

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
BOND FINANCING PROGRAM  
Meeting Date: September 19, 2017**

*Request to Approve Final Resolution Authorizing the Issuance of Revenue Notes for New Money Purposes, Small Business Assistance Fund (SBAF) Costs of Issuance Assistance, and Tax-Exempt Volume Cap Allocation*

Prepared by: Andrea Gonzalez

<b>Applicant:</b>	Potential Industries, Inc. and/or its Affiliates	<b>Amount Requested:</b>	\$5,105,000
<b>Project Location:</b>	City of Wilmington (Los Angeles County)	<b>Application No.:</b>	909(SB)
		<b>Final Resolution No.:</b>	572
		<b>Prior Actions:</b>	IR approved 6/20/17

**Summary.** Potential Industries, Inc. and/or its Affiliates (“Company”) request an approval of a Final Resolution for an amount not to exceed \$5,105,000 of tax-exempt notes to finance the acquisition of new machinery and equipment at an existing recycling plant.

**Borrower.** Potential Industries, Inc. is a California C-corporation organized in March of 1975 in California and is in the business of solid waste recycling. Although the Company has one listed affiliate relationship with West Valley Fibres, there is no relationship to financing, leases or other financial obligations between the Company and West Valley Fibres. Additionally, the Company meets the size standards set forth in Title 13 of the Code of Federal Regulations for eligibility as a small business having 85 employees.

The principal stockholders of the Company are as follows:

Henry Chen	40%
Jessica Chen	33%
Tony Fan	27%
<b>Total:</b>	<b><u>100%</u></b>

**Legal Status Questionnaire.** The Staff has reviewed the Company’s responses to the questions contained in the Legal Status Questionnaire portion of the Application. No information was disclosed in the Legal Status Questionnaire portion of the Application that raises questions concerning the financial viability or legal integrity of this applicant.

**TEFRA.** The TEFRA hearing was held on August 17, 2017. There were no comments received in support of or in opposition to this project.

**Fees.** The Company has paid an application fee of \$3,572.50 and will pay an administrative fee of \$6,637.50 at closing.

**SBAF Assistance.** The Company is a small business eligible for assistance from the SBAF in an amount not to exceed \$207,480.

**Prior Financings.** Prior financings are listed below.

Description	Date of Bond Issue	Original Amount	Amount Outstanding as of 9/1/2017
Potential Industries, Inc. 1999	7/29/1999	\$1,500,000	\$0
Potential Industries, Inc. 2000A	12/21/2000	\$1,900,000	0
<b>TOTALS:</b>		<b><u>\$3,400,000</u></b>	<b><u>\$0</u></b>

**Project Description.** Potential Industries, Inc., located in the City of Wilmington, currently processes approximately 12,000 tons per month of residential commingled recyclables from the Cities of Los Angeles, Long Beach, Torrance, and others in Southern California pursuant to a solid waste facilities permit. The Company seeks to use note proceeds to finance the acquisition of new equipment such as conveyors, screens, steel platforms, chutes, equipment controls, electrical and engineering, mechanical screens, and optical sorting equipment to increase the efficiency of the recycling systems and to increase diversion of waste from landfills.

The anticipated project and issuance costs are listed below:

Acquisition and Installation of New Equipment	\$5,000,000
Bond Issuance Expenses	\$102,100
Equipment Contingency	<u>\$2,900</u>
<b>Total:</b>	<b><u>\$5,105,000</u></b>

*Note: The project costs reported in the Borrower's application and shown here in staff's report are estimated costs. At the time this financing closes, the estimated project costs will be finalized and stated in the Tax Certificate. Variations from the costs shown in the application and in this report may occur prior to the closing due to increased costs of certain components of the project from original estimates, and other reasons. In addition, such costs may vary after closing due also to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in law or regulation or for other reasons. However, the Borrower confirms, through submission of a signed application and will confirm through covenants and representations in various bond documents, that all assets purchased with bond proceeds will qualify for tax exempt financing, that they will be used to complete the project as described, and that the average life tests required by federal law and described in the Tax Certificate will continue to be met. Tax-exempt financing may be only one source out of multiple sources of financing for a given project.*

**Anticipated Project Timeline.** The Company anticipates acquiring and installing all equipment by the end of 2018.

**Local Government.** The Company received a letter of support from Joe Buscaino, Councilmember, Los Angeles City Council District 15 (Attachment A).

**Pollution Control and/or Environmental Benefits.** The Company represents the project will generate the pollution control and environmental benefits described below.

**Air Quality.** Air quality is expected to be enhanced with the continued, improved operation of the existing Material Recovery Facility (MRF) since the MRF improvements are largely designed to reduce dust and odor emissions.

**Water Quality.** The MRF operates on a concrete surface, not on exposed ground areas. This prevents any seepage of undesirable materials into the ground water. The MRF is not in close proximity to environmentally sensitive wetland and coastal areas that could be affected by pollution.

**Recycling of Commodities.** Upgrades and improvements to the MRF should increase the amount of material that is recycled and thus increase waste diversion from the landfill.

**Safety and Compliance.** The project will be compliant with all State and local mandates.

**Consumer Cost Savings and Efficiencies.** Cost of capital is an integral part of the Company's rate structure and this financing will allow the Company to minimize future rate increases.

**Permitting and Environmental Approvals.** Since the Company will be financing the purchase of equipment and MRF improvements at its existing location, the Company represents that no additional discretionary permits or approvals are required for the development of this project. The project is consistent with existing zoning and permits.

**Financing Details.** The Company anticipates a direct bank purchase of a negotiated tax-exempt variable rate note by MUFG Union Bank, N.A., which is a Qualified Institutional Buyer (QIB) as defined in SEC Rule 144 under the Securities Act of 1933, in minimum denominations of \$250,000 or any integral multiple of \$5,000 in excess thereof. Additionally, such note will have a restriction on transfer to QIBs and require an investor letter. The target date for financing is October 11, 2017.

**Financing Team.**

**Municipal Advisor to the Borrower:** Westhoff, Cone & Holmstedt  
**Note Counsel:** Law Offices of Leslie M Lava  
**Issuer's Counsel:** Office of the Attorney General  
**Trustee:** The Bank of New York Mellon Trust Company, N.A.

**Staff Recommendation.** Staff recommends approval of Final Resolution No. 572 and Volume Cap Allocation Resolution No. 14-147-08 for an amount not to exceed \$5,105,000, and a SBAF Resolution in an amount not to exceed \$207,480 for Potential Industries, Inc. and/or its Affiliates.

Attachment A



JOE BUSCAINO  
Councilmember, 15th District

June 9, 2017

Ms. Reneé Webster-Hawkins  
Executive Director  
California Pollution Control Financing Authority  
801 Capitol Mall, 2nd Floor  
Sacramento, CA 95814

**RE: California Pollution Control Financing Authority, Exempt Facility Approval  
Potential Industries, Inc. Project**

Dear Ms. Webster-Hawkins:

I write to you today on behalf of Potential Industries, Inc. relating to the funding of their equipment purchase for which approval will be requested at the California Pollution Control Financing Authority ("CPCFA") meeting in August 2017.

My staff has worked with the management of Potential Industries, Inc. in their proposed project and I understand that they are now ready for final approval of the financing. I further understand that in order to receive approval for the issuance of tax exempt notes, on whose lower interest rates the "project" economics have been based, that CPCFA must grant part of the State's allocation for "private activity" bonds as defined by the federal government to the Project.

We and Potential Industries, Inc. agree that the implementation of this project is good for the environment and will help the City of Los Angeles and other nearby communities recycle more materials and divert them from landfills. Potential has a history of environmental responsibility, including deploying green features such as rainwater collection, solar power, and natural gas. They also participate in activities which help make a positive impact in the Wilmington community.

On behalf of Council District 15, I would appreciate it if you would approve the Potential Industries, Inc. Project at your August meeting. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Joe Buscaino".

JOE BUSCAINO  
Councilmember, 15th District



Final Resolution No. 572  
Application No. 909(SB)

**FINAL RESOLUTION OF THE  
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY  
AUTHORIZING THE ISSUANCE OF REVENUE NOTES FOR  
NEW MONEY PURPOSES FOR THE  
SOLID WASTE DISPOSAL/RECYCLING FACILITIES AND EQUIPMENT  
OF POTENTIAL INDUSTRIES, INC. AND/OR ITS AFFILIATES**

**September 19, 2017**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received the application of Potential Industries, Inc. (the “Borrower”) for financial assistance to finance or refinance the acquisition and installation, if any, of equipment for the sorting, processing and recycling of solid waste, including conveyors, screens, optical sorters, steel platforms, chutes, hoppers, equipment controls, electrical and engineering, and other equipment functionally related thereto, to be located at 922 East E Street, Wilmington, California 90744, all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”) (collectively, the “Project”); and

**WHEREAS**, the Borrower has requested the Authority to issue its revenue notes from time to time in an amount not to exceed \$5,105,000 to assist in the financing or refinancing of the Project; and

**WHEREAS**, the proceeds of such revenue notes will be loaned to the Borrower under the hereinafter referred loan agreement with the Authority; and

**WHEREAS**, final approval of the terms of such revenue notes and certain documents relating to such revenue notes is now sought; and

**WHEREAS**, the Borrower has provided documentation to the Authority demonstrating that the Project has complied with Division 13 (commencing with Section 21000) of the Public Resources Code, or is not a project under that division;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority, as follows:

**Section 1.** The Project constitutes a “project” and the Borrower is a “participating party” within the meaning of the California Pollution Control Financing Authority Act (the “Act”).

**Section 2.** Pursuant to the Act, revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Potential Industries, Inc. Project) Series 2017” (the “Notes”), or such alternate designation as may be approved by the Executive Director of the Authority, in an aggregate

principal amount not to exceed \$5,105,000, are hereby authorized to be issued. The Notes may be issued at one time, or from time to time, in one or more series or sub-series separately or differently identified, and may be issued in a tax-exempt mode, all in accordance with the Indenture (as hereinafter defined) as finally executed. The proceeds of the Notes shall be used to make a loan to the Borrower to finance or refinance the Project (including without limitation, reimbursing the Borrower for qualifying costs incurred for the Project prior to the issuance of the Notes) and to pay certain costs of issuance of the Notes.

**Section 3.** The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Notes, at one time or from time to time on or before December 31, 2017, by negotiated sale, at such price and at such interest rate or rates as he may determine, such determination to be as set forth in the hereinafter referred to Purchase Contract. Delivery of the Notes at such times to be determined by the Authority pursuant to documents approved in Section 4 hereof, is hereby approved.

**Section 4.** The following documents:

(i) a loan agreement relating to the Notes (the “Loan Agreement”) between the Authority and the Borrower;

(ii) an indenture relating to the Notes (the “Indenture”) between the Authority and the trustee named in the Term Sheet (the “Trustee”); and

(iii) a note purchase contract relating to the Notes (the “Purchase Contract”) among the Authority, the Treasurer of the State of California, as agent for sale, and the bank named in the Term Sheet, as purchaser (the “Purchaser”), and as approved by the Borrower;

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein in substantial conformance with the Term Sheet as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 5.** The Authority understands and agrees that pursuant to the terms of the Loan Agreement, the obligations of the Borrower may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an Affiliate of the Borrower. For purposes of this Resolution, an “Affiliate” of the Borrower means any person or entity which meets the definition of “Participating Party” in the Act and controls, is controlled by, or is under common control with, the Borrower, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise.

**Section 6.** The dates, maturity dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Notes shall be as provided in the Indenture, as finally executed.

**Section 7.** The Notes shall be executed by the manual or facsimile signature of the Chairman or any Deputy to the Chairman and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the form set forth in and otherwise in accordance with the Indenture. The Notes, when executed, shall be delivered to the Trustee under the Indenture for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Notes by executing the Trustee's certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Notes, when duly executed and authenticated, to the Purchasers in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Notes to the Purchasers upon payment of the purchase price thereof.

**Section 8.** The Authority hereby dedicates and confirms its allocation to the Notes of \$5,105,000 of a portion of its private activity bond limit, as previously received, carried forward or to be received from the California Debt Limit Allocation Committee, to finance or refinance certain costs of the Project and to pay certain costs of issuance of the Notes, so as to satisfy the requirements of Section 146(e) of the Internal Revenue Code of 1986, with respect to the Notes.

**Section 9.** Each officer of the Authority, acting alone, is hereby authorized and directed, to do any and all ministerial acts that the officer may deem necessary or advisable in order to consummate the issuance, sale or delivery of the Notes, and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement and the Purchase Contract. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, a tax certificate.

**Section 10.** The provisions of the resolution of the Authority entitled "Resolution of the California Pollution Control Financing Authority Delegating Certain Powers and Authorizing Certain Actions Related to Bond Financings" adopted by the Authority on January 19, 2016, apply to the documents and actions approved in this Resolution, and the provisions of such resolution are incorporated herein by reference.

**Section 11.** The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

**Section 12.** This Resolution shall take effect immediately upon its passage. The adoption by the Authority of this final resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

**EXHIBIT A**

TERM SHEET

<b>Name of Issue:</b>	California Pollution Control Financing Authority Variable Rate Demand Solid Waste Disposal Revenue Notes (Potential Industries, Inc. Project) Series 2017 (the “Notes”)
<b>Maximum Amount of Issue:</b>	\$5,105,000 (tax-exempt)
<b>Issuer:</b>	California Pollution Control Financing Authority (the “Authority”) Sacramento, California
<b>Borrower:</b>	Potential Industries, Inc. Wilmington, California
<b>Purchaser:</b>	MUFG Union Bank, N.A. Los Angeles, California
<b>Note Counsel:</b>	Leslie M. Lava, Esq. Tiburon, California
<b>Trustee:</b>	The Bank of New York Mellon Trust Company, N.A. Los Angeles, California
<b>Underwriter:</b>	Not applicable
<b>Remarketing Agent:</b>	Not applicable
<b>Project:</b>	Finance or refinance the acquisition and installation, if any, of equipment for the sorting, processing and recycling of solid waste, including conveyors, screens, optical sorters, steel platforms, chutes, hoppers, equipment controls, electrical and engineering, and other equipment functionally related thereto, to be located at 922 East E Street, Wilmington, California 90744.
<b>Maximum Note Term:</b>	Not to exceed 25 years



## Agenda Item 4.C.2

<b>Type of Sale:</b>	Negotiated sale; direct purchase by Purchaser
<b>Description of Minimum Denominations:</b>	\$250,000 or any integral multiple of \$5,000 in excess thereof during index interest rate period (initial period)
<b>Financing Structure:</b>	Index interest rate notes, convertible to term interest rate or weekly variable rate with tender option pursuant to the Indenture; transferrable by Purchaser to either an affiliate of the Purchaser or, upon delivery of a letter of representation, a “Qualified Institutional Buyer”, as defined in Rule 144A of the Securities Act of 1933, as amended
<b>Maximum Interest Rate:</b>	Lesser of 12% or the maximum rate permitted by law
<b>Letter of Credit:</b>	Not applicable
<b>Other Credit Enhancement:</b>	Not applicable
<b>Anticipated Note Rating:</b>	Unrated
<b>Type of Financing:</b>	Solid waste disposal revenue notes
<b>Prepared by:</b>	Leslie M. Lava, Esq. Law Offices of Leslie M. Lava (415) 331-6464

**RESOLUTION OF THE CALIFORNIA  
POLLUTION CONTROL FINANCING AUTHORITY  
RELATING TO ASSISTANCE FROM THE SMALL  
BUSINESS ASSISTANCE FUND FOR  
POTENTIAL INDUSTRIES, INC.  
AND/OR ITS AFFILIATES**

**September 19, 2017**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has approved the application of Potential Industries, Inc. (the “Borrower”), for financial assistance to finance or refinance the acquisition and installation, if any, of equipment for the sorting, processing and recycling of solid waste, including conveyors, screens, optical sorters, steel platforms, chutes, hoppers, equipment controls, electrical and engineering, and other equipment functionally related thereto, to be located at 922 East E Street, Wilmington, California 90744, as more particularly described in Application No. 909(SB) of the Borrower (the “Project”) and has adopted its Resolution No. 572 (the “Final Resolution”) authorizing the issuance of revenue notes to provide such financial assistance; and

**WHEREAS**, the Authority has established the Small Business Assistance Fund (the “Fund”) to assist small businesses to obtain pollution control financing through the issuance of tax-exempt revenue bonds or notes (the “Notes”); and

**WHEREAS**, the Authority has received and accepted an application from the Borrower for assistance from the Fund; and

**WHEREAS**, Borrower is a “Small Business” as classified pursuant to Title 13 Code of Federal Regulations, Part 121, Subpart A (1-1-94 Edition) or it has 500 employees or less, and is otherwise eligible for assistance from the Fund; and

**WHEREAS**, the Project constitutes a “project” within the meaning of the California Pollution Control Financing Authority Act; and

**WHEREAS**, the Borrower has demonstrated a financial capability to make loan payments to the satisfaction of the purchaser of the Notes, as named in the Final Resolution; and

**WHEREAS**, authorization of assistance from the Fund is now sought;

**NOW, THEREFORE, BE IT RESOLVED** by the California Pollution Control Financing Authority, as follows:

**Section 1.** The Authority hereby authorizes and approves up to \$207,480 of assistance from the Fund to the Borrower to be used for payment of certain costs of issuance of the Notes. The actual amount of assistance shall be determined by the Executive Director of the Authority based upon the final terms of the sale of the Notes and based on the financing amount

eligible for allocation of volume cap pursuant to California Code of Regulations Title 4, Section 8042(c).

**Section 2.** The Executive Director of the Authority is hereby authorized and directed to do any and all ministerial acts and to execute and deliver a contract for financial assistance with the Borrower in conformance with the terms of this resolution, which he or she may deem necessary or advisable in order to provide the assistance from the Fund and otherwise to effect the purposes of this resolution.

**Section 3.** This resolution shall take effect immediately upon adoption hereof. The adoption by the Authority of this resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

**THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**

**RESOLUTION NO. 14-147-08**

**A RESOLUTION TRANSFERRING A PORTION OF THE 2014 STATE CEILING  
ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN  
EXEMPT FACILITY PROJECT**

**WHEREAS**, the California Pollution Control Financing Authority (the “Authority”) has received an application (“Application”) from the Potential Industries, Inc. and/or its Affiliates (“Project Sponsor”) for the dedication of a portion of the 2014 State Ceiling on Qualified Private Activity Bonds under Section 146 of the Internal Revenue Code of 1986, as amended, to finance a Project through the issuance of bonds or other obligations as specifically described in Exhibit A (“Project”) (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Regulations of the California Debt Limit Allocation Committee (the “Committee”) implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds);

**WHEREAS**, the Project Sponsor has represented and confirmed in its Application certain facts and information concerning the Project;

**WHEREAS**, in evaluating the Project and dedicating a portion of the State Ceiling on Qualified Private Activity Bonds to the Project Sponsor for the benefit of the Project, the Authority has relied upon the written facts and information represented in the Application by the Project Sponsor; and

**WHEREAS**, it is appropriate for the Authority to dedicate a portion of the 2014 State Ceiling on Qualified Private Activity Bonds in order to benefit such Project described in the Application;

**NOW, THEREFORE**, the California Pollution Control Financing Authority resolves as follows:

**Section 1.** There is hereby dedicated to the Project Sponsor an amount of the 2014 State Ceiling on Qualified Private Activity Bonds equal to **\$5,105,000** (“Allocation”). Such Allocation may be used only in connection with the issuance of bonds or other obligations to finance the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated herein as though set forth in full (this resolution, together with Exhibit A are hereafter referred to collectively as this “Resolution”).

**Section 2.** The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds. The Project Sponsor, and all of its respective successors and assignees, will be bound by such terms and conditions. The Project shall be subject to the monitoring provisions of section 5144 of the Committee’s Regulations.

**Section 3.** The Allocation must be used within ninety (90) days from the date of this Resolution. The Committee may grant an extension of up to ninety (90) days. However, the extension will result in a forfeiture of the Project's performance deposit.

**Section 4.** Within twenty-four (24) hours of using the Allocation to issue Qualified Private Activity Bonds to finance the Project, the Authority shall notify the Committee at CDLAC@treasurer.ca.gov that the Allocation has been used. This notice shall identify the Project Sponsor, the project, the date the Allocation was used, and the Allocation amount.

**Section 5.** Within fifteen (15) calendar days of the Bond closing, the Authority shall formally transmit to the Committee information regarding the issuance of the Bonds by submitting a completed Report of Action Taken in a form prescribed by and made available by the Committee.

**Section 6.** Any differences between the amount of Bonds issued and the amount of the Allocation in Section 1 of this Resolution shall automatically revert to the Authority.

**Section 7.** Authority staff is authorized and directed to transmit a copy of this Resolution to the Project Sponsor together with a request that the Project Sponsor retain a copy of this Resolution for the term of the Bonds. Authority staff is further directed to retain a copy of this Resolution in the files of the Authority for the same period of time.

**Section 8.** In consideration of the Allocation dedicated to the Project, the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Project Sponsor expressly agrees that the terms and conditions of this Resolution may be enforced by the Authority or the Committee through an action for specific performance or any other available remedy, provided however, that the Authority and the Committee agree not to take such action or enforce any such remedy that would be materially adverse to the Bondholders. In addition, the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Committee is a third party beneficiary of the terms and conditions set forth in this Resolution. The Committee may consent to changes in the terms and conditions set forth in this Resolution as changed circumstances may dictate.

**Section 9.** The Certification of Compliance II or equivalent form must be submitted by the Project Sponsor to the Authority by February 1, but no later than March 1st annually until the project's Certificate of Completion has been submitted to the Authority. The Authority is responsible for reporting to CDLAC by March 1 annually via the Online Compliance System until project completion. A copy of the Certification of Compliance II and Certificate of Completion form may be found at this website location: <http://www.treasurer.ca.gov/cdlac>. Failure to submit compliance may result in disqualification from future program participation.

**Section 10.** This Resolution shall take effect immediately upon its adoption.

**RESOLUTION NO. 14-147-08**  
**(EXEMPT FACILITY PROJECT)**  
**EXHIBIT A**

1. Application No.: 909(SB)
2. Project Sponsor Potential Industries, Inc. and/or its Affiliates
3. Project User: Potential Industries, Inc. and/or its Affiliates
4. Project Name: Potential Industries, Inc.
5. Location: 922 East E. Street, Wilmington, CA 90744
6. Amount of Allocation: \$5,105,000
7. Pursuant to Section 5145(d) of the CDLAC Regulations, CDLAC must be designated in the bond documents to receive notice of changes in use and circumstances of Bond Default and Qualifying Bond Default.