### CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

### **December 3, 2008**

# CONSIDERATION OF STAFF'S RECOMMENDATION TO TRANSFER AND AWARD UNUSED ALLOCATION REMAINING ON DECEMBER 31, 2008 TO THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY ON A CARRY FORWARD BASIS

# ACTION:

Approve the transfer and award of all unused allocation remaining in program pools on December 31, 2008 to the California Pollution Control Financing Authority (CPCFA) for the Exempt Facility Program.

### **BACKGROUND**:

After the December 3, 2008 allocations have been made, there will be a 2008 volume cap balance of \$700 million remaining. This amount is likely to increase as projects that have received bond authority may issue only a portion of their allocation or fail to issue bonds entirely. In order to ensure that no amount of 2008 allocation is lost, staff is recommending that the remaining allocation as of December 31, 2008 be made available to the California Pollution Control Financing Authority's Exempt Facility Program. A preliminary demand survey has indicated that CPCFA is able to utilize this substantial award of allocation over the course of the 2009 program year. As a result, staff does not anticipate the need to reserve any 2009 State Ceiling cap for the Exempt Facility Program Pool. Instead, staff will consider increasing the reservation of other program pools that demonstrate a need for additional allocation.

**<u>COMMENT</u>**: Staff's proposal will ensure that no amount of the 2008 State Ceiling is unallocated.

**<u>RECOMMENDATION</u>**: Staff recommends that all allocation remaining as of December 31, 2008 be transferred to the Exempt Facility Program Pool and such balance be awarded to the California Pollution Control Financing Authority on a carryforward basis.

Prepared by Misti Armstrong.