STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (SCIP)

Stockton City Council
June 10, 2014
Public Hearing - Agenda Item 16.6
Tools in the Tool Belt

• Figtree PACE (Commercial)
• HERO PACE (Commercial/Residential)
• Use Tax Business Incentive Program
• Amended Local Business Preference Ordinance
SCIP Overview

- SCIP is administered by the CA Statewide Communities Development Development Authority (CSCDA).
- Joint powers authority sponsored by:
  - League of CA Cities
  - CA State Assn of Counties
- City must be a member of SCIP in order to participate and may withdraw at any time.
What is SCIP?

- Allows property owners to finance development impact fees and public capital improvements through tax exempt bonds for up to 30 years.
  - Residential, Commercial and Industrial
- Approximately 50 participating local agencies throughout CA.
Eligible Fees & Improvements

• Most Public Facilities Fees are eligible.
• Fees not included:
  • Police, Fire, School, and Housing
  • Does not include building permit, plan check, and other administrative fees.
• Capital Improvements are also eligible:
  • Roads, Sidewalks, Street Lights, Parks, Sewer/Water and Parking
Disbursement of Funds

- Funds received by SCIP will be deposited into a Local Agency (City of Stockton) Account and contain separate fee sub-accounts (water, sewer, streets, etc).
- City will access its Account by submitting a disbursement request to SCIP. Funds are typically disbursed to the City within two business days.
- Financial statements, including interest earnings, will be provided to the City.
Benefits to Property Owner

- Low-cost, long-term, tax-exempt financing of impact fees and capital improvements.
- Only property owners who choose to participate will have assessments imposed.
- Funds paid back through additional assessment on County property tax bill. Assessments may be paid off at any time.
Benefits to the City

- City is not liable for repayment of bonds issued or assessments imposed.
- No risk to the City in losing impact fees financed through SCIP.
- CSCDA handles all assessment district formation, administration, and bond issuance functions.
- Additional incentive for Economic Development.
Recommendation

• Adopt a resolution:
  • Authorizing City to join SCIP
  • Authorizing CSCDA to accept applications, conduct special assessment proceedings, and levy assessments within the territory of Stockton
  • Approving form of Acquisition Agreement for use when applicable
  • Authorizing City Manager to enter into future Acquisition Agreements with property owner
  • Authorizing related actions