

File No. 240062

Committee Item No. 3

Board Item No. 9

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee
Board of Supervisors Meeting

Date February 7, 2024
Date February 13, 2024

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CON Hearing Notice 1/10/2024</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CON Proof of Publication 1/10/2024</u> |
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Completed by: Brent Jalipa Date February 1, 2024

Completed by: Brent Jalipa Date February 8, 2024

1 [Issuance of Revenue Bonds - St. Ignatius College Preparatory - Renovations and
2 Improvements - Not to Exceed \$150,000,000]

3 **Resolution approving, in accordance with Internal Revenue Code, Section 147(f), of the**
4 **issuance of a tax-exempt and/or taxable revenue obligation and sale by the California**
5 **Municipal Finance Authority of its revenue bonds for the benefit of the Ignatian**
6 **Corporation in an aggregate principal amount not to exceed \$150,000,000 for the**
7 **purpose of financing the costs of renovations and improvements to and construction**
8 **of school facilities and certain other matters relating thereto, as defined herein.**

9
10 WHEREAS, The Ignatian Corporation (“Borrower”), a California nonprofit religious
11 corporation, an organization described in Section 501(c)(3) of the Internal Revenue Code of
12 1986 (“Code”) and the operator of a private college preparatory school commonly known as
13 Saint Ignatius College Preparatory, has requested that the California Municipal Finance
14 Authority (“Authority”) participate in the issuance of one or more series of revenue bonds in an
15 aggregate principal amount not to exceed \$150,000,000 (“Bonds”) to finance the costs of
16 renovations and improvements to the Borrower’s school facilities located at the main campus
17 of Saint Ignatius College Preparatory with a street address of 2001 37th Avenue, San
18 Francisco, California 94116 (“Facilities”), fund a debt service reserve fund and capitalized
19 interest for the Bonds, if required, (collectively, the “Project”); and

20 WHEREAS, A portion of the proceeds of the Bonds will be used to pay financing costs
21 and costs of issuance; and

22 WHEREAS, Pursuant to Section 147(f) of the Code, the issuance of the Bonds by the
23 Authority must be approved by a governmental unit on behalf of which the Bonds are issued;
24 and

1 WHEREAS, The Board of Supervisors (“Board”) of the City and County of San
2 Francisco is the elected legislative body of the City and County of San Francisco (“City”) and
3 is one of the “applicable elected representatives” required to approve the issuance of the
4 Bonds under Section 147(f) of the Code; and

5 WHEREAS, The Authority has requested that the Board approve the issuance of the
6 Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of
7 the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement
8 Relating to the California Municipal Finance Authority, dated as of January 1, 2004
9 (“Agreement”), among certain local agencies, including the City; and

10 WHEREAS, On January 10, 2024, the City caused a notice to appear on its website,
11 stating that a telephonic public hearing with respect to the issuance of the Bonds would be
12 held by the Office of Public Finance on January 18, 2024; and

13 WHEREAS, The Office of Public Finance of the City has held such public hearing on
14 January 18, 2024, and an opportunity was provided for persons to comment on the issuance
15 and sale of the Bonds and the plan of financing of the Project; now, therefore, be it

16 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
17 hereby finds and determines that all of the recitals are true and correct. The Board hereby
18 approves the issuance of the Bonds by the Authority which Bonds may be tax-exempt and/or
19 taxable as approved by the Authority in its Resolution, in an amount not to exceed
20 \$150,000,000 to finance the costs of renovations and improvements to the Facilities, to fund a
21 debt service reserve fund and capitalized interest for the Bonds, if required, and to pay certain
22 expenses incurred in connection with the issuance of the Bonds. This Resolution shall
23 constitute public approval of the issuance of the Bonds within the meaning of Section 147(f) of
24 the Code and shall constitute the approval of the issuance of the Bonds within the meaning of
25 the Act; provided, however, that this Resolution shall not constitute an approval by the Board

1 of the Project for any other purposes, including compliance thereof with CEQA, nor does it
2 constitute an approval of the underlying credit or financial structure of the Bonds. The City
3 shall not bear any responsibility for the issuance of the Bonds, the tax-exempt status of the
4 Bonds, the repayment of the Bonds and will not constitute an indebtedness or obligation, or a
5 pledge of the faith and credit of, the City or the Authority (except to the limited extent
6 described herein) or any other matter related to the Bonds; and be it

7 FURTHER RESOLVED, That all actions heretofore taken by the officers, employees
8 and agents of the City with respect to the approval of the issuance of the Bonds are hereby
9 approved, confirmed and ratified, and the officers and employees of the City and their
10 authorized deputies and agents are hereby authorized and directed, jointly and severally, to
11 do any and all things and to execute and deliver any and all certificates and documents which
12 they or bond counsel may deem necessary or advisable in order to consummate the issuance
13 of the Bonds and otherwise to effectuate the purposes of this Resolution; and, be it

14 FURTHER RESOLVED, That the adoption of this Resolution shall not obligate the City
15 or any department thereof to (i) provide any financing for the Project; (ii) approve any
16 application or request for or take any other action in connection with any action necessary for
17 the operation of the Project; or (iii) make any contribution or advance any funds whatsoever to
18 the Authority; and, be it

19 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
20 adoption.

21 APPROVED AS TO FORM:
22 DAVID CHIU, City Attorney

23
24 By: /s/ Mark D. Blake
Mark D. Blake
Deputy City Attorney

25 n:\financlas2024\1300182\01728884.docx

CITY AND COUNTY OF SAN FRANCISCO

**NOTICE OF PUBLIC HEARING PURSUANT TO
SECTION 147(f) OF THE INTERNAL REVENUE CODE OF
1986, AS AMENDED, FOR THE FINANCING OF CERTAIN
FACILITIES FROM THE ISSUANCE OF TAX-EXEMPT
OBLIGATIONS**

NOTICE IS HEREBY GIVEN that at 2:00 p.m. on January 18, 2024, a telephonic public hearing (“Public Hearing”) will be held by the City and County of San Francisco’s Controller’s Office of Public Finance for the proposed issuance of tax-exempt obligations qualifying as “qualified 501(c)(3) bonds,” in one or more series (“Obligations”), by the California Municipal Finance Authority (“Authority”), in an aggregate principal amount not to exceed \$150,000,000, the interest on which is intended to be federally tax-exempt and exempt from State of California personal income taxes. The Public Hearing is intended to comply with the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (“Code”), and the Treasury Regulations promulgated thereunder.

The Public Hearing will be accessible by telephonic access only. The Office of Public Finance will open the hearing promptly at 2:00 p.m. and close the hearing at 2:10 p.m. unless additional time is needed to ensure that all public comments are received. The toll-free number and access code for the Public Hearing are as follows:

Toll-Free Number: 1-877-402-9753

Access Code: 8883457#

Proceeds of the Obligations will be loaned by a financial institution to the Authority, which will simultaneously loan such proceeds to The Ignatian Corporation, a California nonprofit religious corporation (the “Borrower”) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”) and the operator of a private college preparatory school commonly known as Saint Ignatius College Preparatory, pursuant to one or more loan agreements or similar financing arrangements (collectively, “Loan Agreement”). The Borrower intends to use the proceeds of the Obligations, together with other funds of the Borrower, (1) finance the costs of renovations and improvements to the Borrower’s school facilities located at the main campus of Saint Ignatius College Preparatory with a street address of 2001 37th Avenue, San Francisco, California 94116, (2) fund a debt service reserve fund and capitalized interest for the Bonds, if required, and (3) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Project”).

The Project is and will be owned and operated by, and used in an integrated operation of, the Borrower.

The Obligations will be issued in one or more series and will be paid entirely from payments by the Borrower under the Loan Agreement. Neither the full faith and credit nor the taxing power, if any, of the City and County of San Francisco (“City”), the Authority and its members, the State of California (“State”) or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Obligations, nor shall the City, the Authority and its members, the State, or any other political corporation, subdivision or

agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on the Obligations. Members of the public wishing to comment on the proposed issuance of the Obligations, the nature or location of the Project, or the plan of the proposed financing for the Project may dial into the Public Hearing using the toll-free number and access code set forth above, or may submit written comments, which must be received prior to the Public Hearing, to the City's Office of Public Finance as follows: PublicFinance@sfgov.org.

Date: January 10, 2024

CITY AND COUNTY OF SAN FRANCISCO



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

AFFIDAVIT OF PUBLICATION ON CITY WEBSITE

Keith Sevigny, the undersigned, hereby certifies that the attached Notice of TEFRA Hearing (Notice) was published on the Public Forms & Notices page maintained by the Controller's Office at the following Web address:

<https://sf.gov/tax-equity-fiscal-responsibility-act-hearing-notices-tefra>

The TEFRA section of the Controller's Public Forms & Notices page is listed on the City's primary public website for Public Notices at the following web address:

<https://sfgov.org/public-notices>

The Notice was posted on 01/10/2024, and was maintained continuously on the website until 01/18/2024. A copy of a screen shot of the notice is attached as Exhibit A.

Executed on 01/18/2024 in San Francisco, California.

Keith Sevigny

Keith Sevigny

Exhibit A – Screen Shots of Posted TEFRA Notice

sf.gov/tax-equity-fiscal-responsibility-act-hearing-notices-tefra

TEFRA Hearing Notices

| | |
|--|---|
| 2024 | — |
| TEFRA Notice - Saint Ignatius College Preparatory School 1.10.2024 | |
| 2022 | + |
| 2021 | + |
| 2020 | + |

3 | AFFIDAVIT OF PUBLICATION ON CITY WEBSITE

https://www.sf.gov/sites/default/files/2024-01/TEFRA%20Notice%20%28CMFA%20Revenue%20Bonds%20St.%20Ignatius%20College%20Preparatory%29_1.10.24.pdf

Draw | Read aloud | Ask Copilot | 1 of 2

CITY AND COUNTY OF SAN FRANCISCO
NOTICE OF PUBLIC HEARING PURSUANT TO SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR THE FINANCING OF CERTAIN FACILITIES FROM THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS

NOTICE IS HEREBY GIVEN that at 2:00 p.m. on January 18, 2024, a telephonic public hearing ("Public Hearing") will be held by the City and County of San Francisco's Controller's Office of Public Finance for the proposed issuance of tax-exempt obligations qualifying as "qualified 501(c)(3) bonds," in one or more series ("Obligations"), by the California Municipal Finance Authority ("Authority"), in an aggregate principal amount not to exceed \$150,000,000, the interest on which is intended to be federally tax-exempt and exempt from State of California personal income taxes. The Public Hearing is intended to comply with the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended ("Code"), and the Treasury Regulations promulgated thereunder.

The Public Hearing will be accessible by telephonic access only. The Office of Public Finance will open the hearing promptly at 2:00 p.m. and close the hearing at 2:10 p.m. unless additional time is needed to ensure that all public comments are received. The toll-free number and access code for the Public Hearing are as follows:

Toll-Free Number: 1-877-402-9753
Access Code: 888457#

Proceeds of the Obligations will be loaned by a financial institution to the Authority, which will simultaneously loan such proceeds to The Ignatius Corporation, a California nonprofit religious corporation (the "Borrower") an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and the operator of a private college preparatory school commonly known as Saint Ignatius College Preparatory, pursuant to one or more loan agreements or similar financing arrangements (collectively, "Loan Agreement"). The Borrower intends to use the proceeds of the Obligations, together with other funds of the Borrower, (1) finance the costs of renovations and improvements to the Borrower's school facilities located at the main campus of Saint Ignatius College Preparatory with a street address of 2001 37th Avenue, San Francisco, California 94116, (2) fund a debt service reserve fund and capitalized interest for the Bonds, if required, and (3) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project").

The Project is and will be owned and operated by, and used in an integrated operation of, the Borrower.

The Obligations will be issued in one or more series and will be paid entirely from payments by the Borrower under the Loan Agreement. Neither the full faith and credit nor the taxing power, if any, of the City and County of San Francisco ("City"), the Authority and its members, the State of California ("State") or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Obligations, nor shall the City, the Authority and its members, the State, or any other political corporation, subdivision or

4877-7985-7888(3.201019-0001)

https://www.sf.gov/sites/default/files/2024-01/TEFRA%20Notice%20%28CMFA%20Revenue%20Bonds%20St.%20Ignatius%20College%20Preparatory%29_1.10.24.pdf

Draw | Read aloud | Ask Copilot | 2 of 2

agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on the Obligations. Members of the public wishing to comment on the proposed issuance of the Obligations, the nature or location of the Project, or the plan of the proposed financing for the Project may dial into the Public Hearing using the toll-free number and access code set forth above, or may submit written comments, which must be received prior to the Public Hearing, to the City's Office of Public Finance as follows: PublicFinance@sfgov.org.

Date: January 10, 2024

CITY AND COUNTY OF SAN FRANCISCO

4877-7985-7888(3.201019-0001)



OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

Anna Van Degna
Director of Public Finance

January 16, 2024

Supervisor Joel Engardio
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 Engardio:

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 revenue bonds (the "Bonds") by the California Municipal Finance Authority (the "Authority") on behalf of The Ignatian Corporation (the operator of a private college preparatory school commonly known as Saint Ignatius College Preparatory), a California nonprofit religious corporation (the "Borrower"). The Bonds will finance the costs of renovations and improvements to the Borrower's school facilities as summarized below. I respectfully request introduction of the resolution at the meeting of the Board of Supervisors on Tuesday, January 23, 2024.

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 hearing on Thursday, January 18, 2024, notice of which was published on the City's public notices page on January 10, 2024. I will advise if any public comments were 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 one or more series with an aggregate principal amount not to exceed \$150,000,000. I have performed a limited due diligence review of information pertaining to the project and proposed financing that I have summarized below.

The Borrower

Saint Ignatius College Preparatory was founded in 1855 and served students ranging in age from 8 to 20. After outgrowing a few locations, the school moved its main campus to its current Sunset District location in 1969. The stated mission of the school is to challenge "students to lead lives of faith, integrity, and compassion" and with "a commitment to intellectual excellence, leadership, service, and justice." The current enrollment of the school is 1,475 students with faculty and staff of 210.

The Project

The proceeds from the sale of the Bonds will be loaned to the Borrower for the following purposes: (i) to finance the costs of renovations and improvements to the Borrower's school facilities located at the main campus of Saint Ignatius College Preparatory with a street address of 2001 37th Avenue, San Francisco, California 94116 (the "Facilities"), (ii) to fund a debt service reserve fund and capitalized interest for the Bonds, if required, (collectively, the "Project"); and (ii) to pay financing costs and costs of issuance.

Financing Information

Assuming all required approvals are obtained, the Authority expects to issue the Bonds in an amount not to exceed \$150 million in April 2024. Bond Counsel on the transaction is Stradling Yocca Carlson & Rauth, P.C.

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 by email or by phone at (415) 554-7693, if you have any questions or require additional information. Thank you.

Sincerely,

Keith Sevigny

Principal Administrative Analyst

Office of Public Finance

From: [aeboken](#)
To: [Chan, Connie \(BOS\)](#); [Hsieh, Frances \(BOS\)](#); [Mandelman, Rafael \(BOS\)](#); [MandelmanStaff \(BOS\)](#); [Melgar, Myrna \(BOS\)](#); [MelgarStaff \(BOS\)](#); [Jalipa, Brent \(BOS\)](#); [Sevigny, Keith \(CON\)](#); [Trivedi, Vishal \(CON\)](#); [Bell, Tita \(BOS\)](#); [Deb Brown](#); [Charles Head](#); [Van Degna, Anna \(CON\)](#)
Subject: Urging CONTINUANCE of Budget and Finance Committee February 7, 2024 Agenda Item #3 [Issuance of Revenue Bonds - St Ignatius College Preparatory - Renovations and Improvements - Not to Exceed \$150,000,000] File #240062
Date: Wednesday, February 7, 2024 4:38:35 AM

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

TO: Budget and Finance Committee members

cc: Office of Public Finance
Clerk of the Budget and Finance Committee

FR: Eileen Boken,
State and Federal Legislative Liaison

Coalition for San Francisco Neighborhoods*

* For identification purposes only.

RE: Budget and Finance Committee February 7, 2024 Agenda Item #3 [Issuance of Revenue Bonds - St Ignatius College Preparatory - Renovations and Improvements - Not to Exceed \$150,000,000] File #240062

Position: Urging continuance

Although the Office of Public Finance has fulfilled all of its legal requirements, the TEFRA process is largely opaque to members of the public.

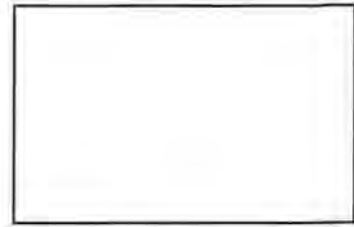
I'm requesting a continuance in order to allow for the community to review supporting documents and submit comments to the Budget and Finance Committee.

###

Sent from my Verizon, Samsung Galaxy smartphone

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor _____ inquires..."
- 5. City Attorney Request
- 6. Call File No. _____ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. _____
- 9. Reactivate File No. _____
- 10. Topic submitted for Mayoral Appearance before the Board on _____

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Engardio

Subject:

[St. Ignatius Tefra Resolution]

Long Title or text listed:

Resolution of the Board of Supervisors of the City and County of San Francisco approving for purposes of Internal Revenue Code section 147(f) the issuance and sale by California Municipal Finance Authority of its revenue bonds for the benefit of the Ignatian Corporation in an aggregate principal amount not to exceed \$150,000,000 for the purpose of financing the costs of renovations and improvements to and construction of school facilities and certain other matters relating thereto.

Signature of Sponsoring Supervisor: