

THE BOND BUYER

California IBank Reports Savings on Deal

BY [KEELEY WEBSTER](#)
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LOS ANGELES — The California Infrastructure and Economic Development Bank reported \$3.3 million in net cash flow savings after pricing a \$90 million bond deal.

The Series 2015 Infrastructure State Revolving Fund revenue bond sale included a refinancing of bond debt to consolidate ISRF portfolios and legal structures under a 2014 indenture.

"The funds strengthen IBank's ability to provide low-cost, long-term financing for much needed infrastructure and economic expansion projects throughout the state," Teveia Barnes, I-Bank's executive director, said in a June 5 prepared statement.

IBank created the ISRF Program in 1999 to provide loans for a variety of public projects in California.

IBank was created in 1994 to finance public infrastructure and private development. The bank It has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage state and federal funds.

The pricing resulted in a true interest cost of 3.14%. IBank will realize \$8.2 million in gross debt service relief and over \$3.3 million in net cash flow savings after considering all funds on hand, according to Barnes.

The 2015A transaction is the second series of bonds issued under IBank's 2014 indenture. IBank will pledge repayments of loans made under its ISRF Program to secure all bonds issued under the 2014 Indenture.

The bonds are expected to close on June 17 with final maturity on October 1, 2043. Fitch Ratings and Standard & Poor's assigned triple-A ratings; Moody's Investors Service assigned its Aa1 rating, but modified its rating outlook upward to positive.

Piper Jaffray & Co. was senior manager with Jefferies LLC as co-senior manager. Lamont Financial Services Corporation, is financial adviser; Orrick, Herrington & Sutcliffe LLP, is bond counsel; and Stradling, Yocca, Carlson & Rauth, disclosure counsel.