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U.S. Department of Housing and Urban Development  
Office of Community Planning and Development

Andrew Cuomo, Secretary

Cardell Cooper, Assistant Secretary

## EZ/EC News Flash

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### **Santa Ana Empowerment Zone Facility Bonds Finance Gold Coast Expansion**

Five million dollars of Empowerment Zone Facility Bonds were made available to Gold Coast Baking Company, Inc. of Santa Ana, California to expand and upgrade processing facilities. The expansion is projected to increase the company's production by 20 percent and create up to 105 new jobs within two years of completion. The jobs created will be targeted to local low- and moderate- income residents.

Gold Coast has grown from 25 to 145 employees since locating in Santa Ana's State-designated Enterprise Zone tax incentive area in 1993. The company also sits within the boundaries of the city's newly designated Federal Empowerment Zone. Gold Coast manufactures its signature San Francisco Sour Dough bread as well as 40 other products at the Santa Ana site, distributing its products to such clients as Costco, Food 4 Less, and Orowheat. Gold Coast is considered to be a model small business success story, parlaying the effective use of State and Federal hiring and sales tax incentives into the acquisition of new equipment, a steady increase in its labor force, and an eight-fold expansion of its facilities over the past seven years.

Issuing tax-exempt revenue bonds on a "conduit" basis is one of the functions of the California Infrastructure and Economic Development Bank. Such bonds are secured by and payable from the revenues generated by the financed project. In addition, the conduit issuer has no liability for the debt service on the bonds, and no State money is at risk.

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