



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



California State Association of Counties



LEAGUE OF
CALIFORNIA
CITIES

SCIP
Statewide Community Infrastructure Program

NEWSLETTER

SEPTEMBER 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 2024A Bonds

SCIP 2024A Applications Due December 1st!

Application deadline for the Statewide Community Infrastructure Program's Annual Spring "Series A" financing is December 1, 2023. SCIP 2024A is expected to price in April 2024 and close the following month. The schedule for SCIP 2024A is provided below:

Application Deadline

Applications due December 1, 2023

December 2023 - January 2024

Prepare Preliminary Engineer's Reports

February 2024

Commence Proceedings

April 2024

Hold public hearing to approve Bond Sale

May 2024

Sell Bonds and Deliver Funds



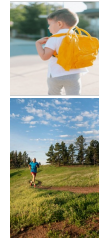
\$15,835,000

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

On August 31, 2023, the CSCDA sold the Community Facilities District No. 2021-02 (Citro) Special Tax Bonds, Series 2023. The \$15.835 million of tax-exempt 2023 Bonds were sold to eight institutional accounts and various retail investors. Total orders received exceeded \$75 million, including nearly \$10 million from retail buyers.

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 7.7x, and the True Interest Cost for the 2023 Bonds was 5.28%.

Citro is being developed by Tri Pointe Homes and encompasses 390 acres of land within San Diego County. The project will be built in multiple phases and is expected to include 844 residential units at full build out. Other community amenities include a school, 10-acre public park and community gardens, 14-acres of trails, and a recreation center with a community pool and 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.



\$21,500,000

**Statewide Community Infrastructure Program
Revenue Bonds, Series 2023D ("SCIP Series B")**

CSCDA sold \$21.5 million of the Statewide Community Infrastructure Program Revenue Bonds, Series 2023D ("SCIP Series B") on August 24, 2023. Nearly \$91 million of total orders (4.2x subscription) were received for the non-rated tax-exempt bonds from both institutional and retail investors. Ten projects participated in SCIP 2023D, and over \$16.6 million of development impact fees and public improvements were financed from bond proceeds. The SCIP 2023D Bonds were sold at an Appraised Value-to-Lien of 6.30x and will mature in 30 years. All ten projects were for the construction residential homes and were in the very early stages of development. The True Interest Cost for the Bonds was 5.806%.



Sale in Progress

SCIP 2023F Bonds ("SCIP Series C")

(\$25.135 million*)

SCIP 2023F ("SCIP Series C") remains on schedule. Project due diligence is presently underway and the public hearing is scheduled for November 16th. The bond sale is anticipated to occur late-November 2023, with closing and delivery of funds expected to happen mid-December 2023. Total estimated par amount is \$25.135 million*. Nearly \$19.9 million* of development impact fees and public improvements are expected to be funded from bond proceeds. Eleven projects are expected to move forward for funding and two projects are formation only. When complete, the ten residential projects are expected to add a total of 781 homes to the California housing supply.

Location	Project	Developer	No. of Units	Est. Par Amount
Lancaster, City of	Primrose	KB Home of Greater Los Angeles Inc.	98	1,575,000
Anaheim, City of	Sunflower	KB Home Coastal Inc.	83	795,000
Elk Grove, City of	Elliott Springs (Unit 1 - Phase 2)	Elliott Homes	151	5,950,000
	Sheldon Farms North Commercial	Capital Rivers Commercial	n/a	1,605,000
Sacramento, City of	Northpointe	Next Generation Capital	85	2,320,000
	Ventris			
Sacramento, County of	Park Place	Northwest Home Company, Inc.	48	1,325,000
Manteca, City of	Denali - Unit 3 (Phase 2)	Trumark Homes	66	2,065,000
Vacaville, City of	Foxboro Knoll	Pulte Home Company, LLC	58	3,190,000
Wheatland, City of	Caliterra Ranch (Village II)	K. Hovnanian California Region, Inc.	90	2,610,000
Yuba, County of	Dantoni Ranch	LGI Homes - California LLC	102	3,700,000
Total	11 Projects		781	\$25,135,000

*Preliminary and subject to change.

Upcoming Bond Sales

\$9,870,000*

Statewide Community Infrastructure Program Taxable Revenue Bonds Series 2023E (3Roots San Diego)

CSCDA is planning another bond sale for the 3Roots San Diego master planned community ("3Roots San Diego"). 3Roots San Diego is located in the surrounding hills of Sorrento Mesa in the City of San Diego. The Developer of this project is Mesa Canyon Community Partners, LLC, which is a joint venture comprising Lennar Homes, Shea Homes and Cal West as the homebuilders.



The Assessment District being formed for the 2023 Bonds will encompass the second phase of development within 3Roots San Diego, which will include 360 condominiums and townhomes at full build out. The 3Roots San Diego master plan includes up to 1,800 residential units, a maximum of 160,000 square feet of non-residential uses, and a 1.5-acre transit center.

The 2023 Bonds will be sold to fund the City of San Diego's Mira Mesa Public Facilities Financing Plan and Facilities Benefit Assessment. The 2023 Bonds are expected to be non-rated and amortized over 30 years. The \$9.87 million of tax-exempt bonds are expected to be sold in October 2023.

**Preliminary and subject to change.*

\$7,890,000*

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 \$7.89 million. The non-rated 2023 Bonds are expected to be sold in October 2023.

**Preliminary and subject to change.*

Market Update

The Federal Reserve held the fed funds rate steady in a targeted range between 5.25% - 5.50% in their decision released today. However, they also indicated that another hike is expected before year end and their dot plot showed a fewer number of cuts than previously indicated for calendar year 2024. U.S. Treasury yields moved higher off the news, with the 10- and 30-year yields finishing at 4.35% and 4.40%, respectively. Conversely, benchmark tax-exempt yields remained unchanged, with the 10- and 30-year "AAA" MMD at 3.04% and 3.97%, respectively.

U.S. equity indices declined after the Federal Reserve stated that it would leave the fed funds rate unchanged. The Dow Jones Industrial Average finished lower by 0.22%, while the Nasdaq and S&P 500 declined by 1.53% and 0.94%, respectively. U.S. Corporate Investment Grade issuance totaled \$34 billion last week, bringing 2023 year-to-date volume to \$948 billion. New issue municipal supply totaled \$7.5 billion last week and volume is expected to fall under \$5 billion this week as investors avoided the FOMC meeting. Municipal bond funds reported outflows of \$117 million last week, following outflows of \$798 million the week prior.

Year-to-date, there have been over \$1.45 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 over \$105 million of non-rated new money California land secured bonds in 2023 and is expected to sell another \$40 to \$50 million of non-rated new money California land secured debt prior to year end. Since 2017, the CSCDA has successfully sold in excess of \$813 million of California land secured bonds, across 49 separate transactions and remains the most active issuer during this period.

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



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