



Southern California

LOGISTICS AIRPORT

November 26, 2018

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

Housing Bonds:

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

Junior Lien Subordinate Pledge, Non-Housing Bond:

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

SUMMARY

On November 15, 2018, Victor Valley Economic Development Authority (VVEDA) issued a check for \$13,833,374 to the City of Victorville. This distribution consisted of tax increment revenue for the period of December 14, 2017 through April 27, 2018 due to the City of Victorville and SCLAA. Additional funds in the amount of \$3,210,577 were sent to the Trustee, The Bank of New York Mellon, on May 30, 2018 to hold on deposit for the December 1, 2018 debt service. This deposit was to make certain that the principal and interest debt service on all senior bonds and interest debt service on the two subordinate pledge bonds could be paid. With these two sources of funds, the total amount available for the December 1, 2018 debt service payments is \$17,043,951.

Of the total amount available, \$13,578,720 will be used for current principal and interest debt service payments due December 1, 2018 for all SCLAA bond issues. No defaults will occur on the debt service payments due December 1, 2018. \$25,125 of the available funds will be set aside to be used for bond related fees for the first six months of the fiscal year. The remaining funds, in the amount of \$3,440,106, are available to be used to cure outstanding defaults. These funds will be used to fully replenish the reserve account for the SCLAA Subordinate Tax Allocation Revenue Bonds, Series 2008A and pay all past due principal debt service for the defaults that occurred from December 1, 2013 through December 1, 2017, for the SCLAA Subordinate Tax Allocation Revenue Bonds, Series 2007 and the SCLAA Subordinate Tax Allocation Revenue Bonds, Series 2008A.

With this distribution all debt service will be current, all reserve requirements will be met, and SCLAA will no longer be in default. A detailed spreadsheet summarizing the December 1, 2018 debt service payments and use of pledged revenue is attached as Exhibit A. This exhibit shows in detail the amounts and default dates of the past due payments that will be paid on December 1, 2018.

SOUTHERN CALIFORNIA LOGISTICS AIRPORT

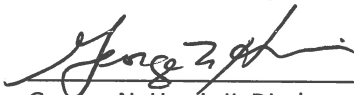
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FUTURE OUTLOOK

Future projections show that SCLAA will continue to receive enough pledged revenue to pay all required debt service. As previously disclosed in SCLAA's notices to bondholders, the DOF's prior determination letters to SCLAA had limited SCLAA's ability to remedy previously defaulted amounts by not allowing SCLAA to collect and distribute all tax increment available from the revenues pledged for debt service. However, the DOF changed its position, and in its FY 16-17 ROPS determination letter dated April 13, 2016, the DOF authorized the payment of previously defaulted amounts and reserve shortfalls from all tax increment available from the revenues pledged for debt service. Since the April 11, 2017 determination letter for FY 17/18 funding, the DOF has continued its position to allow for all tax increment available to be used for payment of previously defaulted amounts and reserve shortfalls.

If there are any questions regarding this notice, please contact Christina James at cjames@victorvilleca.gov or by phone at 760-955-5585.

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.



George N. Harris II, Disclosure Representative
Southern California Logistics Airport Authority

SOUTHERN CALIFORNIA LOGISTICS AIRPORT AUTHORITY
December 1, 2018 Debt Service Payments

Exhibit A

Name of Debt	Original Debt	Reserve Fund Requirement	BNY Reserve 11/1/2018	Debt Service Principal 12/1/2018	Debt Service Interest 12/1/2018	Total Debt Service	Use of VVEDA Distributions	Use of Reserve 12/1/2018	Default	Replenish Reserve	Projected BNY Reserve 12/1/2018	% Reserve Fully Funded 12/1/2018
Senior Lien Pledge, Non-Housing Bonds												
SCLAA Tax Alloc. Rev. Parity Bonds (Partially Refunded) 2005A	26,850,000	1,797,890	1,824,870	1,025,000.00	382,651.25	1,407,651.25	1,407,651.25	-	-	-	1,824,870	102%
SCLAA Tax Allocation Revenue Parity Bonds 2006	45,020,000	4,483,177	4,515,876	1,350,000.00	1,279,475.00	1,414,475.00	1,414,475.00	-	-	-	4,515,876	101%
SCLAA Tax Allocation Revenue Parity Bonds (Refunding) 2006	62,780,000	3,519,300	3,571,195	1,060,000.00	1,226,231.25	2,286,231.25	2,286,231.25	-	-	-	3,571,195	101%
SCLAA Tax Allocation Revenue Parity Bonds (Forward) 2006	34,980,000	2,476,455	2,512,974	510,000.00	982,803.75	1,492,803.75	1,492,803.75	-	-	-	2,512,974	101%
Total Senior Lien Pledge, Non-Housing Bonds	169,630,000	12,276,822	12,424,915	2,730,000.00	3,871,161.25	6,601,161.25	6,601,161.25	-	-	-	12,424,915	
Housing Set-Aside Bonds												
SCLAA Housing Set-Aside Revenue Bonds (Refunding) 2006	16,855,000	945,975	959,951	285,000.00	329,248.75	614,248.75	614,248.75	-	-	-	959,951	101%
SCLAA Taxable Housing Set-Aside Revenue Parity Bonds (other 50% of Reserve is insured) 2007	41,460,000	1,301,205	1,320,392	650,000.00	973,267.50	1,623,267.50	1,623,267.50	-	-	-	1,320,392	101%
Total Housing Set-Aside Bonds	58,315,000	2,247,180	2,280,343	935,000.00	1,302,516.25	2,237,516.25	2,237,516.25	-	-	-	2,280,343	
TOTAL SENIOR AND HOUSING BONDS	227,945,000	14,524,002	14,705,258	3,665,000.00	5,173,677.50	8,838,677.50	8,838,677.50	-	-	-	14,705,258	
Junior Lien Subordinate Pledge Bonds (Senior Subordinate Debt)												
SCLAA Taxable Subordinate Tax Allocation Revenue Bonds 2006	64,165,000	4,389,930	4,454,445	955,000.00	1,717,443.75	2,672,443.75	2,672,443.75	-	-	-	4,454,445	101%
TOTAL SENIOR, HOUSING AND SENIOR SUBORDINATE BONDS	292,110,000	18,913,932	19,159,703	4,620,000.00	6,891,121.25	11,511,121.25	11,511,121.25	-	-	-	19,159,703	
Subordinate Pledge Bonds (Junior Subordinate Debt)												
SCLAA Subordinate Tax Allocation Revenue Bonds 2007	42,000,000	2,824,473	2,839,919	655,000.00	1,155,961.25	1,810,961.25	1,810,961.25	-	-	-	2,839,919	101%
SCLAA Subordinate Tax Allocation Revenue Bonds* 2008A	13,334,925	1,333,492	1,112,242	90,000.00	166,637.50	256,637.50	256,637.50	-	-	221,250	1,333,492	100%
Total Subordinate Pledge Bonds (Junior Subordinate Debt)	55,334,925	4,157,965	3,952,161	745,000.00	1,322,598.75	2,067,598.75	2,067,598.75	-	-	221,250	4,173,411	
TOTAL	347,444,925	23,071,897	23,111,964	5,365,000.00	8,213,720.00	13,578,720.00	13,578,720.00	-	-	221,250	23,333,114	

SUMMARY OF FUNDS:

Payment from VVEDA to SCLAA & Victorville - November 15, 2018

Amount set aside from 6/1/18 to cover senior, housing, and senior sub bond debt service, and sub bond interest debt service, based on RSG projections

\$ 13,833,374.14

3,210,577.00

17,043,951.14

(25,125.00)

17,018,826.14

(13,578,720.00)

\$ 3,440,106.14

*On deposit in BNY Account #183030 - SCLAA 07 Sub Int Acct

Less: Amount Held at SCLAA for Fiscal Agents Fees & Continuing Disclosure Report (First six months of FY 18/19)

Total Funds Available for December 1, 2018 Debt Service Payments

Less: **Total of December 1, 2018 Debt Service Payments**

Remaining Funds Available for Past Due Payments and to Replenish Reserves

Use of Remaining Funds:	
SCLAA Sub 2008A - Fully Replenish Reserve Account	221,250.00
SCLAA Sub 2007 - Past Due Principal from 12/1/13	505,000.00
SCLAA Sub 2007 - Past Due Principal from 12/1/14	530,000.00
SCLAA Sub 2007 - Past Due Principal from 12/1/15	560,000.00
SCLAA Sub 2007 - Past Due Principal from 12/1/16	590,000.00
SCLAA Sub 2007 - Past Due Principal from 12/1/17	620,000.00
SCLAA Sub 2008 - Past Due Principal from 12/1/13	70,000.00
SCLAA Sub 2008 - Past Due Principal from 12/1/14	80,000.00
SCLAA Sub 2008 - Past Due Principal from 12/1/15	85,000.00
SCLAA Sub 2008 - Past Due Principal from 12/1/16	90,000.00
SCLAA Sub 2008 - Past Due Principal from 12/1/17	85,000.00
	3,436,250.00