

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

July 22, 2009

DETERMINATION AND DISTRIBUTION OF THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) QUALIFIED ENERGY CONSERVATION BOND ALLOCATION AND CONSIDERATION OF AND APPROVAL TO DISSEMINATE RELATED PROPOSED REVISIONS TO CDLAC PROCEDURES FOR A 30-DAY PUBLIC COMMENT PERIOD

(Agenda Item No. 7)

ACTION: Approve the allocation of ARRA Qualified Energy Conservation Bond Allocation and approve the distribution of proposed Qualified Energy Conservation Bond Procedures for a 30-day public comment period.

BACKGROUND: IRS Notice 2009-29 of the American Recovery and Reinvestment Act of 2009 provided that the State of California will receive \$381,329,000 in QECCB allocation. This allocation is to be distributed to large local governments. For purposes of the QECCB program, large local government means any municipality or county that has a population of 100,000 or more. It is important to note that Indian Tribal Governments “shall be treated as a large local government, except that (1) an Indian tribal government shall be treated as located within a State to the extent of so much of the population of such government as resides within the State, and (2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which Section §103(a) applies of the Internal Revenue Code”. The distributions to large local governments are to be as follows: the State is to receive **\$12,746,103**; counties are to receive **\$197,669,919**; municipalities are to receive **\$170,173,417**; Indian tribal governments are to receive **\$739,561**. Exhibits A-C give a breakdown of State, county, municipality and Indian Tribal Government allocation amounts.

DISCUSSION:

IRS Notice 2009-29 requires that the calculation of the QECCB Allocation for counties and municipalities be based on information released by the United States Census Bureau for the period that is closest in time to that used for the State and consists of information as of July 1, 2007. This results in an allocation for the counties and municipalities of **\$367,843,336**, which is 96% of the total allocation of the State’s QECCB Allocation. The remaining 4% of the State’s allocation is reserved for State Entities and Indian Tribal Governments. Specifically, 3% of the State’s allocation (**\$12,746,103**) is reserved for State Entities and 1% of the State’s allocation is reserved for Indian Tribal Governments (**\$739,561**). The Notice further requires that “allocation to a State or large local government shall be allocated in turn by the State or large local government to issuers within the State in a manner that results in the use of not less than 70 percent of the allocation to such State or large local government to designate bonds that are not private activity bonds.” Conversely, the Notice mandates that no more than 30 percent of the allocation to such State or large local government be used to designate bonds that are private activity bonds. The proceeds of the Qualified Energy Conservation Bonds can be used for one or more of the following “qualified conservation purposes”:

- a) Capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (iii) rural development involving the production of electricity from renewable energy resources, or (iv) any qualified facility eligible for the production tax credit under Section 45 of the IRS Code.

- b) Expenditures with respect to research facilities, and research grants, to support research in (i) development of cellulosic ethanol or other non-fossil fuels, (ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (iii) increasing the efficiency of existing technologies for producing non-fossil fuels, (iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or (v) technologies to reduce energy use in buildings.
- c) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles uses for mass commuting.
- d) Demonstration projects designed to promote the commercialization of (i) green building technology, (ii) conversion of agricultural waste for use in the production of fuel or otherwise, (iii) advanced battery manufacturing technologies, (iv) technologies to reduce peak use of electricity, or (v) technologies for the capture and sequestration of carbon dioxide emitted from combining fossil fuels in order to produce electricity.
- e) Public education campaigns to promote energy efficiency.

However, if the bond issue is a private activity bond, the term “qualified conservation purposes” shall not include any expenditure that is not a capital expenditure. However, bonds issued for the purposes of providing loans, grants, or other repayment mechanisms for capital expenditures to implement green community programs are not treated as private activity bonds for purposes of Section 54D(e)(3) of the IRS Code.

ALLOCATION and RE-ALLOCATION OF QECCB’s

- A. CDLAC will administer the State’s portion of the QECCB allocation. As such, CDLAC has developed proposed Procedures and an application for the State’s portion of the QECCB allocation.
- B. CDLAC will have no immediate role in the administering of the QECCB allocation to municipalities, counties and Indian Tribal Governments. However, pursuant to the proposed CDLAC Procedures the following shall apply:
 - 1. CDLAC will require a Report of Action form be submitted to CDLAC upon the issuance of bonds not more than three days following the issuance of QECCBs. This report should include the date and amount of the issuance and the designated locality in which proceeds will be used.
 - 2. CDLAC will develop a process for administering allocation that has been waived by these parties. CDLAC will re-allocate this waived allocation in a manner that will maximize public benefits for the State of California.
 - 3. CDLAC will return to the Committee to present the Reallocation Procedures and application at a later date.
 - 4. Counties and large municipalities receiving QECCB allocation must provide CDLAC with a Plan of Issuance no later than January 31, 2010. The Plan should include a description of the projects to be funded. In addition, counties and municipalities are encouraged to include a project issuance timeline as part of the Plan of Issuance.
 - 5. Allocations that after July 1, 2010, have not been issued or included in a notice of intent to issue are automatically deemed waived and returned to CDLAC for reallocation.

RECOMMENDATION: Approve the allocation of ARRA Qualified Energy Conservation Bond Allocation and approve the distribution of proposed Qualified Energy Conservation Bond Procedures for a 30–day public comment period.

QECB Totals

California's Allocation of Qualified Energy Conservation Bonds

\$381,329,000

Maximum Allocation for Private Activity use
--

\$114,398,700

Minimum Allocation for Governmental use
--

\$266,930,300

Total State Population*

36,756,666

Total Population of Counties and Municipalities**
--

35,456,770

Estimated Total Allocation to Counties and Municipalities
--

\$367,843,336

Estimated Total Allocation to State
--

\$12,746,103

Estimated Total Allocation to Tribal Governments

\$739,561

*Total State Population is based on information released by the United States Census Bureau released before the beginning of 2009, which consists of state population information as of July 1, 2008.

**Total Population of Counties and Municipalities is based on information released by the United States Census Bureau for the period that is closest in time to that used for the State and consists of information as of July 1, 2007.

Exhibit A

ESTIMATED QUALIFIED ENERGY CONSERVATION BOND APPORTIONMENTS FOR STATE			
	Population	% of Total Population	Allocation
ALLOCATION TO STATE	1,228,609	3%	\$12,746,103
ALLOCATION TO TRIBAL GOVERNMENTS	71,287	Less than 1%	\$739,561
ALLOCATION TO COUNTIES AND MUNICIPALITIES	35,456,770	96%	\$367,843,336

Exhibit B

**PROJECTED QUALIFIED
ENERGY CONSERVATION
BOND APPORTIONMENTS
FOR MUNICIPALITIES**

Eligible Municipalities	Population	Share of QECB Allocation	Share of Private Activity Use of QECB Allocation	Required Minimum Use of QECB Allocation for Governmental Projects / Programs
Berkeley (Alameda County)	101,377	\$1,051,727.33	\$315,518.20	\$736,209.13
Fremont (Alameda County)	201,334	\$2,088,722.98	\$626,616.89	\$1,462,106.08
Hayward (Alameda County)	140,943	\$1,462,201.53	\$438,660.46	\$1,023,541.07
Oakland (Alameda County)	401,489	\$4,165,214.52	\$1,249,564.36	\$2,915,650.16
Concord (Contra Costa County)	120,844	\$1,253,686.11	\$376,105.83	\$877,580.28
Richmond (Contra Costa County)	101,454	\$1,052,526.16	\$315,757.85	\$736,768.31
Fresno (Fresno County)	470,508	\$4,881,246.44	\$1,464,373.93	\$3,416,872.51
Bakersfield (Kern County)	315,837	\$3,276,624.91	\$982,987.47	\$2,293,637.44
Burbank (Los Angeles)	103,286	\$1,071,532.09	\$321,459.63	\$750,072.46
Downey (Los Angeles)	108,109	\$1,121,567.90	\$336,470.37	\$785,097.53
El Monte (Los Angeles)	122,272	\$1,268,500.78	\$380,550.23	\$887,950.55
Glendale (Los Angeles)	196,979	\$2,043,542.39	\$613,062.72	\$1,430,479.67
Inglewood (Los Angeles)	113,376	\$1,176,209.96	\$352,862.99	\$823,346.97
Lancaster (Los Angeles)	143,616	\$1,489,932.35	\$446,979.70	\$1,042,952.64
Long Beach (Los Angeles)	466,520	\$4,839,873.26	\$1,451,961.98	\$3,387,911.29
Los Angeles (Los Angeles)	3,834,340	\$39,779,044.10	\$11,933,713.23	\$27,845,330.87
Norwalk (Los Angeles)	103,720	\$1,076,034.59	\$322,810.38	\$753,224.21
Palmdale (Los Angeles)	140,882	\$1,461,568.69	\$438,470.61	\$1,023,098.08
Pasadena (Los Angeles)	143,400	\$1,487,691.47	\$446,307.44	\$1,041,384.03
Pomona (Los Angeles)	152,631	\$1,583,457.72	\$475,037.32	\$1,108,420.41
Santa Clarita (Los Angeles)	169,951	\$1,763,142.63	\$528,942.79	\$1,234,199.84
Torrance (Los Angeles)	141,420	\$1,467,150.13	\$440,145.04	\$1,027,005.09
West Covina (Los Angeles)	106,388	\$1,103,713.53	\$331,114.06	\$772,599.47
Salinas (Monterey)	143,517	\$1,488,905.28	\$446,671.58	\$1,042,233.70
Anaheim (Orange)	333,249	\$3,457,264.27	\$1,037,179.28	\$2,420,084.99
Costa Mesa (Orange)	108,978	\$1,130,583.27	\$339,174.98	\$791,408.29
Fullerton (Orange)	132,066	\$1,370,107.83	\$411,032.35	\$959,075.48
Garden Grove (Orange)	165,610	\$1,718,107.29	\$515,432.19	\$1,202,675.10
Huntington Beach (Orange)	192,885	\$2,001,069.52	\$600,320.86	\$1,400,748.67
Irvine (Orange)	201,160	\$2,086,917.83	\$626,075.35	\$1,460,842.48
Orange (Orange)	134,299	\$1,393,273.90	\$417,982.17	\$975,291.73
Santa Ana (Orange)	339,555	\$3,522,685.34	\$1,056,805.60	\$2,465,879.74
Roseville (Placer)	108,759	\$1,128,311.28	\$338,493.38	\$789,817.89
Corona (Riverside)	150,308	\$1,559,357.95	\$467,807.38	\$1,091,550.56
Moreno Valley (Riverside)	188,936	\$1,960,100.95	\$588,030.28	\$1,372,070.66
Riverside (Riverside)	294,437	\$3,054,612.37	\$916,383.71	\$2,138,228.66
Elk Grove (Sacramento)	131,212	\$1,361,248.07	\$408,374.42	\$952,873.65
Sacramento (Sacramento)	460,242	\$4,774,742.67	\$1,432,422.80	\$3,342,319.87
Fontana (San Bernardino)	183,502	\$1,903,726.37	\$571,117.91	\$1,332,608.46
Ontario (San Bernardino)	170,936	\$1,773,361.43	\$532,008.43	\$1,241,353.00
Rancho Cucamonga (San Bernardino)	170,266	\$1,766,410.57	\$529,923.17	\$1,236,487.40
San Bernardino (San Bernardino)	199,285	\$2,067,465.80	\$620,239.74	\$1,447,226.06
Victorville (San Bernardino)	107,221	\$1,112,355.42	\$333,706.63	\$778,648.80
Chula Vista (San Diego)	217,478	\$2,256,207.58	\$676,862.27	\$1,579,345.30
Escondido (San Diego)	136,246	\$1,413,472.89	\$424,041.87	\$989,431.02
Oceanside (San Diego)	168,602	\$1,749,147.54	\$524,744.26	\$1,224,403.28
San Diego (San Diego)	1,266,731	\$13,141,596.29	\$3,942,478.89	\$9,199,117.40
Stockton (San Joaquin)	287,245	\$2,979,999.56	\$893,999.87	\$2,085,999.69
Daly City (San Mateo)	100,882	\$1,046,591.99	\$313,977.60	\$732,614.39
San Jose (Santa Clara)	939,899	\$9,750,904.66	\$2,925,271.40	\$6,825,633.26
Santa Clara (Santa Clara)	109,756	\$1,138,654.57	\$341,596.37	\$797,058.20
Sunnyvale (Santa Clara)	131,140	\$1,360,501.11	\$408,150.33	\$952,350.78
Fairfield (Solano)	103,992	\$1,078,856.43	\$323,656.93	\$755,199.50
Vallejo (Solano)	115,552	\$1,198,784.69	\$359,635.41	\$839,149.29
Santa Rosa (Sonoma)	154,241	\$1,600,160.53	\$480,048.16	\$1,120,112.37
Modesto (Stanislaus)	203,955	\$2,115,914.33	\$634,774.30	\$1,481,140.03
Visalia (Tulare)	118,603	\$1,230,437.04	\$369,131.11	\$861,305.93
Oxnard (Ventura)	184,725	\$1,916,414.28	\$574,924.28	\$1,341,489.99
San Buenaventura (Ventura)	103,219	\$1,070,837.00	\$321,251.10	\$749,585.90
Simi Valley (Ventura)	120,464	\$1,249,743.83	\$374,923.15	\$874,820.68
Thousand Oaks (Ventura)	123,349	\$1,279,674.03	\$383,902.21	\$895,771.82
Totals	16,403,178	\$170,173,417	\$51,052,025	\$119,121,392

Exhibit C

ESTIMATED QUALIFIED ENERGY CONSERVATION BOND APPORTIONMENTS FOR COUNTIES

Eligible Counties	Gross Population	Net Population	Share of QECB Allocation	Share of Private Activity Use of QECB Allocation	Required Minimum Use of QECB Allocation for Governmental Projects / Programs
Alameda	1,453,646	608,503	\$6,312,864.19	\$1,893,859.26	\$4,419,004.93
Butte	218,185	218,185	\$2,263,542.29	\$679,062.69	\$1,584,479.60
Contra Costa	1,014,687	792,389	\$8,220,574.33	\$2,466,172.30	\$5,754,402.03
El Dorado	175,199	175,199	\$1,817,587.58	\$545,276.27	\$1,272,311.30
Fresno	894,748	424,240	\$4,401,242.89	\$1,320,372.87	\$3,080,870.02
Humboldt	128,614	128,614	\$1,334,295.34	\$400,288.60	\$934,006.74
Imperial	160,830	160,830	\$1,668,517.57	\$500,555.27	\$1,167,962.30
Kern	787,179	471,342	\$4,889,898.71	\$1,466,969.61	\$3,422,929.09
Kings	148,232	148,232	\$1,537,820.66	\$461,346.20	\$1,076,474.46
Los Angeles	9,807,870	3,760,980	\$39,017,976.83	\$11,705,393.05	\$27,312,583.78
Madera	145,654	145,654	\$1,511,075.41	\$453,322.62	\$1,057,752.79
Marin	246,932	246,932	\$2,561,775.67	\$768,532.70	\$1,793,242.97
Merced	244,218	244,218	\$2,533,619.50	\$760,085.85	\$1,773,533.65
Monterey	404,646	261,129	\$2,709,061.27	\$812,718.38	\$1,896,342.89
Napa	131,781	131,781	\$1,367,151.12	\$410,145.33	\$957,005.78
Orange	2,976,742	1,368,940	\$14,201,955.13	\$4,260,586.54	\$9,941,368.59
Placer	332,121	223,362	\$2,317,250.65	\$695,175.19	\$1,622,075.45
Riverside	2,064,365	1,430,684	\$14,842,513.17	\$4,452,753.95	\$10,389,759.22
Sacramento	1,380,232	788,778	\$8,183,112.31	\$2,454,933.69	\$5,728,178.62
San Bernardino	2,002,208	1,170,998	\$12,148,422.18	\$3,644,526.65	\$8,503,895.52
San Diego	2,959,734	1,170,677	\$12,145,091.99	\$3,643,527.60	\$8,501,564.39
San Francisco	799,185	799,185	\$8,291,078.87	\$2,487,323.66	\$5,803,755.21
San Joaquin	667,886	380,641	\$3,948,928.66	\$1,184,678.60	\$2,764,250.06
San Luis Obispo	261,766	261,766	\$2,715,669.78	\$814,700.93	\$1,900,968.84
San Mateo	701,675	600,793	\$6,232,877.43	\$1,869,863.23	\$4,363,014.20
Santa Barbara	402,092	402,092	\$4,171,470.29	\$1,251,441.09	\$2,920,029.20
Santa Clara	1,731,958	551,163	\$5,717,995.09	\$1,715,398.53	\$4,002,596.56
Santa Cruz	250,655	250,655	\$2,600,399.63	\$780,119.89	\$1,820,279.74
Shasta	179,068	179,068	\$1,857,726.20	\$557,317.86	\$1,300,408.34
Solano	407,042	187,498	\$1,945,182.54	\$583,554.76	\$1,361,627.78
Sonoma	462,290	308,049	\$3,195,828.94	\$958,748.68	\$2,237,080.26
Stanislaus	509,068	305,113	\$3,165,369.66	\$949,610.90	\$2,215,758.76
Tulare	419,172	300,569	\$3,118,228.30	\$935,468.49	\$2,182,759.81
Ventura	792,456	260,699	\$2,704,600.27	\$811,380.08	\$1,893,220.19
Yolo	194,634	194,634	\$2,019,214.38	\$605,764.31	\$1,413,450.07
Totals	35,456,770	19,053,592	\$197,669,919	\$59,300,976	\$138,368,943

Net Population: The population of large municipalities (100,000 or more) was taken out of a county's population to determine a county's fair share of the Qualified Energy Conservation Bond Allocation.

PROPOSED QUALIFIED ENERGY CONSERVATION BONDS (QECB) PROCEDURES

DEFINITIONS

“Qualified Energy Conservation Bond”- means any qualified tax credit bond issued as part of an issue if: (1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified conservation purposes, (2) the bond issued by a State or local government, and (3) the issuer designates such bonds for purposes of Section 54D(f) of the Internal Revenue Code.

“Qualified Tax Credit Bonds”-for the purposes of the Qualified Energy Conservation Bond Program, means a bond for which the borrower only pays back the principal on the bond, and the bondholder receives federal tax credits in lieu of traditional bond interest.

“Qualified Energy Conservation Bond Governmental Minimum Usage”-means any Qualified Energy Conservation Bond allocation to the State shall be allocated in turn by the State to issuers within the State in a manner that results in the use of not less than 70 percent of the allocation to such issuers to designate bonds that are not private activity bonds as stated in Section 54D(e)(3) of the Internal Revenue Code. (potential usage)

“Qualified Energy Conservation Bond Private Activity Maximum Usage”- means that no more than 30 percent of the Qualified Energy Bond allocation to the State that is allocated to issuers within the State may be used to issue private activity bonds.

“Large Local Government”- for the purposes of the Qualified Energy Conservation Bond Program, means a county or municipality with a population of 100,000 or more as defined in Section 54D(e)(2)(C) of the Internal Revenue Code, or an Indian tribal government as defined in Section 54D(h) of the Internal Revenue Code.

“Sinking Fund”-for the purposes of the Qualified Energy Conservation Bond Program, means a fund that the issuer may pay into for the express purpose of using such a fund to pay back interest on the bond issue.

“Sinking Fund Yield Restrictions”- means the federal restrictions on a sinking fund that insure that it is funded in a manner reasonably expected to result in an amount necessary to repay the issue as defined in Sections 54A(d)(4)(C) and 54A(d)(5)(B) of the Internal Revenue Code.

“Qualified Conservation Purpose”-for the purposes of the Qualified Energy Conservation Bond Program, means the uses of the bond proceeds for certain conservation purposes that are permitted under Section 54D(f) of the Internal Revenue Code.

“Allocation Waiver” - Election by the county or municipality that they are unable to utilize a portion or the entire designated award thereby; allowing CDLAC to reallocate the waived allocation.

“Automatic Forfeiture of Award” - Counties and large municipalities receiving QECB allocation must provide CDLAC with a notice of intent to issue or a plan of issuance by

January 1, 2010. Any allocation not issued or the subject of intent to issue by July 1, 2010 will be deemed waived and made available for reallocation by CDLAC.

I. MINIMUM REQUIREMENTS

CDLAC will administer the State's portion of the QECB allocation only. CDLAC will have no immediate role in the administering of the QECB allocation to municipalities, counties and Indian Tribal Governments. However, all recipients of QECB allocation shall meet the following minimum requirements of the American Recovery and Reinvestment Act:

- A. Applicant must be a large local government: a county or municipality with a population of 100,000 or more; or an Indian tribal government. An Indian tribal government shall be treated as a large government, except that (1) an Indian tribal government shall be treated as located within a State to the extent of so much of the population of such government as resides within the State, and (2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which Section 103(a) of the IRS Code applies; or, Applicant must be a State Entity.
- B. Applicants must use at least 70% of their designated allocation for governmental purpose bonds and 30% can be used for private activity bonds. However, if an applicant has used all of its allocation and has issued more than 70% of their designated allocation for governmental purpose bonds, then applicants may be able to use more than 30% of their allocation to issue private activity bonds. Nonetheless, of the allocation for the entire state, only 30% can be used to issue private activity bonds.
- C. The proposed use of bond proceeds must meet the following requirements: 100 percent of the proceeds of such issue are to be used for one or more the following "qualified conservation purposes":
 - 1) Capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (iii) rural development involving the production of electricity from renewable energy resources, or (iv) any qualified facility eligible for the production tax credit under Section 45 of the IRS Code.
 - 2) Expenditures with respect to research facilities, and research grants, to support research in (i) development of cellulosic ethanol or other non-fossil fuels, (ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (iii) increasing the efficiency of existing technologies for producing non-fossil fuels, (iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or (v) technologies to reduce energy use in buildings.
 - 3) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles uses for mass commuting.

- 4) Demonstration projects designed to promote the commercialization of (i) green building technology, (ii) conversion of agricultural waste for use in the production of fuel or otherwise, (iii) advanced battery manufacturing technologies, (iv) technologies to reduce peak use of electricity, or (v) technologies for the capture and sequestration of carbon dioxide emitted from combining fossil fuels in order to produce electricity.
 - 5) Public education campaigns to promote energy efficiency.
 - 6) If the bond issue is a private activity bond, the term “qualified conservation purposes” shall not include any expenditure that is not a capital expenditure. However, bonds issued for the purposes of providing loans, grants, or other repayment mechanisms for capital expenditures to implement green community programs are not treated as private activity bonds for purposes of Section 54D(e)(3) of the IRS Code.
- D. The Project Sponsor and/or Governmental Entity must provide a description of the proposed use of the bond proceeds with a description of the project.
- E. The Issuer must describe the financing plan. Specifying whether the bonds will be issued as a public offering or a private placement.

REPORTING REQUIREMENTS

- A. CDLAC will administer the State’s portion of the QECB allocation only. CDLAC will have no immediate role in the administering of the QECB allocation to municipalities, counties and Indian Tribal Governments. However, the following shall apply to all recipients of QECB allocation:
1. CDLAC will require a Report of Action form be submitted to CDLAC upon the issuance of bonds not more than three days following the issuance of QECBs. This report should include the date and amount of the issuance and the designated locality in which proceeds will be used.
 2. Counties and large municipalities receiving QECB allocation must provide CDLAC with a Plan of Issuance no later than January 31, 2010. The Plan should include a description of the projects to be funded. In addition, counties and municipalities are encouraged to include a project issuance timeline as part of the Plan of Issuance.

Allocations that after July 1, 2010, have not been issued or included in a notice of intent to issue are automatically deemed waived and returned to CDLAC for reallocation.