



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



LEAGUE  
OF CALIFORNIA  
CITIES

**SCIP**  
Statewide Community Infrastructure Program

## NEWSLETTER

OCTOBER 2021



**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!

## Applications Open for SCIP 2022A Bonds

### SCIP 2022A Applications Due December 1st!

Application deadline for the Statewide Community Infrastructure Program's Annual Spring "Series A" financing is December 1, 2021. SCIP 2022A is expected to price in April 2022 and close in May 2022. The schedule for SCIP 2022A is provided below:

#### [Application Deadline](#)

*Applications due December 1, 2021*



**December 2021 - January 2022**  
*Prepare Preliminary Engineer's Reports*

**February 2022**  
*Commence Proceedings*

**April 2022**  
*Hold public hearing to approve Bond Sale*

**April 2022 - May 2022**  
*Sell Bonds and Deliver Funds*



## SCIP's CFD Local Obligation Pooled Program (Available for SCIP 2022A)

SCIP has expanded its CFD program to allow for the financing of smaller projects through SCIP's Pooled Revenue Bond program. This expansion will allow developers to finance a broader range of impact fees and public facilities, as well as provide for greater flexibility in adjusting tax rates by specific product type and assist in forming separate improvement areas when projects need to be phased. The CFD Local Obligation program commenced in 2020, and now is a standard feature with new SCIP members. A number of our legacy clients are in the process of updating SCIP, and amending their old SCIP Resolutions.

The SCIP pool issues three series of bonds in the spring, fall and winter of every calendar year and the CFD Local Obligation Pooled Program is expected to transition seamlessly into the existing pooled program and due diligence process you may already be familiar with. The SCIP CFD Local Obligation feature enhances the SCIP stand-alone CFD program which has issued approximately \$275 million in bonds. The CFD option is available for SCIP 2022A. SCIP will also be offering a hybrid CFD program, which combines a stand-alone CFD with the pool to phase bond issuances over time to reduce interest costs.



## Sale in Progress: SCIP 2021C Bonds (\$38.5 million)

SCIP 2021C remains on schedule with the public hearing to be held on November 18. The bond sale will occur the week of November 29, with close and delivery of funds in late-December. The expected total par amount is \$38.541 million. There are 16 projects located throughout the state. When complete, these developments will add 1,618 residential units to the California housing market. The market for California land secured credits remains robust and we look forward to a successful sale in December.

Local Agency	Project	Developer	Expected Par (\$MM)	No. of Units
City of Brentwood	Bennett Estates	DeNova Homes	0.502	14
City of Brentwood	Orchard Trails	Shea Homes Limited Partnership	4.440	78
City of Oakley	Cypress Crossing	KB Home North Bay, LLC	2.546	98
City of Gardena	Moneta Pointe	Melia Homes Inc.	1.056	82
City of Gardena	Azalea Walk	The Ollson Company	0.654	50
City of Lancaster	Westview Estates	K. Hovnanian California Region, Inc.	1.300	99
City of Roseville	751 Roseville Parkway	Ridge Capital, Inc.	1.615	N/A
City of Sacramento	River Oaks (The Cove) Phase III	Beazer Homes Holdings, LLC	5.736	256
County of Sacramento	Ogden Ranch (Phase 2)	Richmond American Homes	4.591	114
City of Yucaipa	Creekside Collection	RC Hobbs Company/Century American Development Company	1.409	44
County of San Diego	Sweetwater Vistas	Sweetwater Vistas, LLC	3.586	203
City of Fairfield	Enclave at Red Top (Unit 2)	Albert D. Seeno Construction Company	1.436	63
City of Fairfield	Goldhill Village (Unit 3)	Albert D. Seeno Construction Company	2.765	79
City of Vacaville	Villages at Vanden Meadows	Meritage Homes of California	4.640	370
City of Yuba City	Dunn Ranch Estates	Interwest Homes	1.865	56
	East Sanborn Estates	Interwest Homes	0.400	12
<b>Total</b>	<b>16 Projects</b>		<b>38.541</b>	<b>1,618</b>

## Upcoming Bond Sales

### Tapestry AD, 2021 Bonds (\$8 million)

CSCDA has formed the Tapestry (Phase I) Assessment District (the "Project") to finance impact fees that will be put forth for the various public improvements to Rancho Road. The improvements are necessary to provide transportation infrastructure to service the development expected to occur within the Project.

The Project is the first phase of a master planned community located in the City of Hesperia and the County of San



Bernardino that will ultimately include nine phases of development and approximately 15,663 total residential units, as well as six elementary schools, one middle school, one high school and over 750,000 square feet of commercial development. The Project is being developed by Tapestry, LLC in partnership with DMB Development as the project manager, and Phase I is expected to encompass 2,104 residential units, an elementary school, wastewater treatment facility and several parks.

The Phase I bonds will fund approximately \$6 million of traffic fees which is a portion of the City's contribution to the Ranchero Road project. Total project costs are estimated to be \$48 million from a combination of sources which include the County, SBCTA, grants and the City's portion of pre-funded traffic fees through SCIP. This shows how SCIP can be used by Local Agencies to pre-fund fees for major infrastructure projects in order to fill a funding gap.



## Meadowlands CFD, 2021 Bonds (\$8 million)

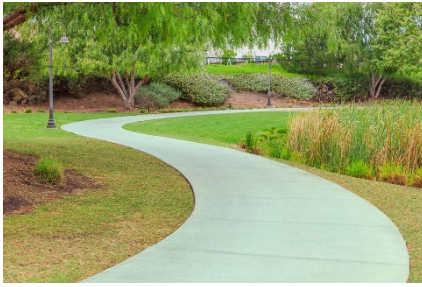


CSCDA has formed the Meadowlands CFD, located in the City of Lincoln in Placer County. The District is anticipated to encompass approximately 48 gross acres of land, including 33.71 acres which are expected to be developed into 271 single-family residential units.

The Meadowlands project is being developed by Taylor Builders and will feature four separate neighborhoods with one- and two-story homes, as well as an open space preserve that runs through the northwest portion of the District. Meadowlands is located near the City's historic downtown area.

The CFD is authorized to issue up to \$10 million of Special Tax Bonds to finance various transportation, storm drain, parks and trails, sewer and water improvements and facilities necessary to support the residential development of the Project. The Bonds are expected to sell and close in November 2021.





## Citro CFD, 2021 Bonds (\$15 million)

CSCDA is forming the Citro CFD (formerly known as Meadowood CFD), which is located in the City of Fallbrook in San Diego County. The District is expected to encompass 390 acres and a total of 844 single- and multi-family units are expected to be built over the life of the development. TriPointe Homes is the developer.

The Citro planned development will include six residential neighborhoods, each with their own unique look and feel, as well as a school, 10-acre public park, community gardens, 14 acres of trails and a recreation center with a pool and community lounge. Approximately, 235 acres will be open space, which includes 50 acres preserved as agricultural open space, including centrally located community avocado and citrus groves. The land Citro is being built upon was formerly dedicated for farming and agricultural uses.

The CFD is anticipated to authorize the issuance of up to \$37 million of Special Tax Bonds to finance the construction of various public improvements and facilities necessary to support the residential development of the Project. The first series of bonds for the project are expected to be sold early 2022.



## 3 Roots CFD, 2021 Bonds (\$21 million)

3 Roots is a 412 acre master planned community located in the Mira Mesa area of the City of San Diego. The developer is proposing 1,800 residential units of which 1,191 are planned to be for sale single family detached and multi-family units.

Project amenities will include 15 acres of HOA maintained parks, a 10,000 SF recreation center, 2 pools and 6 miles of hiking trails. The project is a joint venture of Mesa Canyon



Community Partners LLC which includes Lennar Homes as the Master Developer and Shea Homes and Cal West as member builders. The City of San Diego 3 Roots (Districts I & II) will entail 185 single family and 643 attached multi-family units and fund parks and transportation components of the City's area of benefit fees program.

Home construction is underway, and this will be SCIP's first fully taxable bond. Separate Districts will be formed for future phases of the project.

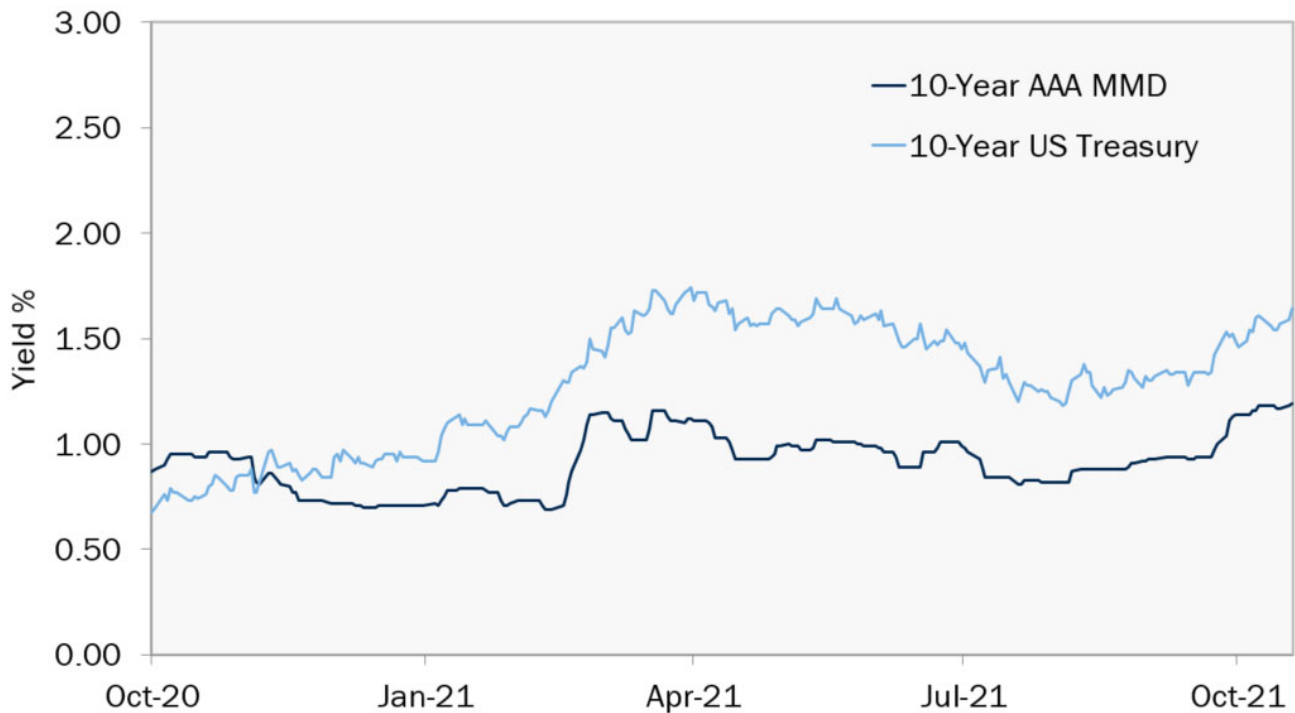


## Market Update

U.S. Treasury and "AAA" MMD yields have reflected an upward bias over the past couple of weeks. This may be due to the minutes of the September 22<sup>nd</sup> FOMC meeting being released which confirmed that the Fed will soon begin tapering its asset purchases. The next FOMC meeting is scheduled for November 3<sup>rd</sup>. Since July 8th, the 10-year "AAA" MMD has increased by 35 basis points to a yield of 1.19%, while the 10-year U.S. Treasury has also increased by 35 basis points to a yield of 1.64%. Financial markets were mixed last week with equities pushing higher and rates flat to down. Market sentiment was driven by some key economic readings and a number of strong corporate earnings reports. The US Bureau of Labor Statistics (BLS) reported that its September Consumer Price Index (CPI) came in slightly higher than market expectations, increasing 0.4% month over month and 5.4% year over year.

Last week, municipal bond funds that report their flows on a weekly basis posted their thirty-second consecutive week of inflows. While investor sentiment remains cautious, given the potential for higher rates, activity within the California land-secured market remains solid. Over 100 land secured California bond financings have been sold since January 2021, totaling nearly \$1.375 billion in par amount. This includes thirteen (13) taxable bond transactions with a total par of approximately \$253 million—reflecting the low taxable rates presently. In fact, SCIP 2021C may also include a taxable component, marking the SCIP Pooled Revenue Bond Program's first issuance of taxable bonds since 2003.

## 10-Year US Treasury vs. 10-Year AAA MMD (October 2020 - Present)



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