



OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Anna Van Degna
Director of Public Finance

May 2, 2025

Supervisor Matt Dorsey
City Hall, Room 244
City and County of San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Supervisor Dorsey:

Thank you for agreeing to introduce the Board of Supervisors resolution approving, for the purposes of the Internal Revenue Code, the issuance of tax-exempt obligations (the "Bonds") by the California Enterprise Development Authority (the "Authority") on behalf of California Institute of Integral Studies, a California nonprofit public benefit corporation (the "Borrower"), to finance and/or refinance certain capital facilities owned and operated by the Borrower as summarized below. I respectfully request introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, May 6, 2025.

Pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), to facilitate the tax exemption of interest on the Bonds the City is required to conduct a public hearing and to approve the financing by the Authority. The Office of Public Finance will hold such a hearing on Thursday, May 8, 2025, notice of which was published on the City's public notices page on April 30, 2025. I will advise if any public comments are heard or received through the public hearing process. The action by the Board will acknowledge that the hearing was duly held and that the financing is proceeding. The Bonds will be issued in an aggregate principal amount not to exceed \$15 million. I have performed a limited due diligence review of information pertaining to the project and proposed financing that I have summarized below.

The Borrower

California Institute of Integral Studies ("CIIS") is an accredited university with an enrollment of nearly 2,317 graduate and undergraduate students. CIIS expands the boundaries of traditional degree programs with transdisciplinary, cross-cultural, and applied studies utilizing face-to-face, hybrid, and online pedagogical approaches. CIIS was founded in 1968 by Dr. Haridas Chaudhuri as an educational branch of the Cultural Integration Fellowship, a non-profit, non-denominational religious and educational organization that promotes multicultural understanding and harmony, universal religion and creative self-development. CIIS's original emphasis on Asian religions and cultures has evolved to include comparative and cross-cultural studies in philosophy, religion, psychology, counseling, cultural anthropology, organizational studies, health studies, and the arts, as well as a bachelor's degree completion program.

The Project

The proceeds from the sale of the Bonds will be loaned to the Borrower for the following purposes: (i) finance and/or refinance the cost of the acquisition, construction, installation, rehabilitation, equipping and furnishing of educational and related and ancillary facilities located at 1449 and 1453 Mission Street and 950 Minna Street, San Francisco California 94103, consisting of a six-story office building with approximately 89,916

rentable square feet of space and parking facilities, including, but not limited to, classrooms, library, faculty and administrative offices, and meeting spaces (collectively, the "Facilities"), owned and operated by the Borrower, (b) fund a debt service reserve fund and capitalized interest for the Bonds, if required, and (c) pay certain costs of issuance of the Bonds.

Financing Information

Assuming all required approvals are obtained, the Authority expects to issue the Bonds in an amount not to exceed \$15 million. Bond Counsel on the transaction is Kutak Rock LLP. The Lender is Five Star Bank.

Public Approval Process

The City and County of San Francisco is a participating member of the Authority, a joint powers authority. The Authority is authorized to issue bonds, notes, certificates of participation, or other forms of indebtedness, including refunding previously issued debt. As noted above, federal tax law requires that the governing body of the jurisdiction in which the project is located approve the financing and the project after providing the opportunity for a duly-noticed public hearing before the Bonds may be issued on a tax-exempt basis. Your assistance with this matter is greatly appreciated. Please contact me at (415) 554-7693, if you any questions or require additional information. Thank you.

Sincerely,

Keith Sevigny

A handwritten signature in cursive script that reads "Keith Sevigny".

Principal Administrative Analyst
Office of Public Finance