

June 24, 2020

Dave Barisic
Brandywine Homes
16580 Aston Street
Irvine, California 92606

Steven R. Jones
Mayor

John R. O'Neill
Mayor Pro Tem - District 2

George S. Brietigam
Council Member - District 1

Diedre Thu-Ha Nguyen
Council Member - District 3

Patrick Phat Bui
Council Member - District 4

Stephanie Klopfenstein
Council Member - District 5

Kim Bernice Nguyen
Council Member - District 6

RE: FY 2019 - 2020 Katella Cottages Excess Tax Increment Payment

Dear Mr. Barisic,

The Agency recently received the necessary calculations from our property tax consultant, HdL, to determine if there would be an Excess Tax Increment Payment for the Katella Cottages project for fiscal year 2019 – 2020. For 2019 – 2020, the Net Tax Increment Revenue generated by the project available for debt service was \$206,349.88 and the debt service amount for 2019 – 2020 equaled \$175,650. The Net Tax Increment Revenue exceeded the debt service amount by \$30,699.88 therefore, pursuant to the note; you will be receiving this amount split up into payments per the letter dated September 8, 2008.

For your convenience and review, I have attached both the FY 2019 – 2020 Revenue Spreadsheet for the Katella Cottages project as well as the Payment Schedule for the 2008 Subordinate Promissory Note. If you have any further questions, please do not hesitate to contact me at (714) 741-5130.

Sincerely,



Grace Lee
Sr. Economic Development Specialist

Attachments

Copies: James Barisic
Brett Whitehead

**KATELLA COTTAGES
2008 SUBORDINATE PROMISSORY NOTE
BUDGET INFORMATION**

Fiscal Year	Principal	Coupon	Interest	BUDGET PAYMENT	Debt Service
2008-09			\$ 36,941.67	\$ 36,941.67	\$ 36,941.67
2009-10	\$ 60,000.00	0.06	\$ 120,900.00	\$ 179,100.00	\$ 180,900.00
2010-11	\$ 65,000.00	0.06	\$ 117,300.00	\$ 180,350.00	\$ 182,300.00
2011-12	\$ 65,000.00	0.06	\$ 113,400.00	\$ 176,450.00	\$ 178,400.00
2012-13	\$ 70,000.00	0.06	\$ 109,500.00	\$ 177,400.00	\$ 179,500.00
2013-14	\$ 75,000.00	0.06	\$ 105,300.00	\$ 178,050.00	\$ 180,300.00
2014-15	\$ 80,000.00	0.06	\$ 100,800.00	\$ 178,400.00	\$ 180,800.00
2015-16	\$ 85,000.00	0.06	\$ 96,000.00	\$ 178,450.00	\$ 181,000.00
2016-17	\$ 90,000.00	0.06	\$ 90,900.00	\$ 178,200.00	\$ 180,900.00
2017-18	\$ 95,000.00	0.06	\$ 85,500.00	\$ 177,650.00	\$ 180,500.00
2018-19	\$ 100,000.00	0.06	\$ 79,800.00	\$ 176,800.00	\$ 179,800.00
2019-20	\$ 105,000.00	0.06	\$ 73,800.00	\$ 175,650.00	\$ 178,800.00
2020-21	\$ 115,000.00	0.06	\$ 67,500.00	\$ 179,050.00	\$ 182,500.00
2021-22	\$ 120,000.00	0.06	\$ 60,600.00	\$ 177,000.00	\$ 180,600.00
2022-23	\$ 130,000.00	0.06	\$ 53,400.00	\$ 179,500.00	\$ 183,400.00
2023-24	\$ 135,000.00	0.06	\$ 45,600.00	\$ 176,550.00	\$ 180,600.00
2024-25	\$ 145,000.00	0.06	\$ 37,500.00	\$ 178,150.00	\$ 182,500.00
2025-26	\$ 150,000.00	0.06	\$ 28,800.00	\$ 174,300.00	\$ 178,800.00
2026-27	\$ 160,000.00	0.06	\$ 19,800.00	\$ 175,000.00	\$ 179,800.00
2027-28	\$ 170,000.00	0.06	\$ 10,200.00	\$ 901,870.84	\$ 180,200.00
TOTALS	\$ 2,015,000.00		\$ 1,453,541.67		\$ 3,468,541.67