

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

Meeting Date: July 28, 2010

Request for Tax-Exempt Note Allocation Approval

Prepared by: *Deanna Hamelin*

Issuer:	California Pollution Control Financing Authority (CPCFA)	Amount Requested:	\$1,375,000
Borrower:	TDR Group, LLC, an Oregon limited liability company, dba WRW Group, LLC and/or a related or affiliated entity	Application No.:	10-007
User:	Waste Recovery West, Inc., an Oregon corporation, dba WRW, Inc. and/or a related or affiliated entity	Allocation Resolution No.:	10-02-007
Location:	City of Stockton (San Joaquin County)		

Borrower/User/Background. TDR Group, LLC, an Oregon limited liability company, dba WRW Group, LLC (the Borrower) and Waste Recovery West, Inc., an Oregon corporation, dba WRW, Inc. (the User, WRW or the Company) were formed and/or incorporated on January 5, 2004 and December 1998, respectively. Both the Borrower and the Company are owned by Mark Hope (33.3%), Donald Krider (33.3%) and Jay Krider (33.3%). WRW is a scrap tire recycling company that collects, processes and markets scrap tires and related recycled by-products. The Company receives scrap tires from retailers, tire manufacturers, independent scrap tire haulers, local city and county collection centers, and clean up programs.

Project Information. Note proceeds will be used to acquire a 7.5-acre site in the City of Stockton, and the seven buildings situated on the property, and develop the site into a new 40,700 square-foot recycling facility. Development improvements to the buildings and the site include paving, landscaping, and upgrades to electrical, sprinkler, and plumbing systems. In addition, note proceeds will be used to purchase and install new equipment for the facility including screeners, cutters, shredders, hoppers, and conveyers.

The Company’s current tire recycling operations are located on a 3-acre site leased from an unrelated entity in the City of Livermore. The new Stockton facility will increase WRW’s annual material handling capacity from 1.5 million scrap tires to an estimated 3 million. The new facility is also centrally located on transportation corridors that better serve scrap tire generators and customers for the recycled materials. That will reduce heavy truck traffic and congestion at the current location in the East Bay Area.

Anticipated Timeline. The acquisition of the Project site was completed on July 9, 2010. The facility is currently operational. The purchase of equipment began in April 2010 and will be completed by the middle of August 2010.

Prior Actions/Financing. None

Local and State Government Support. The Project received two letters of support. The Issuer provided a letter from Kevin Huber, Chairman of the Board of the San Joaquin County Partnership (See Attachment A). A letter was also received from Stacey Patenaude, Manager of the Tire Derived Aggregate Program of the Department of Resources Recycling and Recovery, indicating her support of the Project (See Attachment B).

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

Public Benefits. 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.

Relocation of Company Operations (No point evaluation required). The Company is relocating from the City of Livermore in unincorporated Alameda County to the City of Stockton. The Company provided a letter from Bill Lambert, Assistant Director of Economic Development of the Alameda County Community Development Agency, which states the Agency has no objection to the issuance of bonds for the Company (Attachment C).

Status OF Permit/Other Required Approvals.

- On March 24, 2010, CPCFA executed an Inducement Resolution in an amount not to exceed \$1,600,000 of tax-exempt IDBs for the Project. CPCFA is scheduled to adopt a final resolution for the Project on July 28, 2010.
- CPCFA held a TEFRA hearing on June 24, 2010. CPCFA noticed the issuance of tax-exempt IDBs in an amount not to exceed \$1,375,000.
- The Project involves the development of land and existing buildings, and the purchase of equipment. All land use, zoning approvals and permits have been obtained. The Borrower provided confirmation that no additional land use or zoning approvals or permits are required to accommodate the Project.

Financing Details. CPCFA will issue a tax-exempt note on a private placement basis. U.S. Bank N.A., which is a qualified institutional buyer (QIB) as defined by U.S. Securities and Exchange Commission (SEC) Rule 144A, will purchase the bond. The note will:

- Be secured by the real estate and all equipment and fixtures; and
- Have a fixed interest rate at the time of initial funding.

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

- The note purchaser must be a sophisticated investor as defined under SEC Rule 144A.
- The security for the private placement debt must be collateral provided by the Borrower.
- The note will be issued in minimum denominations of \$250,000.

Since CPCFA is a State issuer, CIDFAC staff does not review the documents.

CIDFAC Fees. In accordance with CIDFAC regulations, the Borrower has paid or will pay CIDFAC an application fee of \$1,250. Since CPCFA is a State issuer, the Borrower does not pay issuance fees to CIDFAC.

Financing team.

Issuer:	CPCFA
Bond Counsel:	Kutak Rock LLP
Financial Advisor:	Growth Capital Associates, Inc.
Private Placement Purchaser:	U.S. Bank N.A.

Legal Questionnaire. Staff reviewed the Borrower/User responses to the questions contained in the Legal Status portion of the application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of the Company.

Recommendation. Staff recommends approval of Allocation Resolution No. 10-02-007 for \$1,375,000 of tax-exempt IDB allocation for the Issuer on behalf of the Borrower for the Waste Recovery West, Inc. Project.

Waste Recovery West, Inc.
Bond Amount: \$1,375,000
City of Stockton (San Joaquin County)
Application No. 10-007
July 28, 2010

STAFF SUMMARY – CIDFAC

Prepared by: *Deanna Hamelin*

ISSUE. On behalf of TDR Group, LLC, an Oregon limited liability company, dba WRW Group, LLC and/or a related or affiliated entity (the Borrower), and Waste Recovery West, Inc., an Oregon corporation, dba WRW, Inc. and/or a related or affiliated entity (the User or the Company), the California Pollution Control Financing Authority (CPCFA or the Issuer) requests approval of Allocation Resolution No 10-02-007 for \$1,375,000 of tax-exempt IDB allocation. Note proceeds will be used acquire and improve a new site and buildings, and to buy and install new equipment.

BORROWER/USER. The Borrower and User, were formed and/or incorporated in Oregon on January 5, 2004 and December 1998, respectively. Both the Borrower and the Company are owned by Mark Hope (33.3%), Donald Krider (33.3%) and Jay Krider (33.3%). WRW is a scrap tire recycling company that collects, processes and markets scrap tires and related recycled by-products. The Company receives scrap tires from retailers, tire manufacturers, independent scrap tire haulers, local city and county collection centers, and clean up programs.

Legal Questionnaire. Staff reviewed the Borrower/User responses to the questions contained in the Legal Status portion of the Application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of the Company.

Prior Actions and Financings. None.

Local and State Government Support. The Project received two letters of support. The Issuer provided a letter from Kevin Huber, Chairman of the Board of the San Joaquin County Partnership (See Attachment A). A letter was also received from Stacey Patenaude, Manager of the Tire Derived Aggregate Program of the Department of Resources Recycling and Recovery, indicating her support of the Project (See Attachment B).

Project Information. Note proceeds will be used to acquire a 7.5-acre site in the City of Stockton, and the seven buildings situated on the property, and develop the site into a new 40,700 square-foot recycling facility. Development improvements to the buildings and the site include paving, landscaping, and upgrades to electrical, sprinkler, and plumbing systems. In addition, note proceeds will be used to purchase and install new equipment for the facility including screeners, cutters, shredders, hoppers, and conveyers.

The Company's current tire recycling operations are located on a 3-acre site leased from an unrelated entity in the City of Livermore. The new Stockton facility will increase WRW's annual

material handling capacity from 1.5 million scrap tires to an estimated 3 million. The new facility is also centrally located on transportation corridors that better serve scrap tire generators and customers for the recycled materials. That will reduce heavy truck traffic and congestion at the current location in the East Bay Area.

Anticipated Project and issuance costs are listed below:

	To be paid from bond proceeds	To be paid from all other sources
Acquisition of Land	\$ 337,500	\$ 120,500
Acquisition of Existing Buildings	642,000	0
Acquisition and Installation of New Equipment	368,000	0
Rehabilitation of Existing Building(s)	0	250,000
Bond Issuance Expenses	27,500	152,000*
Other: Estimated value of unencumbered equipment being pledged in support of this transaction	0	530,000
Totals	\$1,375,000	\$1,052,500

*Small Business Assistance Fund (SBAF)

Anticipated Timeline. The acquisition of the Project site was completed on July 9, 2010. The facility is currently operational. The purchase of equipment began in April 2010 and will be completed by the middle of August 2010.

Status Of Permit/Other Required Approvals.

- On March 24, 2010, CPCFA executed an Inducement Resolution in an amount not to exceed \$1,600,000 of tax-exempt IDBs for the Project. CPCFA is scheduled to adopt a final resolution for the Project on July 28, 2010.
- CPCFA held a TEFRA hearing on June 24, 2010. CPCFA noticed the issuance of tax-exempt IDBs in an amount not to exceed \$1,375,000.
- The Project involves the development of land and existing buildings, and the purchase of equipment. All land use, zoning approvals and permits have been obtained. The Borrower provided confirmation that no additional land use or zoning approvals or permits are required to accommodate the Project.

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

- 1) **PUBLIC BENEFITS:** The staff awarded the Project 73 points out of a possible 147. The evaluation is detailed below:

A. Community Economic Need (20 of 25 points).

1. Unemployment Rate of the Project Area (5 of 10 points). In accordance with CDLAC procedures, points are awarded in this category if the 2009 unemployment rate of the county sub-area in which the Project is located is at least 125% of the 2009 statewide rate. In this case, the 2009 unemployment rate of the Project area is 18.6%, which is 163.16% of the statewide rate of 11.4%.

2. Poverty Rate of Project Area (5 of 5 points). In accordance with CDLAC procedures, the most recent data from the U.S. Bureau of the Census, which in this case is Census 2000 data, is used to determine if the Project qualifies for points in this category. The poverty rate for this Project area is 15.03%, which is 141.86% of the Census 2000 statewide rate of 10.6%.

3. Special Designation Area (5 of 5 points). The Project is located in a state-designated Enterprise Zone.

4. Median Family Income (5 of 5 points). In accordance with CDLAC procedures, the most recent data from the U.S. Bureau of the Census, which in this case is from Census 2000, is used to determine if the Project qualifies for points in this category. The Project is located in San Joaquin County, census tract 38.03, where the average median family income is \$29,162. Given that the median family income for the State of California is \$53,025, the median family income for the Project area is 55% of the statewide average.

B. Job Creation (35 of 35 points). Points are awarded in this category based on the Borrower and/or User's representation that it will use its best efforts to increase the number of direct, full-time employees at the Project site within two years of Project completion. The Company represents that it currently employs 12 direct, full-time employees at the current facility in Livermore, all of which will transfer to the new facility in Stockton. The Company represents that it anticipates hiring an additional 11 direct, full-time employees within two years of completion of the Project. Based on this representation, this equates to a 91.6% increase in employees.

C. Job Retention (0 of 10 points). The Company did not provide written documentation regarding moving its operations to another state or closing its operations, absent the IDB financing. Therefore, the Project does not qualify for job retention points.

D. Average Hourly Wage (6 of 10 points). In accordance with CDLAC procedures, the most recent data from the Bureau of Labor Statistics, which in this case is May 2009, is used to determine if the Project qualifies for points in this category. The Company's average hourly wage is \$18.32, while the Metropolitan Statistical Area (MSA) for the Stockton area had an average 2009 manufacturing wage of \$15.51. Therefore, the Company's average hourly wage is 118.1% of the average manufacturing wage for the Stockton area.

E. Workforce and Economic Development (0 of 15 points).

1. Welfare-to-Work Plan (0 of 5 points). No information was provided indicating the Company's participation in a Welfare-to-Work program.

2. Workforce Training (0 of 5 points). No information was provided indicating the Company's participation in a workforce training program.

3. Exports Outside California (0 of 5 points). No information was provided indicating that the Company plans to export its product outside of California as part of its business plan.

F. Health Care Benefits (5 of 15 points). The Company provided documentation that it contributes to the medical and dental insurance for 4 of its 12 employees. The contribution translates into an average of \$205 per month toward the health care benefits for each employee. The uncovered employees opted out of the plan for personal reasons. The Company represents that it will offer the same health benefits to new employees.

G. Payment of Retirement Benefits (0 of 5 points). No information was provided indicating that the Company contributes to employee retirement.

H. Environmental Stewardship (7 of 27 points).

1. Land Use (3 of 3 points). This Project involves the reuse of vacant land or abandoned buildings.

2. Public Transit Corridor (4 of 4 points). The Company provided verification that the Project site is located in a public transit corridor. San Joaquin Transit Authority bus route 51 is within ¼ of a mile from the Project site.

3. Energy Efficiency and Renewable Energy (0 of 15 points). The Company did not provide information regarding the Project's energy efficiency.

4. Manufacturer of Certified Environmentally Preferable Products (0 of 5 points). No information was provided indicating that the project produces or will produce environmentally preferable products.

I. Leveraging (0 of 5 points). This Project does not involve the use of leveraging.

- 2) **Relocation of Company Operations (No point evaluation required).** The Company is relocating from the City of Livermore in unincorporated Alameda County to the City of Stockton. The Company provided a letter from Bill Lambert, Assistant Director of Economic Development of the Alameda County Community Development Agency, which states the Agency has no objection to the issuance of bonds for the Company (See Attachment C).

Financing Details. CPCFA will issue a tax-exempt note on a private placement basis. U.S. Bank N.A., which is a qualified institutional buyer (QIB) as defined by U.S. Securities and Exchange Commission (SEC) Rule 144A, will purchase the bond. The note will:

- Be secured by the real estate and all equipment and fixtures; and
- Have a fixed interest rate at the time of initial funding.

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

- The purchaser must be a sophisticated investor as defined under SEC Rule 144A.
- The security for the private placement debt must be collateral provided by the Borrower.
- The note will be issued in minimum denominations of \$250,000.

Since CPCFA is a State issuer, CIDFAC staff does not review the documents.

CIDFAC FEES. In accordance with CIDFAC regulations, the Borrower has paid or will pay CIDFAC an application fee of \$1,250. Since CPCFA is a State issuer, the Borrower does not pay issuance fees to CIDFAC.

FINANCING TEAM.

Issuer:	CPCFA
Bond Counsel:	Kutak Rock LLP
Financial Advisor:	Growth Capital Associates, Inc.
Private Placement Purchaser:	U.S. Bank N.A

RECOMMENDATION. Staff recommends approval of Allocation Resolution No. 10-02-007 for \$1,375,000 of tax-exempt IDB allocation for the Issuer on behalf of the Borrower for the Waste Recovery West, Inc. Project.

THE CALIFORNIA INDUSTRIAL DEVELOPMENT
FINANCING ADVISORY COMMISSION
RESOLUTION NO. 10-02-007
RESOLUTION TRANSFERRING A PORTION OF THE 2010 STATE CEILING
FOR QUALIFIED PRIVATE ACTIVITY BONDS FOR A
SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT

WHEREAS, the California Debt Limit Allocation Committee (“CDLAC”) 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 Pollution Control Financing Authority (“Applicant”) requesting a transfer to the Applicant of a portion of the 2010 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 CDLAC Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds (“CDLAC’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 written facts and information provided in the Application and otherwise 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 \$1,375,000. 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.

Section 4. Prior to the issuance of the Bonds, any material changes in the structure of the credit enhancement and 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 carry forward 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. In addition, the Applicant shall provide the Commission with a copy of the final Official Statement, Private Placement Agreement, or other appropriate sale document.

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, 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: 10-02-007
(A SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT)**

1. Applicant: California Pollution Control Financing Authority
(CPCFA)
2. Application No.: 10-007
3. Project Sponsor: TDR Group, LLC, an Oregon limited liability company, dba
WRW Group, LLC and/or a related or affiliated entity
4. Project User: Waste Recovery West, Inc., an Oregon corporation, dba
WRW, Inc. and/or a related or affiliated entity
5. Project Name: Waste Recovery West, Inc. Project
6. Address: 4554 South El Dorado Street
Location: Stockton, CA 95206
County: San Joaquin County
7. Amount of Allocation: \$1,375,000
8. The Project Sponsor has represented that it will use its best efforts to achieve the creation of 11 additional, direct full-time jobs within two years of the completion of the Project.

Leroy Ornellas

ATTACHMENT A

SJC Board of Supervisors



SAN JOAQUIN PARTNERSHIP

A Private Non-Profit Economic Development Corporation Serving San Joaquin County

JUN 23 '10 PM 4:26

Board of Directors:

Chairman
Kevin Huber
The Grupe Company

Vice Chairman
Richard Aschieris
Port of Stockton

Secretary/Treasurer
Susan Dell'Osso
The Cambay Group

Edward Barkett
Atlas Properties, Inc.

Roger Coover
The Record

Joe Crane
Farmers & Merchants Bank

Pamela Eibeck
University of the Pacific

Carson Funderburk
General Mills, Inc.

John Harris
City of Manteca

Brent Ives
City of Tracy

Bob Johnson
City of Lodi

Ann Johnston
City of Stockton

Jeff Laugero
City of Escalon

David Nelson
A. G. Spanos Companies

Leroy Ornellas
SJC Board of Supervisors

John Quinn
Food 4 Less

José Rivera
Kaiser Permanente

Kristy Sayles
City of Lathrop

Tom Shaffer
Bank of Stockton

David Swartz
A. Teichert & Son, Inc.

Douglass Wilhoit
Stockton Chamber of Commerce

June 22, 2010

Mr. Michael Paparian, Executive Director
California Pollution Control Financing Authority
915 Capitol Mall, Room 457
Sacramento, CA 95814

Re: Waste Recovery West

Dear Mr. Paparian:

On behalf of San Joaquin Partnership, please accept this letter as our support and encouragement for approval of the tax-exempt financing application submitted by Waste Recovery West.

Our region is very interested in attracting "green" companies and recycling companies such as Waste Recovery West. San Joaquin County suffers from a high double-digit unemployment rate (reported as 16.2% as of May 2010). We believe in and support enhancing and advancing California's efforts to meet greenhouse gas reduction goals and creating "green" jobs.

The San Joaquin Partnership is a non-profit, private-public economic development corporation assisting business and industry in San Joaquin County and its seven incorporated cities. We encourage the California Pollution Control Financing Authority to approve funding for the Waste Recovery West project.

Sincerely,

Kevin Huber
Chairman of the Board

Cc: Mark Hope, Waste Recovery West
Dan Bronfman, Capital Growth Associates

Kevin
Chair

Cc: [unclear]

Suite [unclear]

ATTACHMENT B

JUL 8 '10 PM 3:34

Natural Resources Agency

Arnold Schwarzenegger, Governor



DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

801 K STREET, MS 19-01, SACRAMENTO, CALIFORNIA 95814 • (916) 322-4027 • WWW.CALRECYCLE.CA.GOV

Ms. Patricia Tanous
Treasury Program Manager I
California Pollution Control Financing Authority
Post Office Box 942809
Sacramento, CA 94209-0001

July 7, 2010

Subject: Letter of Support for Waste Recovery West (WRW), Stockton Tire Recycling Facility

Dear Ms. Tanous,

I have been informed that Waste Recovery West (WRW) has applied for a low interest loan to help finance a new tire recycling facility to be located in Stockton, California. As the manager of the Tire Derived Aggregate program I have had the opportunity over the last thirteen years to work with WRW on numerous Civil Engineering projects in which millions of waste tires have been recycled into a beneficial engineering material. WRW's has played a critical role in helping CalRecycle accomplish its statutorily mandated program with a goal of recycling 100 percent of the 41 million waste tire generated in California each year. CalRecycle appreciates WRW's efforts to help California properly manage their waste tires, and also supports their effort to establish a new tire recycling facility in Stockton, California.

Sincerely,

A handwritten signature in black ink that reads "Stacey Patenaude".

Stacey M. Patenaude
Material Recycling Engineer
Statewide Technical Analytical Resources Division
CalRecycle

Cc: Mark Hope, WRW

County (94551), is in the process
Dorado Street in the City of Stockton
to this site. Further, it is our unde

Agenda Item 4.A.1.

ATTACHMENT C



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT AGENCY

Chris Bazar
Agency Director

Eileen Dalton
Redevelopment Director

224
West Winton Avenue
Room 110

Hayward
California
94544-1215

phone
510.670.5333
fax
510.670.6374

www.acgov.org/cda

July 8, 2010

Mr. Michael Paparian
Executive Director
California Pollution Control Financing Authority
915 Capitol Mall, Room 457
Sacramento, CA 95814
Fax (916) 657-4821

Re: Waste Recovery West, Inc. Project

Dear Mr. Paparian:

The Alameda County Redevelopment Agency (RDA) has been made aware that Waste Recovery West, Inc. (WRW), with operations currently located at 4001 North Vasco Road in an unincorporated area of Alameda County (94551), is in the process of acquiring a facility on South El Dorado Street in the City of Stockton, and plans to relocate its operations to this site. Further, it is our understanding that WRW is seeking to utilize tax-exempt industrial development bonds ("Bonds") to fund costs associated with acquiring and equipping this facility in Stockton.

This letter is to verify that the RDA has no objection to the issuance of Bonds for the benefit of WRW.

Please do not hesitate to call if you have any questions regarding this correspondence.

Very truly yours,

A handwritten signature in blue ink that reads "Bill Lambert".

Bill Lambert
Asst. Dir. Economic Development

WRW Relocation Ltr7-9-10.doc