

CURRENT TOPICS AND PRACTICES IN LAND-SECURED FINANCING

Thursday, September 6, 2018
Riverside Convention Center
3637 Fifth Street
Riverside, California

Community facilities districts (CFDs) and assessment districts (ADs) continue to provide public agencies resources to finance public facilities and services. They have filled the void in public financing for these purposes left by Proposition 13. This intermediate course provides public officials with an understanding of these financial structures and an update on current topics and practices related to their use and administration.

AGENDA

8:00 AM Registration and Continental Breakfast

8:30 AM Introduction and Program Overview

Mark Campbell, Executive Director, CDIAC

SESSION ONE

8:40 AM Current Status of the Real Estate Market: Trends and Conditions

Session One provides an overview of the real estate markets and how long the current economic recovery will last. Speaker will provide guidance on why the inland and suburban areas are experiencing a slower recovery and what impact the recent tax legislation might have on the California housing market in 2019 and beyond.

Lead: Dr. Joseph T. Janczyk, President, Empire Economics

SESSION TWO

9:30 AM Legislative and Legal Updates

Session Two presents an update on various legislative and judicial matters that have changed the landscape for CFDs and ADs, notably the following cases: Shapiro vs. San Diego, San Ramon vs. BIA, Tiburon vs. Bondander, City of San Buenaventura vs. United Conservation District, Plantier vs. Ramona Water District and other relevant legislation, including SB 450 (Financing Disclosure)

and SB 1029 (Debt Policy), and SB 242 and AB 1284 (PACE Consumer Protection).

Leads:

Mrunal Mehta Shah, Of Counsel, Best, Best & Krieger LLP

Brad Neal, Shareholder, Stradling Yocca Carlson & Rauth, P.C.

SESSION THREE

10:15 AM Preparing for District Formation and Managing Tax Capacity

Session Three will provide a more in-depth discussion about decisions to be made and action items to occur at the start of the CFD/AD formation process. Such items include choosing between a CFD or AD, determining whether other funding mechanisms will be combined with the CFD/AD, considering which staff members and departments will be involved in the formation and issuance processes, discussing the need to involve the school district and other overlapping agencies, and determining the allocation of capacity to public infrastructure and public services. Specific topics to be discussed include establishing procedures to process and evaluate requests to form CFDs and ADs and public policy considerations associated with forming these districts. Tools to facilitate the formation and bond issuance process will be discussed. Selected case studies will be presented to illustrate the effectiveness of various strategies.

Lead: Susan Goodwin, Managing Principal, Goodwin Consulting Group, Inc.

Eileen Gallagher, Managing Director, Stifel

Jim Fabian, Principal, Fieldman, Rolapp & Associates, Inc.

11:00 AM Break

SESSION FOUR

11:15 AM Mitigating Risk and Managing Large, Long Term Projects

Session Four will provide a more focused discussion on current proposals related to, and creative uses of, CFD special tax structures, phased infrastructure needs, maximizing funding capacity, setting CFD boundaries and phasing bond sales for large, multi-phased development projects. Case studies will once again be presented to illustrate the process, discussion items, policy considerations, and adopted structure of creative financing districts that have been formed and issued, or are preparing to issue bonds.

Lead: Susan Goodwin, Managing Principal, Goodwin Consulting Group, Inc.

Eileen Gallagher, Managing Director, Stifel

Jim Fabian, Principal, Fieldman, Rolapp & Associates, Inc.

12:15 PM Luncheon for All Participants and Speakers

SESSION FIVE

1:15 PM Current Practices and Strategies Related to Bond Issuance

Session Five topics will include steps necessary to complete a bond issuance focusing on the underlying security for the bonds; evaluating district property values, credit quality of land secured bonds and best practices in due diligence; considerations for timing the bond issuance relative to development momentum, property values and property owner diversification; and current bond market conditions. Specific structuring options will be discussed to mitigate risk and case studies will be used to highlight the differences in timing of CFD bond issuance.

*Lead: Jim Fabian, Principal, Fieldman, Rolapp & Associates, Inc.
Eileen Gallagher, Managing Director, Stifel*

2:30 PM Break

SESSION SIX

2:45 PM Creative Applications of Land Secured Districts

Session Six profiles several case studies that illustrate how land-based financing tools have been used by public agencies to upgrade aging facilities, provide new development projects, and improve services not only in newly developing areas but also in existing urban areas. The case studies will highlight specific innovative approaches used in the Rate and Method of Apportionment (RMA) to deal with future infrastructure and services for these unique projects. The application of infrastructure financing districts – Enhanced Infrastructure Financing Districts (EIFDs) or Infrastructure Revitalization Financing Districts (IRFDs) – and green bonds will also be discussed.

*Lead: Eileen Gallagher, Managing Director, Stifel
Jim Fabian, Principal, Fieldman, Rolapp & Associates, Inc.*

SESSION SEVEN

3:30 PM Ongoing District Administration

Session Seven highlights the key administrative activities that are required to manage land-secured districts on an ongoing basis. Topics include preparation of the annual tax levy; state and federal continuing disclosure obligations; managing delinquencies; responding to questions from homeowners, realtors, appraisers, and other interested parties; working with a district administrator, bond trustee, and dissemination agent; and arbitrage rebate requirements. Additionally, speakers will focus on the new requirements to prepare and file a CDIAC Annual Debt Transparency Report (ADTR) as required by SB 1029.

*Lead: Brad Neal, Shareholder, Stradling Yocca Carlson & Rauth, P.C.
Susan Goodwin, Managing Principal, Goodwin Consulting Group, Inc.*

5:00 PM Conclusion of Seminar and Complete Evaluations

Full-Day Seminar Faculty Panel

Jim Fabian, Principal, Fieldman, Rolapp & Associates, Inc.

Eileen Gallagher, Managing Director, Stifel

Susan Goodwin, Managing Principal, Goodwin Consulting Group, Inc.

Dr. Joseph T. Janczyk, President, Empire Economics

Brad Neal, Shareholder, Stradling Yocca Carlson & Rauth, P.C.

Mrunal Mehta Shah, Of Counsel, Best, Best & Krieger LLP