

**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: Sarah Lester*

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**Applicant:** California Statewide Communities Development Authority

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**Allocation Amount Requested:**  
**Tax-exempt:** \$7,000,000

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**Project Information:**  
**Project Name:** Aerospace Dynamics International, Inc.  
**Project Address:** 25540 Rye Canyon Road  
**Project City, County, Zip Code:** Santa Clarita, Los Angeles, 91355

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**Qualified Business Information:**  
**Name:** Aerospace Dynamics International, Inc.  
**Principals:** Gerald Friend, John T. Cave, William Barritt and James Fish

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**Project Financing Information:**  
**Bond Counsel:** Jones Hall, A Professional Law Corporation  
**Underwriter:** Not Applicable  
**Credit Enhancement:** Not Applicable  
**Private Placement Purchaser:** GE Government Finance, Inc.  
**Public Sale:** Not Applicable  
**TEFRA Hearing:** June 22, 2010  
**Adoption of Recovery Zone Designation Date:** October 27, 2009

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**Description of Proposed Project:**  
According to the Applicant, the proposed Project allocation request is to purchase new equipment for the manufacturing of structural components on virtually every commercial and military aircraft program. The new equipment will consist of new machining centers from various vendors.

**Principal production:** Commercial and Military Aircrafts  
**Number of jobs created:** 125  
**Jobs-to-bond ratio:** 1 job / \$56,000  
**Estimated total development cost:** \$7,000,000

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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:** 10 out of 100

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**Recommendation:**  
Staff recommends that the Committee approve \$7,000,000 in Recovery Zone Facility Bond re-allocation.

**DETAILS OF PROJECT FINANCING:**

- *Sources of Funds:*

Tax-Exempt Bond Proceeds	\$ 7,000,000
Total Sources	\$ 7,000,000

- *Uses of Funds:*

New Equipment Purchase & Installation	\$ 6,860,000
Bond Issuance Expenses (incl. Discounts)	\$ 140,000
Total Uses	\$ 7,000,000

**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>	20
<b>Skilled/Semi-Skilled</b>	105
<b>Unskilled</b>	0
<b>Total</b>	125

- *Total Jobs/Allocation Ratio:* 1 job per \$56,000 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 \$56,000 in allocation.)	25	5
Welfare to Work Program Participation	5	0
Employee Benefits	5	0
Average Hourly Wage	5	5
Land Use	6	0
Transit Corridor	7	0
Energy Efficiency	7	0
Leveraging	15	0
<b>Total Points</b>	100	10