



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



California State Association of Counties



NEWSLETTER

JULY 2024

STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (SCIP)

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 2024C

SCIP 2024C Applications Due August 1st!

Application deadline for the Statewide Community Infrastructure Program's annual "Series C" financing is August 1, 2024. SCIP 2024C is expected to price in November 2024 and close the following month. The schedule for SCIP 2024C is provided below:

Application Deadline

Applications due August 1, 2024

August 2024 - September 2024

Prepare Preliminary Engineer's Reports

**APPLY
ONLINE**

To complete the on-line
Application form, please click

APPLY NOW →

September 2024

Commence Proceedings

November 2024

Hold public hearing to approve Bond Sale

November 2024 - December 2024

Sell Bonds and Deliver Funds



Sale in Progress **SCIP 2024B Bonds (\$40.94 million*)**

SCIP 2024B remains on schedule. Proceedings have commenced and due diligence is currently underway. The bond sale is anticipated to occur on August 28, 2024, with closing and delivery of funds expected to happen the following month. Total estimated par amount is \$40.94 million. Approximately, \$33 million of development impact fees and public improvements are expected to be funded from bond proceeds. When complete, the eleven residential projects are expected to add a total of 1,300 homes to the California housing supply.

Location	Project	Developer	No. of Units	Est. Par Amount
Livermore	Cava	DeNova Homes, Inc.	112	3,600,000
Brentwood	Orchard Grove	Shea Homes Limited Partnership	51	2,250,000
Oakley	Summer Lake North	Civic Summer Lake North, LLC (DeNova Homes)	140	3,960,000
Placerville	Sutter's Ridge	Williams Homes inc. and Williams Communities, Inc.	39	910,000
Sacramento	Terrace Park	Tri Pointe Homes Holdings Inc.	79	3,510,000
Elk Grove	Arbor Ranch (Phase 1)	The New Home Company	262	7,545,000
Sacramento County	Caselman North West	Beazer Homes	66	2,155,000
Hesperia	Palo Verde	K. Hovnanian Communities, Inc.	75	1,370,000
Manteca	Denali - Unit 4 (Phase 3)	Trumark Homes	111	3,435,000
	Oakwood Trails - Villages 1, 2 & 3 (Phase I)	Taylor Morrison	196	6,445,000
	Oakwood Trails - Villages 4, 5 & 6 (Phase I)	Pulte Group	169	5,760,000
Total	11 Projects		1,300	\$40,940,000

**Preliminary and subject to change.*

Recent Bond Sales

\$6,190,000

CSCDA Community Facilities District No. 2021-03 (Laurel Ranch) Special Tax Bonds, Series 2024



On July 18, 2024, the California Statewide Communities Development Authority ("CSCDA") sold the Community Facilities District No. 2021-03 (Laurel Ranch), Special Tax Bonds, Series 2024. A total of \$6.19 million of tax-exempt special tax bonds were sold to five institutional accounts and various retail investors. Laurel Ranch is located within the City of Antioch and is being developed by KB Homes.

The 2024 Bonds were very well received by investors. Approximately, \$15 million of orders were generated, resulting in two times oversubscription. The 2024 Bonds mature in 30 years and the spreads to "AAA" MMD were very competitive to other comparable non-rated California tax-exempt land secured bonds sold around the same timeframe. Home construction within the Laurel Ranch CFD was well underway at the time of bond sale and the value to lien was 10.4x. True Interest Cost ("TIC") was 4.96%.



\$15,695,000 CSCDA Community Facilities District No. 2022-07 (Watson Ranch - Improvement Area No. 2) Special Tax Bonds, Series 2024

On June 26, 2024, the California Statewide Communities Development Authority ("CSCDA") sold the Community Facilities District No. 2022-07

(Watson Ranch) Improvement Area No. 2, Special Tax Bonds, Series 2024. A total of \$15.695 million of tax-exempt special tax bonds were sold to five institutional accounts and various retail investors.



This was the second series of bonds sold for the Watson Ranch project in the City of American Canyon. Improvement Area No. 2 for Watson Ranch had a value to lien of 6.0x at the time of bond sale and home construction was well underway. Of the 219 units planned for development, sixty-three had already been conveyed to homeowners leading up to the bond sale date.

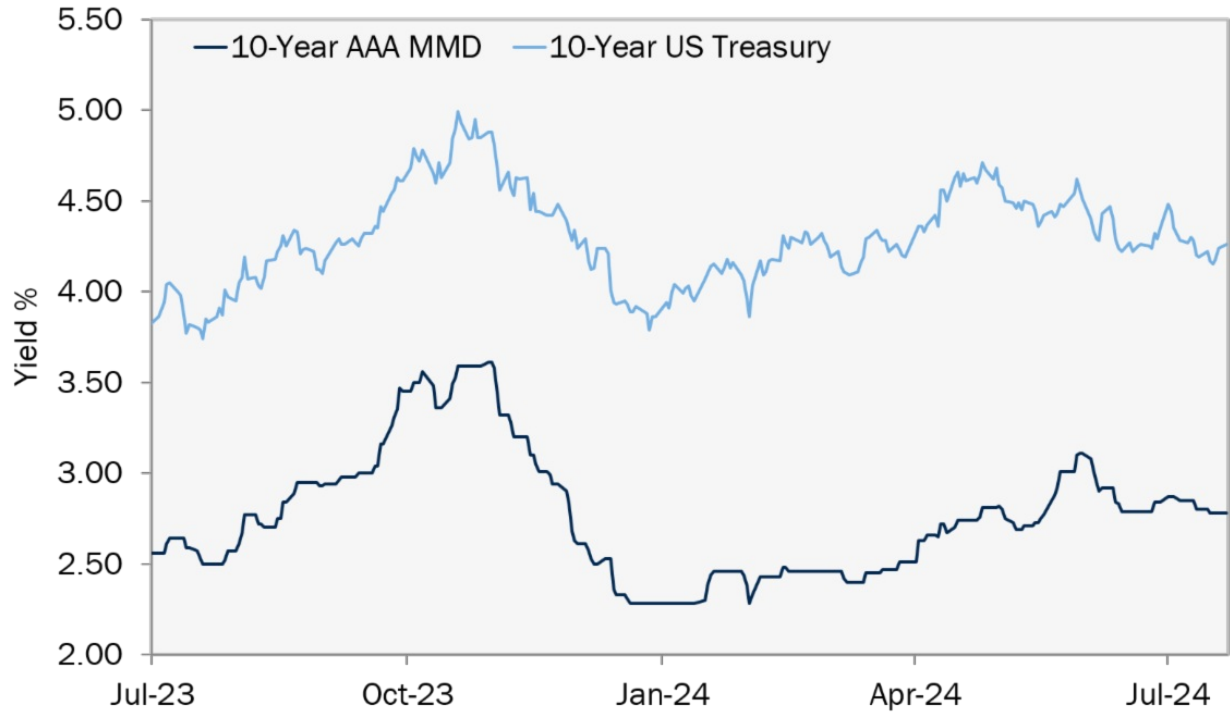
The 2024 Bonds were very well received by investors. Approximately, \$33 million of orders were generated, resulting in two times oversubscription. The 2024 Bonds were non-rated and amortized over 30 years. Bond proceeds are expected to be used to fund various public facilities, including transportation, storm drain, water and sewer system, parks, trails and other recreational facilities and improvements. Spreads to "AAA" MMD were competitive to other similar non-rated California land secured financings sold around the same timeframe. True Interest Cost ("TIC") was 5.00%.



Market Update

U.S. Treasuries opened slightly weaker this morning as geo-political and domestic political uncertainty remains in front of mind after the announcement that President Joe Biden will withdraw from the 2024 presidential race. Stocks continued to try and mount a rebound after last week's tech-based sell off. This week's economic data focus will be on the Personal Consumption Expenditures price index which is the Fed's preferred gauge of inflation and could provide an indicative timeline for interest rate cuts.

Last week, Fed Chair Powell stated that data released in the second quarter has given the FOMC greater confidence that inflation is on a path back to 2%. In light of this, market expectations of a rate cut in September has risen to 95%, while November and December are now showing 58% and 89%, respectively. A positive move for debt issuers, both U.S. Treasury yields and "AAA" MMD yields have declined over the past several weeks. As of July 22, 2024, the 10- and 30-year U.S. Treasury yield were at 4.26% and 4.48%, while 10- and 30-year "AAA" MMD were at 2.78% and 3.66%, respectively.



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