



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



California State Association of Counties



**SCIP**  
Statewide Community Infrastructure Program

## NEWSLETTER

NOVEMBER 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*



# 2022 SCIP Application & Bond Issuance Schedule

SCIP Series	2022A	2022B	2022C
Applications Due	December 1, 2021	April 1, 2022	August 1, 2022
Prepare Preliminary Engineer's Report	December–January, 2022	April–May, 2022	August–September, 2022
Resolution of Intention	February 3, 2022	June 16, 2022	September 22, 2022
Hold Public Hearing	April 4, 2022	August 4, 2022	November 3, 2022
Sell Bonds	April 18, 2022	August 22, 2022	November 14, 2022
Close	May 18, 2022	September 14, 2022	December 5, 2022



## Recent Bond Sale

### City of Lincoln Meadowlands CFD, 2021 Bonds (\$9 million)



CSCDA has formed the Meadowlands CFD. The District encompasses 62 gross acres of land, including approximately 50 acres that are expected to be developed into 271 single-family residential units. The CFD is authorized to issue up to \$10 million of bonds.

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 CFD. Meadowlands is located in the City of Lincoln in Placer County and is near the City of Lincoln's historic downtown.

On November 10, 2021, the CSCDA issued \$8.86 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 received over \$9 million of total orders from retail and institutional investors. The Bonds were non-rated with final maturity in 30 years. The True Interest Cost equaled 3.43%. This transaction is scheduled to close on December 1, 2021.

## Sale in Progress: SCIP 2021C Bonds (\$29 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 approximately \$29 million. There are 13 projects located throughout the State. When complete, these developments will add 1,475 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	3.373	78
City of Oakley	Cypress Crossing	KB Home North Bay, LLC	2.536	98
City of Gardena	Moneta Pointe	Melia Homes Inc.	0.953	82
City of Gardena	Azalea Walk	The Ollson Company	0.591	50
City of Sacramento	River Oaks (The Cove) Phase III	Beazer Homes Holdings, LLC	5.197	256
County of Sacramento	Ogden Ranch (Phase 2)	Richmond American Homes	4.591	114
County of San Diego	Sweetwater Vistas	Sweetwater Vistas, LLC	3.434	203
City of Fairfield	Enclave at Red Top (Unit 2)	Albert D. Seeno Construction Company	1.401	63
City of Fairfield	Goldhill Village (Unit 3)	Albert D. Seeno Construction Company	2.053	79
City of Vacaville	Villages at Vanden Meadows	Meritage Homes of California	2.742	370
City of Yuba City	Dunn Ranch Estates	Interwest Homes	1.411	56
	East Sanborn Estates	Interwest Homes	0.301	12
<b>Total</b>	<b>13 Projects</b>		<b>29.085</b>	<b>1,475</b>

## Upcoming Bond Sales

### City of Hesperia 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 Ranchero 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.

## County of San Diego / Rainbow Municipal Water Department 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.



## City of San Diego 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.



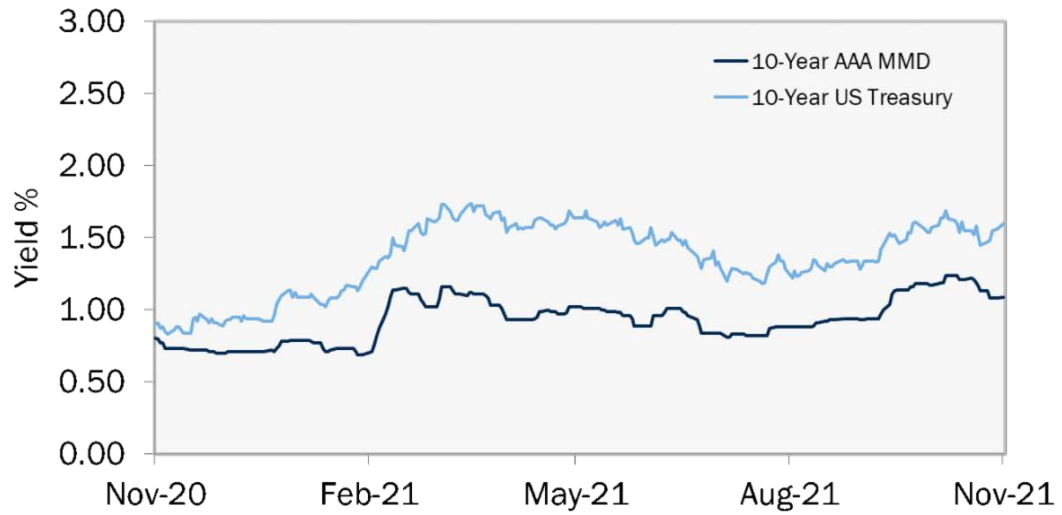
## Market Update

U.S. Treasury yields have been volatile over the past couple of weeks. Last Wednesday's release of a hotter than expected October CPI prompted a selloff in U.S. Treasuries that continued through the end of the week. A disappointing 30-year Treasury auction on the same day further added to the pressure on rates. By the close of the week, U.S. Treasuries were 16 basis points higher in the five-year range, 11 basis points higher in the ten-year range, and 4 basis points higher in the thirty-year range. Despite the upward pressure on taxable rates, taxable municipal supply continues to grow.

Unlike their taxable counterparts, tax-exempt yields generally held steady throughout the week. The relative strength in municipals came despite a heavy new issue calendar during a shortened week due to the Veterans Day holiday. "AAA" MMD closed two basis points lower in the five-year range and five basis points lower in both the ten- and thirty-year ranges. Municipal bond funds that report their flows on a weekly basis also posted their 35th consecutive week of inflows last week. This includes flows into high yield municipal bond funds, which saw total inflows of over \$1.2 billion.

Over \$1.4 billion of tax-exempt and taxable California land secured bond financings have been brought to market year-to-date. Demand for California land secured credits remain strong, as reflected by the general downward trend in credit spreads since the start of this year. While interest in California land secured bonds remains elevated, investors continue to show a preference for projects that are further along the development timeline sporting higher value-to-lien ratios versus "early-stage" land development projects with lower valuation metrics.

### 10-Year US Treasury vs. 10-Year AAA MMD (November 2021 - Present)



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