

In Collaboration with
Land Use and Natural Resources, UC Davis Extension

Present

Land-Secured Financing Current Topics and Practices

May 1, 2015

Hilton Concord, Concord, CA

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

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 market as it pertains to land-secured financing. Speakers will provide guidance on how to gauge the current and near-term performance of local real estate markets in California and will discuss a critical economic metric that provides an indication of the economic feasibility of new or proposed projects.

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. Bonander and other relevant legislation.

Leads:

*Dennis Anderson, Director of Financial Engineering, Harris and Associates, Inc.
Bob Whalen, Shareholder, Stradling Yocca Carlson & Rauth*

Session Three

10:15 AM **Real Estate Market and CFDs**

Session Three will recap how the recent housing market downturn affected existing CFDs and ADs. How have districts weathered the storm? How have issuers managed delinquencies and foreclosures? What lessons were learned from the patterns of distress and recovery? What is the market for land-secured bonds in the wake of the downturn? What types of deals are getting done and why?

Lead: Susan Goodwin, Managing Principal, Goodwin Consulting Group

11:00 AM **Break**

Session Four

11:15 AM **Current Practices and Strategies – Part One: Forming Districts and Managing Tax Burdens**

Session Four will introduce key questions and decisions facing issuers forming new land-secured districts. Topics addressed will include: choosing between CFDs and ADs; allocating special tax capacity to infrastructure and public services; negotiating commitments with developers; creating a district that accommodates future development; financing large improvements across projects with staggered development timing; establishing issuer price points against timing of formation vs. market entry; creating or updating issuer policies with respect to using land-secured finance; and, considering the public policy implications of developer requests.

Lead: Jim Fabian, Principal, Fieldman, Rolapp & Associates

12:15 PM **Luncheon (For all Participants and Speakers)**

Session Five

1:15 PM Current Practices and Strategies – Part Two: Mitigating Risk and Managing Large, Long-Term Projects

Session Five will continue the discussion of current practices and strategies as it affects bond issuance. Topics include: bond phasing; timing the bond issuance relative to development momentum and property values; addressing changes in development plans from what was originally contemplated; and appraisals and market surveys. In addition, panelists will discuss how regulatory reform has affected relationships between local issuers and consultants.

Lead: Jim Fabian, Principal, Fieldman, Rolapp & Associates

2:30 PM Break

Session Six

2:45 PM Creative Applications of Land-Secured Districts

Session Six profiles various financings that illustrate how land-based financing tools have been used by public agencies to upgrade aging facilities, provide new development projects, and improve services. The potential application of the recently authorized “enhanced infrastructure financing districts” will also be addressed.

Lead: Eileen Gallagher, Managing Director, Stifel

Session Seven

3:30 PM Managing Going Forward: Administrative Issues

Session Seven highlights the key management activities that are required by local agencies for managing land-secured districts over time. Topics will address the annual tax levy; ongoing and continuing disclosure obligations with emphasis on reform; handling delinquencies; managing homeowner questions; working with a district administrator, bond trustee, and dissemination agent; ongoing investor relations; and working with the developer and other property owners.

Lead: Bob Whalen, Shareholder, Stradling Yocca Carlson & Rauth

5:00 PM Conclusion of Seminar and Completion of Evaluation

Full-Day Seminar Faculty Panel:

Dennis Anderson, Director of Financial Engineering, Harris & Associates, Inc.

Chris Austin, Managing Principal, DPF

Jim Fabian, Principal, Fieldman, Rolapp & Associates

Eileen Gallagher, Managing Director, Stifel

Susan Goodwin, Managing Principal, Goodwin Consulting Group

Dr. Joseph T. Janczyk, President, Empire Economics

Bob Whalen, Shareholder, Stradling Yocca Carlson & Rauth