

RESOLUTION NO. 2017- 057

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CORONA, CALIFORNIA SPECIFYING THE TERMS OF
REPAYMENT FOR A PREVIOUSLY AUTHORIZED LOAN
FROM THE GENERAL FUND TO THE PARK
DEVELOPMENT FUND FOR THE ACQUISITION OF
PARKLAND AND REPEALING RESOLUTION NO. 2010-
058**

WHEREAS, in 1989 Public Improvement Revenue Bonds (“1989 Bonds”) were issued by the Corona Public Financing Authority (“Authority”) to finance the acquisition of approximately 98 acres of property throughout the City of Corona (“City”) to be developed as park sites; and

WHEREAS, the 1989 Bonds were refunded through the issuance of refunding bonds in 1993 (“1993 Bonds”); and

WHEREAS, the 1993 Bonds were refunded through the issuance of refunding bonds in 2001 (“2001 Bonds”); and

WHEREAS, for purposes of this Resolution, the 1989 Bonds, the 1993 Bonds and the 2001 Bonds shall be collectively referred to as the “Bonds”; and

WHEREAS, the payment of principal and interest on the Bonds was secured by lease payments to be made by the City to the Authority; and

WHEREAS, the lease payments were intended to be paid from parkland dedication in-lieu fees (“Quimby Fees”) imposed upon new development and collected by the City; and

WHEREAS, the amount of Quimby Fees collected and deposited into the Park Development Fund were insufficient to make the lease payments in several years; and

WHEREAS, commencing in 1993, loans from the City’s General Fund to the Park Development Fund were made in such amounts necessary for the City to make the annual lease payments to the Authority, with the expectation that Quimby Fees to be collected in the future would be used to pay back the loan from the General Fund; and

WHEREAS, the total cumulative amount of the loans from the City’s General Fund to the Park Development Fund was \$15,200,221 and the balance owed as of July 1, 2016 was \$14,807,287 (“General Fund Loan”); and

WHEREAS, on June 15, 2010, the City Council adopted Resolution No. 2010-058 to require that all monies loaned by the General Fund to make the lease payments for the debt service on the Bonds be repaid by Quimby Fees as a first priority until the General Fund is repaid in full; and

WHEREAS, because Quimby Fees are only imposed upon certain subdivisions as permitted by Government Code Section 66477, the City also imposes development impact fees upon new developments that are not otherwise required to pay Quimby Fees, which are also be used for parkland acquisition; and

WHEREAS, the City Council desires to repeal Resolution No. 2010-058 and restate in this Resolution the terms for repayment of the General Fund Loan.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Corona, California, as follows:

SECTION 1. All fees or charges collected by the City for the purpose of acquiring parkland, including, without limitation, Quimby Fees and parkland acquisition development impact fees (“Parkland Acquisition Fees”), shall be used, as a first priority, to repay the General Fund Loan until such time that the General Fund Loan is repaid in full; provided, however, that the Parkland Acquisition Fees shall expressly not include either of the following: (1) funds that are voluntarily provided to the City for parkland acquisition or park improvement purposes as part of a negotiated agreement with the City; or (2) funds paid by a developer for which the developer will be entitled to reimbursement from the proceeds of tax exempt bonds.

SECTION 2. At the end of each fiscal year, the Assistant City Manager/Administrative Services Director is authorized and directed to transfer to the General Fund any Parkland Acquisition Fees collected that fiscal year.

SECTION 3. Resolution No. 2010-058 is hereby repealed in its entirety.

SECTION 4. The Mayor shall sign this Resolution and the City Clerk shall attest thereto, and thereafter this Resolution shall take effect immediately

PASSED, APPROVED AND ADOPTED this 21st day of June 2017.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, LISA MOBLEY, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly introduced and adopted at a regular meeting of the City Council of the City of Corona, California, thereof held on the 21st of June 2017, by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 21st day of June 2017.

City Clerk of the City of Corona, California