

# CITY OF CORONA

Annual Report



FISCAL YEAR 2023  
COMMUNITY FACILITIES DISTRICT NO. 2017-2  
(VALENCIA/SEVILLE)



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Community Facilities District No. 2017-2  
(Valencia/Seville)  
2018 Special Tax Bonds

## 1. Bond Profile

### *Project Description*

The Community Facilities District No. 2017-2 (the “CFD No. 2017-2” or the “District”) was formed to finance the costs of constructing and acquiring certain public facilities. CFD No. 2017-2 consist of certain public facilities and improvements, to be owned, operated or maintained by (i) the City of Corona (the “City”) for: park improvements at Santana Park, park and open space improvements, and street and traffic signal improvements and other public facilities of the City, including the foregoing public facilities which are included in the City’s fee programs with respect to such facilities and authorized to be financed under the Mello-Roos Community Facilities Act of 1982, as amended; and (ii) Corona-Norco Unified School District for the payment of certain fees to the School District; and (iii) all appurtenances and appurtenant work in connection with the foregoing Facilities, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such Facilities.

### *Location*

The CFD No. 2017-2 consists of a condominium development known as Valencia/Seville being developed by Van Daele Homes. CFD No. 2017-2 has 92 single family residential detached condominium units within Tract No. 37057 located in the City of Corona (the “City”) on approximately 13.16 gross acres. The CFD No. 2017-2 is located at the northeast corner of Kellogg Avenue and Santana Way and is approximately 1-1/2 miles west of the Interstate 15 Freeway.

### *2018 Special Tax Bonds*

The CFD No. 2017-2 2018 Special Tax Bonds (the “2017-2 Bonds”) in the amount of \$3,650,000 were issued December 5, 2018 with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on March 1 and September 1. The date for the final maturity of the 2017-2 Bonds is September 1, 2048. The principal amount of the 2017-2 Bonds outstanding as of September 30, 2022 is \$3,440,000.

## 2. Fund Information

The Fund Balances for CFD No. 2017-2 as of September 30, 2022 are shown in the following table:

*Table 2-1*

*Fund Balances*

| <b>Fund Name</b>             | <b>Balance</b>      |
|------------------------------|---------------------|
| CONSTRUCTION- W/FA           | \$0.00              |
| RESERVE- W/FISCAL AGENT      | \$227,876.17        |
| PRINCIPAL- W/FISCAL AGENT    | \$16,237.32         |
| INTEREST- W/FISCAL AGENT     | \$283.99            |
| ADMIN EXP-INV W/FISCAL AGENT | \$0.00              |
| BOND FUND- W/FISCAL AGENT    | \$0.00              |
| SPECIAL- W/FISCAL AGENT      | \$108,599.80        |
| <b>Total</b>                 | <b>\$352,997.28</b> |

### Reserve Requirement

The Reserve Fund must be maintained at the Reserve Requirement which is defined as of any date of calculation, as an amount equal to the lesser of (i) ten percent (10%) of the original issue price of the 2017-2 Bonds calculated in accordance with Treasury Regulations Section 1.148-2(f)(l), (ii) Maximum Annual Debt Service on the 2017-2 Bonds or (iii) 125 percent (125%) of average Annual Debt Service on the 2017-2 Bonds, as determined by the City. **As of September 30, 2022, the balance in the Reserve Fund was \$227,876.17 and the Reserve Requirement was \$227,281.26.**

### 3. Special Tax Information

#### Special Tax

A Special Tax is collected each year to pay the principal and interest obligations on the 2017-2 Bonds. The amount collected each year is determined by the Special Tax formula and can vary from year to year, but shall not exceed the maximum authorized (or permitted) Special Tax rates. The amount levied for Fiscal Year 2023 tax year is \$264,523.08. The Assigned Special Tax rates for Fiscal Year 2023 are as follows:

*Table 3-1  
Assigned Special Tax Rates*

| Land Use Category                                      | Taxable Unit | Assigned Tax Rate |
|--|--------------|-------------------|
| Single Family Residential (Less than 2,100 sq. ft.)    | RU           | \$2,675.00        |
| Single Family Residential (2,100 to 2,349 sq. ft.)     | RU           | \$2,744.00        |
| Single Family Residential (2,350 to 2,599 sq. ft.)     | RU           | \$2,942.00        |
| Single Family Residential (2,600 to 2,849 sq. ft.)     | RU           | \$3,089.00        |
| Single Family Residential (2,850 to 3,099 sq. ft.)     | RU           | \$3,294.00        |
| Single Family Residential (Greater than 3,099 sq. ft.) | RU           | \$3,520.00        |
| Multifamily Property                                   | Acres        | \$38,744.00       |
| Non-Residential Property                               | Acres        | \$38,744.00       |
| Undeveloped Property                                   | Acres        | \$38,744.00       |

*Table 3-2  
Special Tax Breakdown*

| Category   | Taxable Units | Levied Amount       | Assigned Special Tax | % of Assigned Special Tax |
|--|---------------|---------------------|----------------------|---------------------------|
| Single Family Residential (2,100 to 2,349 sq. ft.) | 26            | \$68,167.32         | \$71,344.00          | 95.55%                    |
| Single Family Residential (2,350 to 2,599 sq. ft.) | 14            | \$39,354.00         | \$41,188.00          | 95.55%                    |
| Single Family Residential (2,600 to 2,849 sq. ft.) | 34            | \$100,349.64        | \$105,026.00         | 95.55%                    |
| Single Family Residential (2,850 to 3,099 sq. ft.) | 18            | \$56,652.12         | \$59,292.00          | 95.55%                    |
| <b>Totals</b>                                      | <b>92</b>     | <b>\$264,523.08</b> | <b>\$276,850.00</b>  | <b>95.55%</b>             |

#### Termination of Special Tax

For each Fiscal Year that any Bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax as necessary to satisfy the Special Tax Requirement. The Special Tax shall cease not later than the 2058-59 Fiscal Year, however, Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined (i) that all required interest and principal payments on the 2017-2 Bonds have been paid; (ii) all authorized facilities of CFD No. 2017-2 have been acquired and all reimbursements have been paid pursuant to the Acquisition Agreement, (iii) no delinquent Special Tax remain uncollected and (iv) all other obligations of CFD No. 2017-2. Special Tax have been satisfied.

#### 4. Payment History

Delinquencies are calculated through June 2022 and may reflect parcels that may already be on a payment plan.

##### *Delinquency Rate for Fiscal Year 2022*

As of June 2022, the delinquency rate for CFD No. 2017-2 for Fiscal Year 2022 is 0.00%.

##### *Information Concerning Delinquent Parcels*

CFD No. 2017-2 delinquency information as of June 2022 is illustrated below:

*Table 4-1  
Delinquency Summary*

| Fiscal Year  | Levied  |                     | Delinquent |                   |              |
|--------------|---------|---------------------|------------|-------------------|--------------|
|              | Parcels | Amount              | Parcels    | Amount            | Del. Rate    |
| 2019         | 1       | \$65,775.00         | 0          | \$0.00            | 0.00%        |
| 2020         | 92      | \$256,968.72        | 1          | \$136.85          | 0.05%        |
| 2021         | 92      | \$276,850.00        | 2          | \$3,567.20        | 1.29%        |
| 2022         | 92      | \$276,850.00        | 0          | \$0.00            | 0.00%        |
| <b>Total</b> |         | <b>\$876,443.72</b> | <b>2</b>   | <b>\$3,704.05</b> | <b>0.42%</b> |

##### *Foreclosure Covenant*

The City covenants with and for the benefit of the Owners of the Bonds that: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) if the amount on deposit in the Reserve Fund is less than the Reserve Requirement it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

**There are no foreclosure actions at this time.**



# APPENDIX A

## Boundary Map



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## BOUNDARY MAP

COMMUNITY FACILITIES DISTRICT NO. 2017-2  
(VALENCIA/SEVILLE)

# APPENDIX B

## Debt Service Schedule



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**CITY OF CORONA**  
**CFD 2017-2 (Valencia-Seville)**  
**2018 Special Tax Bonds**



**Issued**

12/05/2018

| <i>Date</i> | <i>Coupon Rate</i> | <i>Principal</i> | <i>Principal Outstanding</i> | <i>Semi-Annual Interest</i> | <i>Semi-Annual Debt Service</i> | <i>Annual Debt Service</i> |
|-------------|--------------------|------------------|------------------------------|-----------------------------|---------------------------------|----------------------------|
| 03/01/2019  |                    |                  | \$ 3,650,000.00              | \$ 37,498.09                | \$ 37,498.09                    |                            |
| 09/01/2019  |                    | \$ 0.00          | \$ 3,650,000.00              | \$ 78,484.38                | \$ 78,484.38                    | \$ 115,982.47              |
| 03/01/2020  |                    |                  | \$ 3,650,000.00              | \$ 78,484.38                | \$ 78,484.38                    |                            |
| 09/01/2020  | 2.000%             | \$ 70,000.00     | \$ 3,580,000.00              | \$ 78,484.38                | \$ 148,484.38                   | \$ 226,968.76              |
| 03/01/2021  |                    |                  | \$ 3,580,000.00              | \$ 77,784.38                | \$ 77,784.38                    |                            |
| 09/01/2021  | 2.000%             | \$ 70,000.00     | \$ 3,510,000.00              | \$ 77,784.38                | \$ 147,784.38                   | \$ 225,568.76              |
| 03/01/2022  |                    |                  | \$ 3,510,000.00              | \$ 77,084.38                | \$ 77,084.38                    |                            |
| 09/01/2022  | 2.125%             | \$ 70,000.00     | \$ 3,440,000.00              | \$ 77,084.38                | \$ 147,084.38                   | \$ 224,168.76              |
| 03/01/2023  |                    |                  | \$ 3,440,000.00              | \$ 76,340.63                | \$ 76,340.63                    |                            |
| 09/01/2023  | 4.000%             | \$ 70,000.00     | \$ 3,370,000.00              | \$ 76,340.63                | \$ 146,340.63                   | \$ 222,681.26              |
| 03/01/2024  |                    |                  | \$ 3,370,000.00              | \$ 74,940.63                | \$ 74,940.63                    |                            |
| 09/01/2024  | 4.000%             | \$ 75,000.00     | \$ 3,295,000.00              | \$ 74,940.63                | \$ 149,940.63                   | \$ 224,881.26              |
| 03/01/2025  |                    |                  | \$ 3,295,000.00              | \$ 73,440.63                | \$ 73,440.63                    |                            |
| 09/01/2025  | 2.625%             | \$ 80,000.00     | \$ 3,215,000.00              | \$ 73,440.63                | \$ 153,440.63                   | \$ 226,881.26              |
| 03/01/2026  |                    |                  | \$ 3,215,000.00              | \$ 72,390.63                | \$ 72,390.63                    |                            |
| 09/01/2026  | 5.000%             | \$ 80,000.00     | \$ 3,135,000.00              | \$ 72,390.63                | \$ 152,390.63                   | \$ 224,781.26              |
| 03/01/2027  |                    |                  | \$ 3,135,000.00              | \$ 70,390.63                | \$ 70,390.63                    |                            |
| 09/01/2027  | 5.000%             | \$ 85,000.00     | \$ 3,050,000.00              | \$ 70,390.63                | \$ 155,390.63                   | \$ 225,781.26              |
| 03/01/2028  |                    |                  | \$ 3,050,000.00              | \$ 68,265.63                | \$ 68,265.63                    |                            |
| 09/01/2028  | 5.000%             | \$ 90,000.00     | \$ 2,960,000.00              | \$ 68,265.63                | \$ 158,265.63                   | \$ 226,531.26              |
| 03/01/2029  |                    |                  | \$ 2,960,000.00              | \$ 66,015.63                | \$ 66,015.63                    |                            |
| 09/01/2029  | 5.000%             | \$ 95,000.00     | \$ 2,865,000.00              | \$ 66,015.63                | \$ 161,015.63                   | \$ 227,031.26              |
| 03/01/2030  |                    |                  | \$ 2,865,000.00              | \$ 63,640.63                | \$ 63,640.63                    |                            |
| 09/01/2030  | 5.000%             | \$ 100,000.00    | \$ 2,765,000.00              | \$ 63,640.63                | \$ 163,640.63                   | \$ 227,281.26              |
| 03/01/2031  |                    |                  | \$ 2,765,000.00              | \$ 61,140.63                | \$ 61,140.63                    |                            |
| 09/01/2031  | 5.000%             | \$ 100,000.00    | \$ 2,665,000.00              | \$ 61,140.63                | \$ 161,140.63                   | \$ 222,281.26              |
| 03/01/2032  |                    |                  | \$ 2,665,000.00              | \$ 58,640.63                | \$ 58,640.63                    |                            |
| 09/01/2032  | 5.000%             | \$ 110,000.00    | \$ 2,555,000.00              | \$ 58,640.63                | \$ 168,640.63                   | \$ 227,281.26              |
| 03/01/2033  |                    |                  | \$ 2,555,000.00              | \$ 55,890.63                | \$ 55,890.63                    |                            |
| 09/01/2033  | 5.000%             | \$ 115,000.00    | \$ 2,440,000.00              | \$ 55,890.63                | \$ 170,890.63                   | \$ 226,781.26              |
| 03/01/2034  |                    |                  | \$ 2,440,000.00              | \$ 53,015.63                | \$ 53,015.63                    |                            |
| 09/01/2034  | 3.625%             | \$ 120,000.00    | \$ 2,320,000.00              | \$ 53,015.63                | \$ 173,015.63                   | \$ 226,031.26              |
| 03/01/2035  |                    |                  | \$ 2,320,000.00              | \$ 50,840.63                | \$ 50,840.63                    |                            |
| 09/01/2035  | 3.750%             | \$ 125,000.00    | \$ 2,195,000.00              | \$ 50,840.63                | \$ 175,840.63                   | \$ 226,681.26              |
| 03/01/2036  |                    |                  | \$ 2,195,000.00              | \$ 48,496.88                | \$ 48,496.88                    |                            |
| 09/01/2036  | 4.000%             | \$ 130,000.00    | \$ 2,065,000.00              | \$ 48,496.88                | \$ 178,496.88                   | \$ 226,993.76              |
| 03/01/2037  |                    |                  | \$ 2,065,000.00              | \$ 45,896.88                | \$ 45,896.88                    |                            |
| 09/01/2037  | 4.000%             | \$ 135,000.00    | \$ 1,930,000.00              | \$ 45,896.88                | \$ 180,896.88                   | \$ 226,793.76              |

| <i>Date</i>  | <i>Coupon Rate</i> | <i>Principal</i>       | <i>Principal Outstanding</i> | <i>Semi-Annual Interest</i> | <i>Semi-Annual Debt Service</i> | <i>Annual Debt Service</i> |
|--------------|--------------------|------------------------|------------------------------|-----------------------------|---------------------------------|----------------------------|
| 03/01/2038   |                    |                        | \$ 1,930,000.00              | \$ 43,196.88                | \$ 43,196.88                    |                            |
| 09/01/2038   | 4.000%             | \$ 140,000.00          | \$ 1,790,000.00              | \$ 43,196.88                | \$ 183,196.88                   | \$ 226,393.76              |
| 03/01/2039   |                    |                        | \$ 1,790,000.00              | \$ 40,396.88                | \$ 40,396.88                    |                            |
| 09/01/2039   | 5.000%             | \$ 145,000.00          | \$ 1,645,000.00              | \$ 40,396.88                | \$ 185,396.88                   | \$ 225,793.76              |
| 03/01/2040   |                    |                        | \$ 1,645,000.00              | \$ 36,771.88                | \$ 36,771.88                    |                            |
| 09/01/2040   | 5.000%             | \$ 150,000.00          | \$ 1,495,000.00              | \$ 36,771.88                | \$ 186,771.88                   | \$ 223,543.76              |
| 03/01/2041   |                    |                        | \$ 1,495,000.00              | \$ 33,021.88                | \$ 33,021.88                    |                            |
| 09/01/2041   | 5.000%             | \$ 160,000.00          | \$ 1,335,000.00              | \$ 33,021.88                | \$ 193,021.88                   | \$ 226,043.76              |
| 03/01/2042   |                    |                        | \$ 1,335,000.00              | \$ 29,021.88                | \$ 29,021.88                    |                            |
| 09/01/2042   | 5.000%             | \$ 165,000.00          | \$ 1,170,000.00              | \$ 29,021.88                | \$ 194,021.88                   | \$ 223,043.76              |
| 03/01/2043   |                    |                        | \$ 1,170,000.00              | \$ 24,896.88                | \$ 24,896.88                    |                            |
| 09/01/2043   | 5.000%             | \$ 175,000.00          | \$ 995,000.00                | \$ 24,896.88                | \$ 199,896.88                   | \$ 224,793.76              |
| 03/01/2044   |                    |                        | \$ 995,000.00                | \$ 20,521.88                | \$ 20,521.88                    |                            |
| 09/01/2044   | 4.125%             | \$ 185,000.00          | \$ 810,000.00                | \$ 20,521.88                | \$ 205,521.88                   | \$ 226,043.76              |
| 03/01/2045   |                    |                        | \$ 810,000.00                | \$ 16,706.25                | \$ 16,706.25                    |                            |
| 09/01/2045   | 4.125%             | \$ 190,000.00          | \$ 620,000.00                | \$ 16,706.25                | \$ 206,706.25                   | \$ 223,412.50              |
| 03/01/2046   |                    |                        | \$ 620,000.00                | \$ 12,787.50                | \$ 12,787.50                    |                            |
| 09/01/2046   | 4.125%             | \$ 200,000.00          | \$ 420,000.00                | \$ 12,787.50                | \$ 212,787.50                   | \$ 225,575.00              |
| 03/01/2047   |                    |                        | \$ 420,000.00                | \$ 8,662.50                 | \$ 8,662.50                     |                            |
| 09/01/2047   | 4.125%             | \$ 205,000.00          | \$ 215,000.00                | \$ 8,662.50                 | \$ 213,662.50                   | \$ 222,325.00              |
| 03/01/2048   |                    |                        | \$ 215,000.00                | \$ 4,434.38                 | \$ 4,434.38                     |                            |
| 09/01/2048   | 4.125%             | \$ 215,000.00          | \$ 0.00                      | \$ 4,434.38                 | \$ 219,434.39                   | \$ 223,868.76              |
| <b>Total</b> |                    | <b>\$ 3,650,000.00</b> |                              | <b>\$ 3,002,220.22</b>      | <b>\$ 6,652,220.23</b>          | <b>\$ 6,652,220.23</b>     |



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