



EXHIBIT E

MEET AND CONFER REQUEST FORM

Instructions: Please fill out this form in its entirety to initiate a Meet and Confer session. Additional supporting documents may be included with the submittal of this form—as justification for the disputed item(s). Upon completion, email a PDF version of this document (including any attachments) to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Request to Meet and Confer”. Upon receipt and determination that the request is valid and complete, the Department of Finance (Finance) will contact the requesting agency within ten business days to schedule a date and time for the Meet and Confer session.

To be valid, all Meet and Confer requests must be specifically related to a determination made by Finance and submitted within the required statutory time frame. The requirements are as follows:

- **Housing Asset Transfer** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34176 (a) (2).
- **Due Diligence Review** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter, and no later than **November 16, 2012** for the Low and Moderate Income Housing Fund due diligence review per HSC Section 34179.6 (e).
- **Recognized Obligation Payment Schedule (ROPS)** Meet and Confer requests must be made within five business days of the date of Finance’s determination letter per HSC Section 34177 (m).

Agencies should become familiar with the Meet and Confer Guidelines located on Finance’s website. Failure to follow these guidelines could result in termination of the Meet and Confer session. Questions related to the Meet and Confer process should be directed to Finance’s Dispute Resolution Coordinator at (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

AGENCY (SELECT ONE):

Successor Agency Housing Entity

AGENCY NAME: Victor Valley Economic Development Authority (VVEDA) Successor Agency

TYPE OF MEET AND CONFER REQUESTED (SELECT ONE):

Housing Assets Transfers Due Diligence Reviews ROPS Period 15-16A

DATE OF FINANCE’S DETERMINATION LETTER: 4/10/15

REQUESTED FORMAT OF MEET AND CONFER SESSION (SELECT ONE):

Meeting at Finance Conference Call

DETAIL OF REQUEST

A. Summary of Disputed Issue(s) *(Must be specific.)*

Item #2 JPA pass-through to the City of Victorville - The DOF partially approved this item, and denied \$77,893 as excess funding not eligible for RPTTF funding. We're requesting DOF to reconsider its determination as it will result in such funding being available for distribution to the taxing entities, and such funds are legally restricted for SCLAA debt service and previous defaulted amounts payable to bondholders. Also, DOF determined \$112,130 of the \$10,951,848 approved for Item #2 is payable from \$82,844 in Reserves and \$29,286 in Other Funds. Only \$29,286 in Other Funds is available as the \$82,844 in Reserves has been used for ROPS 14-15A actual admin costs (please see Item #17). Therefore, \$82,844 must be paid from the RPTTF to avoid shorting the bondholders. We are requesting DOF to approve all amounts from VVEDA to Victorville be passed through for these items pursuant to the JPA.

Item #3, 4 & 6- Denial of these items would create liability for VVEDA as a result of the delegation of authority set forth in the VVEDA JPA. The denial legally impairs VVEDA's ability to administer specific provisions of the JPA.

Item #5 JPA pass-through to the Town of Apple Valley - We believe that the pass-through distribution should be available to fund all current obligations of the former RDA and not just the debt service payments due. We are requesting DOF to approve all amounts from VVEDA to Apple Valley be passed through for these items pursuant to the JPA.


Item #17- ROPS 14-15A Admin Costs- The \$133,123 costs were partially funded (\$82,844) by reserves available from the DDR. However, \$50,279 remain unfunded. We request approval of funding from the RPTTF for such amounts, and ratification of the expenditure of \$82,844 from residual DDR cash for ROPS 14-15A admin costs.

B. Background/History *(Provide relevant background/history, if applicable.)*

The Victor Valley Economic Development Authority (VVEDA) was formed in 1989 pursuant to a Joint Exercise of Powers Agreement (JPA) under Government Code Section 6500 to provide a regional response to the federal government for the reuse of George Air Force Base (GAFB), now known as the Southern California Logistics Airport (SCLA). The JPA governing VVEDA has been amended four times with the last amendment taking place on May 20th, 2000. The JPA provides for the coordination of long range planning in the Victor Valley Redevelopment Project Area (Project Area), which also involves the financing of such projects including but not limited to obtaining grants, the issuance of bonds, notes, warrants and other evidence of indebtedness needed to effectuate its goals and responsibilities in redeveloping the former GAFB.

VVEDA is comprised of the Cities of Adelanto, Hesperia, Victorville, the Town of Apple Valley and County of San Bernardino (Member Jurisdictions). Each JPA member has portions of its territory within the Project Area which includes the former GAFB and certain designated areas within an eight mile radius of GAFB. As such, VVEDA generated Participating Jurisdiction Tax Increment Revenue as defined in the JPA and is contractually obligated to cause the division of said revenue (section 31 and 34 of the JPA) among the Member Jurisdictions, including amounts specifically identified to benefit SCLA. Section 34 of the JPA obligates Member Jurisdictions to expend its respective share of Participating Jurisdiction Tax Increment Revenue for use within their respective territories of the VVEDA project area. In furtherance of Section 34, Section 45 of the JPA delegates authority to the respective Member Jurisdiction to decide the use of said funds within its portion of the project area, and Section 51 formally assigns the right to receive and expend said funds to each Member Jurisdiction's Redevelopment Agency (now their respective SA).

C. **Justification** (Provide additional attachments to this form, as necessary.)

 Item #2 - The DOF has determined the pass-through from VVEDA to the City of Victorville for the SCLAA debt service is not an obligation of the Successor Agency. Therefore, it has requested debt service schedules as backup documentation to support the dollar amount VVEDA will pass-through to the City to satisfy VVEDA's obligation. It appears DOF has agreed to fund only current debt service amounts due during the ROPS 15-16A period. However, due to RPTTF shortfalls for Victorville in prior periods, the SCLAA has accrued defaulted payment amounts, most recently in December 2014, totalling \$4,324,974 (please see attached December 1, 2014 Notice to Bondholders). Accordingly, any amounts from VVEDA RPTTF available for distribution to Victorville (such as the \$77,893 identified in the ROPS 15-16A determination) must be passed through from VVEDA to Victorville to pay towards any defaulted amounts. Otherwise, the DOF would distribute such funds to taxing entities, rather than to the bondholders that hold priority over these funds.

Item #3, 4, & 6 - The VVEDA JPA is a binding contract governing the roles of the Member Jurisdictions relating to the reuse of the former George Air Force Base and the redevelopment project area surrounding it (JPA attached for reference). Though VVEDA delegated certain decision making with respect to the expenditure of Participating Jurisdiction Tax Increment Revenue, the VVEDA JPA requires each Member Jurisdiction to conform to provisions of the JPA (Section 45) when making their independent decisions. Accordingly, this has been the course of conduct in administering funds provided for pursuant to the JPA, which course of conduct has, in the past, been recognized by the Department of Finance. Moreover, VVEDA has entered into binding contracts with the Department of Defense to facilitate the transfer of properties from the federal government to the local jurisdiction in order to cause its successful reuse and development. The federal government entered into these contracts in reliance on the revenue distributions set forth in the JPA. By denying the subject ROPS items at the VVEDA Successor Agency level, the Department of Finance is effectively causing VVEDA to be in non-compliance with its JPA which creates a liability to the VVEDA organization and legally impairs the VVEDA contract. It may also result in non-compliance with its other federal contracts. This is in large part the reason the VVEDA Successor Agency identified the respective Member Jurisdiction as the Payees in previous ROPS and required the Successor Agencies of the respective Member Jurisdictions to identify to the Department of Finance their own respective enforceable obligations.

Denial of the aforementioned ignores the fact that the Joint Powers Agreement is an Enforceable Obligation and has been considered an Enforceable Obligation by the DOF in prior ROPS periods. Health and Safety Code Section 34171(d)1) defines "Enforceable Obligation" to mean any of the following:

H&SC Section 34171(d)(1)(E) - Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.

The JPA is an enforceable agreement as it was entered into willfully by its Member Jurisdictions.

Item #5 - We believe that the pass-through distribution should be available to fund all current obligations of the former RDA and not just the debt service payments due. The SERAF loan of \$401,767 was approved to be repaid with future revenue of the former RDA and we believe should be taken into consideration in determining the pass-through distribution for the ROPS 15-16A period. Also, revenues from the pass-through distribution should be considered for repayment of loans re-entered into pursuant to AB 1484.

Item #17 - VVEDA would like the DOF to reconsider its denial of admin costs for ROPS 14-15A in the amount of \$133,123. Such amount reflects the actual admin costs for that time period, and \$82,844 in residual cash from the DDR was used. We are requesting DOF to ratify the use of such funds for this item by approving the entire \$133,123 and providing \$50,279 in RPTTF funding from ROPS 15-16A to provide for the entire amount. (Please see the attached Residual Cash from DDR report which demonstrates the use of such funds on Admin costs to date)

Agency Contact Information

Name: Keith Metzler
Title: Executive Director
Phone: 760-243-1935
Email: kmetzler@victorvilleca.gov
MPuckett@applevalley.org
Date: 4/17/15

Name: Marc Puckett
Title: Treasurer
Phone: 760-240-7000 x7700
Email:
Date: 4/17/15

Department of Finance Local Government Unit Use Only

REQUEST TO MEET AND CONFER DATE: APPROVED DENIED

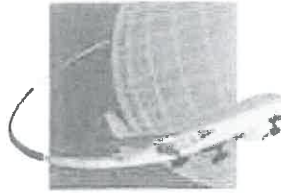
REQUEST APPROVED/DENIED BY: _____ DATE: _____

MEET AND CONFER DATE/TIME/LOCATION: _____

MEET AND CONFER SESSION CONFIRMED: YES DATE CONFIRMED: _____

DENIAL NOTICE PROVIDED: YES DATE AGENCY NOTIFIED: _____

Form DF-MC (Revised 9/10/12)



Southern California
LOGISTICS AIRPORT

December 1, 2014

NOTICE TO BONDHOLDERS AND "REPORTING OF SIGNIFICANT EVENTS" CONCERNING THE FOLLOWING BONDS ISSUED BY THE SOUTHERN CALIFORNIA LOGISTICS AIRPORT AUTHORITY (SCLAA)

FOR: Senior Lien Pledge, Non-Housing Bonds:

SCLAA, Tax Allocation Parity Bonds, Series 2005A
SCLAA, Taxable Tax Allocation Revenue Parity Bonds, Series 2006
SCLAA, Tax Allocation Revenue Parity Bonds, Refunding Series 2006
SCLAA, Taxable Tax Allocation Revenue Parity Forward Bonds, 2006

Junior Lien Subordinate Pledge, Non-Housing Bonds:

SCLAA, Taxable Subordinate Tax Allocation Revenue Bonds, Series 2006

Subordinate Pledge, Non-Housing Bonds:

SCLAA, Subordinate Tax Allocation Revenue Bonds, Series 2007
SCLAA, Subordinate Tax Allocation Revenue Bonds, Series 2008A

Housing Bonds:

SCLAA, Tax Allocation Revenue Parity Refunding Housing Bonds, 2006
SCLAA, Taxable Housing Set-Aside Revenue Parity Bonds, Series 2007

SUMMARY

On August 22, 2014, Victor Valley Economic Development Authority issued a check for \$8,390,942 to the City of Victorville which consisted of tax increment distribution revenue from December 14, 2013 through April 30, 2014. Of this amount \$40,000 will be used for administrative and fiscal agent fees. Principal and interest payments for debt service payments due 12-1-2014, on the Senior, Non-Housing Bonds, and the Housing Bonds total \$8,527,789. There was a remaining amount available after the June 1, 2014 debt service payments of \$473,947. Additional interest of \$21,478 was needed for the 2006 Subordinate payment since it was not made timely. Therefore the remaining amount available after the June 1, 2014 payments was \$452,469. This remaining amount along with the \$8,390,942 will be used for the bond obligations on the Senior, Non-Housing Bonds and the Housing Bonds debt service payments due on December 1, 2014 of \$8,527,789. This will result in a remaining amount of \$275,622 which will be held with the Successor Agency to be used on June 1, 2015 for debt service payments.

A default will occur on the principal and interest payments for the SCLAA Taxable Subordinate Tax Allocation Revenue Bonds 2006 and the SCLAA Subordinate Tax Allocation Revenue Bonds 2007. A default will also occur on the principal payment on the SCLAA Subordinate Tax Allocation Revenue Bonds 2008A. The Successor Agency anticipates receiving tax increment in March 2015 to cure the default of \$2,572,269 on the SCLAA Taxable Subordinate Tax Allocation Revenue Bonds 2006. However, the defaults on the SCLAA Subordinate Tax Allocation Revenue Bonds 2007 and the SCLAA Subordinate Tax Allocation Revenue Bonds 2008A will not be cured until sufficient tax increment is received from Victor Valley Economic Development Authority.

On November 12, 2014, the City of Victorville received a letter from the California Department of Finance (DOF) regarding a request by the Victor Valley Economic Development Authority (VVEDA) for final and conclusive determination of the VVEDA JPA. In general, California Health and Safety Code (H&SC) Section 34177.5(i) provides, as a part of the statewide redevelopment dissolution effort, an opportunity for the DOF to make a determination that an Enforceable Obligation, as approved in a Recognized Obligation Payment Schedule (ROPS), is final and conclusive and reflects DOF's approval of subsequent payments to be made pursuant to the Enforceable Obligation. Specific to this Notice, a Final and Conclusive

SOUTHERN CALIFORNIA LOGISTICS AIRPORT

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Determination has been granted by the DOF recognizing that payments made pursuant to the VVEDA JPA to Victorville for the payment of SCLAA bonds as an Enforceable Obligation. The Final and Conclusive Determination is subject to DOF's verification of the actual amounts of debt service to be paid to satisfy the SCLAA bonds and shall not be understood as a guarantee that tax increment revenues from VVEDA to support the SCLAA Bonds will be sufficient to satisfy its debt service obligations.

The below table represents the 12-1-2014 distribution, use of reserves, and defaults:

Debt Issue	12-1-2014 Principal & Interest	12-1-2014 Use of Reserves	12-1-2014 Default
SCLAA Tax Allocation Revenue Parity Bonds 2005A	1,326,583		
SCLAA Tax Allocation Revenue Parity Bonds 2006	1,398,505		
SCLAA Tax Allocation Revenue Parity Bonds 2006, Refunding	2,207,394		
SCLAA Tax Allocation Revenue Parity Bonds 2006, Forward	1,437,521		
SCLAA Housing Set Aside Revenue Bonds 2006, Refunding	594,848		
SCLAA Housing Set Aside Revenue Parity Bonds 2007	1,562,938		
SCLAA Taxable Subordinate Revenue Bonds, 2006			2,572,269
SCLAA Subordinate Tax Allocation Revenue Bonds, 2007			1,672,705
SCLAA Subordinate Tax Allocation Revenue Bonds, 2008A		168,325	80,000
	8,527,786	168,325	4,324,974

A detail spreadsheet summarizing the payments, draw on reserves, defaults, and a projection of remaining reserve balances on December 2, 2014 is attached. The Bank of New York Mellon does not provide for partial use of reserves for interest payments. Therefore, the SCLAA Subordinate Tax Allocation Revenue Bonds 2007 could not use the remainder of reserves available for interest payments.

Several material events have occurred that have resulted in SCLAA defaulting on the bond issues and the use of reserves with the Trustee for interest payments:

- (1) As part of adopting its 2009 budget bill, the State of California approved AB 26 4X, which included a provision that required redevelopment agencies to make remittance for FY 10/11 to a county Supplemental Educational Revenue Augmentation Fund. Tax increment on hand from SCLAA paid this obligation of \$9,352,308 in FY 09/10 and \$1,923,641 in FY 10/11. These state-mandated payments severely impacted SCLAA's cash reserves.
- (2) In Fiscal Year 08-09, the assessed value for the Victor Valley Redevelopment Project Area was approximately \$9.49 billion. Since that time, there has been a significant decrease in assessed value for the Victor Valley Redevelopment Project Area. For Fiscal Year 13-14, the assessed value for the Project Area was approximately \$6.78 billion. The decrease was largely the result of the Great Recession.
- (3) The State of California enacted legislation in June 2011 which eliminated all Redevelopment Agencies across the state. The Redevelopment Agency (RDA) dissolution process has created cash flow issues. Revenue distributed by the County of San Bernardino on January 2 is typically the larger distribution; however, the January 2 distribution is designated for June 1 interest only debt service payments. The June 1 distribution from the County, which is typically the smaller distribution, is designated for December 1 principal and interest debt service payments.

The information contained herein has been approved for filing with the MSRB's Electronic Municipal Market Access system ("EMMA") by the Southern California Logistics Airport Authority, which as authorized and instructed the Bank of New York Mellon Global Corporate Trust to file this report in its capacity as the Disseminating Agent for the SCLAA bonds.



Adele Mosher, Disclosure Representative
Southern California Logistics Airport Authority

SOUTHERN CALIFORNIA LOGISTICS AIRPORT AUTHORITY
December 1-2014 Debt Service Payment

Name of Debt	Debt	Reserve Fund Requirement	BNY Reserve 10/31/2014	Debt Service Principal 12/1/2014	Debt Service Interest 12/1/2014	Total Debt Service 12/1/2014	Available from VVEDA Distributions	Use of Reserve 12/1/2014	Default	BNY Reserve 12/31/2014	% Reserve Fully Funded 12/2/2014
Senior Debt											
SCLA Tax Alloc. Rev. Parity Bonds (Partially Refunded)	26,850,000	1,797,890	1,797,890	860,000	466,583	1,326,583	1,326,583	-	-	1,797,890	100%
SCLA Tax Allocation Revenue Parity Bonds	45,020,000	4,334,091	4,334,091	105,000	1,293,505	1,398,505	1,398,505	-	-	4,334,091	100%
SCLA Tax Allocation Revenue Parity Bonds (Refunding)	62,780,000	3,519,300	3,519,301	905,000	1,302,394	2,207,394	2,207,394	-	-	3,519,301	100%
SCLA Tax Allocation Revenue Parity Bonds	34,380,000	2,476,455	2,476,456	400,000	1,037,521	1,437,521	1,437,521	-	-	2,476,456	100%
Total Senior Debt	169,030,000	12,127,736	12,127,738	2,270,000	4,100,003	6,370,003	6,370,003	-	-	12,127,738	
Housing Set-Aside											
SCLA Housing Set-Aside Revenue Bonds (Refunding)	16,855,000	946,001	946,001	245,000	349,848	594,848	594,848	-	-	946,001	100%
SCLA Taxable Housing Set-Aside Revenue Parity Bonds (other 50% of Reserve is insured)	41,460,000	1,301,205	1,301,205	530,000	1,032,998	1,562,998	1,562,998	-	-	1,301,205	100%
Total Housing Set-Aside Debt	58,315,000	2,247,206	2,247,206	775,000	1,382,786	2,157,786	2,157,786	-	-	2,247,206	
Total Senior and Housing Set-Aside Debt	227,345,000	14,374,942	14,374,944	3,045,000	5,482,788	8,527,788	8,527,789	-	-	14,374,944	
Senior Subordinate Debt											
SCLA Taxable Subordinate Tax Allocation Revenue Bonds	64,155,000	4,399,950	4,399,950	755,000	1,817,269	2,572,269	-	-	2,572,269	-	0%
TOTAL SENIOR, HOUSING AND SR. SUBORDINATE DEBT	292,110,000	18,764,872	18,764,872	3,800,000	7,300,057	11,100,057	8,527,789	-	2,572,269	14,374,944	
Junior Subordinate Debt											
SCLA Subordinate Tax Allocation Revenue Bonds	42,000,000	2,824,473	491,331	530,000	1,142,705	1,672,705	-	-	1,672,705	491,331	17%
SCLA Subordinate Tax Allocation Revenue Bonds	13,334,925	1,332,492	493,613	80,000	168,325	248,325	-	168,325	80,000	325,288	24%
Total Junior Subordinate Debt	55,334,925	4,156,965	984,944	610,000	1,311,030	1,921,030	-	168,325	1,752,705	816,619	
TOTAL	347,444,925	22,921,837	15,359,888	4,410,000	8,611,087	13,021,087	8,527,789	168,325	4,324,974	15,191,563	
Payment from VVEDA to SCLAA & Victorville - 8/22/2014	8,390,942.00						8,390,942.00				
Remaining balance from Payment from VVEDA to SCLAA & Victorville 3/20/2014	452,469.00						452,469.00				
Less Amount Held at SCLAA for Fiscal Agents Fees, Continuing Disclosure Reports, Arbitrage fees Available for December 1, 2014 Debt Service Payments	(40,000.00)						(40,000.00)				
	8,803,411.00						8,803,411.00				
Available for 12/1/2014 Debt Service Payment on SCLAA 2006 Bond Issue	275,622.00						275,622.00				