follows:

1. I, _____ (Name), am the _____ (Title) of the _____ (Applicant), and am duly authorized to make the deposit required below.
2. The _____ (Applicant) has collected and has placed on deposit in an account in a financial institution \$ _____, _____ dollars (write out dollar amount in words), which **equals one half of one percent** of the amount of the Qualified Private Activity Bond Allocation being requested, **not to exceed \$100,000.**
3. The deposit will be held until receipt of a written notification from the California Debt Limit Allocation Committee that the deposit is authorized to be released or forfeited, in whole or in part, pursuant to Article 5 of Chapter 1 of the Committee's Regulations.
4. To the extent that any portion of the deposit is forfeited, the Applicant agrees to send the required amount in a check made payable to "The California Debt Limit Allocation Committee." Such check shall be mailed to the Committee at the address noted above immediately upon receipt of the written notification from the Committee.
5. The undersigned has read the Regulations of the California Debt Limit Allocation Committee and understands that if a Qualified Private Activity Bond Allocation is not used for the purpose for which it was granted, the performance deposit must be forfeited to the Committee.

Signature of Senior Official

Print or Type Name

Title

Date

1. Each Applicant for a Qualified Private Activity Bond Allocation must submit evidence to the Committee that it has on deposit in an account in a financial institution an amount **equal to one half of one percent** of the amount of Qualified Private Activity Bond Allocation being requested, **not to exceed \$100,000**. Applicants are advised to read Article 5 of Chapter 1 of the Committee's Regulations.
2. The Performance Deposit Certification Form (see other side) must be filed with the Committee in conjunction with the filing of an Application and by the Application Deadline.
3. The Committee will authorize release or require forfeiture of the deposit as follows:
 - a. If the Committee provides no Allocation, or grants an amount lower than requested by the Applicant, the Committee will authorize release of the deposit or release of a pro rata amount of the deposit so that only one-half of one percent (0.5%) of the Allocation granted is on deposit;
 - b. If the Applicant uses only a portion of the Allocation granted to issue bonds (or convert the Allocation to mortgage credit certificate authority), the Committee will authorize the release of the deposit in accordance with the conditions imposed at the time of Allocation. The Committee will approve the Allocation with the deposit fully refundable if 80% or more of the Allocation is used to issue bonds prior to the expiration date. If less than 80% of the Allocation is used to issue bonds prior to the expiration date, the refundable performance deposit will be pro-rated. For Mortgage Credit Certificate Programs, if 80% or more of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the performance deposit will be refunded in full. If less than 80% of the Allocation is converted to mortgage credit certificate authority and at least one mortgage credit certificate is issued prior to the expiration date, the refundable performance deposit will be pro-rated.
 - c. If the Applicant does not use any of the Allocation to issue bonds prior to the expiration date (or convert the Allocation to mortgage credit certificate authority and issue at least one mortgage credit certificate prior to the expiration date), the entire deposit will be forfeited; and
 - d. If the Applicant or the Project Sponsor withdraws the Application in writing prior to the Committee's consideration of the Application, the performance deposit shall be automatically released and no written authorization from the Committee shall be necessary.
4. If the Applicant forfeits all or a part of a deposit pursuant to Article 5 of Chapter 1 of the Committee's Regulations, the Applicant shall send the required amount to the Committee in a check made payable to "The California Debt Limit Allocation Committee". Amounts received will be deposited in the Committee's Fund.
5. Project Sponsors bear the risk of forfeiting all or part of their performance deposit if the Allocation is not used in accordance with the conditions and timeframes set forth in the Committee Resolution.

ATTACHMENT A

Issuer's Adopted Resolution(s) Authorizing Program & CDLAC Application

ATTACHMENT B

Evidence of TEFRA Process for Private Activity Bonds Only

ATTACHMENT C

Evidence of Bond Sale Structure

ATTACHMENT D

Program Description Narrative

ATTACHMENT E

Project / Program Cost Breakdown

Costs of the Project or Program. State the total costs associated with the acquisition of the site and construction of the proposed project or program, 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 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)		
Sinking or Reserve Fund		
Green Program Operating Expenses		
Green Program Advertisements		
Demonstration Project Advertisements		
Total Bond Amount	\$	Total Other Costs
	\$	\$

ATTACHMENT F

Evidence of Minimum Requirements-Qualified Conservation Purpose

1. Attach (**Attachment “F”**) evidence documenting the proposed Energy Conservation Project and/or Program will meet the Qualified Conservation Purpose of IRS Notice 2009-29¹:

¹ Applicant must provide a legal memo from bond counsel that states that the project meets the “qualified conservation purpose” requirement laid out in IRS Notice 2009-29.

ATTACHMENT G

Evidence of Minimum Requirements-Time Schedule

The Project Sponsor and/or Governmental Entity must fill out the table below and attach a detailed time schedule for the following elements of the project and/or program². (**Attachment “G”**)

- Estimated date of issuance
- If applicable, estimated beginning date and ending date of project construction.
- If applicable, estimated funding of grants for research and research facilities.
- If applicable, estimated beginning of public education campaigns
- If applicable, estimated implementation of demonstration projects
- If applicable, estimated date that site control will be established

Estimated Date of Issuance	Estimated Beginning Date and Ending Date of Project Construction	Estimated funding of Grants for Research and Research Facilities	Estimated Implementation of Demonstration Projects	Estimated Date that Site Control Will Be Established

² Applicant must also provide a thorough and complete time schedule for the project.

The Applicant must certify that the time schedule is a realistic estimate of their project’s timeline.

ATTACHMENT H

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

VERIFICATION OF ZONING AND LOCAL APPROVALS (PRIVATE ACTIVITY BONDS ONLY)

PROJECT NAME:

PROJECT ADDRESS:

ASSESSOR PARCEL NUMBER (S):

PLANNING FILE NUMBER:

PROJECT CITY:

The entire parcel upon which the above-described project will be located is zoned _____, which allows for project development of no greater than _____ square feet per acre or floor area ratio (FAR). Please indicate which measure is being used.

1. Does the project currently comply with all applicable local land use and zoning ordinances (If no, please explain)?

2. Please describe the current zoning allowed for the site.

3. Has the agency or department obtained all local approvals (other than a building permit) necessary to begin construction (If no, please explain)?

4. Are there any outstanding approvals required by the Planning Commission, City Council, or Board of Supervisors for land use entitlements (If yes, please explain)?

5. Are you aware of any state approvals which may be required (If yes, please explain)?

DATED: _____

STATEMENT COMPLETED BY: _____
(Please Print Name of Planning Agency Representative)

SIGNATURE OF PLANNING AGENCY REPRESENTATIVE: _____

TITLE: _____

TELEPHONE: _____ FAX: _____ E-MAIL: _____

ATTACHMENT I

Multiple Allocation Tracking Information

In the table below, please provide the information requested that pertains to the allocation awarded:

NOTE: *This attachment needs to be filled out after an award of allocation is received.*

<u>Year</u>	Amount of <u>Allocation Awarded</u>	Amount of <u>Allocation Used</u>	Amount of Governmental Bonds <u>Issued</u>	Amount of Private Activity Bonds Issued
	\$	\$		\$
	\$	\$		\$
	\$	\$		\$

*Please explain the reason for any outstanding bond proceeds, the federal expiration date for using the bond proceeds, and the Applicant's plan for expending the bond proceeds prior to the expiration date or reasons for not expending the bond proceeds prior to the federal expiration date.

In the tables below relating to program performance in the past 3 calendar years, please provide the information that pertains to the number of loans issued in a year, regardless of the year in which the allocation was awarded:

ATTACHMENT J

Qualified Facilities Energy Production Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Indicate if the project will include a reduction in energy consumption in publicly owned buildings beyond the minimum required 20%. Please also indicate how much energy consumption will be reduced. Cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party. All Qualified Facility Projects must be in compliance with the Renewable Portfolio Standard Eligibility Requirements of the California Energy Commission.

NOTE: 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.

Name of Project	Type of Project ³	Estimated production of kilowatt hours of electricity by qualified facility	Verification of estimated production of kilowatt hours of electricity by qualified facility ⁴
		<u> </u> kWh	

³ Please note if the project will include a reduction in energy consumption in publicly owned buildings beyond the minimum required 20%; please also indicate how much energy consumption will be reduced.

⁴ Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

ATTACHMENT K

Mass Commuting Facilities and Related Facilities Energy Consumption and Pollution Reduction Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Indicate if the project will include a reduction in energy consumption in publicly owned buildings. Also, indicate how much energy consumption will be reduced. In addition, use the industry standard measurements of energy consumption and/or pollution reduction. Lastly, cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

NOTE: 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.

Name of Project	Type of Project ⁵	Estimated energy consumption and/or pollution reduction ⁶	Verification of estimated energy consumption and/or pollution reduction of mass commuting facility and related facilities ⁷

⁵ Please note if the project will include a reduction in energy consumption in publicly owned buildings; please also indicate how much energy consumption will be reduced.

⁶ Please use the industry standard measurements of energy consumption and/or pollution reduction.

⁷ Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

ATTACHMENT L

Rural Development Electricity Production from Renewable Resources Information (if applicable)

Enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Also, please note if the project will include a reduction in energy consumption in publicly owned buildings. Please also indicate how much energy consumption will be reduced. Lastly, cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party. Third party should verify that renewable resources are the source of electricity production, as well as the amount of electricity production.

NOTE: 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.

CDLAC will also verify that a project is in a “rural area”, as defined in State statute, Health and Safety Code Section 50199.21.

Name of Project	Type of Project ⁸	Estimated production of kilowatt hours of electricity from renewable resources by rural project	Verification of estimated production of kilowatt hours from renewable resources by rural project ⁹

⁸ Please note if the project will include a reduction in energy consumption in publicly owned buildings; please also indicate how much energy consumption will be reduced.

⁹ Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party; third party should verify that renewable resources are the source of electricity production, as well as the amount of electricity production.

ATTACHMENT M

Energy Efficient Publicly Owned Buildings Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Please note that a project must cause a reduction in energy consumption in a publicly owned building beyond the minimum reduction of 20% that is required for a project to meet the qualified conservation purpose requirements of IRS Notice 2009-29. Please also cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

NOTE: 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.

Name of Project	Type of Project	Estimated percentage that energy consumption will be reduced by project ¹⁰

¹⁰ Please note that a project must cause a reduction in energy consumption in a publicly owned building beyond the minimum reduction of 20% that is required for a project to meet the qualified conservation purpose requirements of IRS Notice 2009-29. Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

ATTACHMENT N

Effectiveness of Research Investments Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Amount of the carbon footprint should be measured by Greenhouse Gas Emissions. Please use the industry standard measurement of MMTCO₂ (million metric tons of CO₂ equivalent) for Greenhouse Gas Emissions. Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

NOTE: 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.

Name of Project	Type of Project	Estimated carbon footprint of technology that will result from research investment ¹¹

¹¹ Amount of the carbon footprint should be measured by Greenhouse Gas Emissions. Please use the industry standard measurement of MMTCO₂ (million metric tons of CO₂ equivalent) for Greenhouse Gas Emissions. Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

ATTACHMENT O

Demonstration Project Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Please cite name of all qualified third parties that verified the following: 1) the client’s projected sales of demonstrated technology; 2) environmental benefit of demonstrated technology; 3) Applicant’s previous success with the introduction, marketing and production of a new technology. In addition, please attach all verification documents from qualified third parties to this document.

NOTE: 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.

Name of Demonstration Project(s)	Name of Demonstration Client(s) ¹²	Net worth of Client (\$)	Years of Experience of Client in Manufacturing Technologies

Manufacturing Capacity of Client ¹³	Degree of Environmental Benefit of Demonstrated Technology ¹⁴	Applicant’s previous success with the introduction, marketing and production of a new technology. ¹⁵

¹² The Applicant and/or Project Sponsor will market the demonstration project to a client with the express goal of having the client manufacture the technology.

¹³ The Applicant and/or Project Sponsor should cite the client’s projected sales of the technology. This will need to be verified by an appropriate third party or appropriate and vetted expert of Client.

¹⁴ Environmental benefit of demonstrated technology will be measured by reductions in energy consumption measured in kWh saved and/or the amount of greenhouse gas emissions measured in MMTCO_{2e} (million metric tons of CO₂ equivalent). This will need to be verified by an appropriate third party.

¹⁵ Applicants will be required to use third party documentation to verify their previous success with the introduction, marketing and production of a new technology.

ATTACHMENT P

Public Education Campaign Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document.

Applicants must attach a detailed business model or implementation plan for their public education activities.

NOTE: 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.

Dollars (\$) of allocation Per Seminar	Name of Public Education Campaign(s)	Name of Public Education Campaign(s) and Size of Target Group(s) ¹⁶	Potential Penetration of Energy Community: Networking Capacity of Target Group(s) ¹⁷

¹⁶ Target groups must provide evidence of their size. This documentation will be used to determine the impact of the public education campaign. They must also authenticate that they will host or facilitate a public education seminar or other public education medium as evidenced by a deposit of funds or a form of official agreement. Please attach documentation to this attachment.

¹⁷ Target groups must provide documentation of their networking capacity as evidenced by contracts, client lists or other equivalent ties that they have with the energy community. This documentation will be used to determine the potential penetration that the Applicant will have in the energy community.

ATTACHMENT Q

Loan / Grant Program Information (if applicable)

Please enter as much information as possible in the tables. Any information that can not fit in the tables, can be included in attachments to this document. Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party. Loans and grants can be used for capital expenditures associated with implementing green community programs, research grants for promoting green technologies, demonstration projects and public education campaigns.

NOTE: Please note that federal tax law mandates that 100 percent or more of the available project proceeds be spent for one or more qualified purposes within the 3-year period beginning on such date of issuance. Hence, CDLAC will require Applicants to provide ongoing documentation evidencing their initial usage of bond proceeds. **Please also provide the following information in an attachment: description of what is being funded with loans and/or grants; capacity of the funding (the number and size of loans and/or grants); loan criteria and awarding process; compliance measures that will be imposed on recipients of loans and/or grants.**

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.

LOAN AND GRANT INFORMATION¹⁸		
Table I		
Anticipated Grant and Loan Funding Date for first Grants and Loans	Anticipated Number of Loans to be Funded per \$10,000 of allocation used	Anticipated Number of Grants to be Funded per \$10,000 of allocation used

LOAN AND GRANT INFORMATION¹⁹		
Table II		
Total Dollar (\$) amount of Grants and Loans Funded	Anticipated Date of next cycle of Grant and Loan Funding	Anticipated Date of last cycle of Grant and Loan Funding

¹⁸ Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

¹⁹ Please cite name of qualified third party that verified estimates in box below and attach verification document from qualified third party.

Attachment R
LEGAL STATUS OF PROJECT SPONSOR

(For private activity bonds only)

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

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.

EXHIBIT A

Required information to be tracked for QECB Allocation

Issuers of Qualified Energy Conservation Bonds shall collect the following information for projects and programs financed with bond proceeds and report such data to the Committee on an ongoing basis as requested by the Committee's Executive Director. The Committee's staff will consider the information as part of its evaluation of Applications for Allocation of the State Ceiling.

- **When were bonds issued?**
- **When did construction begin (if applicable)?**
- **When did the demonstration projects begin (if applicable)?**
- **When did the grants and loans start to be funded (if applicable)?**
- **When was site control established (if applicable)?**

Please use the following spreadsheet to document your progress
(just fill out boxes that are applicable)

CAPITAL EXPENDITURE PROJECTS				
Date of Issuance	Start of Construction Date	Progress Report Percentage: Every 6 months from Date of Issuance for 36 month period²⁰	Construction Completion Date	Fully Operational Date

ENERGY PROGRAMS (including loan and grant programs)			
Date of Issuance	Operation Start Up Date	Progress Report Percentage: Every 6 months from Date of Issuance for 36 month period²¹	Funds Fully Distributed Date

²⁰ Please enter the percentage of the project that is completed at the end of every six month period.

²¹ Please enter the percentage of the bond proceeds that have been expended for the program at the end of every six month period.