



OFFICE OF: FINANCE DEPARTMENT

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March 8, 2016

Municipal Securities Rulemaking Board
1900 Duke Street Suite 600
Alexandria, VA 22314

Trustee:

Christopher Davy
The Bank of New York Mellon Trust Company, N.A.
400 S. Hope Street, Ste. 400
Los Angeles, CA 90071

Dissemination Agent:

City of Corona
400 S. Vicentia Ave., Suite 320
Corona, CA 92882-2187

**Subject: Secondary Market Disclosure
\$36,910,000 Redevelopment Agency of the City of Corona
2004 Tax Allocation Bonds - Redevelopment Project Area "A"
CUSIP # 219703**

Attached is the Annual Report as required per Section 4 of the Continuing Disclosure Agreement dated July 01, 2004 in connection with the issuance of the above referenced bonds.

The Annual Report is comprised of the following information, as of June 30, 2015:

Per Section 4:

A. Audited Financial Statements as of June 30, 2015 - [Comprehensive Annual Financial Report](#)

B. (i) Ten largest property tax payers in the Project Area - Table 2

(ii) Annual assessed valuations	\$ 2,606,376,619
Tax increment values *	\$ 375,908,490
Tax revenues collected in the Project Area *	\$ 12,632,839

Coverage ratio of Tax revenue to debt service on Bonds and all parity debt:	
Current year annual debt service	2,897,538
Debt service coverage	255.4%

(iii) Discussion of any property tax appeals - Table 1

* The Redevelopment Agency of the City of Corona was dissolved as of February 1, 2012. The City of Corona elected to become the Successor Agency of the former Redevelopment Agency. The amount reflected as tax revenue collected in the current Fiscal Year and added to the cumulative amount of tax increment received by the Agency, was the total amount available for debt service and other obligations of the Agency, not the amount actually received.

Per Section 5:

Significant Events – 2004 Tax Allocation Bonds was fully refunded on April 27, 2015 with proceeds from the Subordinate Tax Allocation Refunding Bonds, Series 2015A, and the Subordinate Taxable Tax Allocation Refunding Bonds, Series 2015A-T.

If you have questions related to this Annual Report of the City of Corona, please contact me.

Sincerely,



Patricia Song
Finance Manager
Patricia.Song@ci.corona.ca.us

Table 1

**MERGED PROJECT AREA
ANALYSIS OF HISTORICAL AND PROJECTED APPEALS DATA**

	2011/12	2012/13	2013/14	2014/15	2015/16	Appeals	
A. Historic Data							
Total appeals filed	144	130	78	77	83	512	(1)
Appeals resolved to date	143	129	73	17	0	362	(1)
Resolved successful appeals	26	28	19	1	0	74	(1)
Percent of resolved appeals successful	18.2%	21.7%	26.0%	5.9%	0.0%	20.4%	
Total original value of successful appeals	\$158,079,428	\$257,537,988	\$113,982,552	\$376,935	\$0	\$ 529,976,903	(1)
Reduced valuation	\$125,756,650	\$196,295,971	\$51,118,016	\$320,000	\$0	\$ 373,490,637	(1)
Deduction in value/resolved successful appeal	\$32,322,778	\$61,242,017	\$62,864,536	\$56,935	\$0	\$ 156,486,266	(1)
Percentage reduction in original value	20.4%	23.8%	55.2%	15.1%	0.0%	29.5%	
Appeals pending	1	1	5	60	83	150	(2)
B. Projected Appeals Impact							
Assessed value of properties under appeal	\$3,253,850	\$27,168,820	\$98,090,788	\$331,645,263	\$609,210,665	\$1,069,369,386	(1)
Applicant's opinion of value	\$1,500,000	\$2,500,000	\$7,035,525	\$142,359,475	\$260,274,546	\$413,669,546	(1)
Assessed value at risk	\$1,753,850	\$24,668,820	\$91,055,263	\$189,285,788	\$348,936,119	\$655,699,840	
Percentage reduction of successful appeals	20.4%	23.8%	55.2%	15.1%	28.6%		(3)
Projected successful appeals	\$358,613	\$5,866,196	\$50,219,501	\$28,591,100	\$99,869,419	\$184,904,828	
Projected revenue loss at 1%	\$3,586	\$58,662	\$502,195	\$285,911	\$998,694	\$1,849,048	
Projected loss in Housing Set-aside Revenues	\$717	\$11,732	\$100,439	\$57,182	\$199,739	\$369,810	

Source: County of Riverside Assessor and GRC Associates, Inc.

(1) County of Riverside Assessor's Office -- Assessment Appeals Database (as of January 13, 2016)

(2) Number of appeals may include multiple appeals from same taxpayers over multiple fiscal years

(3) 2015/16 pending appeals assume prior reduction values of successful appeals (FY 2011/12-2014/15 period average)

Table 2

**MERGED PROJECT AREA
TOP 10 PROPERTY OWNERS/TAXPAYERS - 2015/2016
(Net Assessed Values)**

		Secured	Parcels	Unsecured	Parcels	% Total AV	Primary Use
1	Rexco	\$81,175,812	21			2.96%	Industrial
2	Watson Laboratories Inc.*	\$80,310,976	1			2.92%	Industrial
3	Artisan at Main Street Metro	\$64,319,934	1			2.34%	Residential
4	EBB Creek Apartments LLC	\$44,284,180	1			1.61%	Residential
5	UHS Corona Inc.*	\$42,926,236	16	\$197,215	1	1.57%	Commercial
6	Calmat Company			\$39,267,512	2	1.43%	Unsecured
7	Dairy Farmers of America Inc.*	\$35,605,630	2			1.30%	Industrial
8	Aseptic Solutions USA Ventures LLC			\$33,866,803	2	1.23%	Unsecured
9	Trust Corona Commerce Center*	\$25,489,300	1			0.93%	Industrial
10	LGH Alliance Inc.	\$23,818,974	5			0.87%	Commercial
	Total	\$397,931,042	48	\$73,331,530	5	17.63%	

Source: County of Riverside Assessor and GRC Associates, Inc.

* Pending Appeal