

# **CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY (CPCFA)**

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## **INITIAL/INDUCEMENT (IR) APPLICATION**

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Physical Address:  
901 P Street, Suite 313-A  
Sacramento, CA 95814

Mailing Address:  
P.O. Box 942809  
Sacramento, CA 94209

Telephone: (916) 654-5610

[www.treasurer.ca.gov/cpcf](http://www.treasurer.ca.gov/cpcf)

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## **SUBMISSION OF APPLICATION**

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- Your original, signed application to the California Pollution Control Financing Authority (CPCFA) must be submitted with two duplicates within three weeks of proposed approval date. Applications are approved by the Executive Director under the Executive Director's Delegation of Authority and is reported to the Authority Board at the next meeting.
- These guidelines provide the order and content of your application.
- If you do not have information for one or more required items (such as an evidence of required permits), please state in your application when you expect to submit those items.
- **If your application is not complete, CPCFA's review of the project may be postponed until the additional information has been provided.**

## **APPLICANT RESPONSIBILITIES**

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- The Applicant must meet the requirements of Sec. 44506 of the California Health and Safety Code.
- The Applicant must review the California Pollution Control Financing Authority Act and Title 4, Division 11 of the California Code of Regulations.
- A senior company official with primary responsibility for financing the project must certify to the best of his or her knowledge that the application contains no false or incorrect information and that the application, including all exhibits and attachments, is truly descriptive and representative of the project.
- The Applicant has a continuing duty (until the Bonds have been issued) to inform CPCFA when any information in the Application or supplemental materials is no longer accurate and immediately supply CPCFA with updated information.
- The Applicant must provide an updated legal status questionnaire (attachment A) for any action requiring CPCFA approval.
- Bond Counsel must be chosen at the time of application. Bond Counsel is required to prepare the initial resolution for CPCFA approval.
- All financing team members (Bond Counsel and Underwriters) must be on the State Treasurer's Office (STO) approved pool lists. Please refer to the State Treasurer's Office website: [www.treasurer.ca.gov](http://www.treasurer.ca.gov) (under Bond Information.)

## **FEES**

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Application Fees: The Applicant must pay an application fee to CPCFA upon submission of the application.

- Include a company check drawn on a responsible bank or trust company in the amount of .0005 (one twentieth of one percent) of the amount of financing requested from CPCFA, with a minimum of \$250 and a maximum of \$5,000.
- The check shall be made payable to "CPCFA Fund".
- Application fees are nonrefundable and shall be applied to the payment of general fees if the project is financed.

General Fees: The Applicant must pay fees for reasonable and necessary administrative and program expenses connected with the sale of bonds, which include CPCFA Fees and STO Agent for Sale Fees. CPCFA charges 0.002 (two-tenths of one percent) of the face value of the bonds issued for an Applicant that is not a small business as defined in Section 8020 of Title 4 of the California Code of Regulations. Small Businesses are exempt from these fees. Applicant shall also reimburse CPCFA for all reasonable and necessary out-of-pocket expenses that CPCFA may incur at the Applicant's request and all other direct or indirect expenses allocable to the proposed financing. STO Agent for Sale Fee's range from \$2,000 to \$9,000.

Most general fees are paid out of bond proceeds, however, to the extent that any expense does not qualify for payment from bond proceeds, the Applicant shall pay CPCFA directly. General fees are due at closing.

Small Business Assistance Fees (SBAF): In addition to the above-mentioned fees, any Applicant which is not a small business as defined in Section 8020 of Title 4 of the California Code of Regulations shall pay a SBAF fee to CPCFA for deposit in the Small Business Assistance Fund. The amount of the fee shall equal .0066 (66/100 of 1%) of the face value of the tax-exempt bonds issued, or less, as provided under federal tax law provisions or other legal restrictions and .0036 (36/100 of 1%) of the face value of any taxable bonds issued. SBAF fees are due at closing to the extent permitted by law.

## **SUBMISSION OF INFORMATION**

CPCFA acknowledges that all requested information may not be available by the initial application phase when the Applicant is seeking an Initial Resolution (IR) for preliminary approval and tax purposes. However, all requested, applicable information must be provided prior to CPCFA considering a Final Resolution (FR) required for the issuance of bonds.

All items are required to be completed to begin the application process.

Additional information may be obtained by accessing the California Pollution Control Financing Authority (CPCFA) web site at <http://www.treasurer.ca.gov/cpcf> or by calling CPCFA at (916) 654-5610.

## **APPLICATION DOCUMENTS CHECKLIST**

This checklist is provided to ensure that a completed Application package is filed with CPCFA and **must be submitted with application**. If an attachment does not apply, please write N/A in the space provided.

Your Application package must contain the following:

- Application fee made payable to CPCFA Fund (See "fees" on page iii for calculation)
- One (1) original and Two (2) copies of:
  - Completed Application, including Attachment A
  - Attachments B and C (if applicable)
- Applicant Signature Certification

STATE OF CALIFORNIA

CALIFORNIA POLLUTION CONTROL  
FINANCING AUTHORITY  
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901 P Street, Suite 313-A  
Sacramento, CA 95814



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P.O. Box 942809  
Sacramento, CA 94209  
Telephone: (916) 654-5610

**MEMBERS:**  
Fiona Ma, CPA, Chair  
State Treasurer

CPCFA USE ONLY:

Application #

IR / FR #

Date Received:

Fee Amt. Received:

Malia M. Cohen  
State Controller

Joe Stephenshaw  
Department of Finance

**CALIFORNIA POLLUTION CONTROL  
FINANCING AUTHORITY IR APPLICATION**

Submission Date: \_\_\_\_\_

Requested Approval Date: \_\_\_\_\_

*(Approximate date you wish your project to go before the Authority Members for approval)*

Legal Name of Applicant: \_\_\_\_\_

Project Name(s): \_\_\_\_\_

Project Address(es): \_\_\_\_\_

Project County(s): \_\_\_\_\_

Requested Financing Maximum Principal Amount:

Tax-Exempt: \$ \_\_\_\_\_

Taxable: \$ \_\_\_\_\_

Total: \$ \_\_\_\_\_

## APPLICANT SIGNATURE CERTIFICATION

We, the undersigned, hereby make Application to the California Pollution Control Financing Authority (CPCFA or the Authority) for the purpose of financing an exempt facility project as described herein and have reviewed the CPCFA Act and Title 4, Chapter 11 of the California Code of Regulations.

We agree it is our responsibility to provide one copy of a complete Application that bears original signatures and two duplicate copies of the Application, accompanied by one check payable to the CPCFA Fund in the amount calculated for the par size of the proposed bond issue. We understand that thorough and complete answers to the requested information are required. We understand that if additional space is required, each additional page will be clearly labeled. We agree that it is also our responsibility to provide all information that is deemed by CPCFA to be necessary to evaluate our Application. We understand that CPCFA may verify the information provided and analyze materials submitted as well as conduct its own investigation to evaluate the Application. **We understand that we have a continuing duty (until the bonds have been issued) to inform CPCFA when any information in the Application or supplemental materials is no longer accurate and immediately supply CPCFA with updated information.**

We acknowledge that CPCFA requires that we seek advice from Bond Counsel on matters of eligibility for tax-exempt financing under federal law and regulations. We acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation. In carrying out the development and operation of the proposed project, we agree to comply with all applicable federal and state laws and will abide by all CPCFA program requirements.

We understand that at the time of bond closing, additional closing fees may be owed to CPCFA. We represent that we have read the pertinent sections of the CPCFA Regulations regarding fees.

We declare under penalty of perjury that the information contained in the Application, exhibits, and attachments is true and correct to the best of the undersigned's knowledge and belief. We understand that misrepresentation may result in the cancellation of the approved resolution, and other actions, which CPCFA is authorized to take. We understand that any further or supplemental information or documentation required to be provided shall be accompanied by a declaration under penalty of perjury that the supplemental information or documentation is true and correct to the best of the project sponsor's knowledge and belief.

We agree to hold CPCFA and its members, officers, agents, and employees harmless from any and all matters arising out of or related to the approved resolution.

We acknowledge that the granting of an Initial Resolution by the Authority is not a commitment to issue bonds and shall not be used by us as evidence of the opinion of, or approval by the Authority or any of its members, officers, agents or employees as to the financial or technical feasibility of the Project nor of the capabilities of the Applicant, any of its officers, members, agents or employees to finance, construct and operate the Project. We acknowledge that the Authority will not issue bonds until CPCFA has approved a Final Resolution for the Project, and "volume cap" allocation has been granted.

We acknowledge that all material submitted in this application will become the property of the State of California and will not be returned. In addition, all material submitted will be considered a public record by CPCFA and the STO and is subject to disclosure pursuant to the California Public Records Act (Government Code Section 7920.000 et seq.)

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Signature of Applicant's Senior Official

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Signature of Operator's Senior Official<sup>1</sup> (If applicable)

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Print Name

---

Print Name

---

Title

---

Title

---

Date:

---

Date:

<sup>1</sup> Must be signed if the Operator of the Project is different and not affiliated with the Applicant.

**PART I**  
**GENERAL AND BUSINESS INFORMATION**

**1. Legal name of Applicant:** \_\_\_\_\_

a. Doing Business As: \_\_\_\_\_

**2. Type of business:** \_\_\_\_\_

a. Provide Standard Industrial Classification/North American Industry Classification System Code (SIC/NAICS, as defined in Title 13 of the Code of Federal Regulations) for the project to be financed: \_\_\_\_\_

**3. Mailing address and telephone numbers:**

**APPLICANT**

Company Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Name of Senior Official: \_\_\_\_\_ Fax: \_\_\_\_\_

Title of Senior Official: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Federal Identification No.: \_\_\_\_\_

**PROJECT CONTACT** (staff person who can answer questions regarding application)

Name of Staff Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Title of Staff Person: \_\_\_\_\_ Fax: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Zip Code: \_\_\_\_\_

*If Operator of the Project is different, and not affiliated with the Borrower, you must provide the following:*

**OPERATOR CONTACT** (staff person who can answer questions regarding application)

Name of Staff Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Title of Staff Person: \_\_\_\_\_ Fax: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

E-Mail: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Federal Identification No.: \_\_\_\_\_

**4. Small Business:**  Yes  No

If yes, please complete Attachment B – *Certification of Small Business and Breakdown of Affiliated Companies to the Borrower* and Attachment C – *Potential Affiliates Questionnaire*

**5. Business Description:**

- a. Type of business organization  corporation,  partnership,  sole proprietorship,  Subsidiary,  Other \_\_\_\_\_
- b. Place of organization \_\_\_\_\_
- c. Date of organization \_\_\_\_\_
- d. Affiliations or relationships with other entities (e.g., parent-subsidiary, division, common ownership, etc.) \_\_\_\_\_
- e. Nature of the business \_\_\_\_\_

**6. Identify Ownership/Key Officials** *(For the Applicant and all affiliates with projects included in this application provide the following information.)*

Identify Ownership

- a. For partnerships, identify each partner and provide each partner's percentage of ownership. Must equal 100%.

| Name | Percentage |
|------|------------|
|      |            |
|      |            |
|      |            |
|      |            |
|      |            |

- b. For corporations, identify all stockholders with more than 3% ownership.

| Name | Percentage |
|------|------------|
|      |            |
|      |            |
|      |            |
|      |            |
|      |            |

Identify Key Officials

- a. Officers, Directors, Principals, Senior Executives of the entity if the entity is a corporation
- b. General and Limited Partners of the entity if the entity is a partnership
- c. Members or managers of the entity if the entity is a limited liability company

| Name | Officer/Partner/Member |
|------|------------------------|
|      |                        |
|      |                        |
|      |                        |
|      |                        |
|      |                        |

## **PART II PROJECT INFORMATION**

Please provide a description of the Project to be financed. For multiple projects and/or sites, please provide this information for **each project/site** on separate sheets.

*Federal tax law defines projects that are eligible for financing with tax-exempt bonds. Consult bond or tax counsel for assistance in determining which components of your project qualify.*

**1. Project Name:**

**2. Project Summary:**

- Provide a description of the project to be financed (including Project locations, building acquisitions or construction, and equipment acquisitions).
  
- For any real estate to be purchased or leased, provide the known name(s) and address(es) of the seller(s)/lessor(s) and the legal relationship between the Applicant and the legal owner if the site is not owner-occupied, and the terms and nature (lease vs. buy) of occupancy.

**PART III**  
**BOND ISSUE INFORMATION**

**1. Anticipated Financing arrangements:**

a. Type of sale:

Negotiated  Private Placement

Tax-Exempt  Taxable Bonds

b. Target date of financing based on overall project milestone schedule: \_\_\_\_\_

**PART IV**  
**FINANCING TEAM INFORMATION**

**1. BOND/NOTE COUNSEL**

Name of Firm: \_\_\_\_\_  
Name of Attorney: \_\_\_\_\_  
Mailing Address of Firm: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
  
Zip Code: \_\_\_\_\_

**2. UNDERWRITER**

Name of Firm: \_\_\_\_\_  
Name of Contact: \_\_\_\_\_  
Mailing Address of Firm: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
  
Zip Code: \_\_\_\_\_

**3. FINANCIAL ADVISOR / CONSULTANT**

Name of Firm: \_\_\_\_\_  
Name of Contact: \_\_\_\_\_  
Mailing Address of Firm: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
  
Zip Code: \_\_\_\_\_

**4. UNDERWRITER COUNSEL**

Name of Firm: \_\_\_\_\_  
Name of Contact: \_\_\_\_\_  
Mailing Address of Firm: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
  
Zip Code: \_\_\_\_\_

**5. BORROWER COUNSEL**

Name of Firm: \_\_\_\_\_  
Name of Contact: \_\_\_\_\_  
Mailing Address of Firm: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
  
Zip Code: \_\_\_\_\_

## Attachment A

### LEGAL STATUS QUESTIONNAIRE OF APPLICANT AND PROJECT SPONSOR

Applicant (Borrower) Name: \_\_\_\_\_

*(If applicable, an Operator must complete a separate form)*

1. Financial Viability

Disclose any legal or regulatory action or investigation that may have a material impact on the financial viability of the project or the applicant (borrower/project sponsor). The disclosure should be limited to actions or investigations in which the applicant or the applicant's parent, subsidiary, or affiliate involved in the management, operation, or development of the project has been named a party.

Response: \_\_\_\_\_

2. Fraud, Corruption, or Serious Harm

Disclose any legal or regulatory action or investigation involving fraud or corruption, matters related to employment conditions (including, but not limited to wage claims, discrimination, or harassment), or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment. The disclosure should be limited to actions or investigations in which the applicant or the applicant's current board member (except for volunteer board members of non-profit entities), partner, limited liability corporation member, senior officer, or senior management personnel has been named a defendant within the past ten years.

Response: \_\_\_\_\_

*Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charges, complaint or filing, and the outcome.*

I attest that I have provided full disclosure as indicated in response to the items #1 and #2 above.

\_\_\_\_\_  
Signature of Senior Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title

## Attachment B

### CERTIFICATION OF SMALL BUSINESS & BREAKDOWN OF AFFILIATED COMPANIES TO THE BORROWER

Please complete the table below. If you need additional space, please provide an attachment with an authorized signature.

| Applicant | Owner(s) | Percentage of ownership | Type of Ownership* | Total number of employees |
|-----------|----------|-------------------------|--------------------|---------------------------|
|           |          |                         |                    |                           |
|           |          |                         |                    |                           |
|           |          |                         |                    |                           |

| Affiliated Company Name(s)<br>(see below) | Total number of employees |
|---|---------------------------|
|   |                           |
|   |                           |
|   |                           |
|   |                           |
|   |                           |
|   |                           |
|   |                           |

\* Example: Stockholder, Partner, etc.

|              |  |
|--------------|--|
| <b>Total</b> |  |
|--------------|--|

**Small Business:** Businesses that meet the size standards set forth in Title 13 of the Code of Federal Regulations or an eligible small business that (together with affiliates) employs no more than 500 employees.

**Affiliated Company:** If the ownership of a related entity is identical to the ownership of the Applicant, the entity is an Affiliated Company and needs to be entered above. If an entity does not have identical ownership with the Applicant, the Potential Affiliate Questionnaire must be completed to determine if the entity is an Affiliated Company for purposes of calculating the Applicant's total number of employees.

According to the definitions above I certify that the information is true, accurate and complete to the best of my knowledge and that the Applicant is a Small Business.

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## Attachment C

### POTENTIAL AFFILIATE QUESTIONNAIRE

A “small business” for purposes of CPCFA fees and possible Small Business Assistance Fund (“SBAF”) subsidy is defined as an Applicant which “together with affiliates” has less than 500 employees. An “affiliate” is either an entity with identical ownership as the CPCFA applicant **or** an entity that has common majority ownership **and** due to financial and/or business relationships between applicant and affiliate can work together to achieve economies of scale which can yield lower capital or operational costs typically achieved only by large businesses.

This questionnaire is to be completed by Applicants to determine if a Potential Affiliate must be counted as an Affiliated Company on the *Certification of Small Business* form. If a Potential Affiliate has common (but not identical) ownership in related entities engaged in similar industries which would otherwise qualify as “Participating Parties” under the CPCFA Act, please complete this questionnaire.

| Name of Potential Affiliate | % of Ownership Held in Potential Affiliate by Applicant Owners |
|-----------------------------|--|
|                             |  |
|                             |  |
|                             |  |
|                             |  |

Does the Potential Affiliate have 50% or more of the same ownership as the Applicant? If the answer is “no”, the Potential Affiliate is not an Affiliate and the Applicant need not complete the rest of this form. If the answer is “yes”, continue with the next question.

| Name of Potential Affiliate | Yes | No |
|-----------------------------|-----|----|
|                             |     |    |
|                             |     |    |
|                             |     |    |
|                             |     |    |

In connection with this CPCFA application for bond financing, will there be any indemnifications, any loans or guarantees related to financing, leases or other financial obligations between the Applicant and a Potential Affiliate, **OR**, do the Applicant and the Potential Affiliate share rolling stock, major equipment or facilities? If the answer is yes, the Potential Applicant is an Affiliate and should be added to Attachment B. If the answer is no, the Potential Affiliate is not an Affiliate.

| Name of Potential Affiliate | Shared Financial Obligations (Y or N) | Shared Major Equipment (Y or N) |
|-----------------------------|---------------------------------------|---------------------------------|
|                             |                                       |                                 |
|                             |                                       |                                 |
|                             |                                       |                                 |
|                             |                                       |                                 |

I certify that the information provided above is true, accurate and complete to the best of my knowledge.

Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_