

MINUTES

**California Alternative Energy and Advanced
Transportation Financing Authority
915 Capitol Mall, Room 587
Sacramento, California
May 18, 2011**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Chairperson, called the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA or Authority) meeting to order at 11:38 a.m.

Members Present: Bettina Redway for Bill Lockyer, State Treasurer
Dave O'Toole for John Chiang, State Controller
Todd Jerue for Ana J. Matosantos, Director, Department of Finance
Paul Clanon for Michael R. Peevey, President,
Public Utilities Commission
Paul Feist for Robert B. Weisenmiller, Chair,
California Energy Commission

Staff Present: Christine Solich, Executive Director
Sherri Kay Wahl, Deputy Executive Director

Quorum: The Chairperson declared a quorum

2. MINUTES

Ms. Redway asked if there were any questions or comments concerning the April 26, 2011 meeting minutes. There were none.

Ms. Redway asked if there was a motion.

Mr. Jerue moved approval of the minutes; upon a second, the minutes were unanimously approved.

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Solich began her report by announcing to the Board that Agenda Item 4.A.1 had been withdrawn.

Ms. Solich continued her report with an update on the Senate Bill 71 (SB 71 Program) outreach efforts. Staff has considered ways to conduct more focused outreach to companies that qualify for the SB 71 Program. To overcome CAEATFA's limited internal resources Staff is developing a plan that will include networking with other state and local agencies,

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focusing on green economy and workforce development programs, and identifying the most constructive forums for outreach.

Ms. Solich further reported that since the last Board meeting Staff had met with the Governor's Office of Economic Development (GoEd), which conducts outreach to a wide range of industries. GoEd is actively promoting the SB 71 Program and sharing information on potential outreach venues and conferences that would assist Staff with their outreach efforts. Ms. Solich continued to report that on May 17, 2011, she had participated in a public sector financing panel at the Green Collar Jobs Council for the California Workforce Investment Board (CWIB), to provide insight on how California's businesses can be better positioned to secure financing and inform the panel on job growth, green industry expansion, and the SB 71 Program. She also reported that Staff would be coordinating with the California Energy Commission (CEC) to leverage CAEATFA's programs with those of the CEC to further the SB 71 Program outreach efforts.

With regard to Agenda Item 3 – the enhanced pipeline report of SB 71 Program applications – Ms. Solich stated that Staff would be recommending one new project to the Board for approval. Upon approval of the project the Board will have authorized \$87.7 million in Sales and Use Tax Exclusions (STEs) to date. This represents approximately \$53.5 million in net fiscal and environmental benefits to the State and the creation of 6,278 jobs; 604 of which were derived from the STEs awarded. She continued to report that \$24 million has been used to date and that approved projects are required to use 25% of the STEs in the first year and the remainder within three years.

Ms. Solich then ended her report.

4. BUSINESS ITEMS

B. DISCUSSION AND CONSIDERATION OF APPLICATION FOR SB 71 SALES AND USE TAX EXCLUSION

Presented by: Cheryl Ide, Analyst

Staff introduced Rachel McMahon, Director of Government Affairs of Amonix, Inc.

1) Amonix, Inc.

Staff recommended approval of Resolution No. 11-SM007 for Amonix, Inc.'s purchase of qualified property in an amount not to exceed \$2,278,900 anticipated to result in an approximate sales and use tax exclusion value of \$207,380.

Amonix requested a STE to purchase qualified property in the amount of \$2,278,900 for the expansion of its current photovoltaic manufacturing facilities in Seal Beach and Milpitas, California.

Based on the net benefits methodology, Staff estimated that the Project will assist in creating environmental benefits valued at approximately \$245,000 and fiscal benefits valued at approximately \$558,000. This results in approximately \$803,000 in total

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benefits and a net benefit value of \$595,000. This Project is anticipated to create 153 jobs.

Ms. Redway asked if there were any questions or comments from the Board or public.

Mr. O'Toole asked if there is a way to verify the number of SB 71 jobs being stated in the application will actually be created.

Ms. Solich stated that reporting is required of all approved applicants. In January 2012, the applicants must provide detailed reports on the jobs created, taxes, and other information including economic and environmental benefits of the projects.

Mr. Feist inquired about the current size of the Amonix, Inc's plant workforce.

Ms. McMahon stated that the current size of the workforce at the Milpitas facility is approximately 140.

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

Ms. Redway asked if there was a motion.

Mr. Clanon moved approval of the item; upon a second, the item was unanimously approved.

5. PUBLIC COMMENT

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

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 11:46 a.m.

Respectfully submitted,

Christine Solich
Executive Director