



California State Treasurer Fiona Ma, CPA

News Release

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State Treasurer Fiona Ma Announces Sale of \$35 Million of Bonds for Art Center College of Design

SACRAMENTO – California State Treasurer Fiona Ma announced the successful sale today of \$35 million in tax-exempt conduit revenue bonds for Art Center College of Design (Art Center), in Pasadena. The sale was approved by the California Educational Facilities Authority (CEFA), chaired by Treasurer Ma.

Proceeds of the bonds will be used by Art Center to finance certain projects in their 15-year Master Plan to improve educational facilities at the Hillside and South Campuses. The projects in the Master Plan will allow student enrollment to increase. Specifically, funds will be used to renovate and convert an existing 18,000 square-feet of space to hold a total of 30,000 square feet of specialized labs, classrooms, exhibition space, studios and offices and a flexible lecture space in the Mullin Transportation Design Center. Another project will construct the South Campus Shop, a single-story, pre-engineered metal building with approximately 19,400 square-feet of space, alongside 5,200 square-feet of outside fabrication area. This building will provide multiple workspaces, including shops, fabrication labs, and painting spray booths, as well as various education spaces.

“Funding from this bond sale will help implement Art Center’s goal of connecting its two physically distinct campuses through thoughtful development of technology resources, multi-modal transportation systems, community gathering points, and on-the-ground resources,” said Treasurer Ma. “We are pleased that this financing will support the expansion of one of the leading art institutes in the world.”

“I want to thank CEFA, the State Treasurer’s Office, and the Board for our longstanding partnership and support. This is going to help us continue to deliver on our mission and help

our students,” stated Rich Haluschak, Art Center’s Senior Vice President, Chief Financial & Administrative Officer.

The bonds are rated Baa1 by Moody’s Investors Service. Wells Fargo Bank, N.A. is the underwriter on the sale. The all-in true interest rate of the bonds is 3.11 percent. Art Center is a California nonprofit, non-sectarian, co-educational institution which prepares students for careers in various art and design professions. With a current enrollment of approximately 2,022 students, Art Center has a student/faulty ratio of 8 to 1 and offers 11 undergraduate and seven graduate degrees in a wide array of industrial design, visual and applied arts disciplines. Art Center has over 800 employees and a \$115 million operating budget, much of which directly supports local vendors and businesses in the Pasadena and Southern California region.

CEFA was established in 1973 as the state's vehicle for providing financial assistance to private, non-profit institutions of higher learning through loans funded by the issuance of tax-exempt conduit revenue bonds. Since inception, CEFA has issued bonds in 379 financing transactions on behalf of 59 colleges and universities throughout California.

The CEFA Bond Financing Program provides qualified nonprofit higher education institutions with access to low interest rate capital markets through the issuance of tax-exempt and taxable revenue bonds. Bond proceeds fund construction or renovation projects, land or existing building acquisition for future projects, refinancing of existing debt, working capital for start-up facilities, and costs of bond issuance.

For more information on CEFA’s Bond Financing Program, to apply for bond financing through CEFA, or to learn about other funding opportunities, please visit [CEFA’s website](#).

Conduit revenue bonds issued by CEFA are special, limited obligations payable solely from payments made by the underlying borrower pursuant to the transaction documents and from funds and accounts established under the transaction documents, and CEFA shall not be directly or indirectly or contingently or morally obligated to use any moneys or assets of CEFA for all or any portion of payment to be made pursuant to the bonds.

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Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s

Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in transactions, within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio that has averaged well over \$100 billion during her administration—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.

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