



CalCAP

CALIFORNIA CAPITAL ACCESS PROGRAM



CALIFORNIA  
POLLUTION  
CONTROL  
FINANCING  
AUTHORITY

# CALCAP SEISMIC SAFETY FINANCING PROGRAM LENDER MANUAL



CALIFORNIA  
CAPITAL  
ACCESS  
PROGRAM

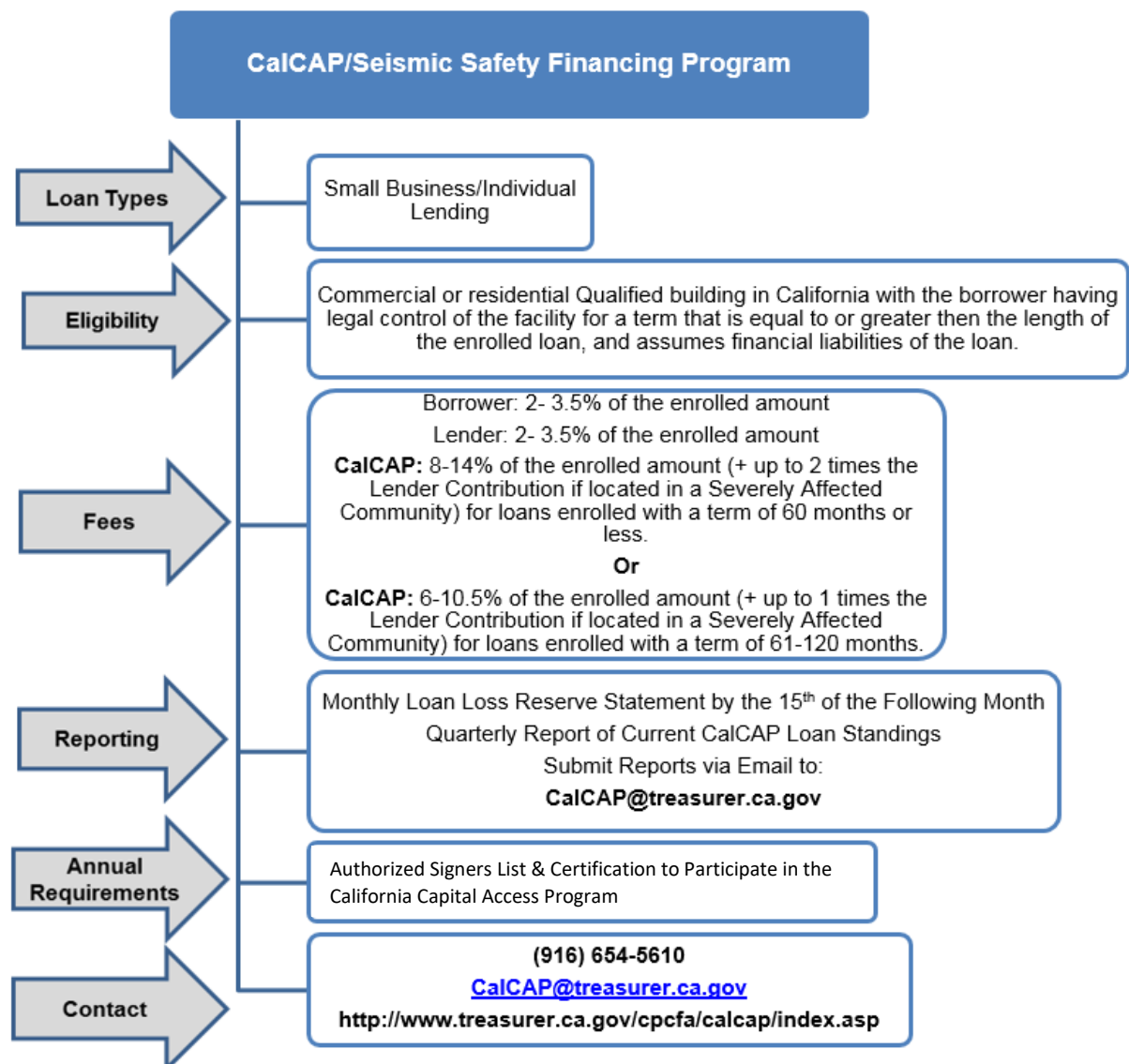
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## I. AT A GLANCE

This California Capital Access Program (CalCAP) Lender Manual provides instructions, examples, and regulations for enrolling small business loans and filing claims. Lenders are encouraged to use this manual as a guide and to frequently visit the CalCAP website at <http://www.treasurer.ca.gov/cpcf/calcap/index.asp> for the most current version of the manual, updated forms, and latest rules and regulations. Lenders should also ensure CPCFA is kept informed of changes to the lender's primary information.



## II. Program Participation Requirements

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### A. Overview

The California Capital Access Program (CalCAP) encourages banks and other financial institutions to make loans to small businesses that have difficulty obtaining financing. The California Capital Access Program (CalCAP) is administered by the California Pollution Control Financing Authority (CPCFA).

CalCAP may provide up to 100% coverage on certain loan defaults. By participating in CalCAP, lenders have available to them a proven credit enhancement to meet the financing needs of California’s small businesses.

	<b>Small Business/Individual Lending</b>
<p><b>Business and Loan Requirements</b></p> <p>☞ Full Text of CalCAP Regulations can be found in Chapter VIII.</p>	<ul style="list-style-type: none"> <li>▪ Maximum loan amount is \$5,000,000 with \$250,000 enrolled per borrower</li> <li>▪ Loan proceeds may be used for alterations performed on or after January 1, 2017 of a qualified commercial or residential building or its components located in CA to substantially mitigate seismic damage.               <ul style="list-style-type: none"> <li>✓ <i>‘Qualified Small Business’ means a business referred to in Section 44559.1(i) and (m) of the Health and Safety Code that owns, a Qualified building regardless of owner occupancy for the operation of the business.</i></li> <li>✓ <i>‘Qualified Residential Property Owner’ means either an owner of a residential building that is a Qualified building or a Qualified small business that owns one or more residential buildings, including a multiunit housing building, that is a Qualified building.</i></li> <li>✓ <i>‘Qualified Commercial Property Owner’ means either an owner of a commercial building that is a Qualified building or a Qualified small business that owns one or more commercial buildings that is a Qualified building.</i></li> </ul> </li> <li>▪ Borrower has legal control of the facility for a term that is equal to or greater than the length of the enrolled loan, and assumes financial liability of the loan</li> <li>▪ When the Qualified building is a mobilehome or manufactured home that it is currently registered with the Department of Housing and Community Development and the Borrower’s name on a current registration from the Department of Housing and Community Development for the mobilehome or manufactured home.</li> </ul>

## Authorized Loan Types or Uses

☞ Full Text of CalCAP Regulations can be found in Chapter IX.

- Loan proceeds must be used for Eligible Costs of an Eligible Project for a Qualified Building as stated in 44559.14 (b) (1) (A-G) of the Health and Safety Code:
  - ✓ *Seismic retrofit construction* means alteration performed on or after January 1, 2017, of a qualified building or its components to substantially mitigate seismic damage. “Seismic retrofit construction” includes, but is not limited to, all of the following:
    - (1) Anchoring the structure to the foundation.
    - (2) Bracing cripple walls.
    - (3) Bracing hot water heaters.
    - (4) Installing automatic gas shutoff valves.
    - (5) Repairing or reinforcing the foundation to improve the integrity of the foundation against seismic damage.
    - (6) Anchoring fuel storage. (7) Installing an earthquake-resistant bracing system for mobilehomes that are registered with the Department of Housing and Community Development.
    - (8) Strengthen a building’s lateral load resisting system
  - ✓ *‘Eligible Project’* means Seismic retrofit construction that is necessary to ensure that the Qualified building is capable of substantially mitigating seismic damage, and the financing necessary to pay Eligible Costs of the project.
  - ✓ *‘Eligible cost’* means and includes all or any part, as defined in subdivision (b)(2) of Section 44559.14 of the Health and Safety Code, the costs paid or incurred on or after January 1, 2017, for an Eligible project, including any engineering or architectural design work necessary to permit or complete the Eligible project less the amount of any grant provided by a public entity for the Eligible project. “Eligible Costs” do not include costs paid or incurred for any of the following:
    - (1) Maintenance, including abatement of deferred or inadequate maintenance, and correction of violations unrelated to the seismic retrofit construction.
    - (2) Repair, including repair of earthquake damage.
    - (3) Seismic retrofit construction required by local building codes as a result of addition, repair, building relocation, or change of use or occupancy.
    - (4) Other work or improvement required by local building or planning codes as a result of the intended seismic retrofit construction.
    - (5) Rent reductions or other associated compensation, compliance actions, or other related coordination involving the qualified residential property owner or qualified small business and any other party, including a tenant, insurer, or lender.

	<ul style="list-style-type: none"> <li>○ (6) Replacement of existing building components, including equipment, except as needed to complete the seismic retrofit construction.</li> <li>○ (7) Bracing or securing nonpermanent building contents.</li> <li>○ (8) The offset of costs, reimbursements, or other costs transferred from the qualified residential property owner or qualified small business to others.</li> </ul> <p>✓ ‘Qualified building’ means a residential or commercial building that is identified by the local building code official for the jurisdiction in which the building is located as a building in need of seismic retrofitting and is either a building type that is a potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1891.. A “Qualified building” may be a single-family residence, multiunit housing building, multiunit housing building with commercial space, or mobilehome, manufactured home, and multifamily manufactured home installed in accordance with Health and Safety Code 18613.</p>
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**B. Small Business Lending**

The CalCAP Seismic Safety Financing Program (CalCAP/Seismic Safety) offers lenders a mechanism to provide loans to small businesses or individuals that may not otherwise qualify for a loan under conventional underwriting. With CalCAP, lenders are able to cover portions of loans that exceed the risk threshold normally set for business loans.



Loans may be used for Seismic retrofit construction that is necessary to ensure that the Qualified building is capable of substantially mitigating seismic damage, and the financing necessary to pay Eligible Costs of the project. Most Qualified residential and commercial property owners within California are eligible borrowers under the CalCAP/ Seismic Safety Program, with few exceptions noted below. Residential property owners qualify for this program.



The enrolled portion of the loan is limited to Eligible Costs necessary and allocable to the Eligible Project, as defined in 4 CCR §8078.15 (d) and (e). The Qualified Loan is not a restructured or refinanced loan and has not previously been enrolled in the Program.



Refer to the CalCAP Regulations §8070 and §8078.15 through §8078.21 as appended in Chapter VIII for full disclosure of eligibility and uses of loan proceeds. Contact CalCAP directly if you are unsure about the eligibility of a specific business type.



Flexibility	Restrictions
<ul style="list-style-type: none"> <li>▪ Lenders set all the terms and conditions of the loans and decide which loans to enroll into CalCAP.</li> <li>▪ Lenders determine the fee levels to be paid by the borrower and lender (within the parameters of the Program). Fees are placed in the lender's loss reserve account as each CalCAP loan is enrolled.</li> <li>▪ Loans can be short- or long-term, have fixed or variable rates, be secured or unsecured, and bear any type of amortization schedule.</li> <li>▪ Lenders can enroll all or a portion of a loan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Maximum loan amount is \$5,000,000, and the maximum enrollment amount per borrower is \$250,000.</li> <li>▪ The borrower/ lender fees contributions must be between 2 and 3.5% of the enrolled amount, and they must be equal.</li> <li>▪ CalCAP contributes a maximum of 14% of the enrolled amount (four times the lender contribution) (+ up to an additional two times the lender contribution if located in a Severely Affected Community) for loans enrolled with a loan term of 60 months or less.</li> <li>▪ Loans may be insured by CalCAP for a maximum of 10 years (120 months) from the date of loan.</li> <li>▪ The borrower must have legal control of the facility for a term that is equal to or greater than the length of the enrolled loan, and assumes financial liability of the loan.</li> <li>▪ The borrower's building location must be in California as those terms are defined in 4 CCR §8070 (o) of the California Code of Regulations (CCR).</li> <li>▪ The borrower's business must be in one of the industries listed in the North American Industry Classification System (NAICS) codes list. ☞ NAICS: <a href="http://www.census.gov/eos/www/naics">http://www.census.gov/eos/www/naics</a></li> <li>▪ The small business must be classified as a small business under U.S. Small Business Administration guidelines (Title 13 of the Code of Federal Regulations ☞ U.S. Small Business Administration Guidelines: <a href="https://www.sba.gov/">https://www.sba.gov/</a></li> <li>▪ The Participating Financial Institution has not, and will not, enroll the same loan or portion thereof in any other government program substantially similar to the Program.</li> <li>▪ Per California Health and Safety Code §44559.14 (d) (4), Qualified Loans may not be enrolled in any other Capital Access Loan Program for small business offered by CPCFA as long as funds are available for the CalCAP/ Seismic Safety Program.</li> </ul>

### III. Enrolling a Loan

#### A. Overview

Lenders must submit to CalCAP the following forms and documentation with each loan enrollment request:

	CalCAP	Retain in Loan File	Provide to Borrower
<b>Required</b>			
<b>1. CalCAP Seismic Safety Program Loan Enrollment Application</b> <a href="http://www.treasurer.ca.gov/cpcfca/calcap/seismic/enrollment.pdf">http://www.treasurer.ca.gov/cpcfca/calcap/seismic/enrollment.pdf</a>	√	√	
<b>2. CalCAP Seismic Safety Program Lender Certification</b> <a href="http://www.treasurer.ca.gov/cpcfca/calcap/seismic/lender_cert.pdf">http://www.treasurer.ca.gov/cpcfca/calcap/seismic/lender_cert.pdf</a>	√	√	
<b>3. CalCAP Seismic Safety Program Borrower Certification</b> <a href="http://www.treasurer.ca.gov/cpcfca/calcap/seismic/certification.pdf">http://www.treasurer.ca.gov/cpcfca/calcap/seismic/certification.pdf</a>	√	√	
<b>4. Proof of Borrower and Lender Fee Deposit—</b> <i>deposit receipt for lenders holding their own loan loss reserve accounts</i>	√	√	
<b>5. NAICS Print-Out (most current year)</b> <a href="http://www.census.gov/eos/www/naics/">http://www.census.gov/eos/www/naics/</a>	√	√	
<b>6. Cost Estimate, as provided by borrower—</b> <i>a written proposal or estimate of the Eligible Costs of materials, services, and other expenses identified to complete the Seismic retrofit construction for each Eligible project as provided by an engineer, architect or a licensed contractor.</i>		√	
<b>7. Borrower Privacy Notice</b> <a href="http://www.treasurer.ca.gov/cpcfca/calcap/forms/privacy.pdf">http://www.treasurer.ca.gov/cpcfca/calcap/forms/privacy.pdf</a>			√
<b>If Applicable</b>			
<b>8. Print-out of web page showing borrower is located in a Severely Affected Community (SAC), if applicable:</b> <a href="http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html">http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html</a>	√	√	
<b>9. CalCAP “Borrower’s Agreement to Pay Lender’s Fee” form –</b> <i>only for applications for which the borrower is paying both the lender and borrower fees</i> <a href="http://www.treasurer.ca.gov/cpcfca/calcap/sb/fees.pdf">http://www.treasurer.ca.gov/cpcfca/calcap/sb/fees.pdf</a>	√	√	





Completed CalCAP loan enrollment applications must be **received** at CalCAP within **15 business days of the “Date of First Disbursement” (Date of Loan)** by email, fax, or regular mail:



[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)



(916) 589-2805



CPCFA CalCAP/ Seismic Safety  
P.O. Box 942809 Sacramento,  
CA 94209-0001

## **B. CalCAP/ Seismic Safety Loan Enrollment**

Before submitting a CalCAP/ Seismic Safety Loan Enrollment Application, lenders should ensure the following pertinent documentation is fully completed:

<u>Required</u>	<u>If Applicable</u>
✓ CalCAP Seismic Safety Financing Program Loan Enrollment Application	✓ Severely Affected Community Information
✓ CalCAP Seismic Safety Financing Program Lender Certification	✓ CalCAP “Borrower’s Agreement to Pay Lender’s Fee” form
✓ CalCAP Seismic Safety Financing Program Borrower Certification	
✓ Proof of Borrower and Lender Fees Deposit	
✓ NAICS Print-Out	
✓ Cost Estimate (retain in loan file)	



Pursuant to the California Information Practices Act of 1977 (Civil Code Section 1798.17), lenders are to provide the borrower with a copy of the Borrower Privacy Notice disclosing borrower data collected by lenders on behalf of CalCAP.

Additionally, any alteration of certifications need to be approved by CalCAP prior to use. With the exception of the Cost Estimate, copies of these documents must be submitted with the loan enrollment package, and the original set should be maintained with the borrower’s loan file and made available to CalCAP for review upon request. Lenders must also collect and retain a copy in their loan files of all applicable licenses or permits needed for the construction related retrofit.

All individuals who are party to the loan and/ or have signed the loan documents on behalf of the business or residential property owner, including borrowers, co-borrowers, and guarantors, must also sign and complete a CalCAP Seismic Safety Program Borrower Certification form, which must be submitted with the loan enrollment package.

Lenders must maintain documentation in their loan files demonstrating that the small business borrower is licensed to operate in California if the borrower is a small business. Satisfaction of this requirement is at the sole discretion of CPCFA staff, and the documents should be made available to CPCFA for review upon request. The following are examples of recommended documents, any one of which may demonstrate eligibility:

- ✓ Secretary of State Business Entity Filing
- ✓ Fictitious Business Name Filing
- ✓ Articles of Incorporation
- ✓ Seller's Permit
- ✓ Business Tax Returns
- ✓ Personal Tax Returns demonstrating self-employment income
- ✓ Sales Tax Licenses
- ✓ Business Tax Certificates
- ✓ Annual Business Income Tax Statements

### **Instructions for Completing the CalCAP Loan Enrollment Application**

This section provides instructions for lenders on how to complete the CalCAP Seismic Safety Financing Program Loan Enrollment Application, which is the primary form needed for lenders to enroll a loan with CalCAP.

A copy of the application can be found in Chapter VII of this manual. However, lenders should always check CalCAP's website for the most current version of the application:

 <http://www.treasurer.ca.gov/cpcfa/calcap/seismic/summary.asp>

#### ***Form 1: CalCAP Seismic Safety Financing Program Loan Enrollment Application***

#### **Lender Information Section**

<p>CALIFORNIA CAPITAL ACCESS PROGRAM California Pollution Control Financing Authority <a href="mailto:CalCAP@treasurer.ca.gov">CalCAP@treasurer.ca.gov</a></p> <p>Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor Sacramento, CA 95814</p>	<p>Mailing Address: P.O. Box 942809 Sacramento, CA 94209-0001 Fax (916) 589-2805</p>								
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; text-align: center;"><b>CalCAP Use Only</b></td> <td style="padding: 2px;">CalCAP Loan #</td> </tr> <tr> <td></td> <td style="padding: 2px;">Date Received</td> </tr> </table>	<b>CalCAP Use Only</b>	CalCAP Loan #		Date Received					
<b>CalCAP Use Only</b>	CalCAP Loan #								
	Date Received								
<b>CALCAP SEISMIC SAFETY FINANCING PROGRAM LOAN ENROLLMENT APPLICATION</b>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="padding: 2px;"><b><u>Lender Information</u></b></td> </tr> <tr> <td style="width: 50%; padding: 2px;">Participating Lender _____</td> <td style="width: 50%; padding: 2px;">Lender ID# _____</td> </tr> <tr> <td style="padding: 2px;">Loan Contact Name _____</td> <td style="padding: 2px;">Contact Phone _____</td> </tr> <tr> <td style="padding: 2px;">Loan Contact Email _____</td> <td></td> </tr> </table>		<b><u>Lender Information</u></b>		Participating Lender _____	Lender ID# _____	Loan Contact Name _____	Contact Phone _____	Loan Contact Email _____	
<b><u>Lender Information</u></b>									
Participating Lender _____	Lender ID# _____								
Loan Contact Name _____	Contact Phone _____								
Loan Contact Email _____									

Field	Information Needed
▪ Participating Lender	✓ Name of the financial institution.
▪ Lender ID#	✓ The financial institution's assigned CalCAP Lender ID. This number was issued and provided on the signed copy of the lender's "Financial Institution Application" agreement and "Welcome Letter" that accompanied it. (This number never changes.)
▪ Loan Contact Name	✓ Name of lender representative CalCAP can contact with questions about this enrollment.
▪ Contact Phone	✓ Direct phone number with area code for Loan Contact named above.
▪ Loan Contact Email	✓ Email of Loan Contact named above.

### Borrower Information Section

**Borrower Information**     Small Business     Residential Property Owner     Commercial Property Owner

Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ Zip \_\_\_\_\_

Is the building certified by the local building code enforcement authority as a Qualified Building?  No  Yes

Is building located in a Severely Affected Community?  No  Yes

If Yes, select reason:  City  Unincorporated  County if City Not Listed  Other: \_\_\_\_\_

Address of building to be retrofitted: \_\_\_\_\_

Type of Qualified Building:  Commercial  Residential  Registered Mobilehome  Multi-Unit-Dwelling: (If yes, Number of Units \_\_\_\_\_)

Description of Eligible Costs \_\_\_\_\_

Are any proceeds to be used for purposes other than seismic safety?  Yes  No    If yes, amount \$ \_\_\_\_\_

**If Borrower is a Small Business, the following information is also required:**

Business DBA: \_\_\_\_\_ Name of Responsible Person: \_\_\_\_\_ Title: \_\_\_\_\_

Type of Business/Activities \_\_\_\_\_ What year was the business incorporated or opened? \_\_\_\_\_

Annual Revenues Last Fiscal Year \$ \_\_\_\_\_ Average Annual Revenue Last 3 Years \$ \_\_\_\_\_

Number of Full Time Equivalents/Employees \_\_\_\_\_

NAICS Code \_\_\_\_\_ Census Tract # \_\_\_\_\_

<http://www.census.gov/eos/www/naics/>    <http://www.fiec.gov/Geocode/default.aspx>

Is business minority owned?  Yes  No  Decline to Answer    Is business woman owned?  Yes  No  Decline to Answer

Is business veteran owned?  Yes  No  Decline to Answer

Field	Information Needed
▪ Type of Borrower <input type="checkbox"/> Small Business <input type="checkbox"/> Residential Property Owner <input type="checkbox"/> Commercial Property Owner	✓ Check one box only
▪ Name	✓ Name of the primary borrower representing the business.
▪ Address, City, County, Zip	✓ Physical address of the business.

<ul style="list-style-type: none"> <li>▪ Is the building certified by the local building code enforcement authority as a Qualified Building?  <input type="checkbox"/> No <input type="checkbox"/> Yes</li> </ul>	<p>✓ Check one box only</p>
<ul style="list-style-type: none"> <li>▪ Is business located in a Severely Affected Community? <input type="checkbox"/> No <input type="checkbox"/> Yes</li> <li>▪ If Yes, select reason:  <input type="checkbox"/> City <input type="checkbox"/> Unincorporated  <input type="checkbox"/> County if City Not Listed  <input type="checkbox"/> Other: _____</li> </ul>	<p>✓ Indicate whether the business is in a Severely Affected Community (SAC) as reported by data from:</p> <ul style="list-style-type: none"> <li>☞ Employment Development Department (EDD):  <a href="http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html">http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html</a></li> <li>☞ Follow the instructions below to determine whether the business is located in a SAC and which reason is applicable. If the business is located in a Severely Affected Community, submit a print-out of the most recent EDD unemployment report with the CalCAP/ Seismic Safety Loan Enrollment Application.</li> </ul>

**Severely Affected Communities**

If a CalCAP loan enrollment is for a borrower located within a Severely Affected Community (SAC), it may qualify for an additional contribution. Borrowers with addresses in areas of high unemployment are located within a Severely Affected Community, as provided in the CalCAP Program Regulations. Currently, SAC contributions are offered in the CalCAP for Small Business Loan Loss Reserve program, the CalCAP Collateral Support Program, the CalCAP Americans with Disabilities Act Financing Program, and the CalCAP Seismic Safety Financing Program.

To determine whether a business is located in a Severely Affected Community, CalCAP uses data published by the Employment Development Department (EDD). A business is located in a Severely Affected Community if the Borrower's address is in a city where the unemployment rate is 110% of the state unemployment average or more. If the business is located in an unincorporated area of a county or if the city is not listed, the unemployment rate for county where the business is located will be used to determine whether or not the business is eligible to receive an additional premium. Follow these steps to report a loan enrollment located in a Severely Affected Community:

1. Check the current California unemployment rate posted by reviewing EDD's Monthly Data Release by navigating to <http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html> and selecting California and Counties under Current Month Data:

## ▶ Monthly Data Release

LMI Resources and Data: [LMI Home](#) | [By Customer](#) | [By Subject](#) | [By Geography](#) | [Data Library](#) | [LMI Online Services](#)

Each month the EDD Labor Market Information Division (LMID) releases revised and preliminary civilian labor force, unemployment geography for California, metropolitan areas, counties, and sub-county areas. These data and interactive tools are updated monthly. The last data released was for **December 2017**. Please refer to the [EDD Data Release Schedule](#) to see the next planned

- Monthly EDD Press Release
- Current Month Data
- Interactive Data Tools
- Analysis and Reports
- Additional Data

### Monthly EDD Press Release

View a **Statewide** or a **County** Press Release:

Data for areas on the drop down list that have an \* after the name offer multi-county Metropolitan Area data only.

- Official EDD Statewide News Release
- Current Labor Force Comparison
- Labor Force and Industry Employment: [Seasonally Adjusted](#) | [Not Seasonally Adjusted](#)
- Industry Employment - Official Estimates
- California Labor Market Review
- Online Job Advertisement Statistics: [Statewide](#) | [Metropolitan Areas](#)
- Text Data File – Comma-delimited: 1990 to Present - California, Counties, and MSA.

### Current Month Data

Unemployment Rate and Labor Force Data for:


- **California and Counties** 
- California and Metropolitan Areas
- Local Workforce Development Areas (Local Areas)
- Cities and Places by County
- Historical Unemployment Rates

The current California unemployment rate is located in the first row of the table.

State of California  
January 19, 2018  
March 2016 Benchmark

Employment Development Department  
Labor Market Information Division  
<http://www.labormarketinfo.edd.ca.gov>  
(916) 262-2162

**REPORT 400 C**  
**Monthly Labor Force Data for Counties**  
**December 2017 - Preliminary**  
Data Not Seasonally Adjusted



COUNTY	RANK BY RATE	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
<b>STATE TOTAL</b>	---	<b>19,286,500</b>	<b>18,481,900</b>	<b>804,600</b>	<b>4.2%</b>
ALAMEDA	7	847,800	822,600	25,200	3.0%
ALPINE	26	520	500	20	4.4%
AMADOR	26	14,660	14,010	650	4.4%
BUTTE	31	102,800	97,600	5,200	5.1%
CALAVERAS	21	21,150	20,300	850	4.0%

Print this document to submit with your loan enrollment package.

City unemployment rates:

1. Lookup the current unemployment rate for the borrower's city by navigating to <http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html> and selecting Labor Force Data only for Cities and Census Designated Places:

## Monthly EDD Press Release

View a Statewide or a County Press Release:

Data for areas on the drop down list that have an \* after the name offer multi-county Metropolitan Area

- Official EDD Statewide News Release
- Current Labor Force Comparison
- Labor Force and Industry Employment: Seasonally Adjusted | Not Seasonally Adjusted
- Industry Employment - Official Estimates
- California Labor Market Review
- Online Job Advertisement Statistics: Statewide | Metropolitan Areas
- Text Data File – Comma-delimited: 1990 to Present - California, Counties, and MSA.

## Current Month Data

### Unemployment Rate and Labor Force Data for:

- California and Counties
- California and Metropolitan Areas
- Local Workforce Development Areas (Local Areas)
- Cities and Places by County
- Historical Unemployment Rates

### Labor Force Data only for:

- Cities and Census Designated Places 
- Local Workforce Development Areas (Local Areas)

### Industry Employment and Labor Force Data for:

- California
- Counties
- Metropolitan Areas

**And** selecting the borrower's county.

### Data for All County Sub-Areas

- Current Month (Excel)
- Annual Averages: 2016 | 2015 | 2014 | 2013 | 2012 | Historical Data

### Cities and Census Designated Places by Individual County

Alameda	Kings	Placer	Sierra (no city file)
Alpine (no city file)	Lake	Plumas	Siskiyou
Amador	Lassen	Riverside	Solano
Butte	Los Angeles	Sacramento	Sonoma
Calaveras	Madera	San Benito	Stanislaus
Colusa	Marin	San Bernardino	Sutter
Contra Costa	Mariposa	San Diego	Tehama
Del Norte	Mendocino	San Francisco	Trinity
El Dorado	Merced	San Joaquin	Tulare
Fresno	Modoc	San Luis Obispo	Tuolumne
Glenn	Mono	San Mateo	Ventura
Humboldt	Monterey	Santa Barbara	Yolo
Imperial	Napa	Santa Clara	Yuba
Inyo	Nevada	Santa Cruz	
Kern	Orange	Shasta	



- The selection will download the Monthly Labor Force Data for Cities and Census Designated Places in an excel file with the data for the county. **Print this document to submit with your loan enrollment package.**

	A	B	C	D	E	F	G
1	State of California					Employment Development Department	
2	January 19, 2018					Labor Market Information Division	
3	March 2016 Benchmark					<a href="http://www.labormarketinfo.edd.ca.gov">http://www.labormarketinfo.edd.ca.gov</a>	
4						(916) 262-2162	
5							
6	<b>Monthly Labor Force Data for Cities and Census Designated Places (CDP)</b>						
7	<b>December 2017 - Preliminary</b>						
8	<b>Data Not Seasonally Adjusted</b>						
9							
10		<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment Number</b>	<b>Rate</b>	<b>Census Ratios</b>	
11	<b>Area Name</b>					<b>Emp</b>	<b>Unemp</b>
12							
13	Alameda County	847,800	822,600	25,200	3.0%	1.000000	1.000000
14							
15	Alameda city	42,300	41,300	1,100	2.6%	0.050165	0.042905
16	Albany city	10,200	10,000	200	1.9%	0.012137	0.007677
17	Ashland CDP	11,100	10,600	500	4.9%	0.012860	0.021526
18	Berkeley city	63,500	62,000	1,500	2.4%	0.075379	0.060036
19	Castro Valley CDP	32,800	31,900	800	2.6%	0.038834	0.033310
20	Cherryland CDP	7,300	7,000	300	4.4%	0.008465	0.012639
21	Dublin city	30,000	29,500	600	1.8%	0.035828	0.021830
22	Emeryville city	8,000	7,900	200	1.9%	0.009583	0.006021
23	Fairview CDP	5,800	5,600	200	3.2%	0.006819	0.007347
24	Fremont city	120,100	117,300	2,800	2.3%	0.142611	0.110285

- If the city unemployment rate is 110% or more of current California statewide unemployment rate (not seasonally adjusted) as of the date of loan (date of first disbursement), the business is located in a Severely Affected Community.

**Example:** If the current California unemployment rate is 6.7%, any business located in a city with an unemployment rate of 7.37% or higher is considered located within a Severely Affected Community. ( $6.7 \times 1.1 = 7.37$ )

- Check the “Yes” box next to Severely Affected Community on the Loan Enrollment Application.
- Check the “City” box next to “If Yes, select reason.”
- Include the Monthly Labor Force Data for Cities and Census Designated Places printout, with city highlighted, when you submit the Loan Enrollment Application package to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

### Unincorporated Areas:

If the Borrower’s address is located in an unincorporated area of the county, the county unemployment rate will be used to determine Severely Affected Community eligibility. Documentation or explanation must be submitted if the borrower’s address is in an unincorporated area. For example, documentation includes, but is not limited to the following: maps with business location and maps that show the business address is in an unincorporated area of the county, utility bills, or other documentation showing the business is outside a municipality.

1. Lookup the current unemployment rate for the borrower's County by navigating to <http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html> and selecting Labor Force Data only for Cities and Census Designated Places:

### Monthly EDD Press Release

**View a Statewide or a County Press Release:** California - Official EDD Release Go

Data for areas on the drop down list that have an \* after the name offer multi-county Metropolitan Area

- Official EDD Statewide News Release
- Current Labor Force Comparison
- Labor Force and Industry Employment: Seasonally Adjusted | Not Seasonally Adjusted
- Industry Employment - Official Estimates
- California Labor Market Review
- Online Job Advertisement Statistics: [Statewide](#) | [Metropolitan Areas](#)
- Text Data File – Comma-delimited: 1990 to Present - California, Counties, and MSA.

## Current Month Data

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### Unemployment Rate and Labor Force Data for:

- California and Counties
- California and Metropolitan Areas
- Local Workforce Development Areas (Local Areas)
- Cities and Places by County
- Historical Unemployment Rates

### Labor Force Data only for:

- Cities and Census Designated Places 
- Local Workforce Development Areas (Local Areas)

### Industry Employment and Labor Force Data for:

- California
- Counties
- Metropolitan Areas

**And** selecting the borrower's county.

### Data for All County Sub-Areas

- Current Month (Excel)
- Annual Averages: 2016 | 2015 | 2014 | 2013 | 2012 | [Historical Data](#)

### Cities and Census Designated Places by Individual County

Alameda	Kings	Placer	Sierra (no city file)
Alpine (no city file)	Lake	Plumas	Siskiyou
Amador	Lassen	Riverside	Solano
Butte	Los Angeles	Sacramento	Sonoma
Calaveras	Madera	San Benito	Stanislaus
Colusa	Marin	San Bernardino	Sutter
Contra Costa	Mariposa	San Diego	Tehama
Del Norte	Mendocino	San Francisco	Trinity
El Dorado	Merced	San Joaquin	Tulare
Fresno	Modoc	San Luis Obispo	Tuolumne
Glenn	Mono	San Mateo	Ventura
Humboldt	Monterey	Santa Barbara	Yolo
Imperial	Napa	Santa Clara	Yuba
Inyo	Nevada	Santa Cruz	
Kern	Orange	Shasta	

- The selection will download the Monthly Labor Force Data for Cities and Census Designated Places in an excel file with the data for the county. **Print this document to submit with your loan enrollment package.**
- If the county unemployment rate is 110% or more of the current California statewide unemployment rate (not seasonally adjusted) as of the date of loan (date of first disbursement) the business is located in a Severely Affected Community.

	A	B	C	D	E	F	G
1	State of California					Employment Development Department	
2	January 19, 2018					Labor Market Information Division	
3	March 2016 Benchmark					<a href="http://www.labormarketinfo.edd.ca.gov">http://www.labormarketinfo.edd.ca.gov</a>	
4						(916) 262-2162	
5							
6	<b>Monthly Labor Force Data for Cities and Census Designated Places (CDP)</b>						
7	<b>December 2017 - Preliminary</b>						
8	<b>Data Not Seasonally Adjusted</b>						
9							
10		<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment Number</b>	<b>Rate</b>	<b>Census Ratios</b>	
11	<b>Area Name</b>					<b>Emp</b>	<b>Unemp</b>
12							
13	Alameda County	847,800	822,600	25,200	3.0%	1.000000	1.000000
14							
15	Alameda city	42,300	41,300	1,100	2.6%	0.050165	0.042905
16	Albany city	10,200	10,000	200	1.9%	0.012137	0.007677
17	Ashland CDP	11,100	10,600	500	4.9%	0.012860	0.021526
18	Berkeley city	63,500	62,000	1,500	2.4%	0.075379	0.060036
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22	Emeryville city	8,000	7,900	200	1.9%	0.009583	0.006021
23	Fairview CDP	5,800	5,600	200	3.2%	0.006819	0.007347
24	Fremont city	120,100	117,300	2,800	2.3%	0.142611	0.110285

**Example:** If the current California unemployment rate is 6.7% any business located in a County with an unemployment rate of 7.37% or higher is considered located within a Severely Affected Community. ( $6.7 \times 1.1 = 7.37$ )

- Check the “Yes” box next to Severely Affected Community on the Loan Enrollment Application.
- Check the “City” box next to “If Yes, select reason.”
- Include the Monthly Labor Force Data for Cities and Census Designated Places printout, with city highlighted, when you submit the Loan Enrollment Application package to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

#### County unemployment rates:

If the city of the Borrower’s address is not listed under the City and Census Designated Places link on the EDD website, the county may be used to determine Severely Affected Community eligibility.

- Lookup the current unemployment rate for the borrower’s County by navigating to <http://www.labormarketinfo.edd.ca.gov/data/monthly-data-release.html> and selecting Labor Force Data only for Cities and Census Designated Places:

## Monthly EDD Press Release

View a Statewide or a County Press Release:

Data for areas on the drop down list that have an \* after the name offer multi-county Metropolitan Area

- Official EDD Statewide News Release
- Current Labor Force Comparison
- Labor Force and Industry Employment: Seasonally Adjusted | Not Seasonally Adjusted
- Industry Employment - Official Estimates
- California Labor Market Review
- Online Job Advertisement Statistics: [Statewide](#) | [Metropolitan Areas](#)
- Text Data File – Comma-delimited: 1990 to Present - California, Counties, and MSA.

## Current Month Data

### Unemployment Rate and Labor Force Data for:

- [California and Counties](#)
- [California and Metropolitan Areas](#)
- [Local Workforce Development Areas \(Local Areas\)](#)
- [Cities and Places by County](#)
- [Historical Unemployment Rates](#)

### Labor Force Data only for:

- [Cities and Census Designated Places](#)
- [Local Workforce Development Areas \(Local Areas\)](#)



### Industry Employment and Labor Force Data for:

- [California](#)
- [Counties](#)
- [Metropolitan Areas](#)

**And** selecting the borrower's county.

### Data for All County Sub-Areas

- [Current Month \(Excel\)](#)
- [Annual Averages: 2016 | 2015 | 2014 | 2013 | 2012 | Historical Data](#)

### Cities and Census Designated Places by Individual County

Alameda	Kings	Placer	Sierra (no city file)
Alpine (no city file)	Lake	Plumas	Siskiyou
Amador	Lassen	Riverside	Solano
Butte	Los Angeles	Sacramento	Sonoma
Calaveras	Madera	San Benito	Stanislaus
Cotusa	Marin	San Bernardino	Sutter
Contra Costa	Mariposa	San Diego	Tehama
Del Norte	Mendocino	San Francisco	Trinity
El Dorado	Merced	San Joaquin	Tulare
Fresno	Modoc	San Luis Obispo	Tuolumne
Glenn	Mono	San Mateo	Ventura
Humboldt	Monterey	Santa Barbara	Yolo
Imperial	Napa	Santa Clara	Yuba
Inyo	Nevada	Santa Cruz	
Kern	Orange	Shasta	

2. The selection will download the Monthly Labor Force Data for Cities and Census Designated Places in an excel file with the data for the county. **Print this document to submit with your loan enrollment package.**

	A	B	C	D	E	F	G
1	State of California				Employment Development Department		
2	January 19, 2018				Labor Market Information Division		
3	March 2016 Benchmark				<a href="http://www.labormarketinfo.edd.ca.gov">http://www.labormarketinfo.edd.ca.gov</a>		
4					(916) 262-2162		
5							
6	<b>Monthly Labor Force Data for Cities and Census Designated Places (CDP)</b>						
7	<b>December 2017 - Preliminary</b>						
8	<b>Data Not Seasonally Adjusted</b>						
9							
10		<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment Number</b>	<b>Rate</b>	<b>Census Ratios</b>	
11	<b>Area Name</b>					<b>Emp</b>	<b>Unemp</b>
12							
13	Alameda County	847,800	822,600	25,200	3.0%	1.000000	1.000000
14							
15	Alameda city	42,300	41,300	1,100	2.6%	0.050165	0.042905
16	Albany city	10,200	10,000	200	1.9%	0.012137	0.007677
17	Ashland CDP	11,100	10,600	500	4.9%	0.012860	0.021526
18	Berkeley city	63,500	62,000	1,500	2.4%	0.075379	0.060036
19	Castro Valley CDP	32,800	31,900	800	2.6%	0.038834	0.033310
20	Cherryland CDP	7,300	7,000	300	4.4%	0.008465	0.012639
21	Dublin city	30,000	29,500	600	1.8%	0.035828	0.021830
22	Emeryville city	8,000	7,900	200	1.9%	0.009583	0.006021
23	Fairview CDP	5,800	5,600	200	3.2%	0.006819	0.007347
24	Fremont city	120,100	117,300	2,800	2.3%	0.142611	0.110285

3. If the city of the Borrower's address is not listed, use the county.
4. Check the "Yes" box next to Severely Affected Community on the Loan Enrollment Application.
5. Check the "City" box next to "If Yes, select reason."
6. Include the Monthly Labor Force Data for Cities and Census Designated Places printout, with city highlighted, when you submit the Loan Enrollment Application package to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

<ul style="list-style-type: none"> <li>▪ Address of building to be retrofitted</li> </ul>	<ul style="list-style-type: none"> <li>✓ Indicate the full address of the building location where the loan monies will be used for.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Type of Qualified Building <ul style="list-style-type: none"> <li><input type="checkbox"/> Commercial Property</li> <li><input type="checkbox"/> Residential Property</li> <li><input type="checkbox"/> Registered Mobilehome</li> <li><input type="checkbox"/> Multi-Unit-Dwelling (if this box is checked, enter the number of rooms designed as a unit for occupancy)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Check one box only</li> <li>☞ The borrower must have legal control of this property for a term at least equal to the length of the enrolled loan.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Description of Eligible Costs (Purpose of Loan)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Brief description of the use of loan proceeds (e.g. "anchoring structure to foundation", "bracing cripple walls", "bracing hot water heaters", installing automatic gas shutoff valves", "repairing or reinforcing the foundation to improve the integrity of the foundation against seismic damage", "anchoring fuel storage", "installing earthquake-resistant bracing system for mobile homes that are registered with Department of Housing and Community Development", etc.</li> </ul>

<ul style="list-style-type: none"> <li>▪ Are any proceeds to be used for purposes other than seismic safety? <input type="checkbox"/>Yes <input type="checkbox"/>No</li> </ul>	<ul style="list-style-type: none"> <li>✓ Check one box only <ul style="list-style-type: none"> <li>☞ If marked “yes” list the amount used for purposes other than seismic safety.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>▪ Is the Borrower a Small Business? <ul style="list-style-type: none"> <li>☞ If “Yes” to this question:</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Identify the “Business DBA”</li> <li>✓ Identify the “Name of the Responsible Person” and their “title”</li> <li>✓ Identify the Type of Business/Activities</li> <li>✓ Indicate the year the business was incorporated or opened</li> <li>✓ List the Business’ Annual business revenues for the last fiscal year’ —rounded to the nearest whole dollar amount. <ul style="list-style-type: none"> <li>☞ If the business is a start-up, use the current income or \$0.</li> </ul> </li> <li>✓ List the Business’ Average Annual Revenue Last 3 Years, rounded to the nearest whole dollar amount. <ul style="list-style-type: none"> <li>☞ If the business is a start-up, use the current income or \$0.</li> <li>☞ If the business was established within the last three years, determine the average annual revenue for each year in which it did generate revenue.</li> </ul> </li> <li>✓ Identify the “Number of Full Time Equivalents” (FTE) employees - rounded to the nearest whole number. This cannot exceed 500. <ul style="list-style-type: none"> <li>☞ Refer to the FAQs in Chapter VI for instructions on how to report the number of FTEs.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>▪ NAICS Code</li> </ul>	<ul style="list-style-type: none"> <li>✓ Six digit number used by the North American Industry Classification System (NAICS) to categorize business types. Please provide the most current print-out of the applicable NAICS code for the borrower’s business. <ul style="list-style-type: none"> <li>☞ <a href="http://www.census.gov/eos/www/naics/">http://www.census.gov/eos/www/naics/</a></li> </ul> </li> </ul>



# North American Industry Classification System

- Main
- History
- Development Partners
- Federal Register Notices
- NAPCS
- FAQs

**NAICS Search:**

Enter keyword or 2-6 digit code



Enter keyword or 2-6 digit code



Enter keyword or 2-6 digit code



**Reference Files**

- [2017 NAICS](#)
- [2012 NAICS](#)
- [2007 NAICS](#)
- [2002 NAICS](#)
- [1997 NAICS](#)

## 2017 NAICS Key Word Search

Enter business activity type (e.g. trucking)

**Search results for: trucking**

Number of records found: 34

- [484110](#) Trucking, general freight, local
- [484110](#) Transfer (trucking) services, general freight, local
- [484110](#) General freight trucking, local
- [484110](#) Container trucking services, local
- [484121](#) Trucking, general freight, long-distance, truckload (TL)
- [484121](#) General freight trucking, long-distance, truckload (TL)
- [484121](#) Container trucking services, long-distance (TL)
- [484122](#) Trucking, general freight, long-distance, less-than-truckload (LTL)
- [484122](#) LTL (less-than-truckload) long-distance freight trucking
- [484122](#) General freight trucking, long-distance, less-than-truckload (LTL)
- [484210](#) Trucking used household, office, or institutional furniture and equipment

Select 6-digit code that best describes the business activity

<ul style="list-style-type: none"> <li>▪ <b>Census Tract #</b></li> </ul>	<p>✓ 11-digit number used to identify the specific location of a business to provide more reporting consistency and uniformity.</p> <p><a href="https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx">https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx</a></p>
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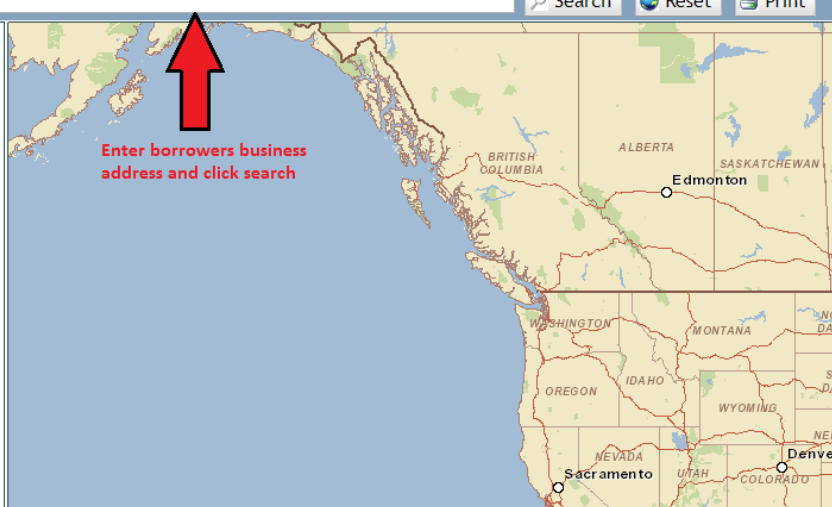
FFIEC Year: 2017 Address:  Search Reset Print

Matched Address	
Address	
MSA/MD Code	
State Code	
County Code	
Tract Code	
MSA/MD Name	
State Name	
County Name	

User Select Tract

**Geocoding System**

The FFIEC Geocoding/Mapping System (System) helps financial institutions meet their legal requirement to report information on mortgage, business, and farm loan applications. Geocoding refers to the Metropolitan Statistical Area/Metropolitan Division (MSA/MD), State, County, Census Tract combination (address information) that must be provided for each reported loan application and the System allows institutions to enter a street address to determine the corresponding geocode. The System also provides Census demographic information about a particular census tract, including income, population, and housing data.



Enter borrowers business address and click search

FFIEC Year: 2017 Address: 915 Capitol Mall, Sacramento Ca

Matched Address	
Address	915 CAPITOL MALL, SACRAMENTO, CA, 95814
MSA/MD Code	40900
State Code	06
County Code	067
Tract Code	0011.01
MSA/MD Name	SACRAMENTO-ROSEVILLE-ARDEN-ARCADE, CA
State Name	CALIFORNIA
County Name	SACRAMENTO COUNTY

Census Demographic Data

User Select Tract

**This Census Tract # is:  
060670011.01**

<ul style="list-style-type: none"> <li>Is business minority owned? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decline to Answer</li> </ul>	<ul style="list-style-type: none"> <li>✓ The business is minority owned if at least 51% of the business is owned by one or more minority individuals.</li> </ul>
<ul style="list-style-type: none"> <li>Is business woman owned? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decline to Answer</li> </ul>	<ul style="list-style-type: none"> <li>✓ The business is woman owned if at least 51% of the business is owned by one or more women.</li> </ul>
<ul style="list-style-type: none"> <li>Is business veteran owned? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decline to Answer</li> </ul>	<ul style="list-style-type: none"> <li>✓ The business is veteran owned if at least 51% of the business is owned by one or more veterans.</li> </ul>

### Loan Information Section

**Loan Information**

Is this loan enrolled in any other government guarantee program?  Yes  No If Yes, name the program: \_\_\_\_\_

Is the Eligible Project receiving any grant funding by a public entity?  Yes  No If yes, Name of Public Entity: \_\_\_\_\_

Lender Loan Number \_\_\_\_\_ Type of Loan: \_\_\_\_\_

Total Loan Amount \$ \_\_\_\_\_ Loan Amount Enrolled in CalCAP/Seismic \$ \_\_\_\_\_

Purpose of Loan \_\_\_\_\_ Loan Amount Enrolled in CalCAP for Small Business/ State Fund (if any) \$ \_\_\_\_\_

Date of First Disbursement (Date of Loan) \_\_\_\_\_ Maturity Date \_\_\_\_\_ End of Coverage  5 year  10 year

Interest Rate \_\_\_\_\_ %  Fixed  Variable Is the loan secured?  Yes  No

Borrower Fee \$ \_\_\_\_\_ % Lender Fee \$ \_\_\_\_\_ %

Field	Information Needed
<ul style="list-style-type: none"> <li>▪ Is this loan enrolled in any other government guarantee program?  <input type="checkbox"/> Yes <input type="checkbox"/> No  ☞ If “Yes”, name the program:</li> </ul>	<ul style="list-style-type: none"> <li>✓ Qualified loans do not include any loan or portion thereof to the extent the same loan or portion thereof has been, is being, or will be enrolled in any other government program substantially similar to the Program.</li> <li>✓ Provide the name of the other program in which the loan is, has been, or will be enrolled.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Is the Eligible Project receiving any grant funding by a public entity?  <input type="checkbox"/> Yes <input type="checkbox"/> No  ☞ If “Yes”, name the Public Entity</li> </ul>	<ul style="list-style-type: none"> <li>✓ Provide the name of the other Public Entity in which the loan is, has been, or will be financially assisting the Eligible Project</li> </ul>
<ul style="list-style-type: none"> <li>▪ Lender Loan Number</li> </ul>	<ul style="list-style-type: none"> <li>✓ List the unique loan number associated with the borrower’s loan.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Type of Loan:  <input type="checkbox"/> Line of Credit <input type="checkbox"/> Term Loan</li> </ul>	<ul style="list-style-type: none"> <li>✓ Check one box only.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Total Loan Amount</li> </ul>	<ul style="list-style-type: none"> <li>✓ The total amount loaned to the borrower associated with the unique loan number (regardless of amount enrolled in CalCAP).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Loan Amount Enrolled in CalCAP/ Seismic Safety \$</li> </ul>	<ul style="list-style-type: none"> <li>✓ The portion of the loan the lender requests to enroll with CalCAP/ Seismic Safety. This amount should be equal to or less than the amount in the “Total Loan Amount” field.</li> <li>☞ Use this amount to calculate applicable lender and borrower fees.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Loan Amount Enrolled in CalCAP for Small Business/ state fund (if any) \$</li> </ul>	<ul style="list-style-type: none"> <li>✓ The portion of the loan the lender requests to enroll with CalCAP for Small Business (CalCAP SB) using state funds. Lenders seeking to concurrently enroll a portion of a CalCAP/ Seismic Safety loan in CalCAP SB must be approved to participate in both programs.</li> <li>☞ This amount should be \$0.00 unless loan includes business costs that are not eligible for CalCAP/ Seismic Safety.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Date of First Disbursement (Date of Loan)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Date of loan (if term loan) or date of first disbursement (if line of credit).</li> <li>☞ This date triggers the clock for the 15-day deadline to submit an enrollment application to CalCAP.</li> <li>☞ If the enrollment is a pre-qualification request, leave this field blank.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Maturity Date</li> </ul>	<ul style="list-style-type: none"> <li>✓ The date (MM/DD/YYYY) the enrolled loan matures. CalCAP will insure enrollment for a maximum of 5 years (60 months), regardless of maturity date.</li> <li>☞ If the enrollment is a pre-qualification request, leave this field blank.</li> </ul>
<ul style="list-style-type: none"> <li>▪ End of Coverage  <input type="checkbox"/> 5 year <input type="checkbox"/> 10 year</li> </ul>	<ul style="list-style-type: none"> <li>✓ Check one box only</li> </ul>

<ul style="list-style-type: none"> <li>Interest Rate <ul style="list-style-type: none"> <li><input type="checkbox"/> Fixed <input type="checkbox"/> Variable</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Annual Percentage Rate (APR) for the enrolled loan.</li> <li>✓ Indicate whether interest rate remains the same (fixed) or changes (variable) over the life of the loan. <ul style="list-style-type: none"> <li>☞ If answered “variable”, provide the starting rate and the index the variable rate is tied to.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Is the loan secured? <ul style="list-style-type: none"> <li><input type="checkbox"/> Yes <input type="checkbox"/> No</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ If collateral is used to secure the loan, answer “yes”—otherwise, answer “no”.</li> </ul>
<ul style="list-style-type: none"> <li>Borrower Fee</li> </ul>	<ul style="list-style-type: none"> <li>✓ Provide the dollar amount and percentage based on the enrolled amount of the loan. <ul style="list-style-type: none"> <li>☞ Percentage rate must be between 2% and 3.5%.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Lender Fee</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lender and borrower fees must be equal. Submit the “CalCAP Borrower’s Agreement to Pay Lender’s Fee” if borrower pays lender fee. <ul style="list-style-type: none"> <li>☞ <a href="http://www.treasurer.ca.gov/cpcf/calcap/sb/fees.pdf">http://www.treasurer.ca.gov/cpcf/calcap/sb/fees.pdf</a></li> </ul> </li> </ul>

## Signature and Certification Section

[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

Sacramento, CA 94209-0001  
Fax (916) 589-2805

**Borrower Name**
**Lender Loan Number**

### LENDER CERTIFICATION

Enrolling a loan in CalCAP requires the Participating Financial Institution to certify to each of the following program rules and requirements. \* All capitalized terms are defined in 4 CCR §8070 and §8078.15 of the California Code of Regulations.

- 1) The loan is a Qualified Loan as defined in 4 CCR §8078.15 (h) of the California Code of Regulations.
- 2) The borrower receiving the Qualified Loan is a Qualified Small Business, Qualified residential property owner or Qualified commercial property owner.
- 3) The proceeds of the loan will be used for the Eligible Costs of an Eligible Project as defined in 4 CCR §8078.15 (d) and §8078.15 (e) of the California Code of Regulations.
- 4) The Eligible Costs do not include the amount of any grant provided by a public entity for the Eligible Project.
- 5) Based upon its due diligence and underwriting standards, the Participating Financial Institution certifies as to the number of full-time equivalent employees of the borrower, whether the qualified building(s) is located in a Severely Affected Community.
- 6) Participating Financial Institution will provide information from the financial records of the Borrower upon request of the Executive Director of the CPCFA (and the Participating Financial Institution certifies it has obtained the consent of the Borrower to such disclosure.)
- 7) The Participating Financial Institution has obtained a written representation from the Borrower that the Borrower has no legal, beneficial or equitable, interest in the Fees or the CalCAP/ Seismic Safety Contribution.
- 8) The Borrower’s total principal amount of loans enrolled in the CalCAP/Seismic Safety Program with any Participating Financial Institution does not exceed \$250,000.
- 9) The Borrower has provided a Cost Estimate as defined in 4 CCR §8078.15 (b) of the California Code of Regulations, the cost estimate has been prepared by an engineer, architect or a licensed contractor, and the cost estimate for seismic retrofit construction to be financed is limited to Eligible Costs.
- 10) The Participating Financial Institution has notified the Borrower if the Participating Financial Institution’s share of the Fees for the Qualified Loan has been paid by the Borrower.
- 11) The Participating Financial Institution will collect and retain copies of all applicable licenses and permits needed for the construction related retrofit(s) or alteration(s) from the Borrower, and satisfy the local building enforcement agency or the Department of Housing and Community Development compliance and inspection requirements once seismic retrofit construction is completed, and no later than 180 days after disbursement of proceeds.
- 12) The Participating Financial Institution has not, and will not, enroll the same enrolled loan or portion thereof in any other government program substantially similar to the Program.
- 13) The Borrower has received the CalCAP/ Seismic Safety Privacy Notice.
- 14) The Participating Financial Institution acknowledges that its lending activities are subject to any applicable safety and soundness standards as set forth in applicable lending regulations and that the usual methods of securing collateral have been applied, including if applicable a lien placed on the Borrower’s Qualified building for the amount of the Qualified loan.
- 15) When the Qualified building is a mobilehome or manufactured home, that the borrower has provided a record of borrower’s name on a current registration from the Department of Housing and Community Development for the mobile home or manufactured home.
- 16) The Qualified loan or any portion thereof is not a restructured or refinanced loan and has not previously been enrolled in the CalCAP Seismic Safety Program.

**If the Borrower is a Small Business, the following certifications also apply:**

- 17) The Qualified Loan is for a business activity that has its Primary Economic Effect in California as defined in 4 CCR §8070(q) of the CPCFA Regulations.
- 18) The Participating Financial Institution has obtained a written representation from the Borrower that it has secured or made application for all applicable licenses or permits needed to conduct its business.
- 19) The Participating Financial Institution has not, and will not, enroll the Qualified Loan in any other Capital Access Loan Program for Small Business offered by the Authority as long as funds are available for this Program.

**By signing below and enrolling this loan the Participating Financial Institution certifies, based in part on information provided by the Borrower, that each of the above assurances is true and accurate.**

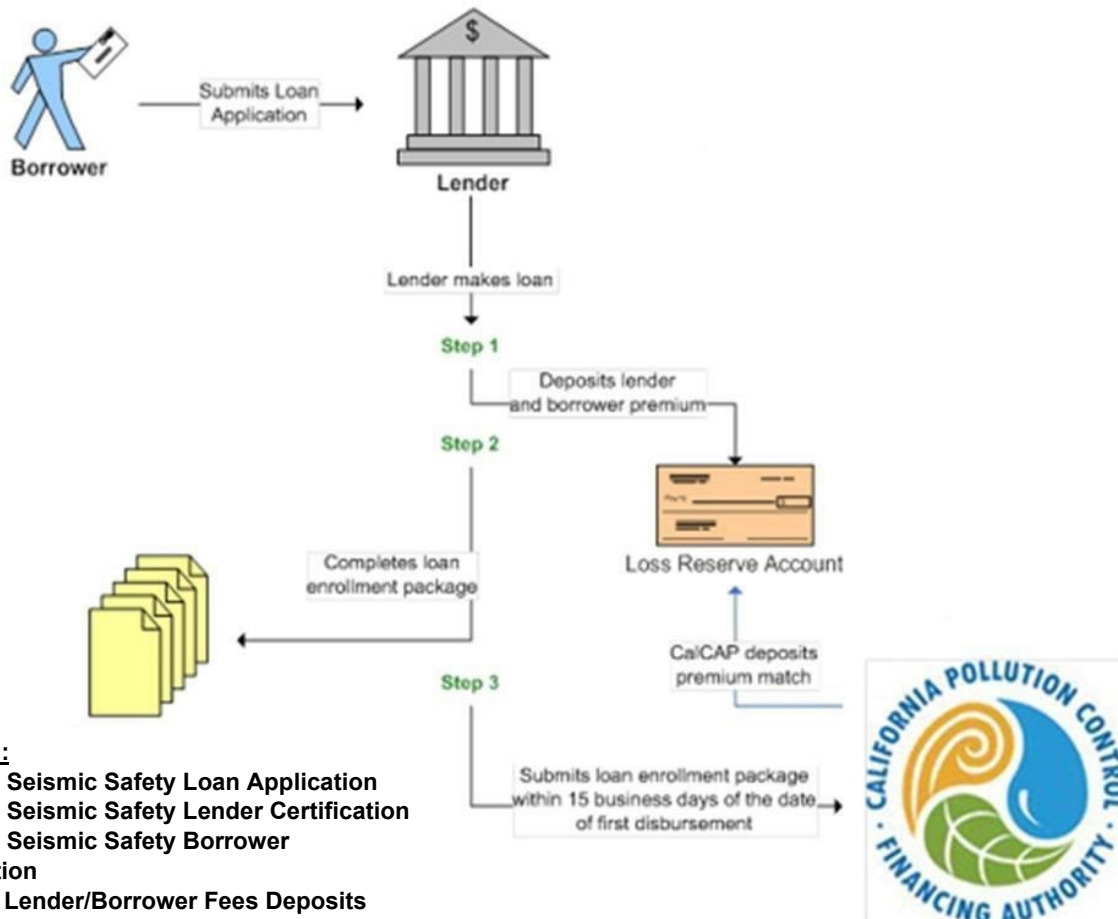
Authorized Lender Signature	Printed Name of Authorized Signer	Title	Date
<b>California Pollution Control Financing Authority Use Only</b>			
CalCAP Loan Number	Analyst’s Initials	Reviewer’s Initials	Date
_____ FUND _____ %	_____ FUND _____ %	_____ FUND _____ %	
Contribution Amount \$	Contribution Amount \$	Contribution Amount \$	
Authorized Signature			Date:

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised August 15, 2017

Field	Information Needed
▪ Borrower Name	✓ Name of borrower.
▪ Lender Loan Number	✓ List the unique loan number associated with the borrower's loan. ☞ If the enrollment is a pre-qualification request, leave field blank.
▪ Authorized Lender Signature	✓ To be signed by the lender-designated authorized signer.
▪ Title	✓ Title of the lender-designated authorized signer.
▪ Date	✓ Date the enrollment was signed.
▪ Printed Name of Authorized Signer	✓ Full printed name of the lender-designated authorized signer.

### Summary CalCAP/ Seismic Safety Loan Enrollment Flow Chart



**Required:**

- CalCAP/ Seismic Safety Loan Application
- CalCAP/ Seismic Safety Lender Certification
- CalCAP/ Seismic Safety Borrower Certification
- Proof of Lender/Borrower Fees Deposits
- NAICS Print-out
- Cost Estimate (retained in loan file)
- Privacy Notice

**If Applicable:**

- Severely Affected Community print-out
- Borrower's Agreement to Pay Lender's Fees

## **IV. SUBMITTING NOTIFICATION OF CHANGE IN LOAN TERMS**

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Lenders are required to notify CPCFA within 15 business days of any change in loan terms of a currently enrolled loan prior to maturity.

The Notification of Change in Loan Terms form must be filled out properly and indicate the change in material terms of the loan. Any type of change in terms, excluding interest rate, must be submitted with an amended Loan Enrollment application, updated Lender Certification and updated Borrower Certification.

Please note that the Authority may authorize an extension of the maturity date of an enrolled loan for up to eighteen (18) months, if the Participating Financial Institution has provided the Authority written certification to its credit policy that provides for such extensions of the maturity date.

Copies of CalCAP Seismic Safety Loan Enrollment Application Package can be found in Chapter VIII of this manual. However, lenders should always check CalCAP's website for the most current version of the application:

☞ <http://www.treasurer.ca.gov/cpcfca/calcap/seismic/summary.asp>



## A. Overview

Lenders must submit to CalCAP the following forms and documentation with each Change in Loan Terms Form request:

	Required
<b>Interest Rate Change</b>	
1. CalCAP Notification of Change in Loan Terms Form <a href="http://www.treasurer.ca.gov/cpcfaca/calcap/tools/notification-loan-change.pdf">http://www.treasurer.ca.gov/cpcfaca/calcap/tools/notification-loan-change.pdf</a>	√
<b>Maturity Date Change or Other Change in Loan Terms</b>	
1. CalCAP Notification of Change in Loan Terms Form <a href="http://www.treasurer.ca.gov/cpcfaca/calcap/tools/notification-loan-change.pdf">http://www.treasurer.ca.gov/cpcfaca/calcap/tools/notification-loan-change.pdf</a>	√
2. CalCAP Seismic Safety Loan Enrollment Application <a href="http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/enrollment.pdf">http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/enrollment.pdf</a>	√
3. CalCAP Seismic Safety Lender Certification <a href="http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/lender_cert.pdf">http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/lender_cert.pdf</a>	√
4. CalCAP Seismic Safety Borrower Eligibility Criteria and Self-Certification Form <a href="http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/certification.pdf">http://www.treasurer.ca.gov/cpcfaca/calcap/seismic/certification.pdf</a>	√



Completed Change in Loan Terms form, amended Loan Enrollment application and updated Lender and Borrower Certifications must be **received** at CalCAP within **15 business days of the “Change Effective Date”** by email, fax, or regular mail:



[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)



(916) 589-2805



CPCFA CalCAP/ Seismic Safety  
P.O. Box 942809 Sacramento,  
CA 94209-0001

## B. Instructions for Completing the Notification of Change in Loan Terms Form

### Form 3: Notification of Change in Loan Terms Form

#### Lender Information Section

<p>CALIFORNIA CAPITAL ACCESS PROGRAM          California Pollution Control Financing Authority          Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor          Sacramento, CA 95814          Telephone (916) 654-5610</p>	<p>Mailing Address: P.O. Box 942809          Sacramento, CA 94209-0001          CalCAP@treasurer.ca.gov          Fax (916) 657-4821</p>
<b>CalCAP NOTIFICATION OF CHANGE IN LOAN TERMS</b>	
<p>Participating lenders must provide written notification of any change in material terms of a loan, including changes to the maturity date or interest rate, within 15 days of the effective date of the change.</p>	
<p><b>NOTE:</b> For a loan amount increase, a new CalCAP Loan Enrollment Application must be submitted and premium contributions deposited.</p>	
<p>Check which CalCAP Program:   <input type="checkbox"/> Small Business   <input type="checkbox"/> ARB   <input type="checkbox"/> EVCS   <input type="checkbox"/> ADA   <input type="checkbox"/> Seismic Safety</p>	
Lender: _____	Lender's CalCAP ID #: _____
Contact Person: _____	Phone: _____
	Email: _____

Field	Information Needed
▪ CalCAP Program	✓ Indicate which program the loan was enrolled into.
▪ Lender	✓ Name of the financial institution.
▪ Lenders CalCAP ID#	✓ The financial institutions' assigned CalCAP Lender ID. This number was issued and provided on the signed copy of the lender's "Financial Institution Enrollment" agreement and "Welcome Letter" that accompanied it. (This number never changes.)
▪ Contact Person	✓ Name of lender representative CalCAP can contact with questions about this enrollment change.
▪ Phone	✓ Direct phone number with area code for the Loan Contact named above.
▪ Email	✓ Email of Loan Contact named above.

#### Loan Information Section

*Loan Information*

Borrower: \_\_\_\_\_ Change Effective Date: \_\_\_\_\_

CalCAP Loan Number: \_\_\_\_\_ Lender's Loan Number: \_\_\_\_\_

**Type of Change:**

Interest Rate Change  
 Effective Date: \_\_\_\_\_ New Interest Rate: \_\_\_\_\_

Maturity Date Change  
 \*Must submit an amended loan enrollment application and complete the following two fields.  
 Old Maturity Date: \_\_\_\_\_  
 New Maturity Date: \_\_\_\_\_

Other (please provide supporting documentation)  
 \*Must submit an amended loan enrollment application and complete the following field.  
 Describe the change(s) to the loan: \_\_\_\_\_

By signing below, the Participating Financial Institution certifies that the above loan information is true and accurate.

Authorized Lender Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name of Authorized Signer: \_\_\_\_\_

Field	Information Needed
<ul style="list-style-type: none"> <li>▪ Borrower</li> </ul>	<ul style="list-style-type: none"> <li>✓ Name of the primary borrower representing the business.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Change Effective Date</li> </ul>	<ul style="list-style-type: none"> <li>✓ Date of the change to the loan.</li> </ul>
<ul style="list-style-type: none"> <li>▪ CalCAP Loan Number</li> </ul>	<ul style="list-style-type: none"> <li>✓ The number CalCAP assigned to the loan after it was approved. This number can be found on the approved CalCAP loan enrollment application form. A copy of this was returned to the lender.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Type of Change: <ul style="list-style-type: none"> <li><input type="checkbox"/> Interest Rate Change</li> <li><input type="checkbox"/> Maturity Date Change</li> <li><input type="checkbox"/> Other</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Check the box(es) which describe the change in the loan terms. <ul style="list-style-type: none"> <li>☞ If the change is interest rate, enter the fields below: Effective Date and New Interest Rate.</li> <li>☞ If the change is maturity date, enter the fields below: Old Maturity Date and New Maturity Date. Submit the amended Loan Enrollment application package along with the completed form.</li> <li>☞ If the change is checked for “Other” please describe the change in the field below. Submit the amended Loan Enrollment application package and provide documentation to substantiate the change along with the completed form.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>▪ Authorized Lender Signature</li> </ul>	<ul style="list-style-type: none"> <li>✓ To be signed by the Lender designated as an authorized signer.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Title</li> </ul>	<ul style="list-style-type: none"> <li>✓ Title of the Lender designated as an authorized signer.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Date</li> </ul>	<ul style="list-style-type: none"> <li>✓ Date the Change in Loan Terms form was signed.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Print Name of Authorized Signer</li> </ul>	<ul style="list-style-type: none"> <li>✓ Print the name of the authorized signer who signed the form.</li> </ul>

## V. SUBMITTING A CLAIM

---

Lenders are required to notify CPCFA within 120 days of when the lender has charged off all or part of a qualified loan as a result of default. If the form is filled out properly and the lender has complied with CalCAP requirements, CalCAP will authorize the Program trustee (if account is trustee-held) or the participating financial institution (if account is lender-held) to reimburse the lender for their losses from the lender's loss reserve account within 30 business days.

The lender must experience a net loss originating from the outstanding principal, accrued and unpaid interest, and/or out-of-pocket expenses in order for CPCFA to approve a claim.

In addition to the claim form, lenders should submit:

- (1) a complete transaction history of the account
- (2) a short written synopsis of the loan history, including the last payment date, when and why the loan charged off, any liquidation efforts (dates and amounts) and future collections efforts
- (3) receipts for any reasonable, claimed out-of-pocket expenses
- (4) Bill of Sale for liquidated collateral

When assessing whether an out-of-pocket expense is considered reasonable, financial institutions should consider the best lending practices and act in a prudent and judicious manner during their collection processes.

Lenders must abide by their standard collection practices both before and after a claim is filed with CPCFA. If a lender receives any recoveries after a claim is filed with CPCFA, the lender must reimburse the loan loss reserve account on a dollar for dollar basis and must report the recovery on the lender's Quarterly Report.

A copy of the form can be found in Chapter VII of this manual. However, lenders should always check the CalCAP/ Seismic website for the most current versions:

☞ Claim Application: <http://www.treasurer.ca.gov/cpcfca/calcap/forms/claim.pdf>

**Form 4: CalCAP Claim Application Form**

**Lender and Borrower Information Section**

CALIFORNIA CAPITAL ACCESS PROGRAM  
 California Pollution Control Financing Authority  
 Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor  
 Sacramento, CA 95814  
 Telephone (916) 654-5610

Mailing Address: P.O. Box 942809  
 Sacramento, CA 94209-0001  
[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)  
 Fax (916) 589-2805

**CalCAP FINANCIAL INSTITUTION CLAIM APPLICATION**

NOTE: A lender is required to notify the Authority within 120 days of when the lender has charged off all or part of a qualified loan as a result of default by a borrower. If the form is filled out properly and the lender has faithfully complied with CalCAP requirements, CPCFA will authorize the Program trustee to reimburse the lender from the lender's loss reserve account within 30 business days.

**Lender and Borrower Information**

Participating Lender: _____	Lender's CalCAP ID #: _____
Lender Contact: Name: _____	CalCAP Loan Number: _____
Phone: _____	Borrower's Name: _____
Address: _____	Borrower DBA: _____
_____	

Field	Information Needed
▪ Participating Lender	✓ Name of the financial institution.
▪ Lender Contact	✓ Name, phone number, and address of lender representative CalCAP can contact with questions about this claim.
▪ Lender's CalCAP ID#	✓ The financial institution's assigned CalCAP Lender ID. This number was issued and provided on the signed copy of the lender's "Financial Institution Application" agreement and the "Welcome Letter" that accompanied it. (This number never changes.)
▪ CalCAP Loan Number	✓ The number CalCAP assigned to the loan after it was approved. This number can be found on the approved CalCAP loan enrollment application form. A copy of this was returned to the lender.
▪ Borrower's Name	✓ Name of the primary borrower representing the business.
▪ Borrower DBA ("Doing Business As")	✓ Name of business, sole proprietor, partnership, corporation, etc.

**Loan Information Section**

**Loan Information**

Original Principal Amount of Loan: \_\_\_\_\_ Date of Loan: \_\_\_\_\_  
 Default Amount: \_\_\_\_\_ Date of Default: \_\_\_\_\_  
 Is this loan secured?  Yes  No Date of Charge-off: \_\_\_\_\_

If yes, what form of security \_\_\_\_\_

Was the loan in the first \$1 million of CalCAP loans made by lender?  Yes  No

Have enforcement proceedings begun?  Yes  No

Lender's priority of claim (If two or more claims filed by lender): \_\_\_\_\_

Field	Information Needed
<ul style="list-style-type: none"> <li>▪ Original Principal Amount of Loan</li> </ul>	✓ Amount disbursed to borrower upon first funding of loan.
<ul style="list-style-type: none"> <li>▪ Date of Loan</li> </ul>	✓ Date of initial disbursement.
<ul style="list-style-type: none"> <li>▪ Default Amount</li> </ul>	✓ Delinquent amount of loan (outstanding principal prior to liquidation of collateral).
<ul style="list-style-type: none"> <li>▪ Date of Default</li> </ul>	✓ Date of last delinquency (date Borrower ceased repayment).
<ul style="list-style-type: none"> <li>▪ Is this loan secured? <input type="checkbox"/> Yes <input type="checkbox"/> No</li> <li>▪ If yes, what form of security</li> </ul>	✓ Identify whether collateral was used to secure the loan. If answered "yes", describe the type of collateral used.
<ul style="list-style-type: none"> <li>▪ Date of Charge-off</li> </ul>	✓ Date the loan was deemed uncollectable by the lender and charged off the books from an asset to a liability.
<ul style="list-style-type: none"> <li>▪ Was the loan in the first \$1 million of CalCAP loans made by lender? <input type="checkbox"/> Yes <input type="checkbox"/> No</li> </ul>	✓ Indicate whether this loan falls within the first \$1 million for a new lender (regardless of amount enrolled).
<ul style="list-style-type: none"> <li>▪ Have enforcement proceedings begun? <input type="checkbox"/> Yes <input type="checkbox"/> No</li> </ul>	✓ Answer "yes" if lender has started collection efforts, otherwise answer "no".
<ul style="list-style-type: none"> <li>▪ Lender's priority of claim (If two or more claims filed by lender)</li> </ul>	✓ Rank the priority of this claim in comparison to other pending claims already filed by lender (if any).

### Claim Information Section

**Claim Information**

Outstanding Principal	\$ _____
Liquidated Collateral	\$ _____
Accrued and Unpaid Interest	\$ _____
Out-of-pocket expenses (Attach detailed explanation)	\$ _____
Total	\$ _____

**Please attach a complete transaction history report, a short narrative of the loan history, receipt(s), and Bill of Sale(s) (if applicable).**

- The lender warrants this claim is being filed within 120 days of the loan being charged off and that charge-off was consistent with the lender's usual methods for taking action on loans not enrolled in the Program.
- Lender will, as CPCFA's agent, pursue additional recovery on this defaulted loan through legal proceedings, seizure and liquidation of collateral, guarantees, and/or other sources.
- Lender certifies it has given notice to the Authority of the initial enrollment of the loan in CalCAP, and either:
  - (1) has given notice to the Authority of any renewals or extensions of the loan; or
  - (2) the loan was continuously renewed or extended since the date of its initial enrollment in CalCAP.
- This claim is for a loan that the undersigned holds, or a loan that has been assigned, transferred, or pledged to another entity pursuant to prior authorization by CPCFA.

Field	Information Needed
<ul style="list-style-type: none"> <li>▪ Outstanding Principal</li> </ul>	✓ List the amount of the outstanding principal calculated as:  Original Principal Amount <b>subtract</b> Payments Applied to Principal (not including liquidated collateral) <b>equals</b> Outstanding Principal  ✓ CPCFA does not authorize payment for lender-issued fees (NSF fees, late fees, etc.)



▪ Liquidated Collateral	✓ List the amount received in liquidated collateral as of the date lender is filing claim. Attach a copy of the Bill of Sale for all liquidated collateral.
▪ Accrued and Unpaid Interest	✓ List the amount of accumulated, unpaid interest calculated from the day after the last interest payment was made until the date of loan charge-off. The interest is calculated at the rate listed on the original application.
▪ Out-of-Pocket expenses (Attach detailed explanation)	✓ List the amount of reasonable out-of-pocket expenses incurred related to delinquent loan recovery efforts (e.g. repairs, towing charges, legal fees), and include documentation of out-of-pocket expenses. The receipts must contain identifying information (e.g. Borrower Name, CalCAP #, Lender Loan #, VIN #).
▪ Total	✓ This is the total sum of the outstanding principal, liquidated collateral, accrued and unpaid interest, and out-of-pocket expenses.
▪ Authorized Signature	✓ Signature of Lender designated as an authorized signer.
▪ Date	✓ Date the claim was signed.
▪ Title	✓ Title of the Lender designated as an authorized signer.

☞ Claim Calculator is accessible via: <http://www.treasurer.ca.gov/cpcf/cap/calculator.xls>

## VI. REPORTING REQUIREMENTS

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CalCAP Regulations require financial institutions to report to CPCFA on the status of loans enrolled and associated loan loss reserve accounts on a regular basis. In addition, financial institutions should communicate to CPCFA any changes to the lender's primary contact information to ensure important communications from CalCAP are received by the appropriate lender point of contact.

### A. Monthly Reporting

CalCAP Regulation §8073 (f) states:

*"The Participating Financial Institution shall provide information to the Authority regarding the status of accounts, enrolled loans, claims and recoveries upon request."*

All participating lenders with internally held loan loss reserve accounts are required to submit a monthly bank statement to CalCAP. The bank statements should provide a detailed description of the account and a complete summary of all transactions for the period covered. Failure of the lenders to comply more than two times within a six month period or more than three times in a 12 month period with the reporting requirements will result in mandatory transfer of loss reserve accounts to the CalCAP Trustee Bank.



Submit Loan Loss Reserve account statement by the 15 of the following month (e.g. the statement for January must be submitted by February 15) either by email at [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by mail to:

CPCFA/ CalCAP Seismic Safety  
P.O. Box 942809  
Sacramento, CA 94209-0001

### B. Quarterly Reporting

CalCAP Regulation §8078.18 (f) states:

*"The Participating Financial Institution shall provide reports on a quarterly basis to CPCFA no later than 15 days after the end of each quarter, listing the status of all enrolled loans, claims and recoveries whether or not the Participating Financial Institution has filed a claim with CPCFA."*

All Quarterly Reports shall be submitted using the template that is provided by CPCFA via the CalCAP's website: <http://www.treasurer.ca.gov/cpcfca/calcap/template.xls>

Quarterly reports are due to CalCAP by the 15th of the month following the end of the quarter as follows:

Quarter Begins	Quarter Ends	Quarterly Report due to CalCAP
January 1	March 31	April 15
April 1	June 30	July 15
July 1	September 30	October 15
October 1	December 31	January 15

The quarterly report should clearly identify the CalCAP loan number, lender loan number, borrower's name and/or DBA, date of the loan (first disbursement), maturity date, total loan amount, total enrolled amount outstanding, and date the loan was paid off. If a loan previously enrolled in CalCAP by a Participating Financial Institution was assigned, transferred, or pledged to another entity pursuant to prior authorization by CPCFA, the lender which originally held the debt must record the date the loan was sold, the name of the entity to which the loan was assigned, transferred, or pledged, and the percentage of the loan which was assigned, transferred, or pledged on the Participating Financial Institution's quarterly report. For loans that received a claim approval, the report should also include the date of charge off, claim amount paid, recovery dates, recovery amounts, and comments. For an example of a quarterly report in the CalCAP preferred format, see the graphic below and refer to the CalCAP website at:

 <http://www.treasurer.ca.gov/cpcf/calcap/template.xls>

LOAN INFORMATION											CLAIM INFORMATION				
CalCAP Loan #	Bank Loan Number	Borrower	DBA	Date of Loan (First Disbursement)	Maturity Date	Total Loan Amount	Total Enrolled Amount Outstanding	Date Loan Paid Off or Sold	Name of entity the loan was assigned, transferred or pledged to pursuant to prior authorization by CPCFA	Percentage of loan assigned, transferred or pledged to another entity	Date of Charge Off	Claim Amount Paid	Recovery Date	Recovery Amount	Comments
0000-0001	500-94883	John Doe	John Doe Construction	11/22/2008	11/22/2014	\$ 120,000.00	\$45,000.00	N/A	N/A	N/A	12/1/2010	\$45,000.00	12/15/2010	\$ 30,000.00	Recovers 30k 12/15/10
						<b>Totals</b>	\$ 120,000.00	\$ 45,000.00				\$45,000.00		\$ 30,000.00	

Failure to comply with the reporting requirements can result in suspension from the Program, mandatory transfer of loss reserve accounts to the CalCAP Trustee Bank, and/ or termination from Program. Once the quarterly report is submitted to and received by CalCAP, the suspension may be lifted. If the participating financial institution fails to comply a second time within a 12 month period, the participating financial institution may be suspended from the Program until the quarterly report is submitted to and received by CalCAP. At that time, that financial institution's ability to participate in CalCAP will be reassessed by the Executive Director.



Submit Quarterly Report electronically to the CalCAP email address at [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) by the 15th of the month following the end of the quarter.

### **C. Change in Lender Points of Contact**

To ensure the financial institution is aware of all current CalCAP rules and regulations as well as changes to program policies or practices, lenders should keep CalCAP informed about any changes to key lender contacts by sending a brief memo on the participating financial institution's letterhead signed by an authorized representative of the institution to CalCAP with the new or updated name, address, phone or email contact information. Specifically, lenders should inform CalCAP of changes to:

- ☞ **Main Contact** – CalCAP's primary lender contact. This representative will receive important email announcements related to new processes, new forms, site visit notices, and/or lender roundtable calls and webinars.
- ☞ **Public Contact** – lender contact for public inquiries (name and address will be published on the CalCAP website)
- ☞ **Financial Contact** – lender contact authorized to discuss bank statements, quarterly reports, claim refunds, etc. with CalCAP
- ☞ **Mail Recipient** – lender contact authorized to receive completed loan and claim documents, adjustment authorization letters, and/ or loan denial letters from CalCAP (only use **one**)
- ☞ **General Emailing List** – on occasion, CalCAP sends out email announcements for new processes, new forms, lender roundtable meetings, etc. Lender should provide the email addresses for those wishing to receive such correspondence.

Updates can be submitted to the CalCAP email [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by mail to:

CPCFA/CalCAP  
Ref. Change in Lender Contact  
P.O. Box 942809  
Sacramento, CA 94209-0001



Please use "Change in Lender Contact" reference in the email subject line or in the regular mail address line.

## VII. LENDER TOOLS & TIPS

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This section contains tools and tips to further assist lenders in enrolling loans. For the most recent versions, refer to the CalCAP website:

☞ CalCAP/Seismic Safety Financing Loan Program Homepage:  
<http://www.treasurer.ca.gov/cpcf/calcap/seismic/summary.asp>

### 1. **How to Report the Number of Employees of a Small Business Concern & Related Affiliates**

To report the number of employees of a borrower, the lender will request that the borrower count all individuals employed on a full-time, part-time, or other basis. If a borrower owns multiple businesses, has acquired an affiliate, or been acquired as an affiliate, the employees counted to determine size status include the employees of all affiliates. Employees obtained from a temporary employee agency, professional employment organization, or leasing concern that received payment directly from the borrower will be included.

The borrower should consider the totality of the circumstances, including criteria used by the IRS for Federal income tax purposes, to determine whether individuals are employees of their business. In general, an individual is considered an employee of a borrower if their compensation is issued by the borrower.



Volunteers (e.g. individuals who receive no compensation, including no in-kind compensation, for work performed) are **not** considered employees.

### 2. **How to Calculate Full Time Equivalency**

The number of an employer's Full Time Equivalent (FTEs) is determined by dividing the total hours for which the borrower pays wages to all employees during the year by the number of employee work hours per year. The standard calculation for employee work hours per year is 2080: calculated by multiplying 52 weeks by 40 hours per week.

Example: In a single year a borrower pays 5 employees wages for 2,080 hours each, 3 employees' wages for 1,040 hours each, and 1 employee wages for 2,300 hours. The borrower's FTEs would be calculated as follows:

1. Total hours not exceeding 2,080 per employee is the sum of:
  - a. 10,400 hours for the 5 employees paid for 2,080 hours each (5 x 2,080)
  - b. 3,120 hours for the 3 employees paid for 1,040 hours each (3 x 1,040)
  - c. 2,080 hours for the 1 employee paid for 2,300 hours (lesser of 2,300 and 2,080)

☞ These add up to 15,600 hours

FTEs: 8 (15,600 divided by 2,080 = 7.5, rounded to the nearest whole number)



## **VIII. SAMPLE LOAN ENROLLMENT APPLICATIONS, CERTIFICATIONS & FORMS**

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Samples of forms required by CalCAP are provided in this Chapter for quick reference. Lenders should refer to the CalCAP website to download the most current forms:

 <http://www.treasurer.ca.gov/cpcfca/calcap/seismic/summary.asp>

# 1. CalCAP Seismic Safety Financing Program Loan Enrollment Application

CALIFORNIA CAPITAL ACCESS PROGRAM  
 California Pollution Control Financing Authority  
[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

Office Location:  
 801 Capitol Mall, 2nd Floor  
 Sacramento, CA 95814

Mailing Address:  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 Fax (916) 589-2805

<b>CalCAP Use Only</b>	CalCAP Loan #
	Date
	Received

## CALCAP SEISMIC SAFETY FINANCING PROGRAM LOAN ENROLLMENT APPLICATION

**Lender Information**

Participating Lender \_\_\_\_\_ Lender ID# \_\_\_\_\_

Loan Contact Name \_\_\_\_\_ Contact Phone \_\_\_\_\_

Loan Contact Email \_\_\_\_\_

**Borrower Information**     Small Business     Residential Property Owner     Commercial Property Owner

Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ County \_\_\_\_\_ Zip \_\_\_\_\_

Is the building certified by the local building code enforcement authority as a Qualified Building?     No     Yes

Is building located in a Severely Affected Community?     No     Yes

If Yes, select reason:     City     Unincorporated     County if City Not Listed     Other: \_\_\_\_\_

Address of building to be retrofitted: \_\_\_\_\_

Type of Qualified Building:     Commercial     Residential     Registered Mobilehome     Multi-Unit-Dwelling: (If yes, Number of Units \_\_\_\_\_)

Description of Eligible Costs \_\_\_\_\_

Are any proceeds to be used for purposes other than seismic safety?     Yes     No    If yes, amount \$ \_\_\_\_\_

**If Borrower is a Small Business, the following information is also required:**

Business DBA: \_\_\_\_\_ Name of Responsible Person: \_\_\_\_\_ Title: \_\_\_\_\_

Type of Business/Activities \_\_\_\_\_ What year was the business incorporated or opened? \_\_\_\_\_

Annual Revenues Last Fiscal Year \$ \_\_\_\_\_ Average Annual Revenue Last 3 Years \$ \_\_\_\_\_

Number of Full Time Equivalents/Employees \_\_\_\_\_

NAICS Code \_\_\_\_\_ Census Tract # \_\_\_\_\_  
<http://www.census.gov/eos/www/naics/>    <http://www.fleec.gov/Geocode/default.aspx>

Is business minority owned?     Yes     No     Decline to Answer    Is business woman owned?     Yes     No     Decline to Answer

Is business veteran owned?     Yes     No     Decline to Answer

**Loan Information**

Is this loan enrolled in any other government guarantee program?     Yes     No    If Yes, name the program: \_\_\_\_\_

Is the Eligible Project receiving any grant funding by a public entity?     Yes     No    If yes, Name of Public Entity: \_\_\_\_\_

Lender Loan Number \_\_\_\_\_ Type of Loan: \_\_\_\_\_

Total Loan Amount \$ \_\_\_\_\_ Loan Amount Enrolled in CalCAP/Seismic \$ \_\_\_\_\_

Purpose of Loan \_\_\_\_\_ Loan Amount Enrolled in CalCAP for Small Business/ State Fund (if any) \$ \_\_\_\_\_

Date of First Disbursement (Date of Loan) \_\_\_\_\_ Maturity Date \_\_\_\_\_ End of Coverage  5 year  10 year

Interest Rate \_\_\_\_\_ %     Fixed     Variable    Is the loan secured?     Yes     No

Borrower Fee \$ \_\_\_\_\_ %    Lender Fee \$ \_\_\_\_\_ %

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised August 15, 2017



## 2. CalCAP Seismic Safety Financing Program Lender Certification

CALIFORNIA CAPITAL ACCESS PROGRAM  
California Pollution Control Financing Authority  
[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

Mailing Address:  
P.O. Box 942809  
Sacramento, CA 94209-0001  
Fax (916) 589-2805

\_\_\_\_\_  
Borrower Name

\_\_\_\_\_  
Lender Loan Number

### LENDER CERTIFICATION

Enrolling a loan in CalCAP requires the Participating Financial Institution to certify to each of the following program rules and requirements.

\* All capitalized terms are defined in 4 CCR §8070 and §8078.15 of the California Code of Regulations.

- 1) The loan is a Qualified Loan as defined in 4 CCR §8078.15 (h) of the California Code of Regulations.
- 2) The borrower receiving the Qualified Loan is a Qualified Small Business, Qualified residential property owner or Qualified commercial property owner.
- 3) The proceeds of the loan will be used for the Eligible Costs of an Eligible Project as defined in 4 CCR §8078.15 (d) and §8078.15 (e) of the California Code of Regulations.
- 4) The Eligible Costs do not include the amount of any grant provided by a public entity for the Eligible Project.
- 5) Based upon its due diligence and underwriting standards, the Participating Financial Institution certifies as to the number of full-time equivalent employees of the borrower, whether the qualified building(s) is located in a Severely Affected Community.
- 6) Participating Financial Institution will provide information from the financial records of the Borrower upon request of the Executive Director of the CPCFA (and the Participating Financial Institution certifies it has obtained the consent of the Borrower to such disclosure.)
- 7) The Participating Financial Institution has obtained a written representation from the Borrower that the Borrower has no legal, beneficial or equitable, interest in the Fees or the CalCAP/ Seismic Safety Contribution.
- 8) The Borrower's total principal amount of loans enrolled in the CalCAP/Seismic Safety Program with any Participating Financial Institution does not exceed \$250,000.
- 9) The Borrower has provided a Cost Estimate as defined in 4 CCR §8078.15 (b) of the California Code of Regulations, the cost estimate has been prepared by an engineer, architect or a licensed contractor, and the cost estimate for seismic retrofit construction to be financed is limited to Eligible Costs.
- 10) The Participating Financial Institution has notified the Borrower if the Participating Financial Institution's share of the Fees for the Qualified Loan has been paid by the Borrower.
- 11) The Participating Financial Institution will collect and retain copies of all applicable licenses and permits needed for the construction related retrofit(s) or alteration(s) from the Borrower, and satisfy the local building enforcement agency or the Department of Housing and Community Development compliance and inspection requirements once seismic retrofit construction is completed, and no later than 180 days after disbursement of proceeds.
- 12) The Participating Financial Institution has not, and will not, enroll the same enrolled loan or portion thereof in any other government program substantially similar to the Program.
- 13) The Borrower has received the CalCAP/ Seismic Safety Privacy Notice.
- 14) The Participating Financial Institution acknowledges that its lending activities are subject to any applicable safety and soundness standards as set forth in applicable lending regulations and that the usual methods of securing collateral have been applied, including if applicable a lien placed on the Borrower's Qualified building for the amount of the Qualified loan.
- 15) When the Qualified building is a mobilehome or manufactured home, that the borrower has provided a record of borrower's name on a current registration from the Department of Housing and Community Development for the mobile home or manufactured home.
- 16) The Qualified loan or any portion thereof is not a restructured or refinanced loan and has not previously been enrolled in the CalCAP Seismic Safety Program.

If the Borrower is a Small Business, the following certifications also apply:

- 17) The Qualified Loan is for a business activity that has its Primary Economic Effect in California as defined in 4 CCR §8070(q) of the CPCFA Regulations.
- 18) The Participating Financial Institution has obtained a written representation from the Borrower that it has secured or made application for all applicable licenses or permits needed to conduct its business.
- 19) The Participating Financial Institution has not, and will not, enroll the Qualified Loan in any other Capital Access Loan Program for Small Business offered by the Authority as long as funds are available for this Program.

By signing below and enrolling this loan the Participating Financial Institution certifies, based in part on information provided by the Borrower, that each of the above assurances is true and accurate.

Authorized Lender Signature	Printed Name of Authorized Signer	Title	Date
<b>California Pollution Control Financing Authority Use Only</b>			
CalCAP Loan Number	Analyst's Initials	Reviewer's Initials	Date
_____ FUND _____ %	_____ FUND _____ %	_____ FUND _____ %	
Contribution Amount \$	Contribution Amount \$	Contribution Amount \$	
Authorized Signature			Date:

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised August 15, 2017

### 3. CalCAP Borrower's Agreement to Pay Lender's Fees

CALIFORNIA CAPITAL ACCESS PROGRAM  
 California Pollution Control Financing Authority  
 Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor  
 Sacramento, CA 95814  
 Telephone (916) 654-5610

Mailing Address: P.O. Box 942809  
 Sacramento, CA 94209-0001  
[CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)  
 Fax (916) 589-2805

#### CalCAP BORROWER'S AGREEMENT TO PAY LENDER'S FEES

Lender Loan #	<input type="text"/>	Total amount enrolled in CalCAP or advance for this transaction	<input type="text"/>
Lender Fee	\$ <input type="text"/>	%	<input type="text"/>
Borrower Fee	\$ <input type="text"/>	%	<input type="text"/>
Total Fees to be paid to CalCAP	\$ <input type="text"/>	%	<input type="text"/>
<b>Total Fees to be paid by the Borrower</b>	\$ <input type="text"/>	%	<input type="text"/>

**\*Note: The Lender and Borrower Fees must match.**

Pursuant to 4 CCR §8072(c)(17)(F), the Borrower hereby acknowledges and agrees to pay their fee as well as the Lender's fee for the aforementioned loan.

Borrower's Name

Business Name

Borrower Signature

Date

Please submit with Loan Enrollment Application to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov)

Revised June 28, 2018

#### 4. CalCAP Seismic Safety Financing Program Borrower Certification

(1 of 2 pages)

Borrower Name \_\_\_\_\_  
Lender \_\_\_\_\_  
Lender Loan # \_\_\_\_\_

#### CALCAP SEISMIC SAFETY FINANCING PROGRAM BORROWER CERTIFICATION

Your loan is being enrolled in the California Capital Access Program (CalCAP) Seismic Safety Financing Program. You are the "Borrower". By signing this document, you certify to the following:

- The project, building, costs and loan are qualified for enrollment as defined in 4 CCR §8078.15 of the California Code of Regulations:  
**8078.15** (d) "Eligible Costs means and includes all or any part, as defined in subdivision (b)(2) of Section 44559.14 of the Health and Safety Code, the costs paid or incurred on or after January 1, 2017, for an Eligible project, including any engineering or architectural design work necessary to permit or complete the Eligible project less the amount of any grant provided by a public entity for the Eligible project. Eligible Costs do not include cost paid or incurred for any of the following:
  - (1) Maintenance, including abatement of deferred or inadequate maintenance, and correction of violations unrelated to the seismic retrofit construction.
  - (2) Repair, including repair of earthquake damage.
  - (3) Seismic retrofit construction required by local building codes as a result of addition, repair, building relocation, or change of use or occupancy.
  - (4) Other work or improvement required by local building or planning codes as a result of the intended seismic retrofit construction.
  - (5) Rent reductions or other associated compensation, compliance actions, or other related coordination involving the qualified residential property owner or qualified small business and any other party including a tenant, insurer, or lender.
  - (6) Replacement of existing building components, including equipment, except as needed to complete the seismic retrofit construction.
  - (7) Bracing or securing nonpermanent building contents.
  - (8) The offset of cost, reimbursements, or other costs transferred from the qualified residential property owner or qualified small business to others.
- (e) "Eligible project" means Seismic retrofit construction that is necessary to ensure that the Qualified building is capable of substantially mitigating seismic damage, and the financing necessary to pay Eligible Costs of the project.
- (g) "Qualified building" means a residential or commercial building in California that is identified by the local building code official for the jurisdiction in which the building is located as a building in need of seismic retrofitting and is either a building of a type that is potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1981. A "Qualified building" may be a single-family residence, multiunit housing building, multiunit housing building with commercial space, or mobilehome, manufactured home, and multifamily manufactured home installed in accordance with Section 18613 of the Health and Safety Code.
- (h) "Qualified Loan" means a loan or portion of a loan as defined in subdivision (j) of Section 44559.1 or a loan made to a Qualified residential property owner, where the proceeds of the loan or portion of the loan are limited to the Eligible Costs for an Eligible project under this Program, and where the loan or portion of the loan does not exceed two hundred fifty thousand dollars (\$250,000), and where the term of loss coverage for each qualified loan is no more than ten years. "Qualified Loan" does not include any of the following:
  - (1) Any loan or portion thereof to the extent the same loan or portion thereof has been, is being, or will be enrolled in any other government program substantially similar to the Program; and
  - (2) Any loan where the total amount or value of loans enrolled in the Program by the Borrower exceeds \$250,000.
- (i) "Qualified small business" means a business referred to in subdivisions (j) and (m) of Section 44559.1 that owns a Qualified building regardless of owner occupancy, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1.
- (j) "Qualified residential property owner" means either an owner of a residential building that is a Qualified building or a Qualified small business that owns one or more residential buildings, including a multiunit housing building that is a Qualified building, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1.
- (k) "Qualified commercial property owner" means either an owner of a commercial building that is a Qualified building or a Qualified small business that owns one or more commercial buildings, that is a Qualified building.
- (n) "Seismic retrofit construction" means alteration performed on or after January 1, 2017, of a Qualified building or its components to substantially mitigate seismic damage. Seismic retrofit construction includes, but is not limited to, all of the following:
  - (1) Anchoring the structure to the foundation.
  - (2) Bracing cripple walls.
  - (3) Bracing water heaters



# CalCAP Seismic Safety Financing Program Borrower Certification

(2 of 2 pages)

- (4) Installing automatic gas shutoff valves.
- (5) Repairing or reinforcing the foundation to improve the integrity of the foundations against seismic damage.
- (6) Anchoring fuel storage.
- (7) Installing an Earthquake-Resistant Bracing System for mobilehomes or manufactured homes that are registered with Department of Housing and Community Development.
- (8) Strengthening a building's lateral load resisting system.

- The Qualified building is located within the boundaries of the State of California
- The Borrower has legal control of the facility for a term that is equal to or greater than the length of the enrolled loan and assumes financial liability of the loan
- The Borrower agrees to allow the Participating Financial Institution to provide information from the financial records of the Borrower upon request of the Executive Director of CPCFA
- The Borrower has no legal, beneficial, or equitable interest in the CalCAP/Seismic Safety Contribution
- If the Seismic retrofit construction financed through this Program is a part of a larger construction project carried out by the Borrower, the enrolled amount of the Qualified Loan in this Program is limited to Eligible Costs necessary and allocable to the Eligible project
- Borrower will provide all applicable licenses and permits needed for construction related to Eligible Costs for the Seismic retrofit construction to the Participating Financial Institution
- The Borrower has provided verification of Eligible Costs less the amount of any grant provided by a public entity for the Eligible project to the Participating Financial Institution
- The proceeds of the loan will be used for the Seismic retrofit construction of an Eligible project
- Borrower agrees to allow CPCFA staff or its designee to inspect the project site
- When the Qualified building is a mobilehome or manufactured home that it is currently registered with the Department of Housing and Community Development and the Borrower's name is on the current registration from the Department of Housing and Community Development for the mobilehome or manufactured home
- Borrower has received the CPCFA/CalCAP Privacy Notice

\_\_\_\_\_  
**Business Name (If Applicable)** *(please print)*

\_\_\_\_\_  
**Lender Loan #**

\_\_\_\_\_  
**Individual Name** *(please print)*

\_\_\_\_\_  
**Individual Title** *(as it pertains to the business, residential property owner or commercial property owner)*

\_\_\_\_\_  
**Signature of above Individual**

\_\_\_\_\_  
**Date**

## 5. CalCAP/ Seismic Safety Financing Program Privacy Notice



CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

Office Location: 801 Capitol Mall, 2<sup>nd</sup> floor  
Sacramento, CA 95814  
Mailing Address: P.O. Box 942809  
Sacramento, CA 94209-0001  
p (916) 654-5610  
f (916) 657-4821  
cpcfa@treasurer.ca.gov



### CALIFORNIA CAPITAL ACCESS PROGRAM

#### PRIVACY NOTICE

The California Information Practices Act of 1977 (Civil Code §1798.17) requires that this notice be provided when a governmental agency collects the personal information of individuals. Name, address, telephone number, gender, and race of the borrower, guarantor and/or business owner, and business and financial information related to this loan is requested by the California Capital Access Program (CalCAP) of the California Pollution Control Financing Authority (CPCFA) for the purposes of statistical reporting on loan activities and assessing compliance with CalCAP program requirements. It is mandatory for the lender to provide this information to CalCAP. Failure to provide the information may result in rejection of the application.

The information may be disclosed under the following circumstances: (1) to consultants, auditors or contractors retained by the California Pollution Control Financing Authority where disclosure is required to fulfill CalCAP program requirements; (2) to another governmental entity where required by state or federal law; or (3) as otherwise required by law.

The agency official responsible for the maintenance of the personal information is the CalCAP Program Manager, at 801 Capitol Mall, 2nd Floor, Sacramento, CA 95814, Tel: (916) 654-5610. California Code of Regulations §8072 authorizes the solicitation and maintenance of the personal information requested. Borrowers have the right to access their information upon request by contacting the CalCAP Program Manager.

*Copy to Borrower/Do Not Submit to CalCAP*

*Revised December 5, 2018*

## 6. Notification of Change in Loan Terms Form

CALIFORNIA CAPITAL ACCESS PROGRAM  
 California Pollution Control Financing Authority  
 Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor  
 Sacramento, CA 95814  
 Telephone (916) 654-5610

Mailing Address: P.O. Box 942809  
 Sacramento, CA 94209-0001  
 CalCAP@treasurer.ca.gov  
 Fax (916) 657-4821

### CalCAP NOTIFICATION OF CHANGE IN LOAN TERMS

Participating lenders must provide written notification of any change in material terms of a loan, including changes to the maturity date or interest rate, within 15 days of the effective date of the change.

**NOTE:** For a loan amount increase, submit CalCAP Loan Enrollment Application, new lender and borrower certifications along with proof of fees deposited.

Check which CalCAP Program:  Small Business  ARB  EVCS  ADA  Seismic Safety

Lender: \_\_\_\_\_

Lender's CalCAP ID #: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

#### Loan Information

Borrower: \_\_\_\_\_

Change Effective Date: \_\_\_\_\_

CalCAP Loan Number: \_\_\_\_\_

Lender's Loan Number: \_\_\_\_\_

#### Type of Change:

Interest Rate Change

Effective Date: \_\_\_\_\_ New Interest Rate \_\_\_\_\_

Maturity Date Change

Please submit an amended loan enrollment application, new lender and borrower certifications and complete the following two fields.

Old Maturity Date \_\_\_\_\_

New Maturity Date \_\_\_\_\_

Other (please provide supporting documentation)

Please submit an amended loan enrollment application, new lender and borrower certifications and complete the following field.

Describe the change(s) to the loan \_\_\_\_\_

By signing below, the Participating Financial Institution certifies that the above loan information is true and accurate.

Authorized Lender Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Printed Name of Authorized Signer \_\_\_\_\_

California Pollution Control Financing Authority Use Only			
CalCAP Review:	Analyst	Date	Manager: _____
Database Update:		<input type="checkbox"/> Approved <input type="checkbox"/> Rejected	
<input type="checkbox"/> If rejected, attach proof of transmittal to the lender			

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised April 11, 2018

## 7. CalCAP Financial Institution Claim Application

<p><b>CALIFORNIA CAPITAL ACCESS PROGRAM</b>          California Pollution Control Financing Authority          Office Location: 801 Capitol Mall, 2<sup>nd</sup> Floor          Sacramento, CA 95814          Telephone (916) 654-5610</p>	<p>Mailing Address: P.O. Box 942809          Sacramento, CA 94209-0001  <a href="mailto:CalCAP@treasurer.ca.gov">CalCAP@treasurer.ca.gov</a>          Fax (916) 589-2805</p>
<b>CalCAP FINANCIAL INSTITUTION CLAIM APPLICATION</b>	
<p>NOTE: A lender is required to notify the Authority within 120 days of when the lender has charged off all or part of a qualified loan as a result of default by a borrower. If the form is filled out properly and the lender has faithfully complied with CalCAP requirements, CPCFA will authorize the Program trustee to reimburse the lender from the lender's loss reserve account within 30 business days.</p>	
<b><u>Lender and Borrower Information</u></b>	
Participating Lender: _____	Lender's CalCAP ID #: _____
Lender Contact: Name: _____	CalCAP Loan Number: _____
Phone: _____	Borrower's Name: _____
Address: _____	Borrower DBA: _____
<b><u>Loan Information</u></b>	
Original Principal Amount of Loan: _____	Date of Loan: _____
Default Amount: _____	Date of Default: _____
Is this loan secured? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date of Charge-off: _____
If yes, what form of security _____	
Was the loan in the first \$1 million of CalCAP loans made by lender? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have enforcement proceedings begun? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Lender's priority of claim (If two or more claims filed by lender): _____	
<b><u>Claim Information</u></b>	
Outstanding Principal	\$ _____
Liquidated Collateral	\$ _____
Accrued and Unpaid Interest	\$ _____
Out-of-pocket expenses (Attach detailed explanation)	\$ _____
Total	\$ _____
<p><b>Please attach a complete transaction history report, a short narrative of the loan history, receipt(s), and Bill of Sale(s) (if applicable).</b></p> <ul style="list-style-type: none"> <li>• The lender warrants this claim is being filed within 120 days of the loan being charged off and that charge-off was consistent with the lender's usual methods for taking action on loans not enrolled in the Program.</li> <li>• Lender will, as CPCFA's agent, pursue additional recovery on this defaulted loan through legal proceedings, seizure and liquidation of collateral, guarantees, and/or other sources.</li> <li>• Lender certifies it has given notice to the Authority of the initial enrollment of the loan in CalCAP, and either:             <ol style="list-style-type: none"> <li>(1) has given notice to the Authority of any renewals or extensions of the loan; or</li> <li>(2) the loan was continuously renewed or extended since the date of its initial enrollment in CalCAP.</li> </ol> </li> <li>• This claim is for a loan that the undersigned holds, or a loan that has been assigned, transferred, or pledged to another entity pursuant to prior authorization by CPCFA.</li> </ul>	
Authorized Signature _____	Date _____
Title _____	
<b>California Pollution Control Financing Authority Use Only</b>	
Authorized Signature _____	Date _____
Amount \$ _____	

When complete, please send to: [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or by fax (916) 589-2805

Revised August 15, 2017



## **IX. REGULATIONS**

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To view and print current CalCAP Regulations, please visit:

<https://www.treasurer.ca.gov/cpcf/cap/calcap/regulations.asp>

## **X. Statute (California Health & Safety Code)**

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### **Division 27. California Pollution Control Financing Authority Act. Article 2. Organization of Authority**

44520. (a) The authority shall, in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, adopt all necessary rules and regulations to carry out its powers and duties under this division. The authority may call upon any board or department of the state government for aid and assistance in the preparation of plans and specifications and in the development of technology necessary to effectively control pollution.

(b) Notwithstanding subdivision (a), the authority, or any other agency implementing a small business or brownfield site financing assistance program pursuant to an interagency agreement with the authority, may adopt regulations relating to small business or brownfield site financing as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of that Chapter 3.5, including Section 11349.6 of the Government Code, the adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall be repealed 180 days after their effective date, unless the adopting authority or agency complies with that Chapter 3.5.

(c) Notwithstanding subdivision (a), the authority, or any other agency implementing a loan program pursuant to an interagency agreement with the authority, may adopt regulations relating to the loans and grants authorized under subdivision (g) of Section 44526 as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of that Chapter 3.5, including Section 11349.6 of the Government Code, the adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall be repealed 180 days after their effective date, unless the adopting authority or agency complies with that Chapter 3.5. *(Amended by Stats. 2009, Ch. 643, Sec. 7. (SB 832) Effective November 2, 2009.)*

### **Division 27. California Pollution Control Financing Authority Act. Article 8. Capital Access Loan Program for Small Businesses**

44559. (a) The Legislature finds and declares that small businesses are responsible for a significant amount of environmental emissions in the state, but are less able than larger businesses to afford the investment in new equipment or process modifications needed to comply with environmental regulations, with regard to controlling emissions, preventing the creation of pollutants, contaminants, or waste products, and remediating contamination of properties with a reasonable potential for economically beneficial reuse. Additionally, small businesses faced with financial pressures will be likely to reduce expenditures to achieve environmental compliance. Better access to capital will allow small businesses to more easily comply with environmental mandates, and to remediate contamination of properties with a reasonable potential of economically beneficial reuse, and to succeed economically, generating additional revenue to state and local governments that can be used for environmental improvements, all to the benefit of all the residents of the state.

(b) The Legislature also finds and declares that it is in the best interest of the state to expand the Capital Access Loan Program for small business regardless of whether the operations of the small business affect the

environment, and to permit business loans to be included in the program for small businesses whose operations do not, necessarily, affect the environment. Small businesses have difficulty gaining access to capital for startup and expansion purposes. Small businesses owned by minorities and women have special capital access difficulties. In addition, small businesses operating in areas affected by military base closures are disadvantaged by limited access to capital. The Legislature finds that improving access to capital for these small businesses will spur investment, create jobs, expand economic opportunities, assist in the recovery of communities affected by defense and aerospace losses, assist in the recovery of neighborhoods and communities affected by contaminated properties that are not being used for economically beneficial purposes but which could be so used if the contamination was remediated, and help sustain and strengthen economic recovery in California.

*(Amended by Stats. 2000, Ch. 915, Sec. 11. Effective January 1, 2001.)*

44559.1. As used in this article, unless the context requires otherwise, all of the following terms have the following meanings:

(a) “Authority” means the California Pollution Control Financing Authority.

(b) “California Capital Access Fund” means a fund created within the authority to be used for purposes of the program.

(c) “Executive director” means the Executive Director of the California Pollution Control Financing Authority.

(d) (1) “Financial institution” means a federal- or state-chartered bank, savings association, credit union, not-for-profit community development financial institution certified under Part 1805 (commencing with Section 1805.100) of Chapter XVIII of Title 12 of the Code of Federal Regulations, or a consortium of these entities. A consortium of those entities may include a nonfinancial corporation, if the percentage of capitalization by all nonfinancial corporations in the consortium does not exceed 49 percent.

(2) (A) “Financial institution” also includes a lending institution that has executed a participation agreement with the Small Business Administration under the guaranteed loan program pursuant to Part 120 (commencing with Section 120.1) of Chapter I of Title 13 of the Code of Federal Regulations and meets the requirements of Section 120.410 of Chapter I of Title 13 of the Code of Federal Regulations, a small business investment company licensed pursuant to Part 107 (commencing with Section 107.20) of Chapter I of Title 13 of the Code of Federal Regulations, and a small business financial development corporation, as defined in Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code, or microbusiness lender, as defined in Section 12100 of the Government Code, that meets standards that shall be established by the authority. For loans where all or part of the fees and matching contributions are paid by an entity participating in the program pursuant to subdivision (e) of Section 44559.2, “financial institution” also includes financial lenders, as defined in Section 22009 of the Financial Code, making commercial loans, as defined in Section 22502 of the Financial Code.

(B) A financial institution described in this paragraph shall be domiciled or have its principal office in the State of California.

(3) “Financial institution” also includes an insured depository institution, insured credit union, or community development financial institution, as these terms are defined in Section 4702 of Title 12 of the United States Code.

(e) “Loss reserve account” means an account in the State Treasury or any financial institution that is established and maintained by the authority for the benefit of a financial institution participating in the Capital Access Loan Program established pursuant to this article for the purposes of the following:

- (1) Depositing all required fees paid by the participating financial institution and the qualified business.
- (2) Depositing contributions made by the state and, if applicable, the federal government or other sources.
- (3) Covering losses on enrolled qualified loans sustained by the participating financial institution by disbursing funds accumulated in the loss reserve account.

(f) “Participating financial institution” means a financial institution that has been approved by the authority to enroll qualified loans in the program and has agreed to all terms and conditions set forth in this article and as may be required by any applicable federal law providing matching funding.

(g) “Passive real estate ownership” means ownership of real estate for the purpose of deriving income from speculation, trade, or rental, but does not include any of the following:

- (1) The ownership of that portion of real estate being used or intended to be used for the operation of the business of the owner of the real estate.
- (2) The ownership of real estate for the purpose of construction or renovation, until the completion of the construction or renovation phase.

(h) “Program” means the Capital Access Loan Program created pursuant to this article.

(i) “Qualified business” means a small business concern that meets both of the following criteria, regardless of whether the small business concern has operations that affect the environment:

- (1) It is a corporation, partnership, cooperative, or other entity, whether that entity is a nonprofit entity or an entity established for profit, that is authorized to conduct business in the state.
- (2) It has its primary business location within the boundaries of the state.

(j) (1) “Qualified loan” means a loan or a portion of a loan made by a participating financial institution to a qualified business for any business activity that has its primary economic effect in California. A qualified loan may be made in the form of a line of credit, in which case the participating financial institution shall specify the amount of the line of credit to be covered under the program, which may be equal to the maximum commitment under the line of credit or an amount that is less than that maximum commitment. A qualified loan made under the program may be made with the interest rates, fees, and other terms and conditions agreed upon by the participating financial institution and the borrower.

(2) “Qualified loan” does not include any of the following:

- (A) A loan for the construction or purchase of residential housing.

(B) A loan to finance passive real estate ownership.

(C) A loan for the refinancing of an existing loan when and to the extent that the outstanding balance is not increased.

(D) A loan, the proceeds of which will be used in any manner that could cause the interest on any bonds previously issued by the authority to become subject to federal income tax.

(k) “Severely affected community” means any area classified as an enterprise zone pursuant to the Enterprise Zone Act (Chapter 12.8 (commencing with Section 7070) of Division 7 of Title 1 of the Government Code), any area, as designated by the executive director, contiguous to the boundaries of a military base designated for closure pursuant to Section 2687 of Title 10 of the United States Code, as amended, and any other comparable economically distressed geographic area so designated by the executive director from time to time.

(l) “Small Business Assistance Fund” means a fund created within the authority pursuant to Section 44548.

(m) “Small business concern” has the same meaning as in Section 632 of Title 15 of the United States Code, or as otherwise provided in regulations of the authority.

*(Amended by Stats. 2014, Ch. 132, Sec. 9. (AB 2749) Effective January 1, 2015.)*

44559.2. (a) The authority may contract with any financial institution for the purpose of allowing the financial institution to participate in the Capital Access Loan Program established by this article.

(b) For purposes of this section, the authority may contract with participating financial institutions and shall utilize a standard form of contract that is reviewed and approved by the Department of General Services. The standard form of contract shall provide for all of the following:

(1) The creation of a loss reserve account by the authority for the benefit of the financial institution.

(2) The financial institution, qualified business, and the authority will deposit moneys to the credit of the institution’s loss reserve account when the financial institution makes a qualified loan to a qualified business.

(3) The liability of the state and the authority to the financial institution under the contract is limited to the amount of money credited to the loss reserve account of the institution.

(4) The financial institution shall provide the information that the authority may require, including financial information that is identifiable with, or identifiable from the financial records of a particular customer who is the recipient of a qualified loan. In addition to any other information that the authority may require, the financial institution shall provide the complete North American Industry Classification System (NAICS) for the qualified business, the number of jobs created, the number of jobs retained, and information that provides the precise geographic location of both the qualified business and the borrower, if different.

(5) The financial institution will file a report with the executive director setting out a full description of the board of directors, including size, race, ethnicity, and gender.

(6) The participating financial institution will require each borrower, prior to receiving a loan under the

program, to sign a written representation to the participating financial institution that the borrower has no legal, beneficial, or equitable interest in the nonrefundable premium charges or any other funds credited to the loss reserve account established by the authority for the participating financial institution.

(7) Other terms that the authority may require for purposes of this article.

(c) A financial institution is not subject to laws restricting the disclosure of financial information when the financial institution provides information to the authority as required by paragraph (4) of subdivision (b).

(d) A credit union operating pursuant to a certificate issued under the California Credit Union Law (Division 5 (commencing with Section 14000) of the Financial Code) may participate in the Capital Access Loan Program established pursuant to this article only to the extent participation is in compliance with the California Credit Union Law. Nothing in this article shall be construed to limit the authority of the Commissioner of Financial Institutions to regulate credit unions subject to the commissioner's jurisdiction under the California Credit Union Law.

(e) Any individual, company, corporation, institution, utility, government agency, or other entity, including any consortium of these persons or entities, whether public or private, may participate in the Capital Access Loan Program established pursuant to this article by depositing funds in the California Capital Access Fund under those terms and conditions as may be deemed appropriate by the authority.

*(Amended by Stats. 2011, Ch. 483, Sec. 3. (AB 901) Effective January 1, 2012.)*

44559.3. (a) The authority shall establish a loss reserve account for each financial institution with which the authority makes a contract.

(b) The loss reserve account for a financial institution shall consist of moneys paid as fees by borrowers and the financial institution, moneys transferred to the account from a small business assistance fund, any matching federal moneys, and any other moneys provided by the authority or other source.

(c) Notwithstanding any other law, the authority may establish and maintain loss reserve accounts with any financial institution under any policies the authority may adopt.

(d) All moneys in a loss reserve account established pursuant to this article are the exclusive property of, and solely controlled by, the authority. Interest or income earned on moneys credited to the loss reserve account shall be deemed to be part of the loss reserve account. The authority may withdraw from the loss reserve account all, or a portion of, the interest or other income that has been credited to the loss reserve account. Any withdrawal made pursuant to this subdivision may be made prior to paying any claim and shall be used for the sole purpose of offsetting costs associated with carrying out the program, including administrative costs and loss reserve account contributions.

(e) The combined amount to be deposited by the participating financial institution into any individual loss reserve account over a three-year period, in connection with any single borrower or any group of borrowers among which a common enterprise exists, shall be not more than one hundred thousand dollars (\$100,000).  
*(Amended by Stats. 2011, Ch. 484, Sec. 2. (AB 981) Effective January 1, 2012.)*

44559.4. (a) If a financial institution that is participating in the Capital Access Loan Program established pursuant to this article decides to enroll a qualified loan under the program in order to obtain the protection

against loss provided by its loss reserve account, it shall notify the authority in writing on a form prescribed by the authority, within 15 days after the date on which the loan is made, of all of the following:

- (1) The disbursement of the loan.
- (2) The dollar amount of the loan enrolled.
- (3) The interest rate applicable to, and the term of, the loan.
- (4) The amount of the agreed upon premium.

(b) The executive director may authorize an additional five days for a financial institution to submit the written notification described in subdivision (a) to the authority on a loan-by-loan basis for a reason limited to conditions beyond the reasonable control of the financial institution.

(c) The financial institution may make a qualified loan to be enrolled under the program to an individual, or to a partnership or trust wholly owned or controlled by an individual, for the purpose of financing property that will be leased to a qualified business that is wholly owned by that individual. In that case, the property shall be treated as meeting the requirements of paragraph (1) of subdivision (i) of Section 44559.1.

(d) When making a qualified loan that will be enrolled under the program, the participating financial institution shall require the qualified business to which the loan is made to pay a fee of not less than 2 percent of the principal amount of the loan, but not more than 3 1/2 percent of the principal amount. The financial institution shall also pay a fee in an amount equal to the fee paid by the borrower. The financial institution shall deliver the fees collected under this subdivision to the authority for deposit in the loss reserve account for the institution. The financial institution may recover from the borrower the cost of its payments to the loss reserve account through the financing of the loan, upon the agreement of the financial institution and the borrower. The financial institution may cover the cost of borrower payments to the loan loss reserve account.

(e) When depositing fees collected under subdivision (d) to the credit of the loss reserve account for a participating financial institution, the authority shall do the following:

(1) If matching funds are not available under a federal capital access program or other source, the authority shall transfer to the loss reserve account an amount that is not less than the amount of the fees paid by the participating financial institution. However, if the qualified business is located within a severely affected community, the authority shall transfer to the loss reserve account an amount not less than 150 percent of the amount of the fees paid by the participating financial institution.

(2) If matching funds are available under a federal capital access program or other source, the authority shall transfer, on an immediate or deferred basis, to the loss reserve account the amount required by that federal program or other source. However, the total amount deposited into the loss reserve account shall not be less than the amount which would have been deposited in the absence of matching funds.

(f) This section shall become operative on April 1, 2017.

*(Amended (as added by Stats. 2012, Ch. 274, Sec. 2) by Stats. 2016, Ch. 86, Sec. 192. (SB 1171) Effective January 1, 2017. Section operative April 1, 2017, by its own provisions.)*



44559.5. (a) The authority shall establish procedures under which financial institutions participating in the program established pursuant to this article may submit claims for reimbursement for losses incurred as a result of qualified loan defaults. A participating financial institution that charges off all or part of an enrolled loan to the loss reserve account may file a claim for reimbursement with the authority if both of the following conditions are met:

(1) The claim occurs contemporaneously with the action of the participating financial institution to charge off all or part of the loan.

(2) The charge off on an enrolled loan is made in a manner that is consistent with the participating financial institution's usual method for making determinations on business loans that are not enrolled loans.

(b) Costs for which a financial institution may be reimbursed from its loss reserve account include the amount of loan principal charged off, accrued interest on the principal, reasonable out-of-pocket expenses incurred in pursuing its collection efforts, including preservation of collateral, and any other related costs. Proper documentation of the expenses shall be presented at the time of the claim.

(c) If a participating financial institution files two or more claims contemporaneously, and there are insufficient funds in the reserve fund at that time to cover the entire amount of such claims, the institution may designate the order of priority in which the claims shall be paid.

(d) A financial institution may seek reimbursement of loan losses prior to the liquidation of collateral from defaulted loans. The financial institution shall repay its loss reserve account for any moneys received as reimbursement under this section if the financial institution recovers moneys from the borrower or from the liquidation of collateral for the defaulted loan, less any reasonable out-of-pocket expenses incurred in collection of such amount.

(e) In any case in which the payment of a claim under this section has fully covered a participating financial institution's loss on an enrolled loan, the participating financial institution shall assign to the authority, and to any applicable federal agency in the event federal matching funds are involved, any right, title, or interest to any collateral, security, or other right of recovery in connection with a loan made under the program.

(f) The executive director may adopt necessary rules for the authority to carry out its duties, functions, and powers relating to the program established pursuant to this article.

*(Added by Stats. 1993, Ch. 1164, Sec. 4. Effective January 1, 1994.)*

44559.6. The authority shall annually prepare a report to the Governor and the Legislature that describes the financial condition and programmatic results of the capital access loan program for small businesses authorized under this article. Programmatic results shall include, but not be limited to, the total number of businesses served, jobs created, jobs retained, the geographic distribution of the loans, and the breakdown of businesses served by industry sector for all new loans issued since the report for the prior year.

*(Amended by Stats. 2011, Ch. 483, Sec. 4. (AB 901) Effective January 1, 2012.)*

44559.7. The authority may enter into agreements with commercial banks or other financial institutions, or with other agencies of the state, to provide necessary assistance in carrying out the program authorized by this article, including origination and servicing of loans.

*(Added by Stats. 1993, Ch. 1164, Sec. 4. Effective January 1, 1994.)*

44559.8. Notwithstanding this article, the authority may facilitate the development of a secondary market for a loan enrolled in the capital access loan program by providing security for that loan, thereby increasing participation in the program by financial institutions and improving access to capital for small businesses. For purposes of this section, the actions that the authority may take include, but are not necessarily limited to, assigning all, or a portion of, any loss reserve account to any other entity in connection with providing security for a loan, including a trustee of a securitization trust, transferring an enrolled loan from a participating financial institution to a securitization trust, and assisting underwriters in marketing a loan to the secondary market.

*(Added by Stats. 1999, Ch. 756, Sec. 4. Effective October 10, 1999.)*

44559.9. The authority shall expand the Capital Access Loan Program established by this article to include outreach to financial institutions that service agricultural interests in the state for the purpose of funding air pollution control measures.

*(Added by Stats. 2003, Ch. 479, Sec. 13. Effective January 1, 2004.)*

44559.11. (a) It is the intent of the Legislature to ensure that the state, through the authority, may make maximum, efficient use of capital access programs enacted by all federal and state agencies, as well as funding available from any governmental program whose goals may be advanced by providing funding to the Capital Access Loan Program.

(b) In furtherance of this intent, and notwithstanding any other provision of this article, when the contributions required pursuant to Section 44559.4 are entirely funded by a public or quasi-public entity other than the authority's fee revenue under Sections 44525 and 44548, the authority may, by regulation adopted pursuant to subdivision (b) of Section 44520 or subdivision (e) of Section 44559.14, establish alternate provisions as necessary to enable the authority to participate in the alternative funding source program, including implementing loan loss reserve programs to benefit any individual person engaged in qualifying activities in furtherance of the public or quasi-public entity's policy objectives in the state that require financing.

*(Amended by Stats. 2016, Ch. 32, Sec. 69. (SB 837) Effective June 27, 2016.)*

44559.12. (a) Consistent with subdivision (b) of Section 44559.11, the authority may establish loss reserve accounts for the purposes of financing terminal rental adjustment clause leasing, if funds are available for contribution into the loss reserve account from any source other than the authority. The authority shall not contribute any funds into a loss reserve account created pursuant to this section. Funds provided by the federal government for the purposes of providing a loan loss reserve program shall not be contributed to an account created pursuant to this section.

(b) The executive director may establish conditions for terminal rental adjustment clause leasing loss reserve accounts created pursuant to this section.

(c) As used in this section, "terminal rental adjustment clause" means "terminal rental adjustment clause" as defined in Section 7701(h)(3) of Title 26 of the United States Code.

*(Added by Stats. 2011, Ch. 492, Sec. 2. (SB 225) Effective October 6, 2011.)*

44559.13. (a) It is the intent of the Legislature in this act to create and fund the California Americans with Disabilities Act Small Business Capital Access Loan Program to assist small businesses in complying with the

Americans with Disabilities Act. It is not the intent of the Legislature to assist the physical expansion of small businesses that includes modifications that comply with the Americans with Disabilities Act. The program shall be administered by the California Pollution Control Financing Authority and follow the terms and conditions for the Capital Access Loan Program for Small Businesses in this article with the additional program requirements specified under this section.

(b) For purposes of this section, unless the context requires otherwise, the following words and terms shall have the following meanings:

(1) "Americans with Disabilities Act" means the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and amendments thereto.

(2) "California Americans with Disabilities Act Small Business Capital Access Loan Program Fund" or "fund" means a fund established and administered by the authority pursuant to Sections 44548 and 44549 to be used for purposes of this program.

(3) (A) "Eligible cost" means and includes all or any part of the price of construction, purchase price of real or personal property, the price of demolishing or removing any buildings or structures, the price of all machinery and equipment, the amount of financing charges and interest before, during, and for a period not to exceed the later of one year or one year following completion of construction, as determined by the authority, the price of insurance during construction, the amount of funding or financing noncapital expenses, the amount of reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations, and improvements, the price of engineering, financial, and legal services and other service contracts, the price of plans, specifications, studies, surveys, estimates, administrative expenses, and any other expenses of funding or financing, that are necessary and allocable to the eligible project.

(B) "Eligible cost" shall not include costs not directly related to physical alterations necessary for compliance with the Americans with Disabilities Act.

(4) "Eligible project" means the physical alterations or retrofits to an existing small business facility of less than 10,000 square feet necessary to ensure that facility is in compliance with the Americans with Disabilities Act, and the financing necessary to pay eligible costs of the project.

(5) "Qualified loan" means a loan or portion of a loan as defined in subdivision (j) of Section 44559.1, where the proceeds of the loan or portion of the loan are limited to the eligible costs for an eligible project under this program, and where the loan or portion of the loan does not exceed fifty thousand dollars (\$50,000).

(6) "Small business" or "qualified business" means a business that is independently owned and operated and not dominant in its field that meets both of the following additional criteria:

(A) It has 30 or fewer full-time equivalent employees, or it has less than five million dollars (\$5,000,000) in total gross annual income from all sources.

(B) It does not provide overnight accommodations.

(c) (1) The California Americans with Disabilities Act Small Business Capital Access Loan Program Fund is established in the State Treasury for, and shall be administered by the authority pursuant to Sections 44548

and 44549 for, this program. Notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the authority for carrying out the purposes of this section. The authority may divide the fund into separate accounts. All moneys accruing to the authority pursuant to this section from any source shall be deposited into the fund.

(2) All moneys in the fund derived from any source shall be held in trust for the life of this program, subject to the program expenditures and costs of administering this section, as follows:

(A) Program expenditures shall include all of the following:

(i) Contributions paid by the authority in support of qualified loans.

(ii) Payments made to borrowers enrolling loans to participate in the program, to the extent that moneys other than the initial appropriation are deposited into the fund by the authority and are authorized for that use pursuant to paragraph (3) of subdivision (d).

(iii) Reasonable costs to educate the small business community and participating lenders about the program, including travel within the state.

(B) Administrative expenditures shall be limited to 5 percent of the initial appropriation plus 5 percent of all moneys recaptured, and shall include all of the following:

(i) Personnel costs.

(ii) Service and vending contracts necessary to carry out the program.

(iii) Other reasonable direct and indirect administrative costs.

(3) The authority may direct the Treasurer to invest moneys in the fund that are not required for its current needs in the eligible securities specified in Section 16430 of the Government Code as the authority shall designate. The authority may direct the Treasurer to deposit moneys in interest-bearing accounts in state or national banks or other financial institutions having principal offices located in the state. The authority may alternatively require the transfer of moneys in the fund to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code. All interest or other increment resulting from an investment or deposit shall be deposited into the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

(d) The authority shall adopt regulations pursuant to subdivision (c) of Section 44520 to implement the program, including provisions specific to this program as described in this section and further including provisions to:

(1) Establish a new loss reserve account for each participating lender enrolling loans in this program.

(2) Obtain a certification from each participating lender and small business upon enrollment of a qualified loan that the proceeds of the loan will be used for the eligible costs of an eligible project.

(3) Contribute an additional incentive from the fund for each loan enrolled for a qualified business located in a severely affected community, or make nonreimbursable payments from other moneys to participating borrowers to offset all or a portion of the reasonable costs of architectural inspections obtained from a person who is certified as an access specialist pursuant to the program described in Section 4459.5 of the Government Code.

(4) Restrict the enrollment of a qualified loan in any other Capital Access Loan Program for small business offered by the authority as long as funds are available for this program.

(5) Limit the term of loss coverage for each qualified loan to no more than five years.

(6) Recapture from the loss reserve account the authority's contribution for each enrolled loan upon the maturation of such loan or after five years from the date of enrollment, whichever happens first, to be deposited in the fund and applied to future program and administrative expenditures.

*(Amended (as amended by Stats. 2017, Ch. 644, Sec. 2) by Stats. 2018, Ch. 645, Sec. 13. (AB 1547) Effective September 21, 2018.)*

44559.14. (a) (1) It is the intent of the Legislature in enacting the act adding this section to create and fund a program to assist residential property owners and small business owners in seismically retrofitting residences and small businesses with a priority on soft-story buildings and unreinforced brick and concrete buildings. It is not the intent of the Legislature to assist the physical expansion of small businesses and residences.

(2) The Legislature hereby establishes the California Seismic Safety Capital Access Loan Program. The program shall cover losses on qualified loans by participating lenders to qualified residential property owners or qualified small businesses for eligible projects, as specified under this section. The program shall be administered by the California Pollution Control Financing Authority and follow the terms and conditions for the Capital Access Loan Program in this article with the additional program requirements specified under this section.

(b) For purposes of this section, unless the context requires otherwise, the following words and terms shall have the following meanings:

(1) "Seismic retrofit construction" means alteration performed on or after January 1, 2017, of a qualified building or its components to substantially mitigate seismic damage. "Seismic retrofit construction" includes, but is not limited to, all of the following:

(A) Anchoring the structure to the foundation.

(B) Bracing cripple walls.

(C) Bracing hot water heaters.

(D) Installing automatic gas shutoff valves.

(E) Repairing or reinforcing the foundation to improve the integrity of the foundation against seismic

damage.

(F) Anchoring fuel storage.

(G) Installing an earthquake-resistant bracing system for mobilehomes that are registered with the Department of Housing and Community Development.

(H) Strengthening a building's lateral load resisting system.

(2) "Eligible costs" means the costs paid or incurred on or after January 1, 2017, for an eligible project, including any engineering or architectural design work necessary to permit or complete the eligible project less the amount of any grant provided by a public entity for the eligible project. "Eligible costs" do not include costs paid or incurred for any of the following:

(A) Maintenance, including abatement of deferred or inadequate maintenance, and correction of violations unrelated to the seismic retrofit construction.

(B) Repair, including repair of earthquake damage.

(C) Seismic retrofit construction required by local building codes as a result of addition, repair, building relocation, or change of use or occupancy.

(D) Other work or improvement required by local building or planning codes as a result of the intended seismic retrofit construction.

(E) Rent reductions or other associated compensation, compliance actions, or other related coordination involving the qualified residential property owner or qualified small business and any other party, including a tenant, insurer, or lender.

(F) Replacement of existing building components, including equipment, except as needed to complete the seismic retrofit construction.

(G) Bracing or securing nonpermanent building contents.

(H) The offset of costs, reimbursements, or other costs transferred from the qualified residential property owner or qualified small business to others.

(3) "Eligible project" means seismic retrofit construction that is necessary to ensure that the qualified building is capable of substantially mitigating seismic damage, and the financing necessary to pay eligible costs of the project.

(4) "Qualified building" means a residential or commercial building that is identified by the local building code official for the jurisdiction in which the building is located as a building in need of seismic retrofitting and is either a building of a type that is potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1981.

(5) "Qualified loan" means a loan or portion of a loan as defined in subdivision (j) of Section 44559.1, where

the proceeds of the loan or portion of the loan are limited to the eligible costs for an eligible project under this program, and where the loan or portion of the loan does not exceed two hundred fifty thousand dollars (\$250,000).

(6) “Qualified small business” means a business referred to in subdivisions (i) and (m) of Section 44559.1 that owns a qualified building regardless of owner occupancy, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1.

(7) “Qualified residential property owner” means either an owner of a residential building that is a qualified building or a qualified small business that owns one or more residential buildings, including a multiunit housing building, that is a qualified building, notwithstanding the restriction on passive real estate ownership in subparagraph (B) of paragraph (2) of subdivision (j) of Section 44559.1.

(c) (1) The California Seismic Safety Capital Access Loan Program Fund is established in the State Treasury and shall be administered by the authority pursuant to Sections 44548 and 44549 for this program. For purposes of this section, the references in Sections 44548 and 44549 to “small business” shall include “qualified residential property owner,” as defined in this section. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the authority for carrying out this section. The authority may divide the fund into separate accounts. All moneys accruing to the authority pursuant to this section from any source shall be deposited into the fund.

(2) All moneys in the fund derived from any source shall be held in trust for the life of this program, for program expenditures and costs of administering this section, as follows:

(A) Program expenditures shall include both of the following:

(i) Contributions paid by the authority in support of qualified loans.

(ii) Costs for a qualified expert to validate that the proceeds of the loans are eligible costs, as defined under this section.

(iii) Reasonable costs to educate the small business community, residential property owners, and participating lenders about the program, including travel within the state.

(B) Administrative expenditures shall be limited to 5 percent of the initial appropriation plus 5 percent of all moneys recaptured, and shall include all of the following:

(i) Personnel costs.

(ii) Service and vending contracts, other than program expenditures described in subparagraph (A), that are necessary to carry out the program.

(iii) Other reasonable direct and indirect administrative costs.

(3) The authority may direct the Treasurer to invest moneys in the fund that are not required for its current needs in the eligible securities specified in Section 16430 of the Government Code as the authority shall designate. The authority may direct the Treasurer to deposit moneys in interest-bearing accounts in state or



national banks or other financial institutions having principal offices located in the state. The authority may alternatively require the transfer of moneys in the fund to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code. All interest or other increment resulting from an investment or deposit shall be deposited into the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the fund shall not be subject to transfer to any other fund pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, excepting the Surplus Money Investment Fund.

(d) The authority shall adopt regulations pursuant to Section 44520 to implement the program, including, but not limited to, provisions to:

- (1) Establish a new loss reserve account for each participating lender enrolling loans in this program.
- (2) Obtain a certification from each participating lender and qualified small business or qualified residential property owner upon enrollment of a qualified loan that the proceeds of the loan will be used for the eligible costs of an eligible project.
- (3) Contribute an additional incentive from the fund for each loan enrolled for a qualified small business or qualified residential property owner located in a severely affected community.
- (4) Restrict the enrollment of a qualified loan in any other Capital Access Loan Program for a qualified small business or qualified residential property owner offered by the authority as long as funds are available for this program.
- (5) Limit the term of loss coverage for each qualified loan to no more than 10 years.
- (6) Recapture from the loss reserve account the authority's contribution for each enrolled loan upon the maturation of that loan or after 10 years from the date of enrollment, whichever happens first, to be deposited in the fund and applied to future program and administrative expenditures.

(e) The authority may adopt regulations relating to residential property owner or small business financing as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For purposes of that Chapter 3.5, including Section 11349.6 of the Government Code, the adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall be repealed 180 days after their effective date, unless the adopting authority or agency complies with that Chapter 3.5.

*(Amended by Stats. 2018, Ch. 645, Sec. 14. (AB 1547) Effective September 21, 2018.)*