

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 ECONOMIC DEVELOPMENT BOND RE-ALLOCATION

Prepared by: John Weir

Applicant: San Joaquin Regional Rail Commission

Allocation Amount Requested: **Tax-exempt:** \$35,000,000

Project Name: **Project Name:** ACE Equipment Maintenance and Layover Facility
Project Address: 2801 North West Lane
Project City, County, Zip Code: Stockton, San Joaquin, 95204

Project is located in a State Designation Enterprise Zone .

Project Information: **Entity Using Bonds:** San Joaquin Regional Rail Commission

Project Financing Information: **Bond Counsel:** Nossaman, Guthner, Knox & Elliott, LLP
Underwriter: Banc of America Merrill Lynch
Credit Rating Letter: Not Applicable
Private Placement Purchaser: Banc of America Merrill Lynch
Public Sale: Not Applicable
Adoption of Recovery Zone Designation Date: December 8, 2009

Description of Proposed Project:
The Project will consist of a new facility for the maintenance, repair, cleaning and overnight storage of cars used in the Altamont Commuter Express (ACE) Service.
Number of jobs created: 16
Jobs-to-bond ratio: 1 job per \$871,125 in allocation.
Estimated total development cost: \$68,489,878

Total Points: 64 out of 100

Recommendation:
Staff recommends that the Committee approve \$13,938,000 in Recovery Zone Facility Bond re-allocation.

DETAILS OF PROJECT FINANCING:

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$	0
Taxable Bond Proceeds	\$	35,000,000
Build America Bonds	\$	33,489,878
Total Sources	\$	68,489,878

- *Uses of Funds:*

Site Preparation	\$	20,697,310
Construction of New Building	\$	25,115,672
Acquisition of New Equipment	\$	10,990,114
Engineering/Architecture	\$	8,202,298
Legal/Permits	\$	909,180
Cost of Issuance (including discount)	\$	610,000
Debt Service Reserve Fund	\$	1,965,302
Total Uses	\$	68,489,876

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	7
Unskilled	7
Total	16

- *Total Jobs/Allocation Ratio:* 1 job per \$871,125 in allocation.

EVALUATION SCORING:

Point Criteria	Maximum Points Allowed	Points Scored
Community Economic Need:		
1. Unemployment Rate of Project Area	10	5
2. Poverty Rate of Project Area	5	10
3. Special Designation Area	5	5
4. Median Family Income of Project Area	5	5
Job Creation Ratio (1 job per \$871,125 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	7
Energy Efficiency	7	12
Leveraging	15	10
Total Points	100	64