

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
May 26, 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

Applicant: California Municipal Finance Authority

Allocation Amount Requested: **Tax-exempt:** \$6,250,000

Project Information:
Project Name: Mariani Packing
Project Address: 500 Crocker Drive
Project City, County, Zip Code: Vacaville, Solano, 95688

Qualified Business Information:
Name: Mariani Packing Company, Inc.
Principals: Mark Mariani, George Sousa Sr., George Sousa Jr.

Project Financing Information:
Bond Counsel: Ronald E. Lee, Attorney at Law
Underwriter: Not Applicable
Credit Enhancement: Not Applicable
Private Placement Purchaser: GE Government Finance, Inc.
Public Sale: Not Applicable
TEFRA Hearing: December 8, 2009
Adoption of Recovery Zone Designation Date: September 22, 2009

Description of Proposed Project:
Proceeds will be used for the acquisition of new packing and processing equipment to produce dried
Principal production: Fruit packing and dehydration.
Number of jobs created: 11
Jobs-to-bond ratio: 1 job per \$568,182 in allocation
Estimated total development cost: \$6,250,000

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: 10 out of 100

Recommendation:
Staff recommends that the Committee approve \$6,250,000 in Recovery Zone Facility Bond re-allocation.

DETAILS OF PROJECT FINANCING:

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$ 6,250,000
Total Sources	\$ 6,250,000

- *Uses of Funds:*

Used Equipment Purchase & Installation	\$ 6,050,000
Cost of Issuance (including discount)	\$ 200,000
Total Uses	\$ 6,250,000

JOB CREATION:

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

	Jobs Created
Management	2
Skilled/Semi-Skilled	6
Unskilled	3
Total	11

- *Total Jobs/Allocation Ratio:* 1 job per \$568,182 in allocation.

Although the project did not receive points for the creation of new permanent jobs, the Project's eleven jobs created will offer superior average hourly wages and employee benefits that support an award of 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 \$568,182 in allocation.)	25	0
Welfare to Work Program Participation	5	0
Employee Benefits	5	5
Average Hourly Wage	5	5
Land Use	6	0
Transit Corridor	7	0
Energy Efficiency	7	0
Leveraging	15	0
Total Points	100	10