



CSCDA

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



California State Association of Counties



LEAGUE OF
CALIFORNIA
CITIES



Statewide Community Infrastructure Program

NEWSLETTER

JULY 2023



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 to your contact list to ensure that future distributions land in your inbox!

Applications Open for SCIP 2023C Bonds

SCIP 2023C Applications Due August 1st!

Application deadline for the Statewide Community Infrastructure Program's Annual Winter "Series C" financing is August 1, 2023. SCIP 2023C is expected to price and close in December 2023. The schedule for SCIP 2023C is provided below:

Application Deadline

Applications due August 1, 2023

August 2023 - September 2023

Prepare Preliminary Engineer's Reports



September 2023

Commence Proceedings

November 2023

Hold public hearing to approve Bond Sale

December 2023

Sell Bonds and Deliver Funds



Recent Bond Sale

\$5,955,000

CSCDA Community Facilities District No. 2022-01 (Tirador) Special Tax Bonds, Series 2023

On June 21, 2023, the CSCDA sold the Community Facilities District No. 2022-01 (Tirador) Special Tax Bonds, Series 2023. A total of \$5.955 million of tax-exempt bonds were sold to two institutional accounts and various retail investors. Orders received from these buyers totaled \$10.42 million (1.7x subscribed).

The 2023 Bonds were non-rated and had a final maturity in 30 years. The final spreads to "AAA" MMD were very competitive to other similar non-rated California land secured financings sold year-to-date. The appraised value to lien was 8.9x, and the True Interest Cost of the 2023 Bonds was 5.065%.

The Tirador project is located within walking and biking distance to historic downtown San Juan Capistrano and some of Orange County's most beautiful beaches. Average home prices start at \$975,000 for the detached homes and \$765,000 for the townhomes. Homes will be designed with Spanish and farmhouse-style architecture. Community amenities will include a tot-lot, citrus garden, public trails for biking/walking and horse riding, as well as fire pits and open space.



Sale in Progress:

SCIP 2023B Bonds (\$21.53 million*)

SCIP 2023B remains on schedule. Project due diligence is presently underway and the public hearing is scheduled for August 3rd. The bond sale is anticipated to occur late-August 2023, with closing and delivery of funds expected to happen mid-September 2023. Total estimated par amount is approximately \$21.53 million. An estimated \$8.1 million of development impact fees and \$8.8 million of public improvements are expected to be funded from bond proceeds. Ten residential projects are participating in SCIP 2023B. When complete, the residential developments are expected to add a total of 960 residential units to the California housing supply.

Location	Project	Developer	No. of Units	Est. Par Amount
Antioch, City of	Deer Valley	Meritage Homes of California, Inc.	120	2,265,000
Bakersfield, City of	Morningstar Ranch (Phase II)	LGI Homes - California, LLC	77	1,170,000
Elk Grove, City of	Sheldon Grove	The New Home Company	122	2,820,000
Galt, City of	Parlin Oaks	Blue Mountain Communities	144	2,880,000
Sacramento, County of	The Lakes at Antelope (Unit 1)	KB Home Sacramento Inc.	38	1,535,000
	Sycamore Grove	FDC Nor-Cal Corp	24	1,665,000
Yucaipa, City of	Elizabeth Court	Shaoul Levy	32	635,000
Manteca, City of	Denali - Unit 2 (Phase I)	Trumark Homes	142	4,845,000
	The Trails of Manteca (Units 1 - 3)	Lennar Homes of California, LLC	203	2,565,000
Redding, City of	Sonata	Generation Communities, LLC	58	1,150,000
Total	10 Projects		960	\$21,530,000

**Preliminary and subject to change.*

Upcoming Bond Sales

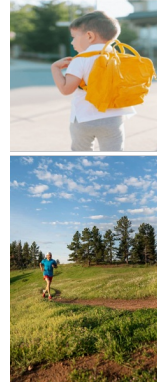
\$15,000,000*

CSCDA Community Facilities District No. 2021-02 (Citro) Special Tax Bonds, Series 2023

CSCDA is planning another bond sale for Community Facilities District No. 2021-02 (Citro) located in Fallbrook within the County of San Diego. Tri Pointe Homes is the developer of the Citro project.

The Citro master planned community will encompass 390 acres of land. The project will be built in multiple phases and is expected to

include 844 residential units across six neighborhoods at full build out. Four of the neighborhoods include detached homes on traditional lots and the remaining two neighborhoods will feature attached rowhomes and duets. This project will also include a school, 10-acre public park and 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 CFD is authorized to issue up to \$55 million of special tax revenue bonds and the upcoming bond sale is for approximately \$15 million. Previously, the CSCDA sold \$23.06 million of special tax bonds for the Citro project in July 2022. The non-rated 2023 Bonds are expected to be sold in August 2023.

**Preliminary and subject to change.*

\$8,000,000*
CSCDA Community Facilities District No. 2022-10
(Promenade at Sand Creek)
Special Tax Bonds, Series 2023



CSCDA is planning a bond sale for the Community Facilities District No. 2022-10 (Promenade at Sand Creek) located in the City of Antioch, within Contra Costa County. The CFD encompasses 57.25 gross acres of land, of which 31.93 acres will be used to build 296 single family homes, as well as various amenities. Tri Pointe Homes is the developer and homebuilder for this project.

This CFD is located in the southeastern part of Antioch, on the western side of State Route 4. Homes within Promenade are expected to range between 2,151 square feet and 3,140 square feet, and up to eight types of homes/elevations are anticipated to be available for homebuyers to purchase. Eligible facilities and fees that may be financed include, but are not limited to roadway, traffic signal, wet utility, drainage system, park, trail, and landscaping improvements.

The CFD is authorized to issue up to \$10 million of special tax revenue bonds and the upcoming bond sale is for approximately \$8 million. The non-rated 2023 Bonds are expected to be sold in August/September 2023.

**Preliminary and subject to change.*

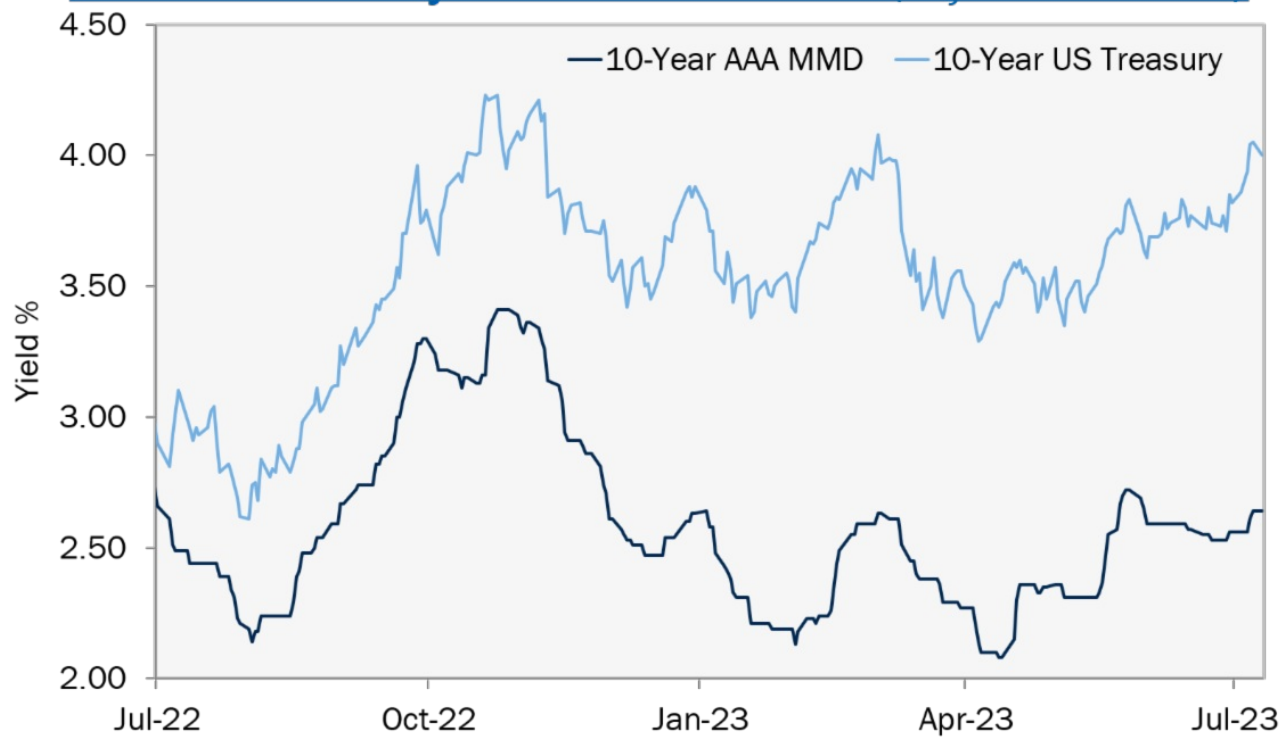
Market Update

U.S. equities posted a mixed performance last week, where the Dow Jones Industrial Average declined 1.1% and the S&P 500 and Nasdaq rose 0.1% and 0.5%, respectively. U.S. Treasury yields generally rose week-over-week, as non-farm payrolls increased by 209K in June, which missed the consensus of 230K, but still reflected a resilient labor market. The unemployment rate declined from 3.7% to 3.6% in June, as expected, while wages grew at an annualized rate of 4.4%, that topped consensus. ISM surveys revealed a sharper-than-expected contraction in manufacturing alongside stronger growth in the services sector in June. The Fed funds futures market is currently pricing in a 25 basis point hike at the July 26th FOMC meeting and a 72% likelihood of 50 basis points of hikes by the November 1st meeting date.

Inflation data for June is on deck this week, with annualized CPI expected to print at 3.1% headline, and 5% core, both of which are expected to be lower versus May 2023. The Producer Price Index (PPI) will follow later in the week. The U.S. Treasury is also scheduled to auction 3-, 10- and 30-year treasuries this week. U.S. Investment Grade issuance totaled \$12.8 billion last week and this week's volume is estimated to be as much as \$25 billion. Municipal issuance totaled \$1 billion last week and this week's calendar is expected to ramp up to nearly \$8 billion. Total municipal issuance year-to-date is lower by 16% relative to the same period last year. Benchmark "AAA" MMD yields generally rose in line with U.S. Treasuries. Municipal bond funds reported outflows of \$856 million last week, with long-term and high yield funds seeing outflows of \$295 million and \$307 million, respectively.

Since the start of the year, there have been approximately \$1.06 billion of California land-secured bonds sold in the public markets. This includes both new construction and refunding transactions, as well as non-rated and investment grade paper. CSCDA has successfully sold \$68 million of non-rated California land secured bonds over this period and is expected to sell another \$40 to \$60 million of non-rated California land secured over the next several months.

10-Year US Treasury vs. 10-Year AAA MMD (July 2022 - Present)



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