

MINUTES

**California Industrial Development
Financing Advisory Commission
915 Capitol Mall, Room 587
Sacramento, California
July 28, 2010**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Acting Chairwoman, called the California Industrial Development Financing Advisory Commission (CIDFAC) meeting to order at 10:34 a.m.

Members Present: Bettina Redway for Bill Lockyer, State Treasurer
Cindy Aronberg for John Chiang, State Controller
Cynthia Bryant for Ana J. Matosantos, State Director of Finance
Colleen Monahan for Preston DuFauchard, California Corporations
Commissioner, Department of Corporations
Stanton Hazelroth for Dale Bonner, Secretary, Business,
Transportation and Housing Agency

Staff Present: Tom Dresslar, Executive Director
Sherri Kay Wahl, Deputy Executive Director

Quorum: Ms. Redway declared a quorum was present.

2. APPROVAL OF APRIL 28, 2010 MEETING MINUTES

Ms. Redway asked if there were any questions or comments concerning the May 26, 2010 meeting minutes. There were none.

Ms. Redway asked if there was a motion to approve the minutes.

Ms. Aronberg moved approval; upon a second, the minutes were unanimously approved.

3. EXECUTIVE DIRECTOR'S REPORT (INFORMATION ITEM)

Mr. Dresslar stated the most recent survey of issuers indicated there is a potential for \$70 million worth of projects to come through CIDFAC between now and the end of the year. Staff put in a request to the California Debt Limit Allocation Committee (CDLAC) for an additional \$40 million in allocation, to be ready for the additional business. In August, CIDFAC has three applications on file for Industrial Development Bonds (IDBs) totaling about \$20 million, and one Recovery Zone Facility Bond (RZFB).

He continued, stating that July marks the launch of the new CDLAC point system for scoring Industrial Development Bond (UIDB) projects, which the Commission approved in 2009. Some of the objectives were to provide a more sensible approach to recognizing job creation

Agenda Item 2.

and to encourage green manufacturing and job training. The project on the agenda at this meeting had substantial points awarded for job creation, whereas in the recent past there have been projects with a significant amount of new jobs created that were not awarded points due to the previous point system.

Mr. Dresslar added there is a bill going through the Legislature that would create a revolving loan fund in California for manufacturers. CIDFAC, under AB 2437 (Perez), would administer that loan fund. It is being set up so that there is no exposure to the general fund. The program would not become operational until there is a non-general fund funding source, which most likely would be the federal government. The fees charged to applicants would cover ongoing operating expenses. AB 2473 has gone through the lower house and it is now in the Senate; it is scheduled to be heard by the Senate Appropriations Committee in August.

4. BUSINESS ITEMS

A. REQUEST FOR TAX-EXEMPT (TE) BOND ALLOCATION

Presented by: Deanna Hamelin, Staff Services Analyst

Staff introduced Mark Hope, President Waste Recovery West, Inc., and Dan Bronfman, Financial Advisor, Growth Capital Associates, Inc.

Waste Recovery West, Inc. is a scrap tire recycling company that collects, processes and markets scrap tires and related recycled by-products.

Bond proceeds will be used to acquire a 7.5-acre site in the City of Stockton, and the seven buildings located on the property, and develop the site into a new 40,700 square-foot recycling facility. In addition, bond proceeds will be used to purchase and install new equipment for the facility.

Consistent with CDLAC guidelines, the project was awarded a total of 73 points out of a possible 147. The company represents that it currently employs 12 direct, full-time employees and will hire an additional 11 employees within two years of project completion.

Staff recommended approval of Allocation Resolution No. 10-02-007 for \$1.375 million of tax-exempt IDB allocation for the California Pollution Control Financing Authority to issue the bonds on behalf of Waste Recovery West, Inc.

Ms. Redway asked if there were any questions or comments from the Board, or the public. There were none.

Ms. Redway asked if there was a motion to approve the staff recommendation.

Mr. Hazelroth moved approval; upon a second, the motion passed unanimously.

5. PUBLIC COMMENT

Agenda Item 2.

Ms. Redway asked if there were any comments from the public. There were none.

6. ADJOURNMENT

There being no further business, public comments or concerns, the meeting adjourned at 10:40 am.

Respectfully submitted,

Tom Dresslar
Executive Director