



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY

**NEWSLETTER**

April 2017



**Greetings** - you are receiving this newsletter because you have been identified as a party that could potentially benefit from using the Statewide Community Infrastructure Program to finance impact fees and improvements related to new development projects or to refinance currently outstanding Special Assessment District or Community Facilities District debt.

**You may reply directly to this email with any questions about participating in the Program.**

*Don't forget to add [service@elabra.com](mailto:service@elabra.com) to your contact list to ensure that future distributions land in your inbox!*

## Last Chance to Apply for SCIP 2017B

### SCIP 2017B

CSCDA will accept applications for the Statewide Community Infrastructure Program's fall issue, expected to price this October, through the end of the month.

Applications can be submitted by clicking the link to the right. Please note there is a \$1,500 application fee.

The schedule for **SCIP 2017B** is provided below:

- **NOW**  
*Applications due by end of April*
- **June**  
*Prepare Engineer's Reports*
- **July**  
*Commence Proceedings*



- **August**  
*Hold public hearing*
- **October**  
*Sell Bonds and Deliver Funds*

## New Members

*We welcome the Cities of Sacramento and Banning as new members of SCIP!*

We encourage any City, County or Special District to join and are more than happy to speak with prospective members about the Program and walk new members through the process of joining.

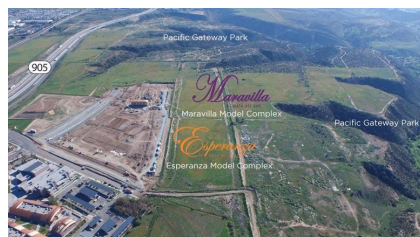
## Recent Highlights



Muir Pointe - Hercules



Marshall Crossing - West Sacramento



Vista Del Sur - San Diego

### SCIP 2017A

On April 19th, 2017, CSCDA issued the first annual series of Statewide Community Infrastructure Program pooled financing Bonds. The \$11.715 million SCIP Revenue Bonds, Series 2017A were sold at a 30 year rate of 4.40%. The individual districts underpinning the Bonds were predominantly undeveloped, with an overall value-to-lien ratio of 7.2x. We would note that the underlying local obligations were tailored to each developer's unique financing specifications, underscoring the flexibility of the Program in meeting several distinct set of parameters.

The projects comprising the pool are listed below:

- **Sellers Pointe**  
Brentwood (Westgate Nuvera)
- **Muir Pointe**  
Hercules (Lewis Homes)
- **Wildcat Whitney Ranch**  
Rocklin (Wildcat Whitney)
- **Sheldon Crossroads**  
Elk Grove (D.R. Horton)
- **Vista del Sur**  
San Diego (Cornerstone Communities)
- **Marshall Crossing**  
West Sacramento (D.R. Horton)
- **Promenade**  
West Sacramento (GDB)

## Upcoming Bond Issues

# Napa Pipe Redevelopment Project

The Napa Pipe Redevelopment issuance is scheduled to be approved in early May, with an investor presentation (on-site) in mid-May followed by a bond sale in late May / early June. CSCDA will issue approximately \$20 million of taxable Bonds to fund site remediation related to the historic project, described below in greater detail.

The former location of Napa Pipe is the site of a proposed development in unincorporated Napa County that involves residential, commercial, and industrial uses. The project has the potential to significantly impact City services and regional transportation systems. The County's General Plan was amended to permit the creation of a wholly new type of neighborhood on this site: a compact, walkable, urban neighborhood, with great streets, parks and public amenities. The plan was recognized by the US Green Building Council as LEED-Gold and will, when complete, likely be the largest single-project investment ever made in the County of Napa.



## Down the Road

### WHAT'S ON THE HORIZON

Currently Entitled For:

**1,236** SINGLE-FAMILY  
DETACHED HOMES      **260**  
ACRES

**100,000 SQUARE FEET**  
in a 7-Acre Commercial Center

**60** OF ON-SITE  
ACRES OPEN SPACE      **13** AT TWO ON-SITE  
ACRES PUBLIC PARKS

3 miles of on-site trails linking to the city, Sonoma State University, Green Music Center, high school & middle school

**12 NEIGHBORHOODS**



### University District

University District is a mixed-use commercial / residential project located in Rohnert Park, adjacent to Sonoma State and the Green Music Center. The project is being developed by Brookfield Homes.

CSCDA formed a Community Facilities District in 2015 to finance backbone infrastructure within the project area, such as sewer, roadways and bridges. In 2016, CSCDA sold \$11 million of Bonds for Improvement Area 1 within the CFD. The sale was a success and the Bonds achieved an attractive long-term cost of capital, garnering a 4.34% true interest cost.

As a result of the project's high level of demand and rapidly progressing development, the SCIP financing team is preparing to sell \$15 million of Bonds this fall to finance additional infrastructure that will facilitate development expansion.

# Horse Creek Ridge

Horse Creek Ridge is a community inspired by nature, by history and by the traditions of old California. It is a place where today's lifestyle meets all that is worth preserving from the area's rich past. The community, which is being developed by D.R. Horton, will feature an impressive collection of five, single-family and two, detached condominium neighborhoods, as well as eight parks including an 8.5 acre Sports Park.



The resolution approving the Joint Powers Agreement for the community facilities district was recently passed by the Rainbow Municipal Water District. The district is anticipated to be formed in July or August of this year, with a bond issue planned for fall of 2017.

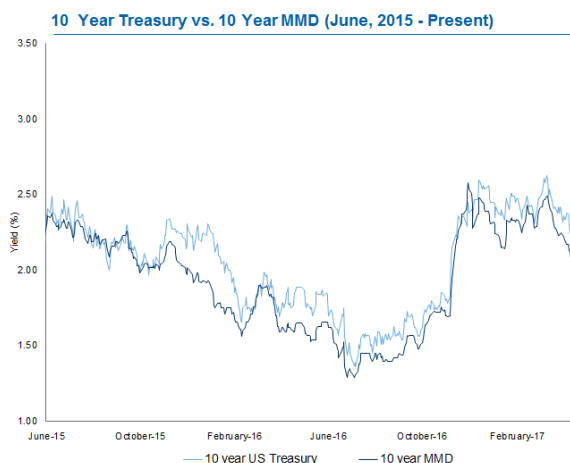
## Market Update

### Yields Pullback in April

While intermediate and longer-end municipal yields were largely unchanged for the first quarter of 2017, they have rallied substantially during the month of April. Further, though the Fed rate hike in mid-March (25 bps) created upward pressure on the short-end of the curve, inflation has remained in check and long-term yields have strengthened undeterred. Outside the US, low yield levels have persisted for key players in the international bond market (Germany, Japan, etc.), driving demand for US fixed-income securities.

The positive trends in the broader fixed-income market are complimented by continued demand for housing, rising home prices amid limited supply and steady development of new projects. This confluence of factors, or indicators of the overall health of the real estate market, has seen the land-secured sector outperform other municipal credits. Institutional investor interest in dirt bonds has endured with buyers garnering out-sized returns and reaping the benefits of improving credit quality as projects develop and diversify their underlying tax bases.

As of very recently, the "Trump trade," which has buoyed the stock market by engendering corporate optimism around pro-growth economic policies, has seen a resurgence following the White House's release of an aggressive tax reform plan, causing yields to rise. However, it is still too early to tell whether this renewed pressure on rates will persist.



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