



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