

Excitement Grows for Secure Choice, Which Could Help Millions of Californians in Retirement

Enabling Legislation Planned for 2016; Treasurer on Listening Tour



California Treasurer John Chiang is playing a key leadership role in planning to create the country's largest state retirement security

program for millions of workers who could be headed toward spending their golden years in poverty.

He recently traveled to Washington, D.C., to meet with key policy staff to ensure California will be able to move forward with implementing Secure Choice. The program could help 7.5 million private-sector employees who currently lack access to employer-sponsored retirement plans by providing a voluntary, low-risk, low-cost, portable retirement savings plan.

The Treasurer plans to support legislation early next year to get Secure Choice up and running.

Senate President Pro Tem Kevin de Leon

shepherded the Secure Choice concept through the Legislature in 2012 in the form of SB 1234, which allowed for a feasibility study of such a program.

The Treasurer has also led recent listening sessions in Bakersfield and San Francisco to spread the word about Secure Choice, and more sessions are planned. Meanwhile, the Treasurer's California Secure Choice Retirement Savings Investment Board is working hard to set the stage for implementation.

Why Secure Choice is Needed

In California, roughly half of workers do not have access to a retirement savings plan through their employer. Although Social Security provides invaluable financial security for many, it is not enough to ensure Californians have the financial resources they need to afford basic living expenses. For example, the national average monthly Social Security benefit is around \$1,300, while the average cost of rent is \$1,240.

Although most workers know saving for retirement is vital to providing financial security, millions of workers in California have little to nothing saved for retirement. The Secure Choice Board was established to find solutions to the problem of retirement insecurity in California by making it easy and simple to save for the future.



Treasurer John Chiang attends a Secure Choice forum hosted by the San Francisco Chamber of Commerce.

Secure Choice would give small-businesses in the state access to a safe retirement savings program at little to no cost and with minimal administrative burden. The program would be financed by contributions to the program just like any retirement savings plan and taxpayers would not be liable for payment of benefits.

Ongoing Efforts

Big ideas like Secure Choice require some clarity on how the program operates within federal law. That's why the Treasurer travelled to Washington, D.C., to meet with federal leaders in an effort to build support for the program.

The Secure Choice Board has been busy overseeing contracted work on a market analysis and financial feasibility study. The results of the study, along with recommendations for retirement plan design, will be released by the end of this year.

Learn more:

[Read more about Secure Choice](#)

[Read Treasurer Chiang's recent blog post about Secure Choice](#)

[Read a summary flyer about Secure Choice](#)

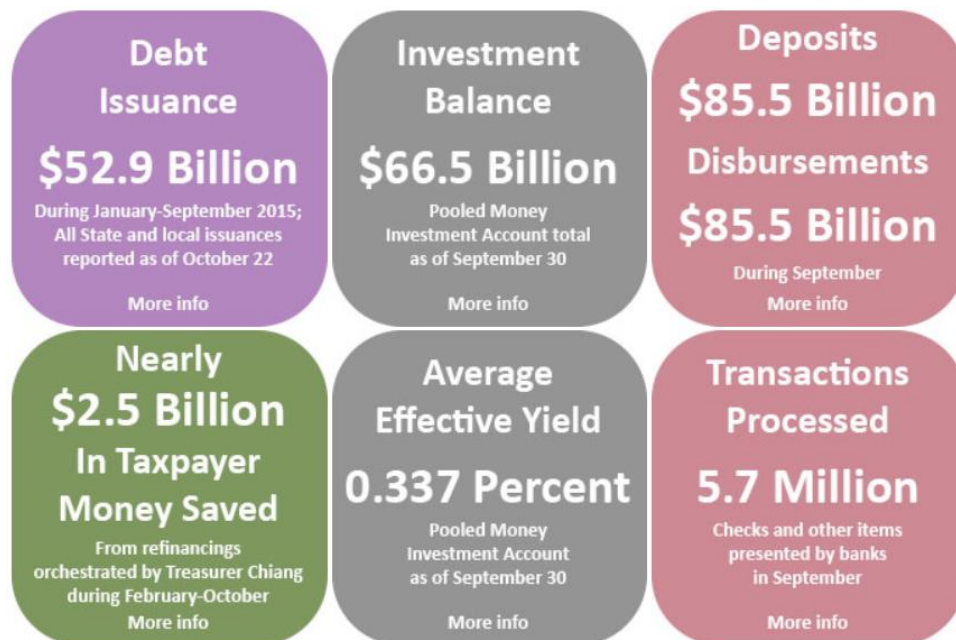
Sign up for Secure Choice listening sessions:

Friday, Nov. 6, 10:30 a.m. to noon

San Bernardino Valley College
Business Building, Room 100
701 South Mount Vernon Ave.
San Bernardino
RSVP: (951) 533-1122

Friday, Nov. 6, 1:30-3:30 p.m.

Riverside City College
AD 122, Board Room
4800 Magnolia Ave.
Riverside
RSVP: (951) 533-1122



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Summary of Ratings and Borrowing Costs

Where Does California Fit In?



California received two upgrades this year, but the Golden State's ratings still remain lower than all but two rated states: Illinois and New Jersey. And Pennsylvania's ratings remain only slightly better than those of the Golden State. (See a [detailed comparison](#).)

However, for California, holding the higher rating levels over time is what matters most. Lower ratings provoke investors to demand higher yields, which translates into higher borrowing costs.

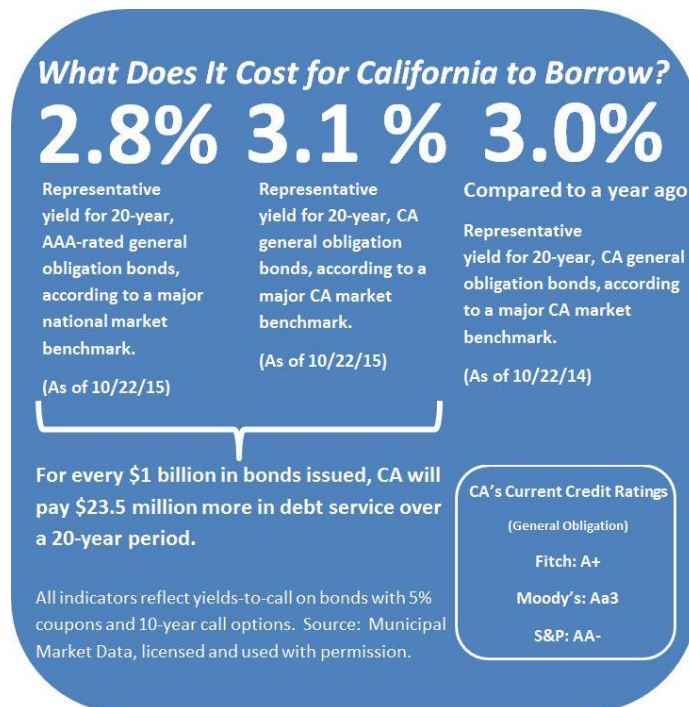
The State's recent 20-year yield sat at 3.1 percent, higher than the 2.8 percent yield on a national benchmark of AAA-rated bonds, a difference of 0.30 percent. (See Figure 1.)

Compared to the [prior month](#), the nominal yield on the California benchmark fell by 0.09 percent, while the nominal yield on the national benchmark dipped by 0.07 percent.

The difference between the two benchmarks one year earlier was slightly wider: California's yield was 3.0 percent, while that same national benchmark was at 2.65 percent, a difference of 0.35 percent.

How should the benchmarks be explained? The slightly narrower margin of difference (i.e., 0.30 percent vs. 0.35 percent a year ago) may be a function of market noise as well as perceptions that California's credits strengths justify tighter spreads.

Figure 1: Borrowing Costs



What does this mean for California taxpayers?

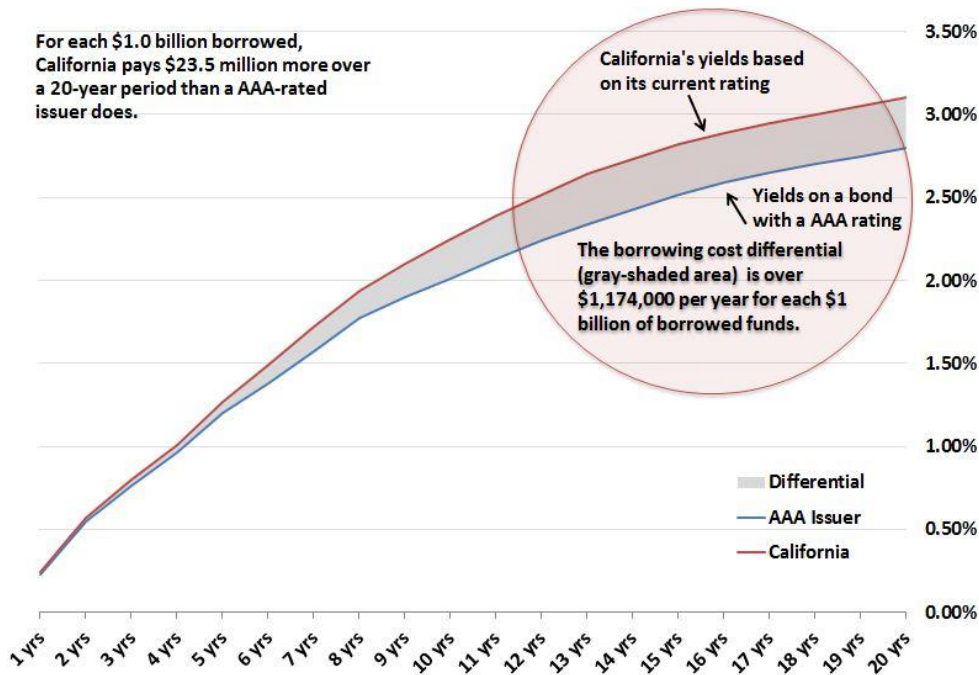
In general, for every \$1.0 billion in bonds issued, the State will incur higher borrowing costs as a result of investors demanding higher investment yields. The result in such a scenario would be about \$23.5 million in higher debt service over a 20-year period compared to the national benchmark of AAA-rated, tax-exempt

bonds. (See Figure 2.) This compares to higher debt service of \$25.5 million illustrated in last month's edition, while before that the cost sat at \$31.7 million.

Some financial market observers would attribute this decline as positive news indicative of growing investor confidence in California. While that may be true, caution should be used before concluding this is a trend.

Observe that the band is quite narrow in the early years and grows over time. This reflects market uncertainty, among other things.

Figure 2: Comparing California's Borrowing Costs to a National Benchmark



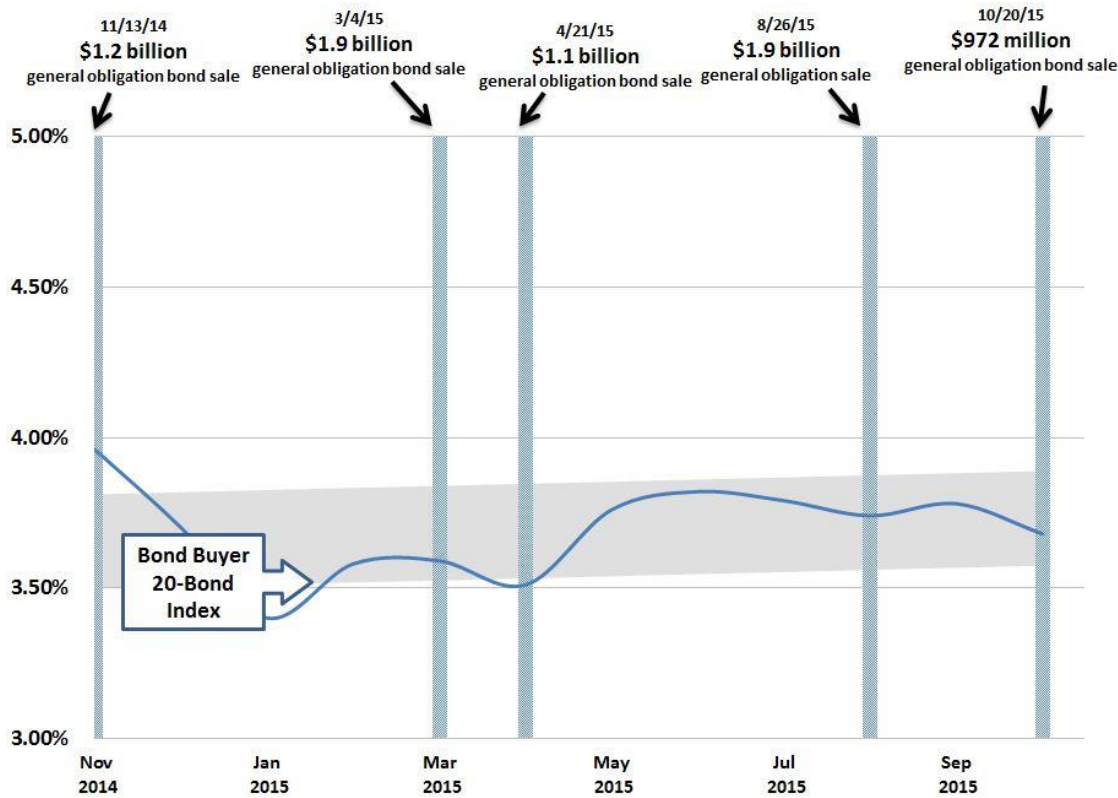
Source: Municipal Market Data as of 10/22/15

When it comes to understanding why investment yields and borrowing costs behave this way, it helps to look at long-term trends.

Figure 3, below, shows the one-year trend in another widely used index, the Bond Buyer 20-Bond Index, over the past year. California's most recent offerings are shown as vertical bars.

The grey band in Figure 3 represents the normal variance around a long-term trend, which can be thought of as the center of the grey band. The blue line represents the changes in the trend over time.

Figure 3: One-Year Trend of Interest Rates, Selected California Borrowings Shown as Vertical Bars



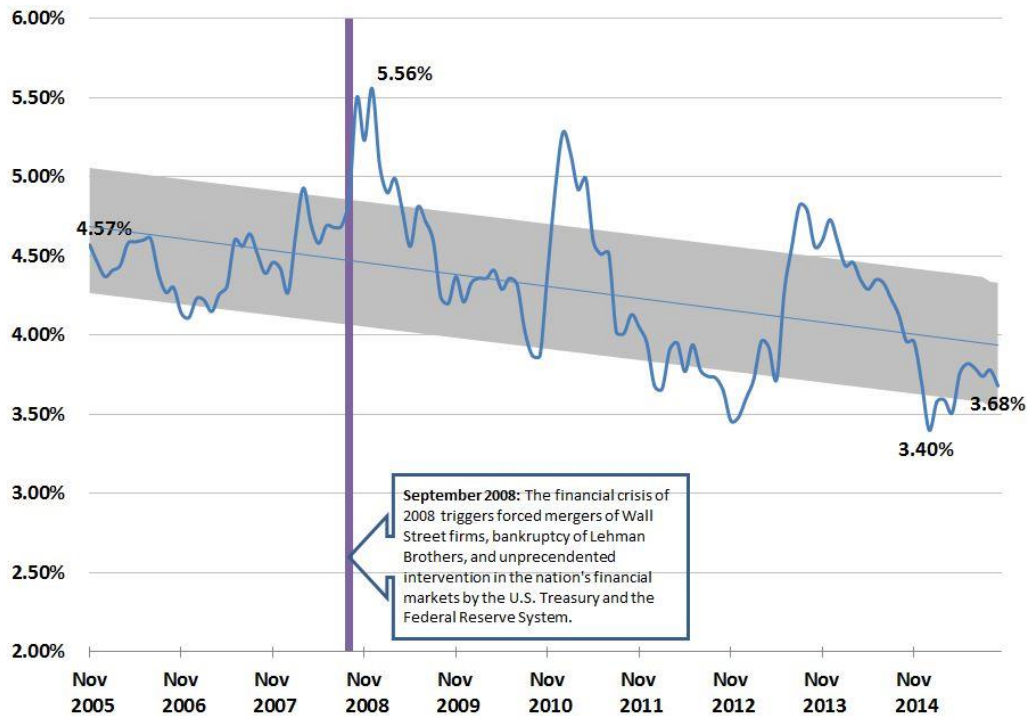
Source: The Bond Buyer

Interest rates on State and local government bonds are lower than they were a decade ago. Figure 4 also uses the Bond Buyer 20-Bond Index, but over a longer 10-year period.

Despite the fluctuation of rates over this longer period, it's important to remember that this index is three-quarters of one percent lower than it was 10 years ago. Borrowing at today's rates is, by comparison, still a bargain versus borrowing 10 years ago.

When my office sells the State's bonds, the objective is not to speculate on interest rates. Rather, the objective is to ensure that California receives interest rates that are reflective of the market as a whole. Though the measurement of those results is an imprecise exercise, the comparison to the band indicates where California's rates fit into the overall market.

Figure 4: 10-Year Trend of Interest Rates on State and Local Government Bonds



Source: The Bond Buyer

Debt Issuance, Investments and Treasury Activities

Debt Issuance



California State and local governments issued a total of \$52.9 billion in debt during the first nine months of 2015, a 14.8 percent increase from the same period in 2014, when \$46.1 billion in debt was issued, according to data received by the California Debt and Investment Advisory Commission (CDIAC) as of October 22.¹ (See Figure 5.)

A total of \$2.7 billion in State and local debt issuance was reported for September 2015, a 330 percent decrease from September 2014 (\$8.9 billion). (See Figure 6.)

Of the \$2.7 billion issued in September, \$2.0 billion was issued by local entities, while \$724 million was issued by the State and its agencies or related entities. (See Figure 7.)

So far in 2015, the Treasurer has carried out four general obligation and two

State Public Works Board bond re-financings that will together save the State's General Fund more than \$950 million over the life of the bonds. Seven other refinancings – including those for California State University, University of California and Tobacco Securitization Corp. -- will produce an additional \$1.5 billion in public benefit over time. That brings the total to nearly \$2.5 billion in taxpayer money saved.

For the period from September 16 through October 15, a total of \$6.0 billion in debt final sale reports were received by CDIAC. (See Figure 8.) These are the top five areas of volume within the reported final debt sales:

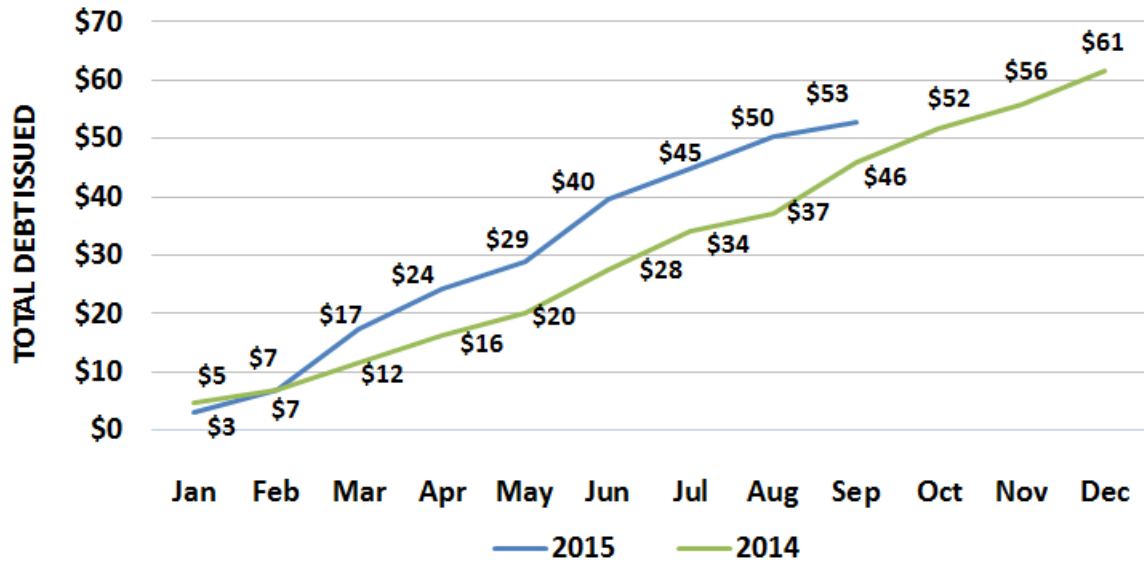
- K-12 School Facility: \$1.5 billion
- Multiple Capital Improvements, Public Works: \$1.0 billion
- Public Transit: \$508 million
- College, University Facility: \$440 million
- Redevelopment, Multiple Purposes: \$370 million

School district issuance is about one-quarter of the total, consistent with the number of school districts within California's local government units.

¹ Issuers have 21 days from sale of the debt to report issuances. Since some data is reported late, the State Treasurer's Office regularly updates monthly totals as more information becomes available.

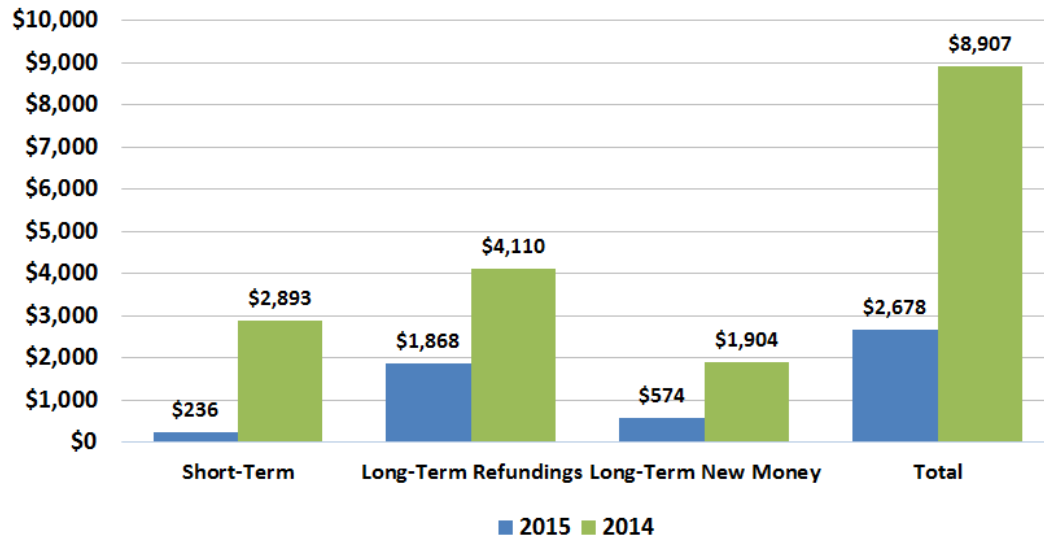


Figure 5: Cumulative California Public Debt Issuance (In Billions)



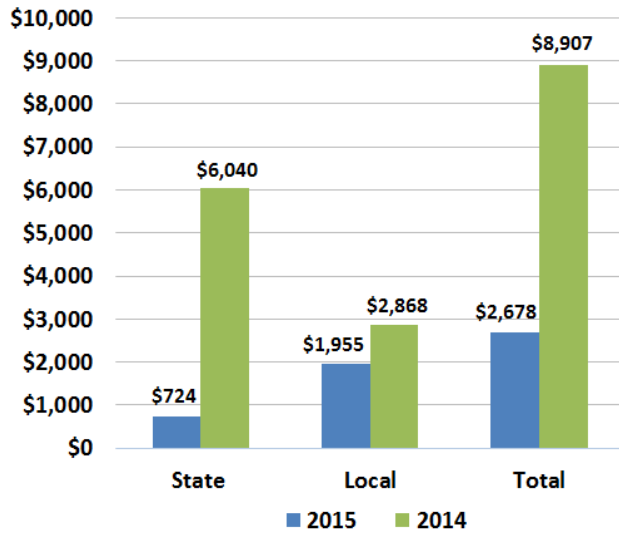
Source: California Debt and Investment Advisory Commission

Figure 6: California Public Debt Issuance, September (In Millions)



Source: California Debt and Investment Advisory Commission

Figure 7: State* Vs. Local Debt Issuance, September (In Millions)

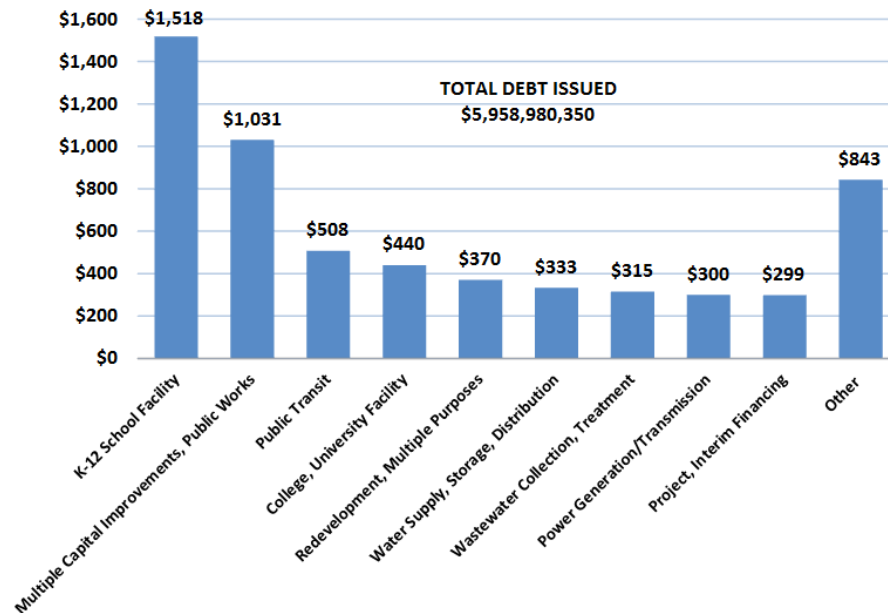


* State issuers include the State of California, its agencies, commissions, authorities, departments and The Student Loan Corporation.

Source: California Debt and Investment Advisory Commission

Figure 8: Total Reports of Final Sale Received

9/16/2015 Through 10/15/2015, By Purpose (In Millions)



Source: California Debt and Investment Advisory Commission

Read more about [debt issued so far this year](#). See the [calendar](#).

Investments

The Treasurer's Investments Division manages the State's excess or idle cash.

The Treasurer invests taxpayer money through the Pooled Money Investment Account (PMIA). This is a commingled pool with three primary sources of funds: the State's general fund, special funds held by State agencies, and money deposited by cities, counties and special districts in the Local Agency Investment Fund (LAIF).

As of September 30, the PMIA balance was \$66.5 billion, with an average effective yield of 0.337 percent and an average life of 210 days. (See Figure 9.) In addition, the year-to-date average PMIA balance was \$66.7 billion.

The State Treasurer's Office anticipates that the investment returns for the PMIA will continue to follow the market as shown in Figure 10.

Because these funds may be required on very short notice, the investment objectives for the PMIA are safety, liquidity and yield, in that order of importance.

The year-to-date earnings rate for the PMIA was 0.329 percent, which reflects the prudent investing of a short-term portfolio in this unprecedented low interest rate environment of the last seven years. As the Federal Reserve begins to raise interest rates, the PMIA is positioned to follow those moves, and overall yields should rise in sympathy.



Figure 9: Pooled Money Investment Account Stats as of September 30, 2015

Ending Portfolio

\$66.5 billion (See Figure 11 for details.)

Average Workday Investment Activity

\$1.227 billion

Average Effective Yield

0.337 percent

Average Investment Life

210 days

Local Agency Investment Fund Ending Portfolio

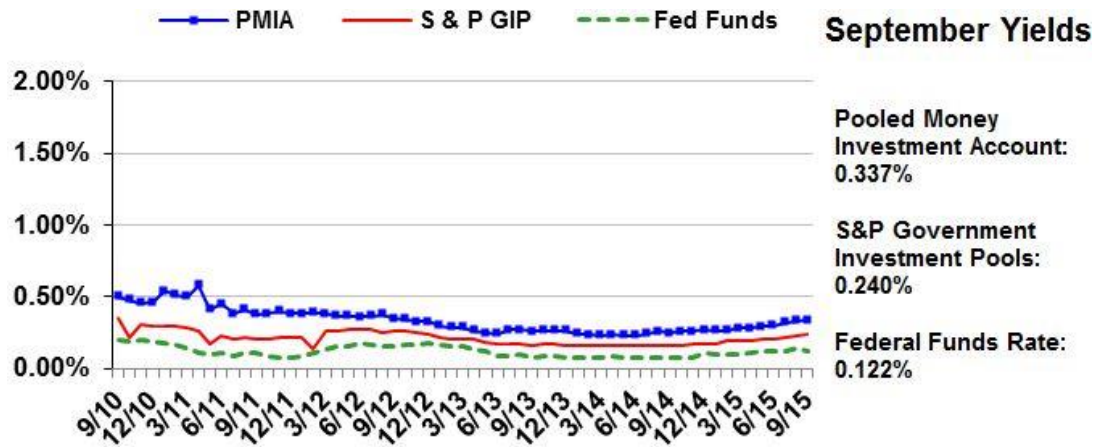
\$20 billion (2,476 participating agencies) (See Figure 12 for details.)

Read more about the [Pooled Money Investment Account](#)



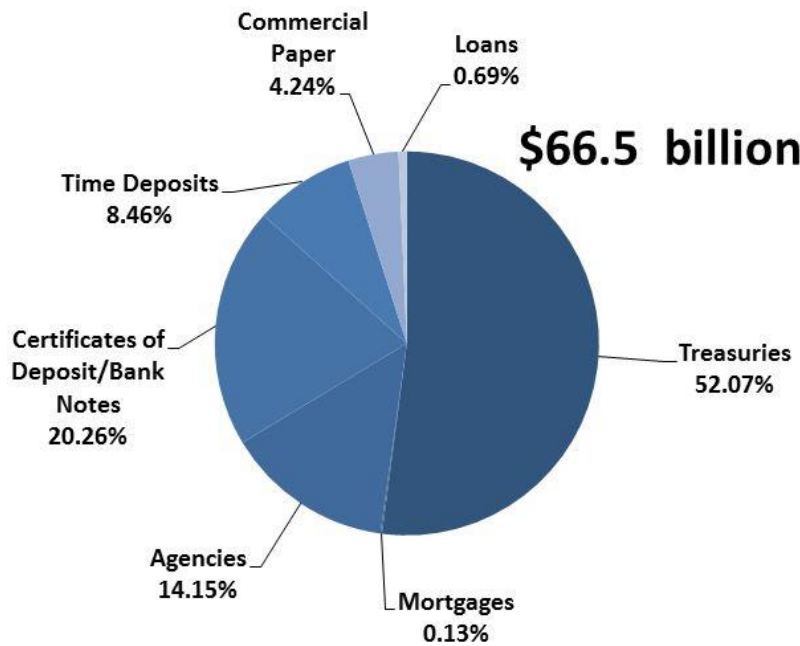
Figure 10: Average Monthly Yield Comparison

September 2010 Through September 2015



Source: State Treasurer's Office

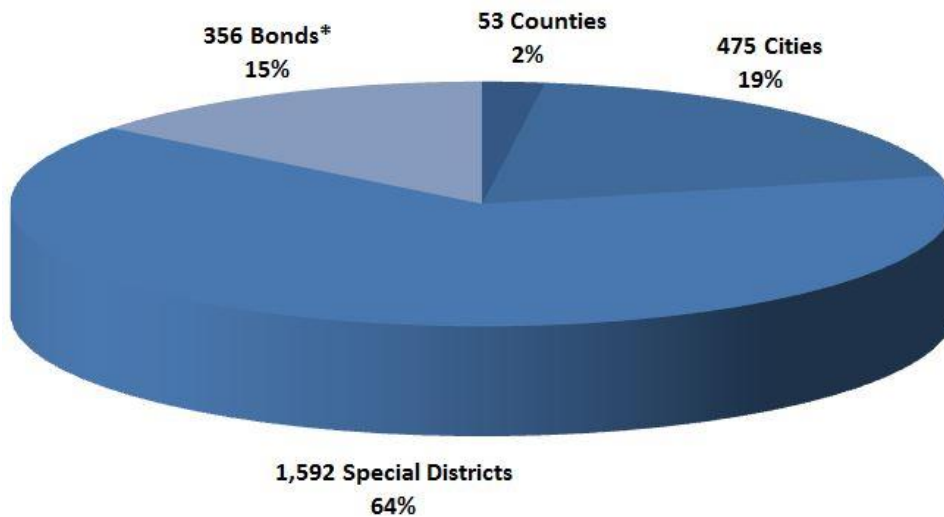
Figure 11: PMIA Portfolio Composition – 9/30/15



Source: State Treasurer's Office

Figure 12: Local Agency Investment Fund

Participation as of 9/30/15: 2,476 Agencies



Source: State Treasurer's Office

*Includes regular and trustee bond accounts.

Note: Numbers may not add up to 100 percent due to rounding. Read more about the [Local Agency Investment Fund](#).

Centralized State Treasury System Activities

The Treasurer's Centralized State Treasury System provides banking services for the overwhelming majority of State departments and agencies.

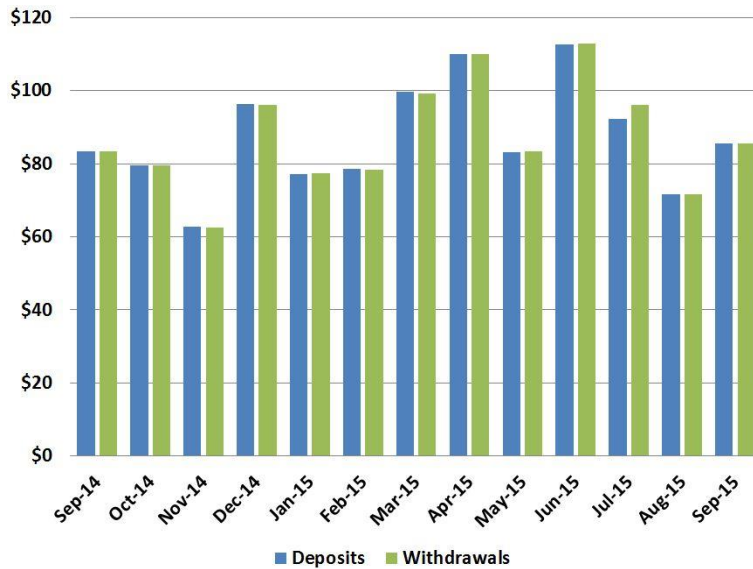
The system handles the flow of more than \$2 trillion per year in cash funds.

During September, deposits totaled \$85.5 billion, while disbursements totaled \$85.5 billion. (See Figure 13.)

These amounts include all federal, State and local funds flowing through the Centralized Treasury System.



Figure 13: Deposits and Withdrawals By Month, September 2014-September 2015 (In Billions)

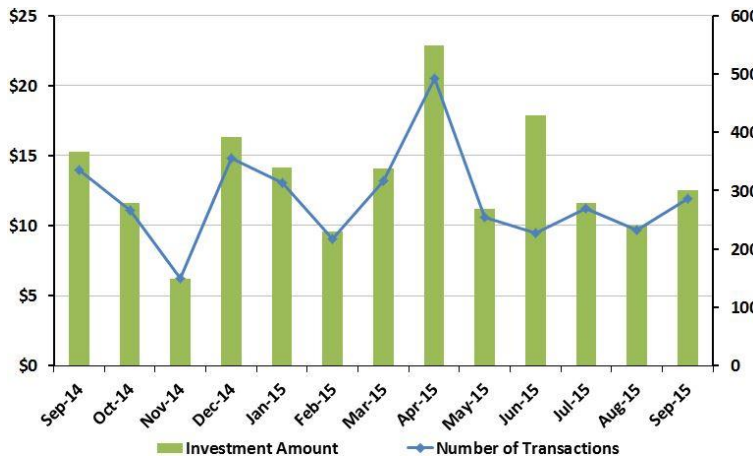


Source: State Treasurer's Office

The system also determines the amount of idle State funds available in the Pooled Money Investment Account for investment by the Treasurer's Investment Division. (These investments were discussed in the Investments section and are reflected in Figure 11.)

During September, total new and rollover investments reached \$12.5 billion. (See Figure 14.)

Figure 14: Total Investments By Month, September 2014-September 2015 (In Billions)



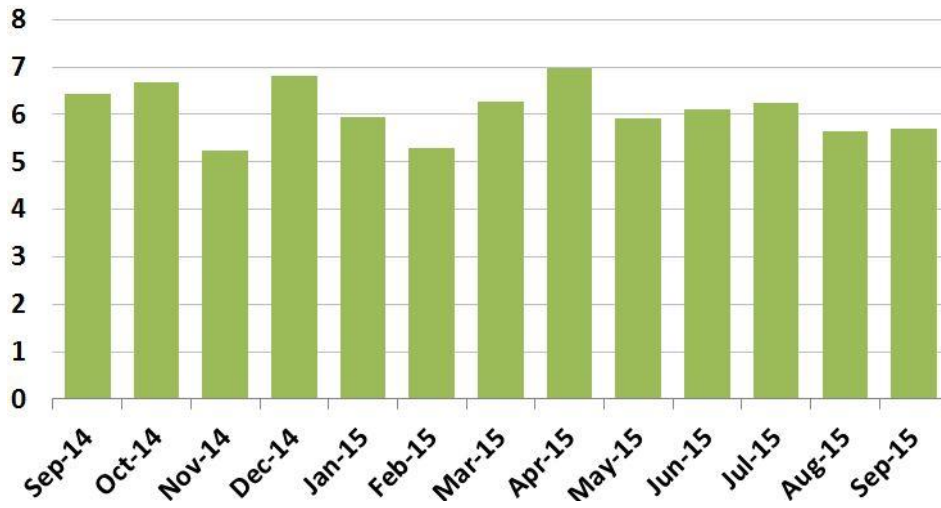
Source: State Treasurer's Office

Each day, the system also processes hundreds of thousands of State transactions - including department checks; State Controller's Office warrants; Women, Infants, and Children (WIC) food instruments; and Employment Development Department unemployment and disability checks - submitted by banks and other entities for payment. During September, total items processed reached 5.7 million. (See Figure 15.)

**Transactions
Processed
5.7 Million**

Checks and other items
presented by banks
in September

Figure 15: Number of Items Processed, September 2014-September 2015 (In Millions)



Source: State Treasurer's Office

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California Job Tracker: Unemployment Falls Below 6% for First Time Since 2007; Stockton-Lodi Region Rejoins Recovery Group

By Lynn Reaser

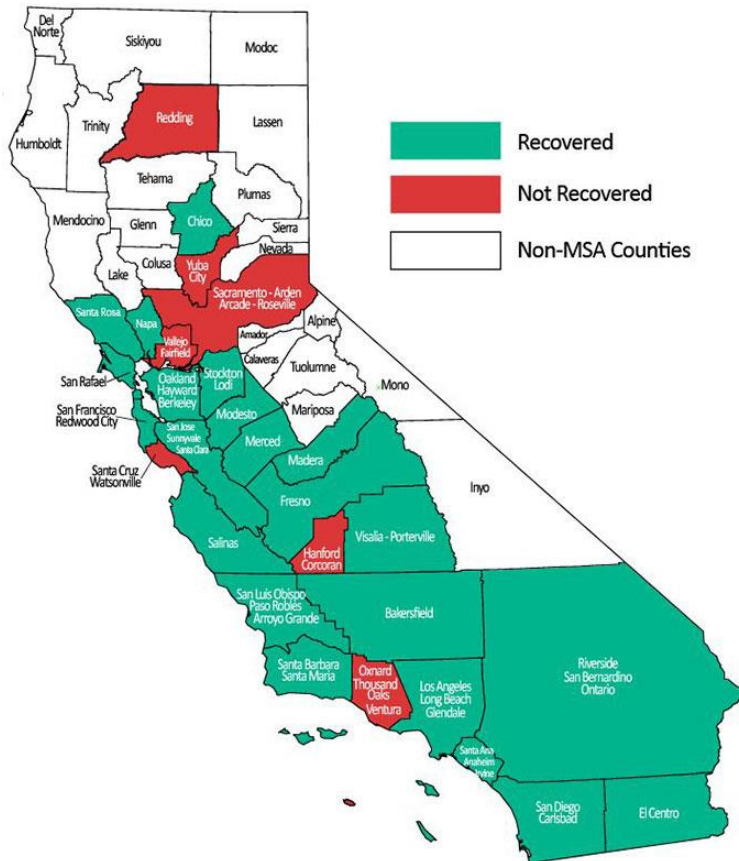


California's job market posted further gains in September, although some of the signs were mixed. Payroll job gains slowed after two robust months, while the jobless rate fell to 5.9 percent. This was the first time California's unemployment rate had fallen to below 6.0 percent since November 2007.

The Stockton-Lodi metropolitan area regained its status as one of the state's regions that has fully recovered all of the losses experienced during the Recession. Only seven of California's 29 metropolitan areas have now failed to exceed their prior peaks. Sacramento is the largest area in that group, but it appears to be only one or two months away from regaining its prior employment high.

Non-farm jobs in California as a whole are now 741,000, or 4.8 percent, above the prior peak reached in July 2007.

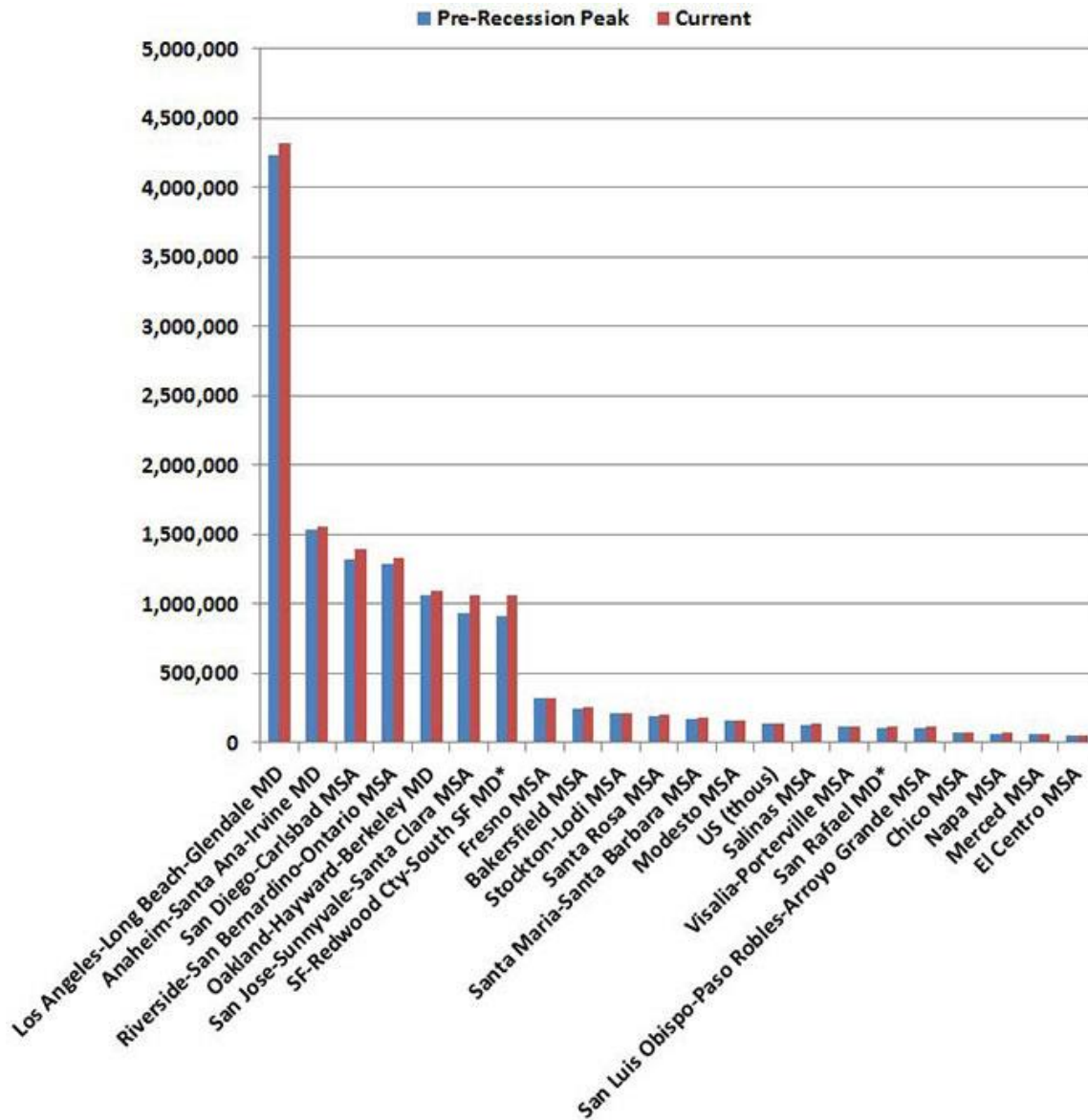
Figure 16: 22 of California's 29 Metro Areas Have Recovered Recession Job Losses (As of September 2015)



Sources: California Employment Development Department, Labor Market Information; Fermanian Business and Economic Institute

Figure 17: Job Recovery by the Numbers (As of September 2015)

(Nonfarm Employment, Seasonally Adjusted)



*Numbers for the San Francisco-Redwood City-South San Francisco Metropolitan District and San Rafael Metropolitan District are not seasonally adjusted.

Sources: U.S. Bureau of Labor Statistics, California Employment Development Department, Fermanian Business and Economic Institute

See raw data: [Employment numbers by region](#).

Lynn Reaser is chief of the Treasurer's Council of Economic Advisors and chief economist at the Fermanian Business and Economic Institute for Point Loma Nazarene University. The opinions in this article are presented in the spirit of spurring discussion and reflect those of the author and not necessarily the Treasurer, his office or the State of California.

Guest Column: Robust Housing Market Fuels Long-Distance Commuters

However, Net Economic Return is Exaggerated for Many Owners; Trend Exacerbates Traffic Congestion and Prolongs Recessions in Outlying Areas

By Joe Janczyk



While driving on the heavily congested freeway from his affordably priced home in the suburbs to his higher paying job in an urbanized area, a long distance commuter wondered why his decision to purchase a home eventually brought him so much turmoil – How did it go so wrong?

Back in 2005, with housing prices escalating rapidly, he made the decision to purchase a single-family home. However, he could only afford to purchase a home in a development fringe area. Regardless, he felt that he was living the American Dream of providing his family with homeownership and also expected an enormous equity gain. But just a few years later, in 2007, as the housing market bubble began to implode, he found his homeownership under significant duress. Many of his neighbors lost their homes in foreclosures and short sales. Although he was able to hang on, eight years later, his home is still underwater. Unable to sell his home, he continues to endure the long commute.

How did he find himself in such a situation? Here is a possible answer from an economics perspective: Renters who live in urbanized areas, which offer better employment opportunities, often decide to become long-distance commuters so that they can purchase a home when housing market conditions are robust. They are motivated by illusory extraordinary financial returns from homeownership as an investment. Therefore, they decide to undertake a lengthy daily commute, which creates higher levels of traffic congestion.

Based upon a substantial amount of research on geographical housing price patterns, a paradigm that is helpful in gaining insight into a household's decision to engage in long-distance commuting is to financially model the activity of commuting as a "business" that involves a consideration of the relevant benefits and the costs.

- **Benefits:** Households living in apartments in areas where housing is comparatively expensive have an incentive to undertake long-distance commutes to lower-priced areas because it opens up the possibility of purchasing a single-family home at a significantly reduced price that they can afford. For example, a 2,000 sq.ft. new home in an urbanized area such as the City of Irvine costs about \$800,000, while that same type of home approximately 40 miles away in a development fringe area such as Moreno Valley costs about \$300,000. The \$500,000 difference is the incentive for the household to commute from a home in the development fringe to a job in an urbanized area.
- **Quantitative Costs:** These costs are related to the vehicle depreciation as well as maintenance and operating costs.
- **Net Economic Return:** When these benefits and quantitative costs are put into a long-term financial model, the economic return under normal economic conditions is positive. In fact, under stable housing market conditions, households typically earn an implicit wage of \$15 to \$20 per hour for enduring the commute.

Long-distance commuters, in turn, can be partitioned into the following two categories, depending upon the housing market conditions under which the benefits are calculated:

- **Stable Housing Market Conditions:** The net economic return, based upon a normal appreciation rate of about 5 percent, represents a realistic expectation, and so it has a rational basis. Nevertheless, from a psychological perspective, many studies indicate that households acclimate to the happiness of

owning a home in about a year. However, with regard to long-distance commuting, this activity continues to be a stressful experience.

- **Robust Housing Market Conditions:** The net economic return is exaggerated due to the high rates of price appreciation being built into the financial model, thereby providing the illusion of extraordinary financial returns. Consequently, households' decisions are driven primarily by investment returns. Therefore, they do not have a long-term rational basis, since they expect that these high rates of return will continue indefinitely.

In Southern California, from 2003 through 2005, home prices increased at an annual rate of some 23 percent per year and the level of new single-family homes attained peak levels of about 69,000 units per year, about **twice** the overall long-term average (2000-2015).

Furthermore, for long-distance commuters seeking to purchase homes in development fringe areas, the levels of new single-family homes in these areas were about **triple** their long-term average levels. Development fringe areas include Palmdale/Lancaster, Victorville/Hesperia and Moreno Valley/Perris.

Consequences of Unrealistic Economic Returns: Since the Southern California housing price bubble imploded in 2007, new home activity declined by more than 67 percent from 2009-2012, but has recently recovered to about -38 percent, as compared to its long-term average.

By comparison, for the development fringe areas, the level of single-family activity declined by 71 percent during 2008-2010 and declined even further by 85 percent during 2011-2014, due to high levels of foreclosures and short sales. Since only a modest improvement is expected in 2015, the overhang of the enormous supply created during 2003-2005 has effectively produced a housing recession that has lasted some eight years so far! (See [Figure 18](#).)

Conclusions and Policy Implications

Conditions in the economy such as employment levels and financial/mortgage rates are primarily determined by national and global macroeconomic factors. However, regional/local public agencies may consider potential policies that affect the geographical distribution of housing, including long-distance commuters, which may alleviate further increases in traffic congestion.

- **Economic Return Under "Stable" Conditions**

First, consider policies that may influence the "benefit side" by offering more attractive housing within the urban setting that provides a substitute for single-family homes, such as planned developments with "detached" homes on smaller size lots complemented with parks/amenities.

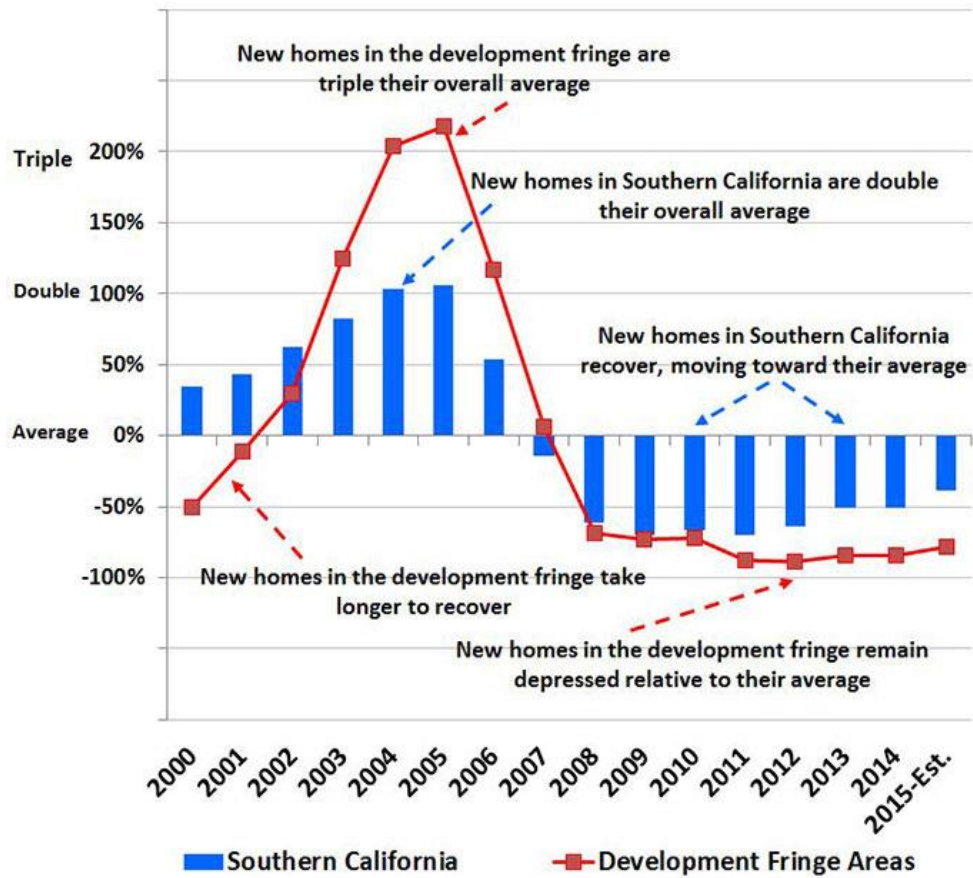
Secondly, consider policies that may influence the "cost side" such as higher gas taxes or some types of freeway usage fees. However, it is important to note that such policies are quite complex to equitably implement.

- **Economic Return Under "Robust" Conditions**

Policy attempts to influence long-distance commuters under robust economic conditions, recognizing that households are entitled to make their own decisions, should include providing them with additional information so that their decisions consider subsequent market corrections. Potential reductions in long-distance commuters that make more educated decisions in robust housing market conditions would reduce congestion. Further, by reducing the amount of new home activity in development fringe areas, the depth of a subsequent recession may be mitigated.

Figure 18: Relative Levels of New Single-Family Development Activity

Southern California Overall vs. Development Fringe



Joe Janczyk, a member of Treasurer John Chiang's Council of Economic Advisors, is president of Empire Economics. The opinions in this article are presented in the spirit of spurring discussion and reflect those of the author and not necessarily the Treasurer, his office or the State of California.

Top 10 Upcoming Bond Sales

(Ranked by Size)

Proposed Sale Date*	Issuer	Debt Type	Purpose	Principal*
11/9/2015	California Health Facilities Financing Authority	Conduit revenue bond	Hospital	\$458,000,000.00
11/18/2015	San Diego Unified School District	General obligation bond	K-12 school facility	\$450,000,000.00
11/12/2015	State Public Works Board	Lease revenue bonds	Health care facilities at State prisons, institutions	\$223,155,000.00
11/17/2015	San Francisco State Building Authority and Oakland State Building Authority	Lease revenue bonds	Refunding	\$171,000,000.00
12/2/2015	Successor Agency to the San Francisco City & County Redevelopment Agency	Tax allocation bond	Redevelopment, multiple purposes	\$115,000,000.00
11/19/2015	Los Angeles Municipal Improvement Corporation	Commercial paper	Project, interim financing	\$110,000,000.00
12/2/2015	San Diego Unified School District	General obligation bond	K-12 school facility	\$100,000,000.00
12/2/2015	Successor Agency to the San Francisco City & County Redevelopment Agency	Tax allocation bond	Redevelopment, multiple purposes	\$90,000,000.00
12/2/2015	Successor Agency to the San Francisco City & County Redevelopment Agency	Tax allocation bond	Redevelopment, multiple purposes	\$90,000,000.00
11/24/2015	Successor Agency to the Pittsburg Redevelopment Agency	Tax allocation bond	Redevelopment, multiple purposes	\$77,355,000.00

* Subject to change; the ultimate amounts and sale dates can be affected by legal, market and other factors.

More info:

- [California Debt and Investment Advisory Commission Calendar](#)
- [Public Finance Division Upcoming Bond Sales Calendar](#)

Significant Financings

Treasurer John Chiang oversees several boards, commissions and authorities that award financing, tax credits, grants, loans, and other benefits aimed at promoting school projects, health care facilities, sustainable economic development and housing. Below is a summary of significant projects approved in October 2015.

Education

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/29/2015	Claremont McKenna College	Bond Financing	\$125,000,000	Claremont	<u>CEFA</u>
10/29/2015	Occidental College	Bond Financing	\$32,436,184	Los Angeles	<u>CEFA</u>
10/23/2015	Monseñor Oscar Romero Charter Middle School	Lottery Funding Round	\$1,564,325	Los Angeles	<u>CSFA</u>
10/23/2015	High Tech High	Revenue Bonds	\$14,000,000	San Diego	<u>CSFA</u>
10/23/2015	Aspire Public Schools	Revenue Refunding Bonds	\$25,000,000	Stockton	<u>CSFA</u>
10/23/2015	Escuela Popular Del Pueblo	Revenue Bonds	\$25,000,000	San Jose	<u>CSFA</u>

Health

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/29/2015	Cedars-Sinai Medical Center	Revenue Bond Financing	\$458,000,000	Los Angeles	<u>CHFFA</u>

Sustainability and Economic Development

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/20/2015	California Waste Solutions, Inc.	Bond Financing	\$29,000,000	Oakland / San Jose	<u>CPCFA</u>
10/20/2015	Oberson Fuels, Inc.	Sales and Use Tax Exclusion	\$1,136,700	Brawley	<u>CAEATFA</u>

Sustainability and Economic Development

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/20/2015	Hanford Renewable Energy, LLC	Sales and Use Tax Exclusion	\$315,583	Hanford	<u>CAEATFA</u>
10/20/2015	Space Exploration Technologies Corporation	Sales and Use Tax Exclusion	\$30,326,284	Hawthorne	<u>CAEATFA</u>
10/20/2015	Carson Reclamation Authority	CALReUSE Remediation Program	\$5,000,000	Carson	<u>CPCFA</u>
10/20/2015	Madera Renewable Energy, LLC	Sales and Use Tax Exclusion	\$168,358	Madera	<u>CAEATFA</u>
10/20/2015	Karma Automotive LLC	Sales and Use Tax Exclusion	\$3,216,007	Moreno Valley	<u>CAEATFA</u>
10/20/2015	Capital Corrugated, Inc.	Tax-Exempt Bond Allocation	\$3,810,000	Sacramento	<u>CIDFAC</u>
10/20/2015	Aemerge, LLC Aemerge RedPak Services Southern California, LLC	Revenue Bonds	\$24,000,000	Hesperia	<u>CPCFA</u>
10/20/2015	Bloom Energy Corporation	Sales and Use Tax Exclusion	\$3,153,096	Sunnyvale	<u>CAEATFA</u>

Housing

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/21/2015	Creston Garden Apartments	Second Round	\$3,760,029 State \$1,066,218 Federal	Paso Robles	<u>CTCAC</u>
10/21/2015	Las Palmas Apartments	Tax-Exempt Bond Project	\$0 State \$998,635 Federal	San Leandro	<u>CTCAC</u>
10/21/2015	Las Palmas Apartments	Private Activity Bond	\$22,901,000	San Leandro	<u>CDLAC</u>

Housing

Approval Date	Recipient Name	Type	Amount	City	Authority*
		Allocation			
10/21/2015	Hayward Four Apartments	Private Activity Bond Allocation	\$37,525,000	Hayward	<u>CDLAC</u>
10/21/2015	The Oaks Apartments	Tax-Exempt Bond Project	\$0 State \$427,132 Federal	Walnut Creek	<u>CTCAC</u>
10/21/2015	Golden Oak Manor	Tax-Exempt Bond Project	\$0 State \$327,123 Federal	Oakley	<u>CTCAC</u>
10/21/2015	Mill Creek Village	Tax-Exempt Bond Project	\$0 State \$874,638 Federal	Bakersfield	<u>CTCAC</u>
10/21/2015	Green Gardens	Tax-Exempt Bond Project	\$0 State \$268,655 Federal	Bakersfield	<u>CTCAC</u>
10/21/2015	Mill Creek Village Senior Apartments	Private Activity Bond Allocation	\$13,000,000	Bakersfield	<u>CDLAC</u>
10/21/2015	PSH Campus	Second Round	\$2,972,595 State \$980,662 Federal	Los Angeles	<u>CTCAC</u>
10/21/2015	Copper Square Apartments	Tax-Exempt Bond Project	\$0 State \$1,369,297 Federal	Lancaster	<u>CTCAC</u>
10/21/2015	HCHC Recap I	Tax-Exempt Bond Project	\$0 State \$397,969 Federal	Los Angeles	<u>CTCAC</u>
10/21/2015	Rowland Heights Terrace Apartments	Tax-Exempt Bond Project	\$0 State \$972,722 Federal	Rowland Heights	<u>CTCAC</u>

Housing

Approval Date	Recipient Name	Type	Amount	City	Authority*
10/21/2015	Bouquet Canyon Senior Apartments	Tax-Exempt Bond Project	\$0 State \$1,526,674 Federal	Santa Clarita	<u>CTCAC</u>
10/21/2015	Springdale West Apartments	Private Activity Bond Allocation	\$80,000,000	Long Beach	<u>CDLAC</u>
10/21/2015	American Gold Star Manor Apartments	Private Activity Bond Allocation	\$55,900,000	Long Beach	<u>CDLAC</u>
10/21/2015	Rowland Heights Terrace Apartments	Private Activity Bond Allocation	\$30,114,881	Rowland Heights	<u>CDLAC</u>
10/21/2015	Bouquet Canyon Senior Apartments	Private Activity Bond Allocation	\$36,800,000	Santa Clarita	<u>CDLAC</u>
10/21/2015	Casa de Oro Apartments	Private Activity Bond Allocation	\$1,724,000	Gonzales	<u>CDLAC</u>
10/21/2015	Los Ositos Apartments	Private Activity Bond Allocation	\$4,311,000	Greenfield	<u>CDLAC</u>
10/21/2015	Briar Crest + Rosecrest Apartments	Tax-Exempt Bond Project	\$0 State \$434,923 Federal	Garden Grove	<u>CTCAC</u>
10/21/2015	Sunrise Meadows	Tax-Exempt Bond Project	\$0 State \$479,259 Federal	Rancho Cordova	<u>CTCAC</u>
10/21/2015	The Groves at Manzanita Apartments	Tax-Exempt Bond Project	\$0 State \$509,192 Federal	Carmichael	<u>CTCAC</u>
10/21/2015	Summit at Fair Oaks	Tax-Exempt Bond Project	\$0 State \$406,902	Fair Oaks	<u>CTCAC</u>

Housing

Approval Date	Recipient Name	Type	Amount	City	Authority*	
			Federal			
10/21/2015	Kenneth Park Apartments	Tax-Exempt Bond Project	\$0 State Federal	\$494,540	Carmichael	<u>CTCAC</u>
10/21/2015	California Housing Finance Agency	Private Activity Bond Allocation	\$150,000,000		Sacramento	<u>CDLAC</u>
10/21/2015	Sycamore Terrace	Tax-Exempt Bond Project	\$0 State Federal	\$586,517	Upland	<u>CTCAC</u>
10/21/2015	Maplewood Apartments	Tax-Exempt Bond Project	\$0 State Federal	\$525,977	Lakeside	<u>CTCAC</u>
10/21/2015	Torrey Vale Apartments	Tax-Exempt Bond Project	\$0 State Federal	\$433,598	San Diego	<u>CTCAC</u>
10/21/2015	Torrey Vale Apartments	Private Activity Bond Allocation	\$7,000,000		San Diego	<u>CDLAC</u>
10/21/2015	O'Farrell Towers	Tax-Exempt Bond Project	\$0 State Federal	\$1,754,405	San Francisco	<u>CTCAC</u>
10/21/2015	Park Sunset Apartments	Tax-Exempt Bond Project	\$0 State Federal	\$533,226	San Francisco	<u>CTCAC</u>
10/21/2015	Alice Griffith Phase 3A	Tax-Exempt Bond Project	\$0 State Federal	\$2,300,000	San Francisco	<u>CTCAC</u>
10/21/2015	Alice Griffith Phase 3A Apartments	Private Activity Bond Allocation	\$31,500,000		San Francisco	<u>CDLAC</u>

Housing

Approval Date	Recipient Name	Type	Amount		City	Authority*
10/21/2015	Ocean View Manor Apartments	Private Activity Bond Allocation	\$4,536,975		Morro Bay	<u>CDLAC</u>
10/21/2015	Plum Tree West Apartments	Tax-Exempt Bond Project	\$0 State	\$654,355 Federal	Gilroy	<u>CTCAC</u>
10/21/2015	Colorado Park Apartments	Tax-Exempt Bond Project	\$0 State	\$996,654 Federal	Palo Alto	<u>CTCAC</u>
10/21/2015	Plum Tree West Apartments	Private Activity Bond Allocation	\$22,849,036		Gilroy	<u>CDLAC</u>
10/21/2015	Villa Garcia	Tax-Exempt Bond Project	\$0 State	\$498,314 Federal	Thousand Oaks	<u>CTCAC</u>

*Authorities in which the State Treasurer chairs: California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), California Debt Limit Allocation Committee (CDLAC), California Educational Facilities Authority (CEFA), California Health Facilities Finance Authority (CHFFA), California Industrial Development Financing Advisory Commission (CIDFAC), California Pollution Control and Financing Authority (CPCFA), California School Finance Authority (CSFA), and California Tax Credit Allocation Committee (CTCAC).

See raw data: [Financing numbers broken out by State legislative district](#)

In Case You Missed It



Just in case you missed it, here's a summary of recent news from the Treasurer's Office:

October 27: ScholarShare Enhances Online Experience with New Website

ScholarShare, California's 529 College Savings Plan, launched a new website with intuitive visual design, personalized performance reporting, and enhanced security to meet the growing needs of its account holders. [Read the news release.](#)

October 21: Treasurer Chiang's Affordable Housing Initiative Moves Forward

Thousands of Californians could get greater access to housing they can afford under a new initiative by the State Treasurer's Office. Two state commissions chaired by California State Treasurer John Chiang have given final approval to regulations that make it easier to tap up to \$6.5 billion in previously underutilized, federal government resources. [Read the news release](#), a [summary flyer](#) and [comments from stakeholders](#).

October 20: Treasurer Completes \$961 Million GO Bond Sale, Producing \$160 Million in Taxpayer Savings

Treasurer John Chiang has completed the sale of about \$961 million in in tax-exempt State of California General Obligation bonds, including \$850 million of tax-exempt refunding bonds and \$106 million in taxable bonds to provide new project funding. The refunding bonds will save the State's General Fund approximately \$160 million over the remaining life of the bonds. [Read the news release.](#)

October 20: Morningstar Recognizes ScholarShare as One of the Top-Rated 529 College Savings Plans in the Country

ScholarShare, California's 529 college savings plan, announced that it was named one of the top-rated 529 college savings plans in an annual study of U.S. 529 plans by Morningstar, an independent investment research firm. ScholarShare received a Silver Morningstar Analyst Rating, upgraded from its Bronze rating a year ago. [Read the news release.](#)

October 15: Treasurer Names Marc Lifsher as New Communications Director

State Treasurer John Chiang has announced that Marc Lifsher is the new Communications Director for the State Treasurer's Office. [Read the news release.](#)

October 13: Governor Signs AB 1230 to Expand Access for the Disabled and Protect Small Businesses from Predatory Lawsuits

Treasurer John Chiang applauds Governor Jerry Brown's decision to sign Assembly Bill 1230, which will assist small businesses in qualifying for loans to retrofit existing facilities to comply with the Federal Americans with Disabilities Act (ADA). The legislation, authored by Assemblymember Jimmy Gomez, will create the California Americans with Disabilities Small Business Capital Access Loan Program. [Read the news release.](#)

October 7: Treasurer Chiang Helps Sacramento Small Business Expand

Treasurer John Chiang helped a K Street restaurant expand by facilitating two loans with a combined value of \$150,000 through a popular program that encourages banks and other financial institutions to lend to small



Treasurer John Chiang receives the Asian Pacific Islander American Public Affairs Association's 2015 Public Service Award during an October 11 event at Sac State.

businesses that would otherwise have difficulty obtaining financing. [Read the news release](#) and [watch a video about the business](#).

October 1: Treasurer Chiang Releases Debt Affordability Report

Treasurer John Chiang issued the 2015 Debt Affordability Report, which offers insights into the State of California's fiscal health, in particular its use of debt to finance critical public works projects. Read the [report](#).

Top News Clips:

- [John Chiang: How States Can Lead the Way to Retirement Security](#)
The Aspen Journal of Ideas
September/October 2015
- [Chiang Believes Disclosure Helps California Tackle Infrastructure](#)
The Bond Buyer
October 21, 2015
- [Challenging Private Equity Fees Tucked in Footnotes](#)
The New York Times
October 17, 2015
- [California Treasurer Chiang Says Private Equity Firms Should Disclose Fees](#)
ValueWalk
October 14, 2015
- [California Treasurer Wants Private Equity Firms to Disclose Pension Fees](#)
CFO
October 13, 2015
- [Disability Access: Brown OKs loan program after vetoing tax credits](#)
The Press-Enterprise
October 13, 2015
- [California Treasurer Seeks Laws on Private Equity Fee Disclosures](#)
Wall Street Journal
October 13, 2015
- [California Treasurer calls for private equity fee disclosure](#)
Reuters
October 12, 2015
- [Private equity firms might have to disclose all fees they charge public pension funds](#)
Central Valley Business Times
October 12, 2015
- [California \\$446M GO Sale Could Boost Vet Mortgages](#)
The Bond Buyer
October 5, 2015
- [California borrowing ratio down, still among highest](#)
The Sacramento Bee
October 5, 2015