

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
Public Benefit Analysis
Small-Issue Industrial Development Bond Programs and Projects
2004 Second Round

Small-Issue Industrial Development Bonds (IDBs) are tax-exempt private activity bonds that are issued through state and local governmental agencies to assist manufacturing facilities finance capital expenditures. Today, most IDBs support expansions of existing manufacturing. IDBs offer considerable interest rate savings to small and midsize manufacturers in contrast to conventional loans. When used by manufacturers, IDBs serve to retain and create new jobs within their communities.

The California Debt Limit Allocation Committee (“Committee”) is responsible for administering California’s annual tax-exempt private activity bond program, known as “the annual State ceiling”. For calendar year 2004, California’s State ceiling is \$2.838 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as “Program Pools”, including the Small-Issue Industrial Development Bond Project Pool. For calendar year 2004, the Committee reserved \$45 million of the State ceiling for the IDB Project Pool and an additional \$17 million for the Small Business Program subpool, for a total reservation of \$62 million, or 2.2%, of the State ceiling for the IDB Project Pool. The \$62 million of bond authority will be allocated in two allocation rounds to the IDB Project Pool and the Small Business Program.

The Committee awarded a total of \$11.2 million to two Small-Issue Industrial Development Bond Projects in the Second Allocation Round of 2004. The projects will create a total of 63 new jobs and retain a total of 321 existing jobs. Of these, 33 new and 151 retained jobs are in the City of Chino (San Bernardino County) and 30 new and 170 retained jobs are in the City of Corona (Riverside County). The 63 new jobs consist of 3 management jobs, 36 skilled and semi-skilled jobs, and 24 unskilled jobs. The new jobs will produce a weighted average hourly wage of \$14.80.

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Applicant/ Issuer	Allocation Amount	Project Name	Project City	Project County	Located within a Distressed Community	Number of New Mgmt Jobs	Number of New Skilled and Semi- Skilled Jobs	Number of New Unskilled Jobs	Total Number of Jobs Created	Weighted Average Hourly Wage	Total Number of Jobs Retained
California Infrastructure & Economic Development Bank	\$6,000,000	Galardo Family Trust/ Elite Leather Company	Chino	San Bernardino	No	2	26	5	33	\$16.18	151
Industrial Development Authority of the County of Riverside	\$5,200,000	Spenuzza, Inc., d.b.a. Imperial Manufacturing Company	Corona	Riverside	No	1	10	19	30	\$13.41	170
Total	\$11,200,000					3	36	24	63	\$14.80	321