Statewide Community Infrastructure Program

A Program of the California Statewide Communities Development Authority
What is the Statewide Community Infrastructure Program?

- SCIP is a pooled tax exempt financing program which can finance impact fees and public improvements for private developments.

- Any City/County/Special District can participate in SCIP to provide the local agency the means of offering competitive financing to all developers as a turn key solution, minimizing local agency staff time.

- The bonds are issued by the California Statewide Communities Development Authority (CSCDA) which is a Joint Powers Authority sponsored by the League of California Cities and the California State Association of Counties to promote bond programs of public benefit to its members.

- These are 30 year fixed-rate tax-exempt bonds secured by property owner assessments.

- There are typically two issues a year (in the Spring and Fall). SCIP has issued over $500 MM in bonds since its inception in 2003.

- The Program also allows CSCDA to establish stand-alone Mello-Roos Community Facilities Districts which allow for financing of public improvements and services.
Who Uses SCIP?

95 Participating Local Agencies across California with a Growing List of Recurring Developer Clients

Member Map

Participating Local Agencies

- Alameda, City of
- American Canyon
- Angels
- Antioch
- Bakersfield
- Banning
- Blythe
- Brentwood
- Butte County
- Calistoga
- Cathedral City
- Chula Vista
- Citrus Heights
- Clovis
- Coachella Valley Water District
- Cosumnes CSD
- Corona
- Dana Point
- Davis
- Desert Hot Springs
- Diablo Water District
- Dublin
- Dublin San Ramon Services District
- East Palo Alto
- Eastern Municipal Water District
- El Dorado, County of
- Elk Grove
- Fairfield
- Folsom
- Fremont
- Galt
- Gardena
- Healdsburg
- Hercules
- Hollister
- Imperial, County of
- Indian Wells
- Indio
- Ironhouse Sanitary District
- Lathrop
- Lincoln
- Linda County Water District
- Live Oak
- Livermore
- Madera, City of
- Manteca
- Menifee

95 Total Members with 155 Projects Financed

- Merced, City of
- Millbrae
- Morgan Hill
- Morro Bay
- Murrieta
- City of Napa
- County of Napa
- Newport Beach
- Norco
- Oakley
- Oxnard
- Palm Springs
- Petaluma
- Placer, County of
- Rainbow Municipal Water District
- Rancho Cordova
- Redding
- Richmond
- Rialto
- Río Vista
- Rocklin
- Roseville
- Sacramento, City of
- Sacramento, County of
- Sacramento County Water Agency
- Sacramento Regional County Sanitation Dt.
- Sacramento Area Sewer District
- San Diego, City of
- San Juan Bautista
- San Luis Obispo, County of
- San Marcos
- San Mateo, County of
- Santa Rosa
- Sonoma, County of
- South Placer Municipal Utility District
- Stockton
- Thousand Oaks
- Tracy
- Tuolumne, County of
- Ukiah
- Vacaville
- Vallejo
- West Sacramento
- Woodland
- Yuba City
- Yuba, County of
- Yucaipa Valley Water District
Program Benefits

- SCIP provides **local agencies** a means of offering competitive financing to all developers as a turnkey solution which minimizes local agency staff time.

- The Program can finance projects which range in size from $500,000 up to $10,000,000 or higher.

- **Developers** use SCIP for a variety of reasons:
  1. Can be part of the capital mix of debt, equity, public financing.
  2. Provides off balance sheet/land secured non recourse debt.
  3. Can provide competitive advantages with respect to residential marketing.
  4. Minimizes carrying cost by enabling developers to more efficiently subdivide and issue debt only for the lots where they are prepared to pull permits.

- SCIP provides diversity to investors and economies of scale to its participants which ultimately translates to competitive interest rates and lower costs.
## Program Mechanics

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact Fee Reimbursement Program</td>
<td>Reimburses property owners for Impact Fees paid at Building Permit but prior to the Issuance of the SCIP bonds. (Note: Application must be submitted no more than 60 days before the fees are paid)</td>
</tr>
<tr>
<td>Impact Fee Pre-Funding Program</td>
<td>Pre-pays impact fees which would normally be due at building permit and for which the developer will receive a fee credit when otherwise due</td>
</tr>
<tr>
<td>Funding of Public Improvements</td>
<td>Public improvements can be finance on an acquisition basis when complete pursuant to an acquisition agreement between the developer and the local agency. Prevailing wage applies to the improvements being funded</td>
</tr>
</tbody>
</table>

### Combined Funding Program
- Reimbursement, Pre-Funding Programs and Acquisition Funding can be combined

### Stand-Alone CFD Issuance
- Community Facilities Districts (CFDs) | CFDs can be created and funded through SCIP and CSCDA on a stand alone basis. The Local Agency will request formation of the CFD and adopt a joint facilities agreement (JCFA) specifying which facilities are eligible. (Note: May include Operations and Maintenance Fees)
What Can be Financed through the Program?

**Eligible Fees**

Fees for infrastructure to be owned by public agency

Does not include school, housing, fire, and police fees

**Eligible Improvements**

Improvements identified in the 1913 / 1915 Assessment Act, including but not limited to, are listed below:

<table>
<thead>
<tr>
<th>Eligible Improvements</th>
<th>Eligible Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street and Roadways</td>
<td>Street lighting</td>
</tr>
<tr>
<td>Freeway Interchanges</td>
<td>Parking</td>
</tr>
<tr>
<td>Pedestrian Malls</td>
<td>Landscaping</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>Sewer and Pipelines</td>
</tr>
<tr>
<td>Storm Drainage</td>
<td>Parks and Parkways</td>
</tr>
<tr>
<td>Flood Control</td>
<td>Bridges and Thoroughfares</td>
</tr>
<tr>
<td>Water Supply</td>
<td>Bicycle and Pedestrian Trails</td>
</tr>
<tr>
<td>Gas Supply</td>
<td>Open Space and Greenbelts</td>
</tr>
</tbody>
</table>
Local Agency Requirements

1. Must be a Member of CSCDA (no cost to join and CSCDA currently has 532 members)

2. Adopt SCIP Resolution consenting to use of the SCIP Program (again no cost to join)
   a) Sample Resolutions and Agreements are contained in the SCIP Manual and proposal by SCIP Legal Counsel

3. Developers can submit funding applications online but they must be signed by the Local Agency prior to the Public Hearing

4. Will review and verify eligible fees and improvements contained in the Engineer's Report prepared by SCIP

5. Will execute an acquisition agreement to reimburse developer for public improvements, the form of which is included with the SCIP Resolution

6. Funds will be spent in accordance with federal tax law

7. Approve requisition of funds
SCIP Tasks and Responsibility Schedule

Local Agencies

Admin. includes:
- Tax Roll
- Lot Splits
- Rebate
- Continuing Disclosure
- Foreclosure

Conduct the proceedings

Issue Bonds

Administrating the District

Entitlements

Payment of Fees or Completion of Improvements

Developers and Local Agencies

Developers

Pass SCIP Resolution & Approve Applications

Developers

Bond Payments (Investor Risk)
Key Events

The City or County does not issue bonds or levy assessments

The schedule of proceedings is described below:

1. SCIP Prepares the Engineer’s Reports
2. Districts are established by SCIP on a City-by-City or County-by-County basis
3. Proceedings conducted by CSCDA
4. Hearing and Landowner Vote conducted by CSCDA
5. CSCDA authorizes the sale of bonds

Transaction is closed and funds are delivered
Community Facilities Districts

SCIP is available to form CFDs and issue bonds for Stand Alone Projects

Local Agency will adopt a Resolution requesting CSCDA form a CFD including a Joint Community Facilities Agreement (JCFA)

- Will attach a boundary map of the project
- A list of facilities and fees to be financed
- May include and O&M component in addition to facilities
- Can include more than one Local Agency in the CFD (with approval)

CSCDA credit requirements\(^{(1)}\):

1. At Least a 4x value to lien ratio (including overlapping debt)
2. Combined tax burden cannot exceed 2% of the estimated home value
3. Debt service may escalate at up to 2% per year
4. Project must have received its discretionary entitlements

The minimum size for a stand alone CFD is $5 million

\(^{(1)}\) If a Local Agency has more stringent requirements those will apply
2003 - Present | Transactions

Appendix I
## Comprehensive Transaction History

<table>
<thead>
<tr>
<th>Sale Date</th>
<th>Issuer</th>
<th>Series</th>
<th>Par Amount</th>
<th>Description</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct-03</td>
<td>CSCDA</td>
<td>Series 2003A</td>
<td>$6,270,000</td>
<td>SCIP Pooled Revenue</td>
<td>5</td>
</tr>
<tr>
<td>Dec-04</td>
<td>CSCDA</td>
<td>Series 2004A</td>
<td>$3,590,000</td>
<td>SCIP Pooled Revenue</td>
<td>10</td>
</tr>
<tr>
<td>Jul-05</td>
<td>CSCDA</td>
<td>Series 2005A</td>
<td>$10,645,000</td>
<td>SCIP Pooled Revenue</td>
<td>10</td>
</tr>
<tr>
<td>Oct-06</td>
<td>CSCDA</td>
<td>Series 2006A</td>
<td>$19,015,000</td>
<td>SCIP Pooled Revenue</td>
<td>11</td>
</tr>
<tr>
<td>Jun-07</td>
<td>CSCDA</td>
<td>Series 2007A</td>
<td>$25,545,000</td>
<td>SCIP Pooled Revenue</td>
<td>11</td>
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<tr>
<td>Nov-07</td>
<td>CSCDA</td>
<td>Series 2007B</td>
<td>$10,460,000</td>
<td>SCIP Pooled Revenue</td>
<td>8</td>
</tr>
<tr>
<td>Dec-07</td>
<td>CSCDA</td>
<td>Series A (2007)</td>
<td>$37,500,000</td>
<td>Stand Alone CFD (Orinda Wilder)</td>
<td>1</td>
</tr>
<tr>
<td>Jul-08</td>
<td>CSCDA</td>
<td>Series 2008A</td>
<td>$21,805,000</td>
<td>SCIP Pooled Revenue</td>
<td>9</td>
</tr>
<tr>
<td>Jun-10</td>
<td>CSCDA</td>
<td>Series 2010A</td>
<td>$6,180,000</td>
<td>SCIP Pooled Revenue</td>
<td>6</td>
</tr>
<tr>
<td>Sep-11</td>
<td>CSCDA</td>
<td>Series 2011A</td>
<td>$9,190,000</td>
<td>SCIP Pooled Revenue</td>
<td>4</td>
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<tr>
<td>Dec-12</td>
<td>CSCDA</td>
<td>Series 2012</td>
<td>$21,030,000</td>
<td>Reassessment Refunding</td>
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<tr>
<td>May-13</td>
<td>CSCDA</td>
<td>Series 2013A</td>
<td>$6,245,000</td>
<td>Stand Alone CFD (Manteca)</td>
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<tr>
<td>Aug-13</td>
<td>CSCDA</td>
<td>Series 2013</td>
<td>$14,444,827</td>
<td>SCIP Pooled Revenue Refunding</td>
<td>15</td>
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<tr>
<td>May-14</td>
<td>CSCDA</td>
<td>Series 2014A</td>
<td>$4,680,000</td>
<td>SCIP Pooled Revenue</td>
<td>3</td>
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<tr>
<td>Nov-14</td>
<td>CSCDA</td>
<td>Series 2014</td>
<td>$11,015,000</td>
<td>Stand Alone Assessment District (Yucaipa VWR)</td>
<td>1</td>
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<tr>
<td>Jan-15</td>
<td>CSCDA</td>
<td>Series 2014B</td>
<td>$10,605,000</td>
<td>SCIP Pooled Revenue</td>
<td>5</td>
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<tr>
<td>Jun-15</td>
<td>CSCDA</td>
<td>Series 2015R1</td>
<td>$29,195,000</td>
<td>SCIP Pooled Revenue Refunding</td>
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<tr>
<td>Jun-15</td>
<td>CSCDA</td>
<td>Series 2015</td>
<td>$33,015,000</td>
<td>Stand Alone CFD Refunding (Orinda Wilder)</td>
<td>1</td>
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<tr>
<td>Aug-15</td>
<td>CSCDA</td>
<td>Series 2015A</td>
<td>$11,125,000</td>
<td>Stand Alone CFD (Rio Bravo)</td>
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<tr>
<td>Sep-15</td>
<td>CSCDA</td>
<td>Series 2015A</td>
<td>$5,320,000</td>
<td>SCIP Pooled Revenue</td>
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<tr>
<td>Dec-15</td>
<td>CSCDA</td>
<td>Series 2015</td>
<td>$15,305,000</td>
<td>Stand Alone Assessment District (Emerson Ranch)</td>
<td>1</td>
</tr>
<tr>
<td>Mar-16</td>
<td>CSCDA</td>
<td>Series 2016A</td>
<td>$11,275,000</td>
<td>Stand Alone CFD (University District)</td>
<td>1</td>
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<tr>
<td>May-16</td>
<td>CSCDA</td>
<td>Series 2016A</td>
<td>$10,090,000</td>
<td>SCIP Pooled Revenue</td>
<td>6</td>
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<tr>
<td>Oct-16</td>
<td>CSCDA</td>
<td>Series 2016B</td>
<td>$11,040,000</td>
<td>SCIP Pooled Revenue</td>
<td>6</td>
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<tr>
<td>Nov-16</td>
<td>CSCDA</td>
<td>Series 2016A</td>
<td>$11,155,000</td>
<td>Stand Alone CFD (Delta Coves)</td>
<td>1</td>
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<tr>
<td>Feb-17</td>
<td>CSCDA</td>
<td>Series 2017R1</td>
<td>$35,953,593</td>
<td>SCIP Pooled Revenue Refunding</td>
<td>20</td>
</tr>
<tr>
<td>Apr-17</td>
<td>CSCDA</td>
<td>Series 2017A</td>
<td>$11,715,000</td>
<td>SCIP Pooled Revenue</td>
<td>7</td>
</tr>
<tr>
<td>Jun-17</td>
<td>CSCDA</td>
<td>Series 2017A</td>
<td>$20,830,000</td>
<td>Stand Alone CFD (Napa Pipe Redevelopment Project)</td>
<td>1</td>
</tr>
<tr>
<td>Oct-17</td>
<td>CSCDA</td>
<td>Series 2017</td>
<td>$14,500,000</td>
<td>Stand Alone CFD (University District)</td>
<td>1</td>
</tr>
<tr>
<td>Oct-17</td>
<td>CSCDA</td>
<td>Series 2017B</td>
<td>$19,915,000</td>
<td>SCIP Pooled Revenue</td>
<td>8</td>
</tr>
<tr>
<td>Dec-17</td>
<td>CSCDA</td>
<td>Series 2017C</td>
<td>$10,470,000</td>
<td>SCIP Pooled Revenue</td>
<td>6</td>
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<tr>
<td>May-18</td>
<td>CSCDA</td>
<td>Series 2018A</td>
<td>$23,960,000</td>
<td>SCIP Pooled Revenue</td>
<td>17</td>
</tr>
<tr>
<td>June-18</td>
<td>CSCDA</td>
<td>Series 2018</td>
<td>$19,305,000</td>
<td>Stand Alone CFD (Horse Creek Ridge)</td>
<td>1</td>
</tr>
<tr>
<td>Sept-18</td>
<td>CSCDA</td>
<td>Series 2018B</td>
<td>$31,940,000</td>
<td>SCIP Pooled Revenue</td>
<td>10</td>
</tr>
<tr>
<td>Dec-18*</td>
<td>CSCDA</td>
<td>Series 2018C</td>
<td>$21,035,000</td>
<td>SCIP Pooled Revenue</td>
<td>8</td>
</tr>
</tbody>
</table>

**Total** | $565,363,420 | 35 Transactions | 224

*Preliminary; Subject to Change*