

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**  
**November 17, 2010**  
**Staff Report**

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

*Prepared by: John Weir*

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**Applicant:** Industrial Development Authority of Alameda County

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**Allocation Amount Requested:**  
**Tax-exempt:** \$3,700,000

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**Project Information:**  
**Project Name:** Data Safe, Inc.  
**Project Address:** 37580 Filbert Street  
**Project City, County, Zip Code:** Newark, CA 94560-3536

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**Qualified Business Information:**  
**Name:** Data Safe, Inc.  
**Officers:** Tom Reis (President), Rob Reis (Secretary and CFO)

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**Project Financing Information:**  
**Bond Counsel:** Lofton & Jennings  
**Underwriter:** Westhoff, Cone & Holmstedt  
**Credit Enhancement:** Bank of the West  
**Private Placement Purchaser:** Not Applicable  
**Public Sale:** Not Applicable  
**TEFRA Hearing:** October 5, 2010  
**Adoption of Recovery Zone Designation Date:** January 26, 2010

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**Description of Proposed Project:**  
The Project includes the construction of a new building for the purpose of housing new paper shredding equipment and a mobile shredder truck.  
**Principal production:** Records and information management  
**Number of jobs created:** 8  
**Jobs-to-bond ratio:** 1 job per \$462,500 in allocation.  
**Estimated total development cost:** \$5,151,625

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**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.

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**Total Points:** 28 out of 100

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**Recommendation:**  
Staff recommends that the Committee approve \$3,700,000 in Recovery Zone Facility Bond re-allocation.

**DETAILS OF PROJECT FINANCING:**

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$	3,700,000
Taxable Bond Proceeds	\$	1,451,625
Total Sources	\$	<u>5,151,625</u>

- *Uses of Funds:*

Site Preparation	\$	30,000
Construction of New Building	\$	2,510,000
Utilities Connection	\$	33,000
New Equipment	\$	1,000,000
Engineering/Architecture	\$	12,000
Legal Permits	\$	15,000
Bond Issue Expenses	\$	141,375
Letter of Credit/Bond Insurance Fee	\$	110,250
Refinance of existing lien	\$	<u>1,300,000</u>
Total Uses	\$	5,151,625

**JOB CREATION:**

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

	<b>Jobs Created</b>
<b>Management</b>	0
<b>Skilled/Semi-Skilled</b>	0
<b>Unskilled</b>	8
<b>Total</b>	8

- *Total Jobs/Allocation Ratio:* 1 job per \$462,500 in allocation.

**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 (1 job per \$462,500 in allocation.)	25	0
Welfare to Work Program Participation	5	5
Employee Benefits	5	0
Average Hourly Wage	5	0
Land Use	6	6
Transit Corridor	7	7
Energy Efficiency	7	0
Leveraging	15	10
<b>Total Points</b>	100	28