

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 5, 2007

***REQUEST APPROVAL TO DISTRIBUTE PROPOSED REVISIONS TO THE PROCEDURES FOR
PUBLIC COMMENT***

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I. ACTION:

Approve draft Procedures to post to California Debt Limit Allocation Committee (CDLAC) Website.

II. BACKGROUND:

Staff recommends technical changes and clean-up language to the existing CDLAC procedures.

III. DELETE CDLAC PROGRAMS THAT ARE INACTIVE OR HAVE BEEN ELIMINATED.

Section 2. Definitions

- Energy Financing Program – Industrial Development Bond Program, Page 4 of CDLAC Procedures
- Energy Financing Program Pool – Industrial Development Bond Program, Page 4 CDLAC Procedures
- Equipment Only Purchase Program - Industrial Development Bond Program, Page 4 CDLAC Procedures
- Equipment Only Purchase Program Pool - Industrial Development Bond Program, Page 4 CDLAC Procedures
- Power Authority – means the California Power Authority, Page 7 CDLAC Procedures
- Redevelopment Agency Housing Set Aside, Page 8 CDLAC Procedures
- Targeted Tax Area, Page 11 CDLAC Procedures

IV. TECHNICAL CHANGES AND CLEAN-UP LANGUAGE

A. Section 2. Definitions

- First Tier Business – Changes CDLAC Exempt Facility language to conform to the California Pollution Control Authority (CPCFA) regulations, Page 5 CDLAC Procedures.
- Job Creation – Changes CDLAC Industrial Development Bond language to conform to the California Industrial Development Financing Advisory Commission (CIDFAC) regulations, Page 6 CDLAC Procedures.
 - Section 20 (II) (B) Page 44-45 CDLAC Procedures
- Job Retention – Changes CDLAC Industrial Development Bond language to conform to the California Industrial Development Financing Advisory Commission (CIDFAC) regulations, Page 6-7 CDLAC Procedures.
 - Section 20 (II) (B) Page 44-45 CDLAC Procedures.
- Related Party – Changes CDLAC Procedures to conform to the California Tax Credit Committee (TCAC) regulations, Page 8-9 CDLAC Procedures.
- Scattered Site Project – Changes CDLAC Procedures to conform to the TCAC regulations, Page 10 CDLAC Procedures.

B. Section 12 (I) (II). Transfers of Allocation

- Transfer of Allocation – Clarification of the role of the Joint Power Authority (JPA) in the Single Family Housing Program, Page 21-22 CDLAC Procedures.

C. Section 17. (I) (a). Site Control

- Site Control – Clarification of the documentation required to determine site control, Page 24-25 CDLAC Procedures.

D. Section 17. (I) (B). Income and Rent Restrictions

- Income and Rent Restrictions – Changes the CDLAC Procedures for the Qualified Residential Rental Program to conform to the TCAC regulations, Page 25 CDLAC Procedures.

E. Section 17. (I) (G). Compliance Monitoring

- Compliance Monitoring – Clarification of the CDLAC monitoring requirements to insure conformance with the TCAC regulations, Page 27-28 CDLAC Procedures.

F. Section 18. Allocation of the Bonus Pool Reserve

- Allocation of the Bonus Pool Reserve – Clarification of the CDLAC requirements for participation in the Single Family Housing Bonus Pool, Page 38-40 CDLAC Procedures.

G. Section 20. Allocation System for Small-Issue Industrial Development Bond Projects

- Allocation System for Industrial Development Bond (IDB) Core projects – Allows the Committee to award an allocation to the California Industrial Development Financing Advisory Commission (CIDFAC) for the purpose of administering the tax-exempt bond financing for the Core IDB program.

H. Section 21. Allocation System for Exempt Facility Projects

- Allocation System for Exempt Facility Projects – Allows the Committee to award an allocation to the California Pollution Control Financing Authority (CPCFA) for the purpose of administering the tax-exempt bond financing program, Page 51 CDLAC Procedures.

COMMENTS:

To date, CDLAC has received two formal comments regarding the proposed procedure changes. Sue Horne, Chair of the Regional Council of Rural Counties wrote to express her concern regarding the Joint Powers Authority (JPA) clarification language and Andrew Rose, Attorney at Law wrote to express his concern regarding the Exempt Facility Program Small Business definition.

RECOMMENDATION: Approve the distribution of revised draft Procedures for a 30-day public comment period.