



OFFICE OF: FINANCE DEPARTMENT

Office: 951.736.2327
Fax: 951.279.3794

400 SOUTH VICENTIA AVENUE, P.O. BOX 940, CORONA, CALIFORNIA 92878-0940

January 25, 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
\$9,355,000 Redevelopment Agency of the City of Corona Redevelopment
Project Area "A"
1996 Housing Set-Aside Tax Allocation Bonds
CUSIP # 219703**

Attached is the Annual Report as required per Section 4 of the Continuing Disclosure Agreement dated October 16, 1996 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. (a) Audited Financial Statements - [Comprehensive Annual Financial Report](#)
(b) Issuance by the Issuer of Parity Debt - None
(c) Information with respect to assessment appeals - Table 1
(d) Information with respect to the top ten property taxpayers assessed in the Project Area including taxable value, percentage of total Project Area taxable value, appeals, and delinquencies - Table 2
(e) Amount of tax collection fees charged by Riverside County \$ 295,762
- County maintains the Teeter Plan Yes

(f) Amount of all Issuer debt outstanding	\$ 63,190,000
Cumulative amount of tax increment received by the Agency to date *	\$ 375,908,490
Expected date of reaching applicable Redevelopment plan limitations - Table 3	
(g) Total taxable values	\$ 2,606,376,619
Delinquency rate	1.42%
Tax Revenues collected in the Project Area for the current Fiscal Year *	\$ 12,632,839
(h) Current year annual debt service	\$ 682,781
Debt service coverage ratio for the Bonds, Parity Debt and Subordinate Debt	198.74%

* 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 – 1996 Housing Set-Aside 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

***Table 3
Project Area A
Amount of All Issuer Debt & Cumulative Amount of TI
With Plan Limitations Date***

<u>Plan Limitations:</u>	<u>Amount</u>	<u>Reaching Plan Limitations</u>
Amount of all Issuer Debt Outstanding	63,190,000	N/A
Cumulative amount of Tax Increment received	375,908,490	
<i>Downtown Area</i>		July 1, 2029
<i>Main Street South</i>		July 15, 2043
<i>Project Area "A" - Original</i>		July 18, 2032
<i>Project Area "A" - Amendment I</i>		November 7, 2037
<i>Project Area "A" - Amendment II</i>		June 4, 2038
<i>Project Area "A" - Amendment IV</i>		June 19, 2042
<i>Project Area "A" - Amendment VII</i>		July 1, 2044
<i>Project Area "A" - Amendment IX</i>		December 3, 2053
<i>Merged Project Areas - Added Territory I</i>		May 31, 2056

Source: City of Corona