

CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ADVISORY COMMISSION
Meeting Date: April 23, 2008
Request for Tax-Exempt Bond Allocation Approval

Prepared by: *Deanna Hamelin*

Issuer:	California Municipal Finance Authority (CMFA)	Amount Requested:	\$4,435,000
Borrower:	UBS Printing Group, Inc. and/or affiliates	Application No.:	08-0003
User:	UBS Printing Group, Inc. and/or affiliates	Allocation Resolution No.:	08-0003A
Location:	City of Corona (Riverside County)		

Borrower/User/Background: UBS Printing Group, Inc. (the “Company”) was incorporated in California in 1982 and is owned by Eugene Hamrick. UBS Printing Group, Inc. has two primary business areas: commercial printing and package printing. Commercial printing comprises 20% of the Company’s business activities and consists of printing brochures, data sheets, posters, and manuals. Package printing is 80% of its business and consists of producing such items as CD sleeves, shampoo boxes, software boxes, and telephone boxes.

The Company provides printing services to customers from a variety of industries, including online retailers, insurance companies, and cosmetic companies. Its major customers include Arbonne International, Farmer’s Insurance, Smith Micro Software, Authentic Specialty Foods, and Henkel Corporation.

Project Information: The Project consists of the purchase of a new KBA Rapida sheet-fed printing press with foiler and Fuji Film Pre-Press equipment. The new printing press will replace an older KBA press that is less efficient. The Fuji Film Pre-press equipment sets up the graphics content of the print job. The increased capacity of the new printing press will allow the Company to bid on larger, more complex printing jobs.

The Project site also is owned by Eugene Hamrick.

Current Request: At its March 26, 2008 meeting, the Commission approved Initial and Final Resolution No. 08-0003 for the issuance of \$4,435,000 in tax-exempt bonds for the Issuer on behalf of the UBS Printing Group, Inc. and/or affiliates Project. The current request is for the approval of a transfer from the State’s 2008 allocation for qualified tax-exempt private activity Industrial Development Bonds (IDBs) an amount equal to \$4,435,000 to the Issuer for the UBS Printing Group, Inc. and/or affiliates Project. The Project remains the same as approved by the Commission at its March 26, 2008 meeting. (Please see Attachment A.)

Recommendation: Staff recommends approval of Allocation Resolution 08-0003A transferring from the State’s 2008 allocation for qualified tax-exempt private activity IDBs an amount equal to \$4,435,000 to the Issuer for the Project. This transfer of allocation is subject to staff’s analysis and

Agenda Item – 4.B.1.

approval of final bond documents, and receipt of bond counsel’s opinion, as set forth in Initial and Final Resolution No. 08-0003.

**THE CALIFORNIA INDUSTRIAL DEVELOPMENT
FINANCING ADVISORY COMMISSION
RESOLUTION NO. 08-0003A
RESOLUTION TRANSFERRING A PORTION OF THE 2008 STATE CEILING
ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A
SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT**

WHEREAS, the California Debt Limit Allocation Committee (“CDLAC”) has awarded allocation to the California Industrial Development Financing Advisory Commission (the “Commission”); for the purpose of awarding a portion of the allocation to local and State issuers; and

WHEREAS, the Commission has the authority to transfer a portion of its allocation to local and State issuers; and

WHEREAS, the Commission has received an application (“Application”) from the California Municipal Finance Authority (“Applicant”) requesting a transfer to the Applicant of a portion of the 2008 State Ceiling on Qualified Private Activity Bonds (the “State Ceiling”) under Section 146 of the Internal Revenue Code of 1986, as amended, for use by the Applicant to issue bonds or other obligations (“Bonds”) for a project as specifically described in Exhibit A (“Project”) (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Procedures of the Commission Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds (the “Commission’s Procedures”)); and

WHEREAS, the Project Sponsor (as defined in Exhibit A) has represented certain facts and information concerning the Project in the Application, which the Applicant has confirmed; and

WHEREAS, in evaluating the Project and potential allocation of a portion of the State Ceiling to the Applicant for the benefit of the Project, the Commission has relied upon the

Agenda Item – 4.B.1.

written facts and information represented in the Application by the Project Sponsor and the Applicant; and

WHEREAS, it is appropriate for the Commission to make a transfer of a portion of the State Ceiling (“Allocation”) in order to benefit the Project described in the Application.

NOW, THEREFORE, the California Industrial Development Financing Advisory Commission resolves as follows:

Section 1. There will be a transfer to the Applicant an amount of the State Ceiling equal to \$4,435,000. Such Allocation may be used only by the Applicant and only for the issuance of Bonds for the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated as though fully set forth herein (this resolution, together with Exhibit A, hereinafter referred to as the “Resolution”).

Section 2. The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds, and the Project Sponsor, the Applicant and their respective successors and assigns will be bound by such terms and conditions.

Section 3. Any modification to the Project made prior to the issuance of the Bonds must be reported to the Executive Director and, if the Executive Director determines such modification to be material in light of the Commission’s Procedures, such modification shall require reconsideration by the Commission before the Allocation may be used for the Project. Once the Bonds are issued, the terms and conditions set forth in this Resolution shall be enforceable by the Commission through an action for specific performance or any other available remedy, provided however, that the Commission agrees not to take such action or enforce any such remedy that would be materially adverse to the interests of the Bondholders. The Commission may, as circumstances warrant, consent to changes in the terms and conditions set forth in this Resolution in the event the Commission is advised of changes in the Project.

Agenda Item – 4.B.1.

Section 4. Prior to the issuance of the Bonds, any material changes in the structure of the any credit enhancement of the bonds not previously approved by the Commission shall require approval of the Commission Chair or the Executive Director.

Section 5. The Applicant is not authorized to use the Allocation transferred hereby to make a carryforward election with respect to the Project. The Applicant is not authorized to transfer the Allocation to any governmental unit in the State other than this Commission.

Section 6. The potential Allocation transferred herein shall automatically revert to this Commission unless the Applicant has issued Bonds for the Project by the close of business within 90 days of the award of Allocation. In the case of extreme hardship, the Executive Director may extend this date by up to five (5) business days.

Section 7. Within twenty-four (24) hours of using the Allocation to issue the Bonds, the Applicant shall notify the Commission’s staff and CDLAC’s staff in writing (which may be by electronic or facsimile communication) that the Allocation has been used. Each notification to the Commission and to CDLAC shall identify the Applicant, the project or program, the date the Allocation was used, and the amount of the Allocation used.

Section 8. Within fifteen (15) calendar days of the issuance of the Bonds, the Applicant or its counsel shall formally transmit to CDLAC information regarding the issuance of the Bonds by submitting, in a form prescribed by and made available by CDLAC, a completed Report of Action Taken.

Section 9. Any differences between the amount of Bonds issued and the amount of the Allocation granted in Section 1 of this Resolution shall automatically revert to the Commission. If at any time prior to the expiration date set forth in Section 6 of this Resolution the Applicant determines that part or all of the Allocation will not be used to issue Bonds by that date,

Agenda Item – 4.B.1.

the Applicant shall take prompt action by resolution of its governing board or by action of its authorized officer to return such unused Allocation to the Commission.

Section 10. The staff of the Commission is authorized and directed to transmit a copy of this Resolution to the Applicant together with a request that the Applicant retain, for the term of the Bonds, a copy of this Resolution in the Applicant's official records. The Commission staff is further directed to retain a copy of this Resolution in the files of the Commission (or any successor thereto) for the same period of time.

Section 11. In consideration of the potential Allocation to be transferred to the Applicant and the Project Sponsor, the Applicant and the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Applicant and the Project Sponsor expressly agree that the terms and conditions of this Resolution may be enforced by the Commission through an action for specific performance or any other available remedy, provided however, that the Commission expressly agrees not to take such action or enforce any such remedy that would be materially adverse to the interests of the Bondholders. In addition, the Applicant and the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Commission is a third party beneficiary of the terms and conditions set forth in this Resolution.

Section 12. The Project Sponsor or its successor-in-interest shall provide certifications of compliance with the terms and conditions set forth in this Resolution when reasonably requested by the Commission.

Section 13. This Resolution shall take effect upon its adoption.

EXHIBIT A

**RESOLUTION NO: 08-0003A
(A SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT)**

1. Applicant: California Municipal Finance Authority
2. Application No.: 08-0003
3. Project Sponsor: UBS Printing Group Inc. and/or affiliates
4. Project User: UBS Printing Group Inc. and/or affiliates
5. Project Name: UBS Printing Group Inc. Project
6. Address: 2577 Research Drive
Location: Corona, CA 92882
County: Riverside County
7. Amount of Allocation: \$4,435,000
8. The Project Sponsor has represented that it reasonably expects the User will use its best efforts to achieve within two years of the completion of the Project the following:
 - Creation of 8 additional direct, full-time skilled/semi-skilled jobs.

Attachment A

**CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ADVISORY COMMISSION
INDUSTRIAL DEVELOPMENT BONDS**

Meeting Date: March 26, 2008

Request for Initial and Final Resolution for Tax Exempt Bond Approval

Prepared by: *Deanna Hamelin*

Issuer:	California Municipal Finance Authority (CMFA)	Amount Requested:	\$4,435,000
Borrower:	UBS Printing, Inc. and/or affiliates	Application No.:	08-0003
User:	UBS Printing, Inc. and/or affiliates	IR & FR No.:	08-0003
Location:	City of Corona (Riverside County)		

Borrower/User/Background: UBS Printing Inc. (the “Company”) was incorporated in California in 1952 and is owned by Eugene Hamrick. The UBS Printing Company has three primary business areas: commercial printing, package printing, and digital pre-press books and bindery. Commercial printing comprises 30% of the Company’s business activities and consists of printing brochures, data sheets, posters, and manuals. Package Printing is 60% of its business and consists of producing such items as CD sleeves, shampoo boxes, software boxes, and telephone boxes. Finally, digital pre-press books and bindery makes up 10% of the Company’s business activities and involves printing documentation manuals. The Project site also is owned by Eugene Hamrick.

The Company provides printing services to customers from various industries, including online retailers, insurance companies, and cosmetic companies. Its major customers include Arbonne International, Farmer’s Insurance, Smith Micro Software, Authentic Specialty Foods, and Henkel Corporation.

Project Information: The Project consists of the purchase of a new KBA Rapida sheet-fed printing press and Fuji Film Pre-Press equipment. The new printing press will replace an older KBA press that is less efficient. The Fuji Film Pre-press equipment sets up the graphics content of the print job. Due to the increased capacity of the new printing press, the Company will be able to bid on larger, more complex printing jobs.

Anticipated Timeline: The installation of the new printing press and Fuji Film pre-press equipment began in December 2007 and is anticipated to be completed by May 1, 2008.

Prior Actions/Financing: None

Statutory Criteria: 1) Public Benefits, 2) Relocation and 3) Bond Issue Qualification. Points have been awarded based on evaluation consistent with CDLAC guidelines. CDLAC does not require the evaluation of points for all statutory criteria.

Attachment A

PUBLIC BENEFITS: Consistent with CDLAC guidelines, the Project was awarded a total of 30 verifiable points. Although none of the 30 points assigned is based upon the creation or retention of jobs, the Company employs 78 individuals in California and expects to hire an additional eight people within two years of Project completion.

RELOCATION OF COMPANY OPERATIONS (No point evaluation required): The Company will remain at its current location in the City of Corona.

QUALIFICATION OF BOND ISSUANCE (No point evaluation required): Based upon the proposed finance structure, and based upon the application and other materials submitted to CIDFAC for the proposed Project, staff believes the bonds that will be issued in connection with the Project: (a) will be adequately secured; (b) will be fair, just, and equitable to a purchaser of the bonds; and (c) will not work a fraud upon the bond purchaser. Final determination of qualification of the bonds will be subject to review of final bond documents prior to the issuance of bonds.

Status Of Permit/Other Required Approvals:

- The California Municipal Finance Authority (CMFA) adopted an Inducement Resolution in an aggregate amount not to exceed \$4,600,000 for the Project on December 14, 2007.
- A TEFRA hearing was held by the City of Corona on March 5, 2008, and no comments in support of or in opposition to the Project were received.
- The proposed Project is an equipment purchase only and, therefore, it does not require permits.

Financing Details: CMFA will issue a tax-exempt bond on a private placement basis. GE Government Finance, Inc. (GEGF), which is a Qualified Institutional Buyer (QIB) as defined by the Securities and Exchange Commission's (SEC) Rule 144A, will purchase the bond. GEGF is currently funding progress payments to vendors on behalf of the Company. The new printing press and pre-press equipment will serve as collateral for the transaction.

The bonds will be issued in accordance with CIDFAC's private placement policy, which has the following requirements:

- The bond purchaser must be a Sophisticated Investor as defined under SEC Rule 144A.
- The Sophisticated Investor must sign a "traveling" sophisticated investor letter, which will outline the requirements and restrictions and which will follow the deal in the event the bonds are sold or traded at a later date.
- The security of the private placement debt must be collateral provided by the Borrower.
- The bonds will be issued in minimum denominations of \$250,000.

Financing team:

Issuer: CMFA
Bond Counsel: Law Offices of Ron E. Lee
Private Placement Purchaser: GE Government Finance, Inc.

Attachment A

Legal Questionnaire: The Staff has reviewed the Borrower's/User's responses to the questions contained in the Legal Status portion of the Application. There was no information disclosed that raises questions concerning the financial viability or legal integrity of the applicants.

Recommendation: Staff recommends approval of Initial and Final Resolution No. 08-0003 for an amount not to exceed \$4,435,000 in tax-exempt bonds for UBS Printing, Inc., subject to staff analysis and approval of final bond documents, and the receipt of bond counsel's opinion and CDLAC allocation approval, as set forth in Initial and Final Resolution Nos. 08-0003.

Attachment A

**UBS PRINTING INC., AND/OR
AFFILIATES**

Bond Amount: \$4,435,000

City of Corona (Riverside County)

Application No. 08-0003

March 26, 2008

STAFF SUMMARY – CIDFAC

Prepared by: *Deanna Hamelin*

ISSUE:

On behalf of UBS Printing Inc. (the “Company”), the California Municipal Finance Authority requests approval of Initial Resolution and Final Resolution 08-0003 for an amount not to exceed \$4,435,000 in tax-exempt bonds. Bond proceeds will be used to purchase equipment.

CDLAC. The Company anticipates receiving allocation at the April 23, 2008, CIDFAC March 26, 2008, CDLAC meeting.

BORROWER/USER:

UBS Printing Inc. (the “Company”), was incorporated in California in 1952 and is owned by Eugene Hamrick. The UBS Printing Company is comprised of three primary areas of business, which includes commercial printing, package printing, and digital pre-press, books and bindery. Commercial printing which comprises 30% of the business consists of brochures, data sheets, posters, and manuals. Package Printing is 60% of the business which consists of such items as CD sleeves, shampoo boxes, software boxes, and telephone boxes. Finally, Books and Bindery makes up 10% of the Company’s services which involves printing documentation manuals. The Project site also is owned by Eugene Hamrick.

The Company provides printing services to customers from various industries, including online retailers, insurance companies, and cosmetic companies. Its major customers include Arbonne International, Farmer’s Insurance, Smith Micro Software, Authentic Specialty Foods, and Henkel Corporation.

Legal Questionnaire. The Staff has reviewed the Company’s responses to the questions contained in the Legal Status portion of the Application. No information was disclosed that raises questions concerning the financial viability or legal integrity of this applicant.

Prior Actions and Financings. None

PROJECT INFORMATION:

The Project consists of the purchase of a new KBA Rapida sheet-fed printing press and Fuji Film Pre-Press equipment. The new printing press will replace an older KBA press that is less efficient. The Fuji Film Pre-press equipment sets up the graphics content of the print job. Due to the increased capacity of the new printing press, the Company will be able to bid on larger, more complex printing jobs.

Attachment A

The anticipated Project costs are listed below:

Acquisition and Installation of New Equipment ...	<u>\$4,435,000</u>
Total:	<u>\$4,435,000</u>

Anticipated Timeline.

The installation of the new printing press and Fuji Film pre-press equipment began in December 2007 and is anticipated to be completed by May 1, 2008.

Status Of Permit/Other Required Approvals:

- The California Municipal Finance Authority (CMFA) adopted an Inducement Resolution in an aggregate amount not to exceed \$4,600,000 for the Project on December 14, 2007.
- A TEFRA hearing was held by the City of Corona on March 5, 2008, and no comments in support of or in opposition to the Project were received.
- The proposed Project is an equipment purchase only and, therefore, it does not require permits.

STATUTORY CRITERIA: 1) Public Benefits, 2) Relocation and 3) Bond Issue Qualification. Points have been awarded based on evaluation consistent with CDLAC guidelines. CDLAC does not require the evaluation of points for all statutory criteria.

- 1) **PUBLIC BENEFITS:** The staff assigned a total of 30 verifiable points to the Project, which are detailed below:

Community Economic Need (10 points):

Unemployment Rate of the Project Area (0 points): The unemployment rate of the Project area is 73% of the statewide average of 4.9%. To be awarded points in this category, the Project area must have an unemployment rate of at least 125% of the statewide average of 4.9%.

Poverty Rate of Project Area (0 points): No points were awarded for the poverty rate of the Project area. To earn points in this category, the poverty rate in the Project area must be at least 110% the statewide rate. The poverty rate for this Project area was 78.3% of the statewide rate.

Special Designation Area (5 points): The Company provided verification that the Project is located in a redevelopment area within the City of Corona.

Median Family Income (5 points): The Project is located in the City of Corona, census tract 415, where the median family income is \$30,185. Given that the median family income for the State of California is \$53,025, the median family income for the Project area is 56.9% of the statewide average.

Attachment A

Employment Benefits (Job Creation/Retention = 0 points): Although this Project was not awarded points for job creation or job retention, the Company represents that it currently employs 78 individuals in California and anticipates hiring an additional eight employees within two years of completion of the Project.

Welfare-to-Work Plan (0 points): The Company did not provide verification that it participates in a Welfare-to-Work Program.

Health Care Benefits (5 points): The Company provided documentation that it contributes to the medical insurance for 73 of its 78 employees. The contribution translates into an average of \$452 per month toward the health care benefits for each employee. The remaining five employees have opted out of health coverage for personal reasons.

Average Hourly Wage (5 points): The Company's average hourly wage is \$38.75, while the Metropolitan Statistical Area (MSA) for Riverside/San Bernardino has an average manufacturing wage of \$ 14.12. Therefore, the Company's average hourly wage is 274% of the average manufacturing wage for the Riverside/San Bernardino area.

Land Use/Energy Efficiency/Public Transit Corridor (10 points):

Land Use (0 points): This Project is an equipment only transaction, and it does not involve the reuse of vacant land or abandoned buildings.

Energy Efficiency (5 points): The Company provided a letter from KBA North America, Inc., manufacturer of the printing press, which indicates a reduction in energy usage by 15% compared with the equipment being replaced.

Public Transit Corridor (5 points): The Company provided verification that the Project is located within a public transit corridor. The Project site is served by the Metrolink trainline and the Corona Cruiseline, and a stop is within 1/10 of a mile of the Project site.

- 2) **RELOCATION OF COMPANY OPERATIONS (No point evaluation required):** The Company will remain at its current location in the City of Corona.
- 3) **QUALIFICATION OF BOND ISSUANCE (No point evaluation required):** Based upon the proposed finance structure, and based upon the application and other materials submitted to CIDFAC for the proposed Project, staff believes the bonds that will be issued in connection with the Project: (a) will be adequately secured; (b) will be fair, just, and equitable to a purchaser of the bonds; and (c) will not work a fraud upon the bond purchaser. Final determination of qualification of the bonds will be subject to review of final bond documents prior to the issuance of bonds.

Attachment A

FINANCING DETAILS:

CMFA will issue a tax-exempt bond on a private placement basis. GE Government Finance, Inc. (GEGF), which is a Qualified Institutional Buyer (QIB) as defined by the Securities and Exchange Commission’s (SEC) Rule 144A, will purchase the bond. GEGF is currently funding progress payments to vendors on behalf of the Company. The new printing press and Fuji Film pre-press equipment will serve as collateral for the transaction.

The bonds will be issued in accordance with CIDFAC’s private placement policy, which has the following requirements:

- The bond purchaser must be a Sophisticated Investor as defined under SEC Rule 144A.
- The Sophisticated Investor must sign a “traveling” sophisticated investor letter, which will outline the requirements and restrictions and which will follow the deal in the event the bonds are sold or traded at a later date.
- The security of the private placement debt must be collateral provided by the Borrower.
- The bonds will be issued in minimum denominations of \$250,000.

FINANCING TEAM:

Issuer: CMFA
Bond Counsel: Law Offices of Ron E. Lee
Private Placement Purchaser: GE Government Finance, Inc.

RECOMMENDATION:

Staff recommends approval of Initial and Final Resolution No. 08-0003 in an amount not to exceed \$4,435,000 of tax-exempt bonds for UBS Printing, Inc., which is contingent upon staff analysis and approval of final bond documents, and the receipt of bond counsel opinions and CDLAC allocation approval, as set forth in the Initial and Final Resolution.

Attachment A

INITIAL AND FINAL RESOLUTION
OF THE
CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING
ADVISORY COMMISSION (CIDFAC)
INDUSTRIAL DEVELOPMENT BONDS

IR/FR #: 08-0003

WHEREAS, California Municipal Finance Authority (the “Authority”) has transmitted the application of UBS Printing, Inc. and/or its affiliates, (the “Applicant”) for the issuance of \$4,435,000 of tax exempt bonds under the provisions of the California Industrial Development Financing Act, and has informed the California Industrial Development Financing Advisory Commission (the “Commission”) that it has adopted a resolution declaring its intention to issue such bonds and that the City of Corona has held a public hearing regarding the issuance of the bonds and has approved the issuance of the bonds by the Authority; and

WHEREAS, the Commission has reviewed the application and the materials submitted with the application.

NOW, THEREFORE, the Commission resolves as follows;

Section 1. The Commission, based on its review of the application and the information submitted therewith, does determine that:

(a) the public benefits from the acquisition of the facility described in the application likely will substantially exceed any public detriment from the issuance of the bonds in the estimated principal amount of \$4,435,000; and

Attachment A

(b) use of the Project described in the application and the operation of the facility described in the application is reasonably necessary to prevent the relocation of substantial operations of the Applicant from an area within the State of California to an area outside of the State of California.

Section 2. The Commission conditionally finds that the proposed issuance of the bonds qualifies under the provisions of Article 5 of Title 10 of the Government Code, and further finds that:

(a) the bonds will be adequately secured and the funds available to the Applicant will apparently be sufficient to pay the principal of and interest on the bonds to be issued; and

(b) based on its review of the preliminary material submitted to it and as provided for under Government Code Section 91571, the proposed issuance will be fair, just and equitable to a purchaser of the bonds, and that the bonds proposed to be issued and the methods to be used by the Authority in issuing them will not be such as will work a fraud upon the purchaser thereof.

Section 3. The Commission determines that it is appropriate to the proposed transaction that the qualification of the proposed issuance be subject to the following conditions:

(a) that the Bond Counsel Opinion, when ready for execution, be submitted to Commission staff;

(b) that the final legal documents, when ready for execution, be submitted for review by Commission staff. Submitted documents shall include if applicable:

- (i) Loan Agreement,
- (ii) Indenture of Trust,

Attachment A

- (iii) Purchase Contract,
- (iv) Bond Resolution,
- (v) Letter of Credit,
- (vi) Other documents which, in the opinion of Commission staff, are necessary to the review of the transaction;

(c) that the Commission staff determine that the final documents associated with the transaction have been developed in form and content substantially similar to the representations in the application on which the findings under Section 2. above are based;

(d) that the bonds, when issued, are within the maximum limitation of bonds authorized in the California Industrial Development Financing Act (Section 91573(a) of California Government Code);

(e) that the Commission receive all applicable fees prior to the issuance of the bonds or that bond documents indicate that such fees are to be paid from the proceeds of the bonds; and

(f) that the Applicant has agreed to comply with Section 91533(l) of the Government Code relating to the payment of prevailing wages.

Section 4. This Resolution shall cease to be effective if the above-described bonds have not been issued within six months after the date of adoption of this Resolution.

Section 5. In compliance with the provision of the California Industrial Development Financing Act (Section 91754 California Government Code), the qualification of the proposed bond issue by this resolution is permissive only, and does not constitute a recommendation or endorsement of the bonds so qualified by the Commission.