

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
December 15, 2010
Staff Report

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

Prepared by: Sarah Lester

Applicant: California Municipal Finance Authority

Allocation Amount Requested: Tax-exempt: \$10,000,000

Project Information:
Project Name: Golden West Trading
Project Address: 3344 and 3374 E. 44th Street
Project City, County, Zip Code: Vernon, Los Angeles, 90058

Qualified Business Information:
Name: Golden West Trading, Inc.
Principals: Erik Litmanovich, Levi Litmanovich and Josh Solovy

Project Financing Information:
Bond Counsel: Jones Hall, A Professional Law Corporation
Underwriter: Not Applicable
Credit Enhancement: Not Applicable
Private Placement Purchaser: GE Government Finance
Public Sale: Investor letters provided
TEFRA Hearing: November 15, 2010
Adoption of Recovery Zone Designation Date: January 26, 2010

Description of Proposed Project:
Purchase of meat processing equipment and freezer equipment.
Principal production: Packaging of various types of meat
Number of jobs created: 25
Jobs-to-bond ratio: 1 job per \$400,000 in allocation
Estimated total development cost: \$10,000,000

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: 13 out of 100

Recommendation:
Staff recommends that the Committee approve \$10,000,000 in Recovery Zone Facility Bond re-allocation.

DETAILS OF PROJECT FINANCING:

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$ 10,000,000
Total Sources	\$ 10,000,000

- *Uses of Funds:*

New Equipment Purchase & Installation	\$ 9,800,000
Bond Issuance Expenses (incl. discounts)	\$ 200,000
Total Uses	\$ 10,000,000

JOB CREATION:

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

	Jobs Created
Management	5
Skilled/Semi-Skilled	20
Unskilled	0
Total	25

- *Total Jobs/Allocation Ratio:* 1 job per \$400,000 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 \$400,000 in allocation.)	25	0
Welfare to Work Program Participation	5	0
Employee Benefits	5	1
Average Hourly Wage	5	5
Land Use	6	0
Transit Corridor	7	7
Energy Efficiency	7	0
Leveraging	15	0
Total Points	100	13