

**\$16,750,000\***  
**CALIFORNIA SCHOOL FINANCE AUTHORITY**  
**EDUCATIONAL FACILITIES 2026 TAX-EXEMPT LOAN**  
**(VOICES COLLEGE-BOUND LANGUAGE ACADEMIES)**  
**ITEM #5 - RESOLUTION 26-15**

**Executive Summary**

<b>Applicant/Borrower:</b>	VCBLA Nido LLC
<b>Par Amount Requested:</b>	Not-to-Exceed \$16,750,000
<b>Financing Term:</b>	Fixed rate, 10-years, 25-Year Amortization
<b>Projected Interest Rate:</b>	4.71%* ( <i>*Preliminary, subject to change, 10-year UST+1.80*0.75 per term-sheet</i> )
<b>Applicant Description:</b>	VCBLA Nido LLC, a California limited liability company, is the Borrower. The Borrower was formed for the specific purpose of owning and leasing property for the benefit of Voices College-Bound Language Academies, a California nonprofit corporation and organization as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
<b>Type of Financing:</b>	Tax-Exempt Loan
<b>Project User:</b>	Voices College-Bound Languages, specifically Voices College-Bound Language Academy at Morgan Hill, Voices College-Bound Language Academy at West Contra Costa County
<b>County Served:</b>	Santa Clara County, Contra Costa County
<b>District in Which Project is Located:</b>	Santa Clara County Board of Education, West Contra Costa Unified School District
<b>Charter Authorizer:</b>	Santa Clara County Board of Education, West Contra Costa Unified School District
<b>Financing Description:</b>	Proceeds will be used to finance, refinance and/or reimburse the Borrower for the cost of acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of certain educational facilities located in Morgan Hill & Richmond, California; pay capitalized interest; fund related working capital; and pay certain costs of issuance.
<b>Project Sites:</b>	16505 Monterey Road, Morgan Hill, 95037 2354 Andrade Avenue, Richmond, 94804
<b>Financing Details:</b>	<b>Type of Issue:</b> Charter School Loan <b>Tax Status:</b> Tax-Exempt <b>Maturity:</b> 25 years, not to exceed 2052 <b>Credit Enhancement:</b> No <b>Credit Rating:</b> Unrated <b>Fees:</b> See Costs of Issuance Table
<b>Financing Team:</b>	<b>Bond Counsel:</b> Kutak Rock LLP <b>Borrower's Counsel:</b> Young Minney & Corr LLP <b>Issuer's Counsel:</b> Office of the Attorney General <b>Financial Advisor:</b> First Tryon Advisors, LLC <b>Lender:</b> Tri-Counties Bank <b>Lender's Counsel:</b> Nixon Peabody LLP
<b>CSFA Analyst:</b>	Robby Biegler
<b>Date of CSFA Board Meeting:</b>	June 10, 2026
<b>Resolution Number:</b>	26-15

**Staff Recommendation:** Staff recommends the Authority Board approve Resolution Number 26-15 authorizing the issuance of tax exempt and taxable loan obligations in an amount not to exceed \$16,750,000 to finance, refinance and/or reimburse the Borrower for the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing, and/or equipping of certain educational facilities located in Santa Clara and West Contra Costa Counties for use by Voices College-Bound Language Academies.

**Background and History:** Voices College-Bound Language Academies (VCBLA) commenced operating in 2007 in San Jose, with a curriculum focused on dual language learning, serving a 96% Latinx student population. VCBLA now operates five charter schools on five campuses across the Bay Area and Peninsula serving over 1,500 students in TK-8<sup>th</sup> Grade. Those schools include Voices College-Bound Language Academy (VCBLASJ, 2007); Voices College-Bound Language Academy at Mount Pleasant (VCBLAMP, 2015); Voices College-Bound Language Academy at Morgan Hill (VCBLAMH, 2015); Voices College-Bound Language Academy at West Contra Costa County (VCBLAWCC, 2018); and Voices College-Bound Language Academy at Stockton (VCBLAS, 2020). Charter authorizers, terms, and locations can be found below. This financing will provide funds for VCBLA’s VCBLAMH and VCBLAWCC schools. The current charter for VCBLAMH is active through 6/30/2031. The current charter for VCBLAWCC is active through 6/30/2028.

Campus	Grades	Location	Type
Flagship	TK-8	715 Hellyer Ave, San Jose, CA 95111	District Ground Lease
Morgan Hill	TK-8	16505 Monterey Road, Morgan Hill, CA 95037	Owned
Mount Pleasant	TK-8	14271 Story Road, San Jose, CA 95127	District Lease
WCC	TK-8	201 28 <sup>th</sup> St, Richmond, CA 94804	District Lease
Andrade Annex	TK-8	2354 Andrade Ave, Richmond, CA 94804	Owned
Stockton	TK-8	321 E Weber Ave, Stockton, CA 95202	District Lease

**Summary Demographics**

- 66.1% FRL / Economically Disadvantaged
  - 10.2% SPED
  - 96.2% Latino
- Average Class Size: 28-30 Students

Enrollment Projections across the network include:

Enrollment School	Historical			Projected				
	2024	2025	2026	2027	2028	2029	2030	2031
Flagship	337	317	344	370	371	373	375	396
Morgan Hill	289	339	388	400	415	425	425	425
Mt. Pleasant	242	236	237	240	240	240	240	240
WCC	290	344	414	454	467	488	513	512
Stockton	118	139	161	200	240	270	300	350
<b>Total</b>	<b>1,276</b>	<b>1,375</b>	<b>1,544</b>	<b>1,664</b>	<b>1,733</b>	<b>1,796</b>	<b>1,853</b>	<b>1,923</b>

Enrollment Grade	Historical			Projected				
	2024	2025	2026	2027	2028	2029	2030	2031
TK	51	100	142	148	151	157	163	171
K	129	140	183	191	195	200	209	218
1	144	142	154	160	164	180	186	193
2	175	154	141	145	160	173	191	196
3	177	179	158	154	156	166	175	194
4	163	174	173	201	190	168	179	189
5	143	152	175	166	189	204	179	191
6	115	134	176	180	162	190	200	184
7	108	105	135	181	182	168	195	207
8	71	95	107	139	184	190	175	182
<b>Total</b>	<b>1,276</b>	<b>1,375</b>	<b>1,544</b>	<b>1,664</b>	<b>1,733</b>	<b>1,796</b>	<b>1,853</b>	<b>1,923</b>

Relative to projected enrollment growth across the network, according to information provided by the Borrower:

- VCBLA has grown enrollment by 3% on average since 2021, with over 10% in recent years and are projecting growth of ~4% going forward, which matches the historic track record. Trailing 3-year average waitlist was 80 students.
- The Stockton campus is adding three grades to get to K-8 by 2028. VCBLAWCC, VCBLAMH, and other campuses still have smaller grades of ~25-30 students from their initial openings that are working their way through (the school is already staffed for those grades at full enrollment, as they will eventually be higher enrolment per grade). Those two factors account for over half of the anticipated enrollment growth, meaning recruiting new students isn't imperative to meeting the mission.
- Current break-evens allow for effectively no projected growth across the network.

### **Project Description**

The proceeds of the loan will be used to: (1) finance, refinance and/or reimburse the Borrower for the costs of the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of certain educational facilities for VCBLAMH, located at 16505 Monterey Road, Morgan Hill 95037 and for VCBLAWCC, located at 2354 Andrade Avenue, Richmond 94804; and (2) to pay certain expenses incurred in connection with the issuance of the Loan.

**Facilities Information**

Site	Landlord	Location	Purpose	Amount
VCBLAMH	VCBLA Nido LLC	16505 Monterey Road, Morgan Hill, 95037	Refinance	\$11,250,000
VCBLAMH	VCBLA Nido LLC	16505 Monterey Road, Morgan Hill 95037	Renovation	\$3,295,000
VCBLAWCC	VCBLA Nido LLC	2354 Andrade Ave, Richmond 94804	Reimbursement and Improvements	\$1,875,000
<b>Total Estimated Project Costs</b>				<b>\$16,420,000</b>

VCBLA Nido LLC is refinancing a loan originally used to purchase a 20,500 square foot facility for VCBLAMH that has 18 classrooms and serves 550 students. That loan was taken out in 2016 through Blueprint Realty and Lending. Additionally, Borrower is seeking reimbursements of \$3,295,000 of previously expended costs. Those costs were used to fund interior and exterior campus renovation and improvements.

The Borrower is similarly seeking reimbursement of \$1,875,000 of previously expended costs used to fund VCBLAWCC campus acquisition and improvements. The VCBLAWCC campus is 6,600 square feet with 4 classrooms and serves 110 students.

Tri-Counties Bank (the Lender) will make a loan to CSFA, who will in turn lend the proceeds to the Borrower. The proposed fixed interest rate is 4.66% as of 6/1/2026, but is subject to change as it is a calculation of (10-year US Treasury + 1.80%) x 75%. Rate lock is within 30 days of closing, currently targeted for 6/25/2026.

**Financing**

**Borrower:** The Borrower was formed for the specific purpose of holding real property for the benefit of VCBLA, its sole member.

**Security and Source of Payment:** The Borrower, CSFA, and the Lender will enter into a loan agreement (Loan Agreement). The Borrower’s obligations under the Loan Agreement will be secured by a pledge of revenues of the Borrower, including rental revenues from the financed facilities, and mortgages on all related real property interests. The rent VCBLA will pay under its leases with the Borrower will be subject to intercept, and the revenues VCBLA generates through VCBLAMH and VCBLAWCC will be pledged as security for the lease payments. All payments subject to the Intercept shall only be transferred to Tri-Counties Bank to repay the Loan.

Funds received by the Lender pursuant to the Intercept will be applied solely for the uses and purposes set forth in the Loan Agreement, including the payment of debt service on the Loan. Under the laws of the State of California, no other party, including Voices-College Bound Language Academies, the Borrower, or any of their respective creditors will have any claim to the money apportioned or to be apportioned to the Lender by the State Controller’s Office pursuant to the Intercept.

**Preliminary Sources and Uses and Preliminary Costs of Issuance:** Below are the preliminary estimated sources and uses, and detailed information about the expected costs of issuance for board consideration. Please note these figures are subject to change between the time the Board packets are distributed and are further subject to final pricing.

<b>Sources and Uses</b>			
<b>Sources:</b>	<b>Series 2026 (Tax-Exempt)</b>	<b>Equity</b>	<b>Total</b>
Proceeds			
Par Amount:	\$16,750,000		\$16,750,000
Equity Contribution		\$170,000	\$170,000.00
<b>Total:</b>	\$16,750,000		\$16,920,000
<b>Uses:</b>	<b>Series 2026 (Tax-Exempt)</b>		<b>Total</b>
Project Fund Deposit			
Refinance of Blueprint Loan	\$11,250,000		\$11,250,000
Reimbursement of Andrade	\$3,295,000		\$3,295,000
Reimbursement of Morgan Hill	\$1,875,000		\$1,875,000
Cost of Issuance	\$330,000	\$170,000	\$500,000.00
<b>Total</b>	<b>\$16,750,000</b>	<b>\$170,000</b>	<b>\$16,920,000</b>

<b>Total Costs of Issuance*</b>	
<b>Expense</b>	<b>Amount</b>
<b>Issuer Fee</b>	\$18,375.00
<b>Annual Admin Fee</b>	2,212.50
<b>Agent-for-Sale Fee</b>	3,500.00
<b>Issuer's Counsel Fee</b>	20,000.00
<b>Bond Counsel Fee</b>	100,000.00
<b>Borrower's Counsel Fee</b>	75,000.00
<b>Financial Advisor Fee</b>	125,625.00
<b>Bank Counsel Fee</b>	55,000.00
<b>Contingency</b>	100,287.50
<b>Total</b>	<b>\$500,000</b>

\*Estimates based on principal amount of \$16,750,000.

While the contingency line item appears high, it is intended only to demonstrate the maximum amount of equity the borrower is willing to contribute relative to offsetting cost of issuance fees and avoiding a taxable tail. It will not be coming out of loan proceeds. Cost of issuance is expected to be around \$399,713.

### **Sales Restrictions**

The following sales restrictions will apply. The Authority's sales restrictions can be viewed at: <http://treasurer.ca.gov/csfa/financings/guidelines.pdf>. The Loan will be non-transferable except to Qualified Institutional Buyers (QIBs) and Accredited Investors (AIs). The following restrictions will apply:

1. The Note will not be broken into smaller denominations;
2. The Note will be privately placed with Tri-Counties Bank;
3. Tri-Counties Bank will be required to execute an Investor Letter;
4. Subsequent transfers of the Note will be limited to transfers between Tri-Counties Bank to its affiliates or to other Qualified Institutional Buyers or Accredited Investors;
5. Sales restrictions will be conspicuously noted on the Note and in the Loan documents;

6. Loan repayments will be made via the intercept mechanism outlined in Section 17199.4 of the Education Code.

### **Other Project Data**

**Tax Equity and Fiscal Responsibility Act (TEFRA):** The TEFRA Notice was published on the Authority's Webpage on or prior to May 27, 2026. The TEFRA hearing took place on June 3, 2026, prior to the Board meeting, and no comments are anticipated. If any are received, they will be reported at the meeting.

**Due Diligence Undertaken to Date:** Any information in this staff report related to the Borrower or the Project, including any data or analysis related to the Borrower's financial condition or ability to repay the financing, is based on information provided by the Borrower and was prepared solely for members of the Authority's Board to satisfy certain provisions of the Education Code section 17183.5. This report does not constitute a recommendation by the Authority to make the loan. Potential lenders are advised to obtain information essential to the making of an investment decision.

**Borrower Financial Data:** Borrower operates as a single-purpose entity, of which Voices College-Bound Language Academies is the sole member, with no assets other than the facilities owned or leased by it and its rights under the related leases, which have been or will be assigned to the Lender to the extent they are related to the facilities financed with proceeds of the Loan. The Borrower was formed for the purpose of supporting VCBLA, including by owning facilities, and is not expected to have any other assets or revenue available to make payments due under the Loan Agreement. Voices College-bound Language Academies is a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code.

### **Staff Recommendation**

Staff recommends the Board adopt Resolution 26-15 authorizing the issuance of a tax exempt loan in an amount not to exceed \$16,750,000 to finance, refinance and/or reimburse the acquisition, construction, expansion, rehabilitation, renovation, furnishing, and/or equipping of certain educational facilities located in Santa Clara and Contra Costa Counties for use by VCBLA.

1. **Applicant / Borrower:** VCBLA Nido LLC
2. **Project:** Loan Refinancing and Reimbursements
3. **Amount of Financing:** Not to exceed \$16,750,000
4. **Maturity:** 25 years (10-Year Put)
5. **Repayment/Security:** Intercept of Lease Payments, Deed of Trust on Real Property, and certain personal property
6. **Preliminary Interest Rate:** 4.71%
7. **Preliminary Cost of Issuance:** The preliminary Costs of Issuance is \$500,000
8. **Not an Unconditional Commitment:** The Authority resolution shall not be construed as an unconditional commitment to finance the Project, but rather the Authority's approval pursuant to the Resolution conditioned upon entry by the Authority and Borrower into a loan agreement, in form and substance satisfactory to the Authority and its counsel.
9. **Limited Time:** The Board's approval expires 12 months from the date of its adoption. Thus, CSFA must issue the loan no later than 12 months from that date. Once the approval has expired, the item must return to the Board for new approval.

**APPENDIX A:**

**School Leadership**

<b>Member</b>	<b>Position</b>
<b>Aldo Ramirez</b>	Chief Executive Officer
<b>Jamie Mata</b>	Chief Operations Officer
<b>Deanna Flores</b>	Chief Culture Officer
<b>Ellyn Magana</b>	Chief Innovation & Strategy Officer

**Board of Directors**

<b>Member</b>
Kim Wisckol, Chair
Servando Sandoval, Member
Alice Miller, Member
Pedro Carreno, Member
Judy Nguyen, Member
Dena Koren, Member
Sofia Rocha, Member
Maricruz Ruiz, Member

**APPENDIX B:  
BUDGET PROJECTIONS**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>Enrollment</b>	<b>1,544</b>	<b>1,664</b>	<b>1,733</b>	<b>1,796</b>	<b>1,853</b>

<b>Revenue</b>					
State Revenue	\$23,078,909	\$25,479,748	\$27,275,379	\$29,053,963	\$30,864,412
Federal Revenue	1,454,607	1,612,859	1,730,007	1,845,499	1,960,223
Local Revenue	8,601,105	9,110,767	9,848,457	10,445,020	11,027,898
<b>Total Revenue</b>	<b>33,134,621</b>	<b>36,203,374</b>	<b>38,853,843</b>	<b>41,344,482</b>	<b>43,852,533</b>

<b>Expenses</b>					
Personnel Expense	19,918,258	18,647,469	19,586,174	20,319,460	21,392,136
Facilities Expense	5,171,710	5,278,979	5,372,447	5,470,524	5,571,308
Other	8,864,028	9,717,194	10,294,994	11,222,476	11,850,381
<b>Total Expenses</b>	<b>\$33,953,996</b>	<b>\$33,643,641</b>	<b>\$35,253,614</b>	<b>\$37,012,460</b>	<b>\$38,813,824</b>

<b>Change in Net Assets</b>					
	<b>\$-819,375</b>	<b>\$2,559,732</b>	<b>\$3,600,230</b>	<b>\$4,332,022</b>	<b>\$5,038,709</b>
Change in Net Assets	-819,375	2,559,732	3,600,230	4,332,022	5,038,709
Plus: Interest Expense	192,019	693,785	746,078	731,181	717,642
Plus: Depreciation & Amortization	924,148	923,257	920,723	920,723	920,723
<b>Cash Flow Available for Debt Service</b>	<b>\$296,792</b>	<b>\$4,176,774</b>	<b>\$5,267,030</b>	<b>\$5,983,925</b>	<b>\$6,677,074</b>

Debt Service	\$950,135	\$936,785	\$1,022,078	\$1,022,181	\$1,022,642
<b>DSCR</b>	<b>0.31x</b>	<b>4.46x</b>	<b>5.15x</b>	<b>5.85x</b>	<b>6.53x</b>
<b>DS/Budget</b>	<b>2.80%</b>	<b>2.78%</b>	<b>2.90%</b>	<b>2.76%</b>	<b>2.63%</b>
Unrestricted Cash & Investments	<b>\$7,344,993</b>	<b>\$10,734,982</b>	<b>\$14,984,434</b>	<b>\$19,950,814</b>	<b>\$25,610,020</b>
Daily Cash Expense	\$90,493	\$89,645	\$94,063	\$98,881	\$103,817
<b>Days Cash on Hand</b>	<b>81</b>	<b>120</b>	<b>159</b>	<b>202</b>	<b>247</b>
Pro Forma Outstanding Debt	\$16,750,000	\$16,434,000	\$16,158,000	\$15,867,000	\$15,562,000
<b>Liquidity Ratio</b>	<b>0.47</b>	<b>0.65</b>	<b>0.93</b>	<b>1.26</b>	<b>1.65</b>
<b>Debt per Student</b>	<b>\$10,154</b>	<b>\$9,876</b>	<b>\$9,324</b>	<b>\$8,835</b>	<b>\$8,398</b>