

**Water Boards  
2008 Funding Fair**

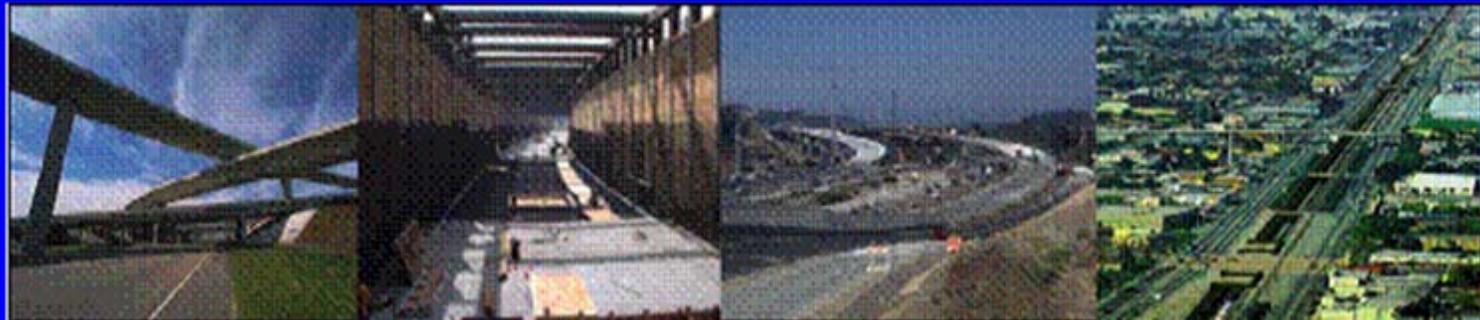


***California Infrastructure  
and Economic  
Development Bank***

**"Financing Facilities That Build Communities"**

# MISSION

- Finance public infrastructure and private investments
- Promote economic growth
- Revitalize communities
- Enhance the quality of life



# PROGRAMS

- Infrastructure State Revolving Fund (ISRF) Program



Fresno Flood Control Improvements

- Conduit Revenue Bond Financing Programs



Asian Art Museum

# ISRF PROGRAM



- Low-cost financing to municipal entities for public infrastructure

- Since 2000, approved \$365.1 million in loans

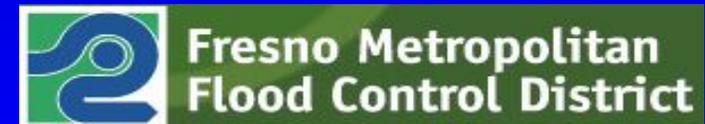
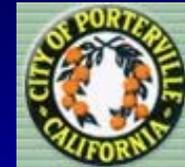
# *PROGRAM REQUIREMENTS*

- Tax exempt project
- Need for financing
- Begin construction within six months of I-Bank Board approval
- Contractor pre-qualification (loans greater than \$2 million)
- Payment of prevailing wages



# ELIGIBLE APPLICANTS

- Cities
- Counties
- Special Districts
- Redevelopment Agencies
- Assessment Districts



# ELIGIBLE PROJECTS

- City Streets
- County Highways
- Sewage Collection and Treatment
- Water Treatment and Distribution
- Public Transit
- Defense Conversion
- Military Infrastructure
- Educational Facilities
- Environmental Mitigation
- Drainage, Water Supply and Flood Control
- Power and Communications
- Public Safety Facilities
- Solid Waste Collection and Disposal
- State Highways
- Parks and Recreational Facilities
- Port Facilities



# INELIGIBLE PROJECTS

- Housing
- Power Generation
- Medical Facilities
- Buildings of general conduct  
(public works and city halls)
- Refinance existing indebtedness

# FINANCING TERMS

## Loan Amount

- \$250,000 to \$10 million per project
- \$10 million annual per borrower maximum
- \$20 million annual per jurisdiction maximum
- No match required



# FINANCING TERMS

## Term

- Up to 30 years, not to exceed useful life of the project

# FINANCING TERMS

## Interest Rate

Fixed – 67% of “A” rated tax-exempt bond with a similar weighted average maturity

- 7-year historical average rate **3.13%** for 30 year financing

# FINANCING TERMS

## Fees

- Loan origination fee =  
.85% of the loan amount
- Annual servicing fee =  
.30% of the principal  
balance



# REPAYMENT SOURCES

- General Fund Revenues
- Enterprise Fund Revenues
- Tax Increment Revenues
- Assessment Revenues
- Other recurring revenues acceptable to the I-Bank

# *KEY UNDERWRITING CRITERIA*

## Water/Sewer Enterprise

- 1.10x maximum annual debt service for each of the two preceding fiscal years
- Adopted rate increases considered

# *KEY UNDERWRITING CRITERIA*

## General Fund

- Abatement lease of an unencumbered, essential asset
- Total annual debt service obligations less than 15% of general fund revenues

# *KEY UNDERWRITING CRITERIA*

## Tax Increment

- 1.10x maximum annual debt service
- Two years tax increment collection

# *KEY UNDERWRITING CRITERIA*

## Land Secured

- 7:1 value-to-lien-ratio
- Minimum special tax revenues = 105% of projected debt service

## Other Pledged Revenue

- If acceptable to the I-Bank



# *APPLICATION PROCESS*

## Two-Step Process

- Preliminary Application
- Financing Application

# *APPLICATION PROCESS*

## Preliminary Application

- Short application to assess ability to meet eligibility criteria
- Accepted on a continuous basis
- Available on-line at I-Bank's web site



# *APPLICATION PROCESS*

## Financing Application

- Issued by I-Bank
- Contains detailed information and documentation about applicant, repayment and project
- Monthly Board approvals



# *APPLICATION CONTENT*

- Project description and timeline
- Three years of audited financial statements
- Copy of outstanding debt document secured by proposed repayment source
- Current year adopted budget



# *APPLICATION CONTENT*

- CEQA
- Commitment of other project funding
- Adopted resolution authorizing application
- Fiscal consultant report (tax increment only)

# *DISBURSEMENT PROCESS*

## Monthly disbursements

- Receipts and invoices required
- 35 month disbursement period

# TECHNICAL ASSISTANCE

**I-Bank staff are available to:**

- **Provide onsite assistance**
- **Assist with project structuring**
- **Assist with application preparation**



# Redevelopment Agency of the City of Sacramento

## Del Paso Boulevard Streetscape Project



**Before**



After







# Redevelopment Agency of the City of Sacramento

## Phase 1

### Del Paso Boulevard Streetscape Project

- Roadway excavation and grading
- Replace and install new landscaped medians with irrigation
- New curbs and colored/textured crosswalks
- Install decorative pedestrian scale lights
- Replace existing streetlights with new City standard lights



# Redevelopment Agency of the City of Sacramento

## Phase 2

### Del Paso Boulevard Streetscape Project

- Remove one existing traffic lane and convert to angled parking
- Construct concrete bulb-outs, slurry seal backup between the bulb-outs and strip roadway for parked cars

# Redevelopment Agency of the City of Sacramento

## Benefits

### Del Paso Boulevard Streetscape Project

- Improved public safety and aesthetics of the Project Area
- Revitalization and preservation of a historic commercial district
- Improved shopping and community services
- Promotes use of public transit
- Component of several revitalization plans with citizen involvement



# Redevelopment Agency of the City of Sacramento

## Del Paso Boulevard Streetscape Project

### Project Funding

■ I-Bank	\$4,221,000
■ TOTAL	\$4,221,000



# City of Anderson

## Teen Center/Shasta County Public Health Building Project



Architect's Rendering and Construction



# City of Anderson

## Description

- Construct 11,000+ sq ft building for Anderson Teen Center and Shasta County Public Health
- Landscaped plaza, small stage, basketball courts, streetscape and parking improvements

# City of Anderson

## Project Funding

■ I-Bank	\$1,000,000
■ County	2,299,253
■ CDBG Grant (HCD)	462,500
■ Roberti-Z'Berg- Harris Grant	291,000
■ TOTAL	\$4,052,753





SHASTA COUNTY  
PUBLIC HEALTH





SHASTA COUNTY  
PUBLIC HEALTH



# City of Madera

## Regional Wastewater Treatment Plant Upgrade and Expansion



Head works pump to be replaced with immersible pump

# City of Madera

## Description

- Capital improvements to wastewater treatment plant to ensure compliance with RWQCB requirements
- Rehabilitate aging components
- Expand treatment capacity from 7.0 to 10.2 million gallons per day



MARR-OLIVE

# City of Madera

## Project Funding

■ I-Bank	\$10,000,000
■ Bonds	28,564,055
■ Total	\$38,564,055

# San Bernardino County CSA 70

## Water Tank Construction Project

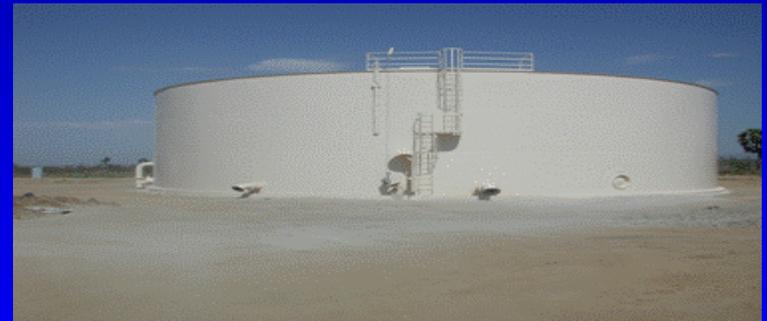
\$5,001,000



Inside Water Tank



Construction of Water Tank



Completed Water Tank

# *REVENUE BOND FINANCING PROGRAMS*

Conduit issuer of:

- Industrial development bonds (IDBs) for qualified manufacturing and processing businesses
- 501(c)(3) bonds for non-profit public benefit corporations
- Bonds for governmental entities



# INDUSTRIAL DEVELOPMENT BONDS (IDBs)

- Maximum \$10 million of tax-exempt financing
- Construction and take-out financing
- Land, buildings and equipment
- Costs 2 - 4% below conventional alternatives
- Project must create or retain jobs



# 501(c)(3) BONDS

- Tax-exempt financing for nonprofits for capital improvements
- Construction and take-out financing
- Land, buildings, and equipment
- Costs 2 - 4% below conventional alternatives
- Project must have a defined public benefit



# 501(c)(3) BONDS

## California Academy of Science

- \$300 Million in bonds issued to finance a portion of the pre-development costs and a portion of the construction costs in Golden Gate Park.





# *CONTACT INFORMATION*

Program information and forms  
available at:

*[www.ibank.ca.gov](http://www.ibank.ca.gov)*

California Infrastructure and Economic  
Development Bank

(916) 322-1399

(916) 322-6314 fax

