

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
September 22, 2010
Staff Report

REQUEST FOR AN AWARD OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
RECOVERY ZONE FACILITY BOND RE-ALLOCATION

Prepared by: Richard Fischer

Applicant: California Statewide Communities Development Authority

Allocation Amount Requested:
Tax-exempt: \$4,400,000

Project Information:
Project Name: Alternative Energy Capital Project (Ramona Water)
Project Address: 260 Sawday Road and 22758 San Vincente Road
Project City, County, Zip Code: Ramona, San Diego 92065

Qualified Business Information:
Name: Alternative Energy Capital, LLC (SDCC Solar, LLC)
Principals: Colin Rice and Timothy Walsh

Project Financing Information:
Bond Counsel: Orrick, Herrington & Sutcliffe LLP
Underwriter: Kensington Capital Advisors
Credit Enhancement: Not Applicable
Private Placement Purchaser: Kensington Capital Advisors
Public Sale: Not Applicable
TEFRA Hearing: July 13, 2010
Adoption of Recovery Zone Designation Date: March 23, 2010

Description of Proposed Project:
(Description and purpose of project, renovation or new construction, number of square feet, etc.)
Principal production: Solar Power
Number of jobs created: 0
Jobs-to-bond ratio: Not Applicable
Estimated total development cost: \$5,287,768

Legal Questionnaire:
The Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed to question the financial viability or legal integrity of the Applicant.

Total Points: 7 out of 100

Recommendation:
Staff recommends that the Committee approve \$4,400,000 in Recovery Zone Facility Bond re-allocation.

DETAILS OF PROJECT FINANCING:

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$	4,400,000
Other Sources	\$	887,768
Total Sources	\$	5,287,768

- *Uses of Funds:*

Construction of New Building(s)	\$	4,273,005
Legal, Permits, etc.	\$	125,000
Cost of Issuance (including discount)	\$	70,000
Letter of Credit of Bond Insurance Fee	\$	49,200
Other Costs (Interest,Reserves,Dev. Fee)	\$	770,563
Total Uses	\$	5,287,768

JOB CREATION:

- *Total number of new jobs to be created and jobs to be retained within two years of project completion:*

	Jobs Created
Management	0
Skilled/Semi-Skilled	0
Unskilled	0
Total	0

- *Total Jobs/Allocation Ratio:* N/A

EVALUATION SCORING:

Point Criteria	Maximum Points Allowed	Points Scored
Community Economic Need:		
1. Unemployment Rate of Project Area	10	0
2. Poverty Rate of Project Area	5	0
3. Special Designation Area	5	0
4. Median Family Income of Project Area	5	0
Job Creation Ratio (N/A)	25	0
Welfare to Work Program Participation	5	0
Employee Benefits	5	0
Average Hourly Wage	5	0
Land Use	6	0
Transit Corridor	7	0
Energy Efficiency	7	7
Leveraging	15	0
Total Points	100	7