

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

February 27, 2008

**Consideration of the Apportionment of
Unused 2008 Exempt Facility Program Pool Allocation**

ACTION: The Committee will retain approximately \$224,370,000 in Exempt Facility Allocation to be awarded by the California Debt Limit Allocation Committee (CDLAC). Exempt Facility Projects Induced by Issuers other than CPCFA prior to February 22, 2008, may apply to CDLAC directly for allocation. CDLAC will maintain an Exempt Facility Program Pool allocation of \$165,330,000 based on the proposed action at the March 26, CDLAC meeting where consideration of approximately \$59,040,000 in allocation is recommended for Exempt Facility projects.

The Exempt Facility Pool is oversubscribed for 2008 therefore; CDLAC staff is recommending:

- 1) A maximum allocation of \$80 million be awarded per CDLAC meeting beginning with the May CDLAC meeting, and
- 2) Allocation be provided to Exempt Facility First Tier projects ONLY. The Committee may adjust or waive the maximum allocation if the Committee determines that such a waiver is warranted.

BACKGROUND: At the January 23, 2008 California Debt Limit Allocation Committee (CDLAC) meeting the Committee voted to authorize CPCFA to receive an award of Exempt Facility Allocation for the purpose of allocating portions of the award to Project Sponsors for purposes of issuing bonds.

CDLAC staff recommended that CPCFA receive a \$200 million award of Exempt Facility Allocation. This staff report outlines the process for awarding the remaining \$224,370,000 Exempt Facility allocation after the March 26 allocation meeting.

RECOMMENDATION: Approve the Allocation Process as outlined above for the award of Exempt Facility Allocation by CDLAC.

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