# PETITION TO ESTABLISH MERRICK SQUARE COMMUNITY DEVELOPMENT DISTRICT

August, 2021

BEFORE THE CITY COMMISSION OF THE CITY OF PEMBROKE PINES, **FLORIDA** 

ORDINANCE TO ESTABLISH THE MERRICK SQUARE

COMMUNITY DEVELOPMENT DISTRICT

**PETITION** 

D. R. Horton, Inc., a Delaware corporation, registered to do business in the State of

Florida ("Petitioner"), hereby submits this Petition to the City Commission of the City of

Pembroke Pines, Florida, pursuant to the Uniform Community Development District Act

of 1980, Chapter 190, Florida Statutes, to establish a Community Development District

with respect to the land described herein. In support of this Petition, Petitioner states as

follows:

IN RE:

 $\mathbf{A}\mathbf{N}$ 

1. Location and Size. The proposed District is located north of Pembroke Road.

south of Pines Boulevard, east of SW 172<sup>nd</sup> Avenue and west of I-75 in the City of Pembroke

Pines, Florida, and contains approximately 23.5 acres. The general location of the proposed

District is shown on Exhibit 1 attached hereto. The metes and bounds description of the

external boundaries of the proposed District is set forth in Exhibit 2 attached hereto.

2. Landowner Consent. Attached hereto as Exhibit 3 is the written consent of the

owner of 100% of the real property to be included within the proposed District.

Name. The proposed name of the proposed District to be established is Merrick 3.

Square Community Development District (the "District").

4. Initial Board Members. The five (5) persons designated to serve as initial

members of the Board of Supervisors of the proposed District, are as follows:

Name: Karl Albertson

Address: 6123 Lyons Road

Coconut Creek, Florida 33073

Name: Javi Tavel

Address: 6123 Lyons Road

Coconut Creek, Florida 33073

Name: Vindra Hanuman Address: 6123 Lyons Road Coconut Creek, Florida 33073

Name: Ryan Kaufman Address: 6123 Lyons Road Coconut Creek, Florida 33073

Name: Jordan Bayne Address: 6123 Lyons Road Coconut Creek, Florida 33073

All of the above listed persons are residents of the State of Florida and citizens of the United States of America.

- 5. Existing Land Uses. The lands within the proposed District are currently vacant and are zoned in the (MXD) Mixed Use Development and (B-3) General Business zoning district, as set forth in the City of Pembroke Pines Zoning Code.
- 6. <u>Future Land Uses.</u> The proposed development of the lands within the proposed District contemplates the construction of 211 townhouses. These proposed land uses are consistent with the state comprehensive plan, and with the City of Pembroke Pines Comprehensive Plan, which designates the Property as Irregular (IRR) and Commercial (C) as shown on **Exhibit 4** attached hereto. **Exhibit 5** attached hereto shows the proposed development plan for the lands within the District.
- 7. Major Water and Wastewater Facilities. Exhibit 6 attached hereto shows the existing major trunk water mains and sewer connections serving the lands within the District. Exhibit 6 also depicts the major outfall canals and drainage system for the lands within the proposed District.
- 8. <u>District Facilities and Services.</u> The Petitioner presently intends for the proposed District to participate in the funding and construction of the following described improvements:
  - (a) Stormwater management system;
  - (b) Water distribution system;
  - (c) Sanitary Sewer system;

(d) Roadway improvements (off-site); and

(e) Wetlands Mitigation

Exhibit 7 attached hereto sets forth the estimated costs of construction of the improvements Petitioner presently expects the proposed District to fund, construct and install. The proposed timetable for construction is shown in Exhibit 8 attached hereto. These are good faith estimates but are subject to change. Actual construction timetables and expenditures will likely vary, due in part to the effects of future changes in economic conditions upon costs such as labor, services, materials, interest rates and market conditions.

9. <u>Statement of Estimated Regulatory Costs.</u> A Statement of Estimated Regulatory Costs prepared in accordance with the requirements of Section 120.541, Florida Statutes, is attached hereto as **Exhibit 9.** 

10. <u>Rights to be Granted the District.</u> Petitioner hereby requests that the District be granted the right to exercise all power provided for in sections 190.012(1)(a)-(d) and (f), Florida Statutes.

11. <u>Disclosure Requirements.</u> Petitioner undertakes on behalf of the District that Petitioner will provide full disclosure of information relating to the public financing of improvements to real property to be undertaken by the District as required by section 190.009, Florida Statutes, as amended.

12. <u>Petitioner and Authorized Agent.</u> The Petitioner is D. R. Horton, Inc., a Delaware corporation, registered to do business in the State of Florida, whose principal address is 1341 Horton Circle, Arlington, Texas 76011. Copies of all correspondence and official notices should also be sent to the authorized agent for the Petitioner:

Dennis E. Lyles, Esq.
Billing, Cochran, Lyles, Mauro & Ramsey, P.A.
515 East Las Olas Blvd, 6<sup>th</sup> Floor
Fort Lauderdale, Florida 33301

Phone: 954-764-7150 / Fax: 954-764-7279

Email: dlyles@bclmr.com

13. **Reasons for Establishment of the District**. This Petition to establish the Merrick Square Community Development District should be granted for the following reasons:

- a. Establishment of the proposed District and all land uses and services planned within the proposed District are not inconsistent with any applicable element or portion of the state comprehensive plan or the effective local government comprehensive plan.
- b. The area of land within the proposed District is part of a unified plan of development that has been or will be approved by the City Commission of the City of Pembroke Pines, Florida. It is of a sufficient size and is sufficiently compact and contiguous to be developed as one functional and interrelated community.
- c. The proposed District will be the best alternative available for delivering community development services and facilities to the area to be served without financially impacting persons residing outside the proposed District. Establishment of the proposed District in conjunction with a comprehensively planned community, as proposed, allows for a more efficient use of resources.
- d. The community development services and facilities of the proposed District will be compatible with the capacity and use of existing local and regional community development services and facilities. In addition, the establishment of the proposed District will provide a perpetual entity capable of making reasonable provisions for the operation and maintenance of the proposed District services and facilities in the future.
- e. The area to be served by the proposed District is amenable to separate special-district government.

WHEREFORE, Petitioner respectfully requests the City Commission of the Pembroke Pines, Florida to:

- a. Hold a public hearing to consider the establishment of the Merrick Square Community Development District in accordance with the requirements of section 190.005(2)(b), Florida Statutes; and
- b. Adopt an ordinance pursuant to Chapter 190, Florida Statutes, granting this Petition and establishing the Merrick Square Community Development District.

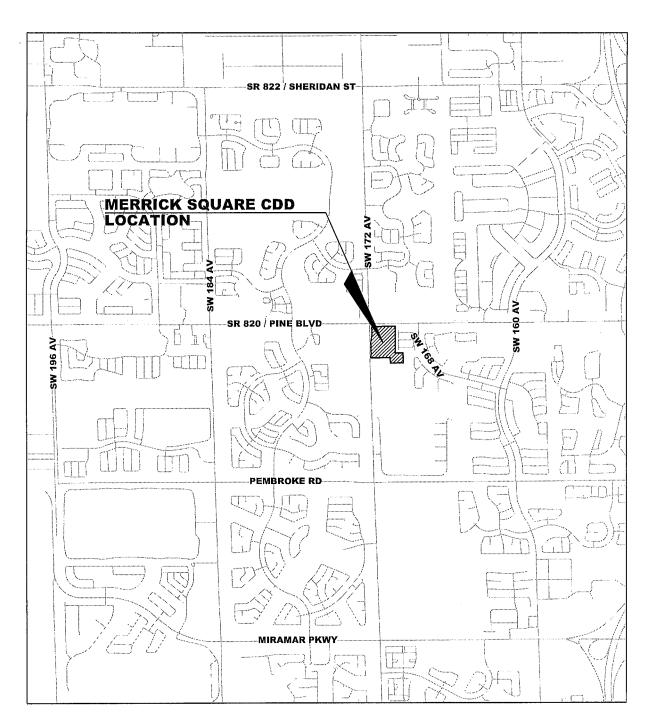
SUBMITTED this 30th day of August, 2021

D. R. Horton, Inc., a Delaware corporation

By:

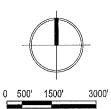
Name: Rafael J. Roca Title: Vice-President

#### LOCATION SKETCH

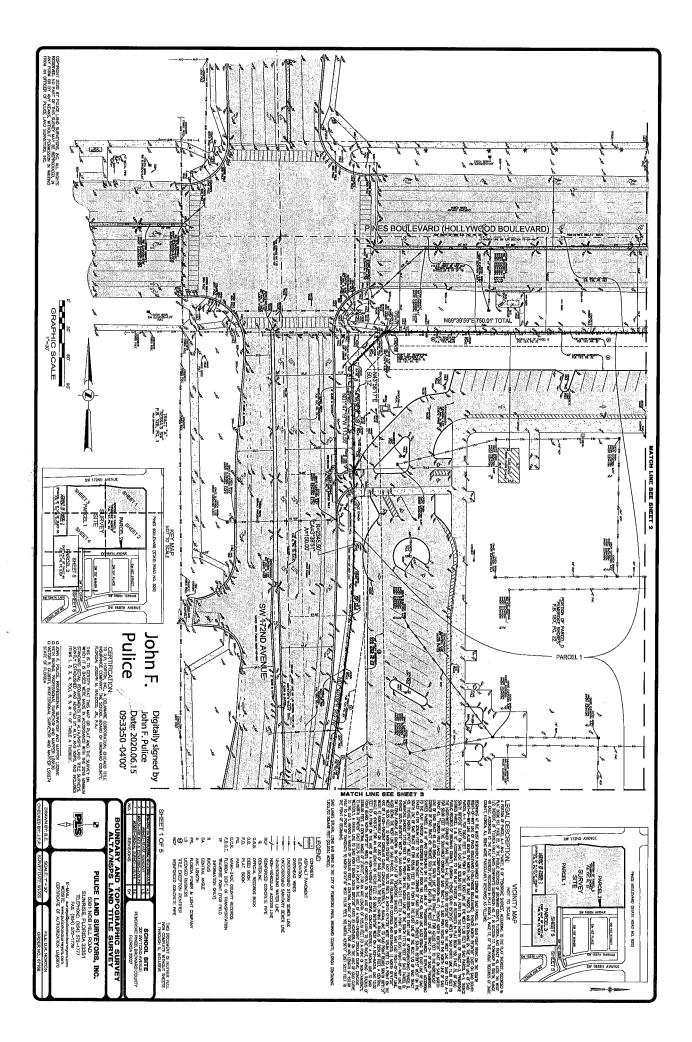


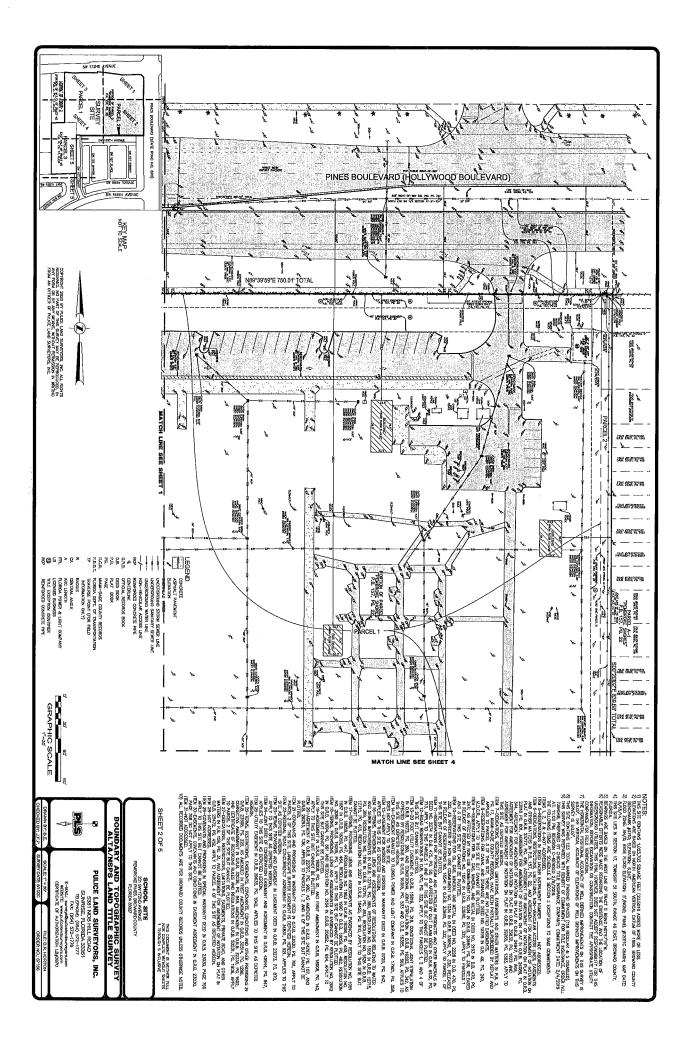
## **ALVAREZ ENGINEERS, INC.**

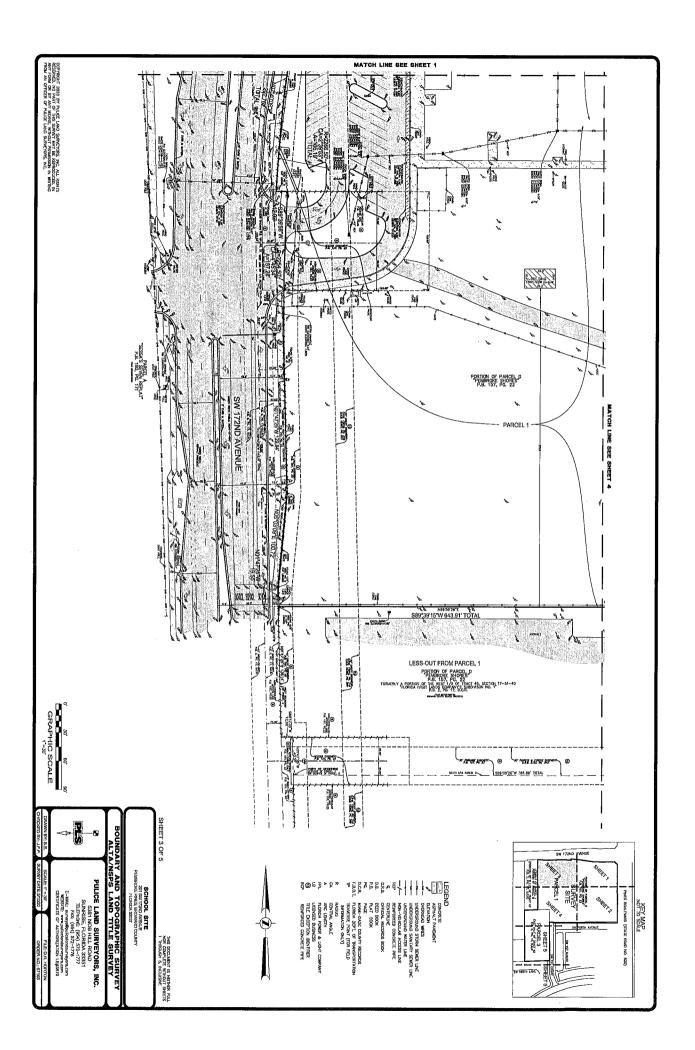
MERRICK SQUARE CDD LOCATION MAP

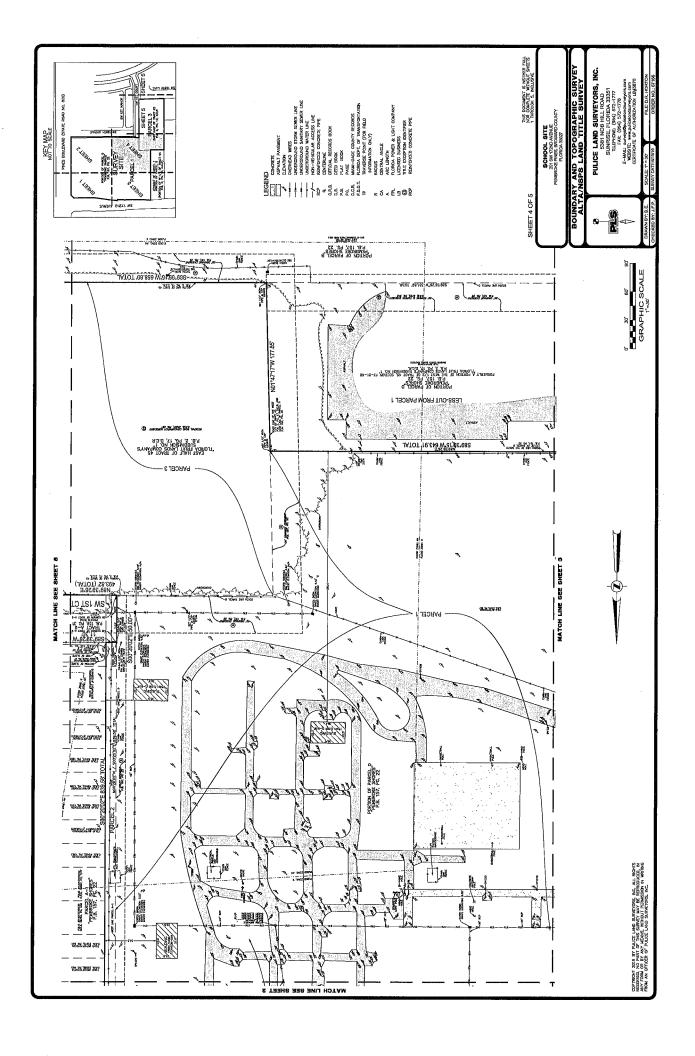


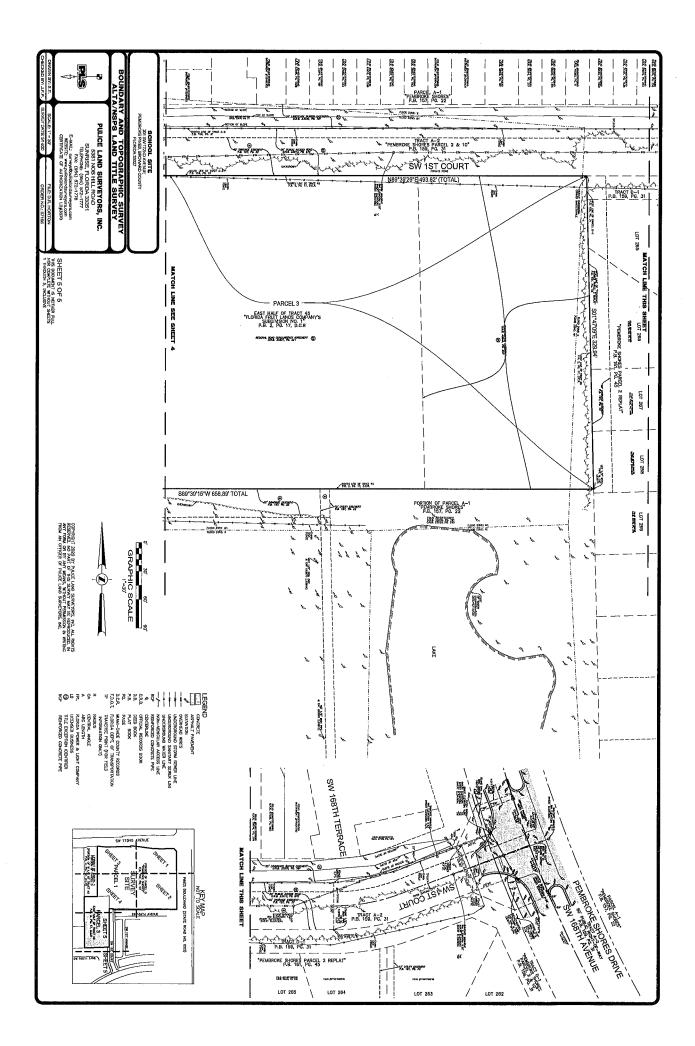
#### METES AND BOUNDS DESCRIPTION











# AFFIDAVIT OF OWNERSHIP AND CONSENT TO THE CREATION OF THE MERRICK SQUARE COMMUNITY DEVELOPMENT DISTRICT

STATE OF FLORIDA

| COUNTY OF BROWARD   |  |  |
|---|--|--|
| On this 27 day of July, 2021, Robert personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, who, after being duly sworn   |  |  |
| officer duly authorized to administer oaths and take acknowledgements, who, after being duly sworn,   |  |  |
| deposes and says:   |  |  |
| 1. Affiant is the Superintendent of the School Board of Broward County, Florida, a  |  |  |
| body corporate and political subdivision of the State of Florida (the "School Board").  |  |  |
| 2. The Company is the owner of the following described property, to wit:  |  |  |
| See Exhibit "A" attached hereto (the "Property")  |  |  |
| 3. Affiant hereby represents that she/he has full authority to execute all documents and  |  |  |
| instruments on behalf of the School Board, including the Petition before City Commission of   |  |  |
| the City of Pembroke Pines, Florida, to enact an ordinance to establish the Merrick Square  |  |  |
| Community Development District (the "Proposed CDD").  |  |  |
| 4. The Property constitutes all of the real property to be included in the Proposed CDD.  |  |  |
| 5. Affiant, on behalf of the School Board, hereby consents to the establishment of the Proposed   |  |  |
| CDD.  |  |  |
| FURTHER AFFIANT SAYETH NOT.  Robert 20. Runcie  |  |  |
| Sworn to and subscribed before me by means of [1] physical presence or [] online notarization, this 27th day of July ,2021, by Robert W. Runcie who is personally known to me or who has produced (type of identification) as identification. |  |  |
| Notary: Zefinywa If Granek  ZEFIRYNA M. GRANEK Commission # GG 951328 Expires April 25, 2024 Bonded Thru Budget Notary Services  Notary Public, State of Florida  |  |  |

# Exhibit "A" to Affidavit Legal Description of Property

A PORTION OF PARCEL A-1 AND PARCEL D OF "PEMBROKE SHORES", ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 157, PAGE 22, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, AND TRACT 45, LESS THE WEST 1/2 THEREOF, OF "FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION NO. I", IN SECTION 17, TOWNSHIP 51 SOUTH, RANGE 40 EAST, ACCORDING TO THE PLAT THEREOF, RECORDED IN PLAT BOOK 2, PAGE 17, OF THE PUBLIC RECORDS OF DADE COUNTY, FLORIDA, ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

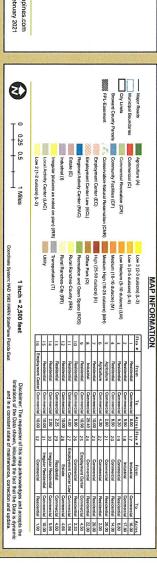
BEGINNING AT THE MOST NORTHERLY NORTHWEST CORNER OF SAID PARCEL D, SAID POINT BEING ON THE SOUTH RIGHT-OF-WAY LINE OF PINES BOULEVARD (HOLLYWOOD BOULEVARD); THENCE NORTH 89°39'59" EAST ON SAID SOUTH RIGHT-OF-WAY LINE ALSO BEING THE NORTH LINE OF SAID PARCEL D AND CONTINUING ON THE NORTH LINE OF SAID PARCEL A-1 FOR 750.01 FEET TO A POINT ON THE EAST LINE OF THE WEST 11.30 FEET OF SAID PARCEL A-1; THENCE SOUTH 00°20'02" EAST ON SAID EAST LINE 839.58 FEET TO A POINT ON THE NORTH LINE OF TRACT A-2, "PEMBROKE SHORES PARCEL 2 & 10", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 159, PAGE 31, OF SAID PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA; THENCE SOUTH 89°39'26" WEST ON SAID NORTH LINE 11.30 FEET TO THE NORTHWEST CORNER OF SAID TRACT A-2; THENCE SOUTH 00°20'02" EAST ON THE WEST LINE OF SAID TRACT A-2 FOR 50.00 FEET TO THE SOUTHWEST CORNER OF SAID TRACT A-2, SAID POINT BEING ON THE NORTH LINE OF SAID TRACT 45, ""FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION NO. I"; THENCE NORTH 89°39'26" EAST ON SAID NORTH LINE OF SAID TRACT 45 ALSO BEING THE SOUTH LINE OF SAID TRACT A-2 FOR 493.82 FEET TO THE NORTHEAST CORNER OF SAID TRACT 45; THENCE SOUTH 01°47'09" EAST ON THE WEST LINE OF TRACT D-1 OF SAID "PEMBROKE SHORES PARCEL 2 & 10" AND CONTINUING ON THE WEST LINE OF "PEMBROKE SHORES PARCEL 2 REPLAT", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 161, PAGE 45, SAID LINE ALSO BEING THE EAST LINE OF SAID TRACT 45 FOR 329.94 FEET TO THE SOUTHEAST CORNER OF SAID TRACT 45; THENCE SOUTH 89°39'15" WEST ON THE SOUTH LINE OF SAID TRACT 45 FOR 658.89 FEET TO A POINT ON THE EAST LINE OF THE WEST 1/2 OF SAID TRACT 45; THENCE NORTH 01°47'17" WEST ON SAID EAST LINE, ALSO BEING THE EAST LINE OF AFOREMENTIONED PARCEL D, "PEMBROKE SHORES" 177.85 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 177.79 FEET OF SAID PARCEL D; THENCE SOUTH 89°39'15" WEST ON SAID NORTH LINE 643.91 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SW 172ND AVENUE AS SHOWN ON SAID PLAT OF "PEMBROKE SHORES"; THENCE ON SAID EAST RIGHT-OF-WAY LINE, ALSO BEING THE WEST LINE OF SAID PARCEL D, THE FOLLOWING 10 COURSES AND DISTANCES; 1) NORTH 01°47'25" WEST 19.55 FEET; 2) NORTH 05°03'09" EAST 100.72 FEET; 3) NORTH 01°47'25" WEST 129.84 FEET TO A POINT ON THE ARC OF A NON-TANGENT CIRCULAR CURVE, CONCAVE EASTERLY, A RADIAL LINE TO SAID POINT BEARS SOUTH 88°11'31" WEST; 4) NORTHERLY ON THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 2254.50 FEET, A CENTRAL ANGLE OF 4°45'34", FOR AN ARC LENGTH OF 187.28 FEET; 5) SOUTH 89°39'58" WEST ON A NON-RADIAL LINE 12.02 FEET TO A POINT ON THE ARC OF A NON-TANGENT CIRCULAR CURVE, CONCAVE EASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 87°01'21" WEST; 6) NORTHERLY ON THE ARC OF SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 2266.50 FEET, A CENTRAL ANGLE OF 2°39'33", FOR AN ARC LENGTH OF 105.19 FEET TO A POINT OF NON-TANGENCY; 7) NORTH 07°40'09" EAST 202.76 FEET TO A POINT ON THE ARC OF A NON-TANGENT CIRCULAR CURVE, CONCAVE WESTERLY, A RADIAL LINE TO SAID POINT BEARS SOUTH 88°07'28" EAST; 8) NORTHERLY ON THE ARC OF SAID CURVE TO THE LEFT, HAVING A RADIUS OF 2345.50 FEET, A CENTRAL ANGLE OF 3°39'51", FOR AN ARC LENGTH OF 150.00 FEET TO A POINT OF TANGENCY; 9) NORTH 01°47'19" WEST 113.56 FEET; 10) NORTH 43°56'17" EAST 50.12 FEET TO THE POINT OF BEGINNING.

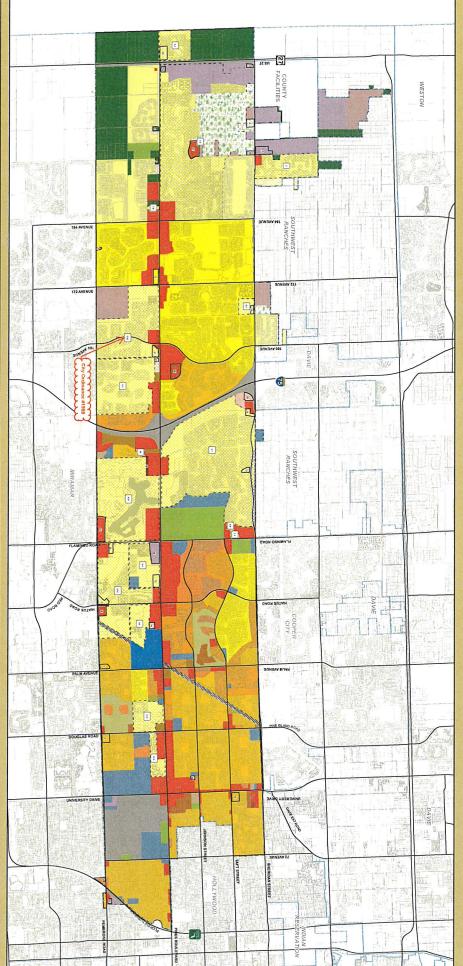
SAID LANDS SITUATE, LYING AND BEING IN THE CITY OF PEMBROKE PINES, BROWARD COUNTY, FLORIDA CONTAINING 1,023,703 SQUARE FEET (23.5010 ACRES).

### **FUTURE LAND USE DESIGNATION**

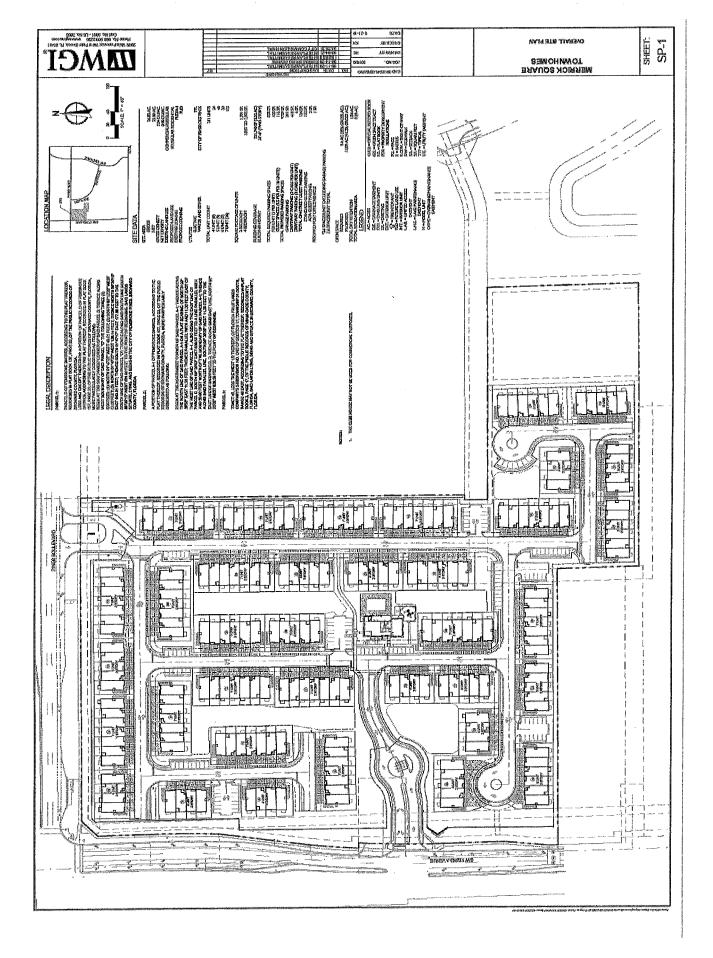


Planning & Economic Development Department • 601 City Center Way • 3rd Floor • Pembroke Pines, Florida 33025 • 954-392-2100 • www.ppines.com Document Path: St PlanningNP \_ CISGIS\_ Projects/FutureLandUssNaps/2021/2ZX34FLUM.mxd

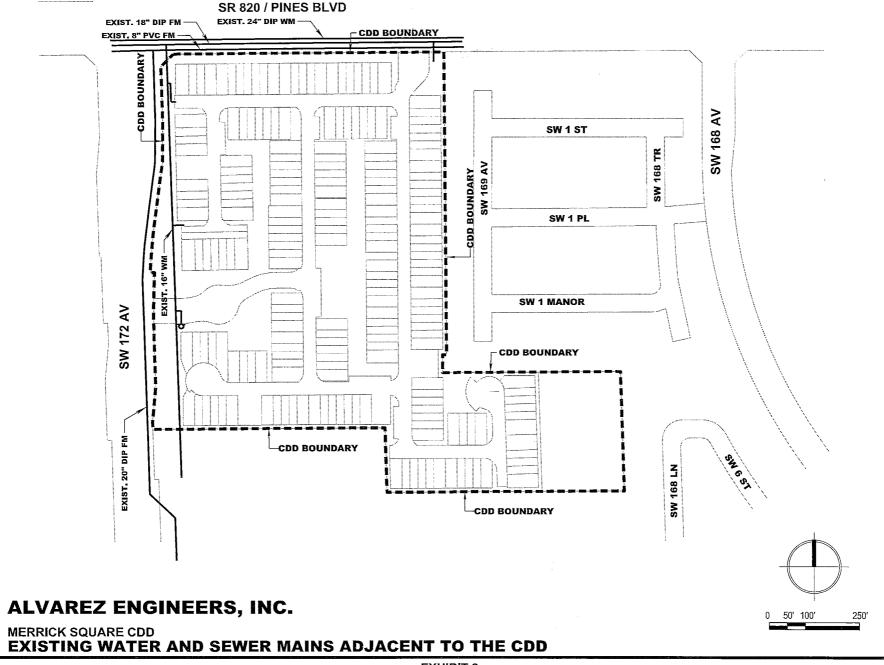




#### PROPOSED DEVELOPMENT PLAN



## MAJOR TRUNK WATER MAINS, SEWER INTERCEPTORS AND OUTFALLS



### ESTIMATED COSTS OF DISTRICT IMPROVEMENTS

| <b>Total Estimated Costs</b>    | \$ 4,058,000 |
|---------------------------------|--------------|
| Wetlands Mitigation             | \$ 58,000    |
| Roadway Improvements (off-site) | \$ 781,000   |
| Sanitary Sewer System           | \$ 1,367,000 |
| Water Distribution System       | \$ 752,000   |
| Stormwater Management System    | \$ 1,100,000 |

## PROPOSED TIMETABLE FOR CONSTRUCTION OF DISTRICT IMPROVEMENTS

|                                 | <b>Start Date</b> | <b>Completion Date</b> |
|---------------------------------|-------------------|------------------------|
| Stormwater Management System    | November, 2021    | February, 2022         |
| Water Distribution System       | January, 2022     | February, 2022         |
| Sanitary Sewer System           | September, 2021   | February, 2022         |
| Roadway Improvements (off-site) | January, 2022     | May, 2022              |
| Wetlands Mitigation             | November, 2021    | February, 2022         |

#### STATEMENT OF ESTIMATED REGULATORY COSTS

#### 1.0 Introduction

#### 1.1 Purpose and Scope

This Statement of Estimated Regulatory Costs ("SERC") supports the petition to form the Merrick Square Community Development District ("District"). The proposed District comprises approximately 23.5 acres of land located within the City of Pembroke Pines (the "City"), Broward. County (the "County"), Florida. The limitations on the scope of this SERC are explicitly set out in Section 190.002 (2) (d), F.S. (governing District Formation or alteration) as follows:

"That the process of establishing such a district pursuant to uniform general law shall be fair and <u>based only on factors material to managing and financing the service delivery function of the district, so that any matter concerning permitting or planning of the <u>development is not material or relevant</u> (emphasis added)."</u>

#### 1.2 Overview of the Merrick Square Community Development District

The proposed District is designed to provide community infrastructure, services, and facilities along with certain on-going operations and maintenance to the Merrick Square Community Development District. The Merrick Square Community Development District will encompass approximately 23.5 acres. The development plan for the proposed lands within the District includes the construction of approximately 211 residential units (the "Development"). All are authorized for inclusion within the District.

A Community Development District is an independent unit of special purpose local government authorized by Chapter 190, Florida Statutes, to plan, finance, construct, operate and maintain community-wide infrastructure in planned community developments. CDD's provide a "solution to the state's planning, management and financing needs for delivery of capital infrastructure to service projected growth without overburdening other governments and their taxpayers." Section 190.002 (1) (a), F.S.

A CDD is not a substitute for the local, general purpose, government unit, i.e., the City or County in which the CDD lies. A CDD does not have permitting, zoning or police powers possessed by general purpose governments. A CDD is an alternative means of financing, constructing, operating, and maintaining community infrastructure for planned developments, such as the proposed Development herein. The scope of this SERC is limited to evaluating the consequences of approving the proposal to establish the Merrick Square Community Development District.

#### 1.3 Requirements for Statement of Estimated Regulatory Costs

Section 120.541 (2), F.S. (1997), defines the elements a statement of estimated regulatory costs must contain:

- (a) A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to he affected by the rule.
- (11) A good faith estimate of the cost to the agency', and to any other state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state and local revenues.
- (c) A good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local governmental entities, required to comply with the requirements of the rule. As used in this paragraph, "transactional costs" are direct costs that are readily ascertainable based upon standard business practices, and include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, and the cost of monitoring and reporting.
- (d) An analysis of the impact on small businesses as defined by Section 288.703, F.S., and an analysis of the impact on small counties and small cities as defined by Section 120.52, F.S. (The City is not defined as a small city for purposes of this requirement.)
- (e) Any additional information that the agency determines may be useful.
- (f) In the statement or revised statement, whichever applies, a description of any good faith written proposal submitted under paragraph (1) (a) and either a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule.
- 2.0 A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to be affected by the rule.

As noted above, the Development described herein is an anticipated planned community designed for up to 211 total residential units. Formation of the District would put all of these households under the jurisdiction of the District. It is not anticipated that anyone outside the District would be affected by the rule creating the District, although the State of Florida, the City and County would be required to comply with the rule.

For the purposes of this SERC, the term "agency" means City of Pembroke Pines and the term "rule" means the ordinance(s) which the City of Pembroke Pines will enact in connection with the creation of the District.

3.0 Good faith estimate of the cost to state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state and local revenues.

#### 3.1 Costs to Governmental Agencies of Implementing and Enforcing Rule

#### **State Government Entities**

There will be only modest costs to various State governmental entities to implement and enforce the proposed formation of the District. The District as proposed will encompass less than 1,000 acres; therefore, the City is the establishing entity under 190.005 (1) F.S. The modest costs to various State entities to implement and enforce the proposed rule relate strictly to the receipt and processing of various reports that the proposed District is required to tile with the State and its various entities. Appendix A lists the reporting requirements. The costs to those State agencies that will receive and process the District's reports are very small, because the District is only one of many governmental units that are required to submit the various reports. Therefore, the marginal cost of processing one additional set of reports is inconsequential. Additionally, pursuant to section 169.412, F.S., the District will be required to pay an annual fee to the State of Florida Department of Community Affairs, which offsets such costs.

#### City of Pembroke Pines

The proposed land for the District is in the City of Pembroke Pines, Broward. County, Florida. The City and its staff may process and analyze the petition, conduct hearings with respect to the petition, and the City Commission of the City of Pembroke Pines will vote upon the petition to establish the District. These activities will absorb some resources. The costs to produce the record of the City Commission hearing, the transcript of the hearing, and the ordinance adopted by the City Commission will be offset by the filing fee required under 190.005(1)(b), F.S.

These costs to the City are modest for a number of reasons. First, according to Chapter 190, F.S., review of the petition to establish the District does not include analysis of the project itself Second, the petition itself provides much of the information needed for a staff review. Third, local governments already possess the staff needed to conduct the review without the need for new staff Fourth, there is no capital required to review the petition. Fifth, the potential costs to the City are offset by the required filing fee. Finally, local governments routinely process similar petitions for land uses and zoning charges that are far more complex than is the petition to establish a community development district.

The annual costs to the City because of the establishment of the District are also very small. The proposed District is an independent unit of local government. The only annual costs the City faces are the minimal costs of receiving and reviewing the various reports that the District is required to provide to the local governing authorities.

#### 3.2 Impact on State and Local Revenues

Adoption of the proposed rule will have no negative impact on State and local revenues. The District is an independent unit of local government. It is designed to provide community facilities and services to serve the planned Development. It has its own sources of revenue. No State or local subsidies are required or expected.

In this regard it is important to note that any debt obligations incurred by the District to construct its infrastructure, or for any other reason, are not debts of the State of Florida, the City, or any other unit of local government. In accordance with State law, debts of the District are strictly its own responsibility.

# 4.0 A good faith estimate of the transactional costs are likely to be incurred by individuals and entities required to comply with the requirements of the ordinance.

Table 1 provides an outline of the various facilities and services the proposed District may provide. The proposed CDD intends to finance stormwater management and control systems, including earthworks and landscaping, and water distribution and wastewater collection and transmission facilities.

Table 1. Merrick Square Community Development District Proposed Facilities and Services

| FACILITY  | FUNDED<br>BY | O&M               | OWNERSHIP |
|---|--------------|-------------------|-----------|
| Stormwater<br>Management System                       | CDD          | CDD               | CDD       |
| Water Distribution System                             | CDD          | CITY              | CITY      |
| Sanitary Sewer System Roadway Improvements (off-site) | CDD<br>CDD   | CITY<br>CITY/FDOT | CITY/FDOT |
| Wetlands Mitigation                                   | CDD          | CDD               | CDD       |

## <u>CDD = PROPOSED COMMUNITY DEVELOPMENT DISTRICT; CITY = CITY OF PEMBROKE PINES; FDOT = FLORIDA DEPARTMENT OF TRANSPORTATION</u>

The petitioner has estimated the design and development costs for providing the capital facilities as outlined in Table 1. The cost estimates are shown in Table 2 below. Total design and development costs for these facilities are estimated to be approximately \$4,058,000. The District may issue special assessment or other revenue bonds to fund the development of these facilities. These bonds would be repaid through non ad valorem

assessments levied on all properties in the District that may benefit from the District's capital improvement program outlined in Table 2.

Prospective future landowners in the District may he required to pay non-ad valorem assessments levied by the District to secure the debt incurred through bond issuance. In addition to the levy of non-ad valorem assessments for debt service, the District may also impose a non-ad valorem assessment to fund the operations and maintenance of the District and its facilities and services. However, locating in the District by new residents is completely voluntary. So, ultimately, all owners and users of the affected property choose to accept the non-ad valorem assessments as a tradeoff for the numerous benefits and facilities that the District provides. In addition, state law requires all assessments levied by the District to be disclosed by the seller to all prospective purchasers of property within the District.

A Community Development District ("CDD") provides residents with the option of having higher levels of facilities and services financed through self-imposed charges. The District is an alternative means to finance necessary community services. District financing is no more expensive, and often less expensive, than the alternatives of a municipal service taxing unit, a neighborhood association, City/County provision, or through developer equity and/or bank loans.

In considering these costs it shall be noted that occupants of the lands to be included within the District will receive three major classes of benefits.

First, those residents and businesses in the District will receive a higher level of public services and amenities sooner than would otherwise be the case.

Second, a CDD is a mechanism for assuring that the community services and amenities will be completed concurrently with development of lands within the District. This satisfies the revised growth management legislation, and it assures that growth pays for itself without undue burden on other consumers. Establishment of the District will ensure that these landowners pay for the provision of facilities, services and improvements to these lands.

Third, a CDD is the sole form of governance which allows District landowners, through landowner voting and ultimately electoral voting for resident elected boards, to determine the type, quality and expense of the District services they receive, provided they meet the City's overall requirements.

The cost impact on the ultimate landowners in the District is not the total cost for the District to provide infrastructure services and facilities. Instead, it is the incremental costs above what the landowners would have paid to install infrastructure via an alternative financing mechanism. Given the low cost of capital for a CDD, the cost impact to landowners is negligible. This incremental cost of the high-quality infrastructure provided by the District is likely to be fairly low.

**Table 2. Cost Estimate for District Facilities** 

| CATEGORY                        | COST         |  |
|---------------------------------|--------------|--|
| Stormwater Management System    | \$ 1,100,000 |  |
| Water Distribution System       | \$ 752,000   |  |
| Sanitary Sewer System           | \$ 1,367,000 |  |
| Roadway Improvements (off-site) | \$ 781,000   |  |
| Wetlands Mitigation             | \$ 58,000    |  |
| Total Estimated Costs           | \$ 4,058,000 |  |

## 5.0 An analysis of the impact on small businesses as defined by Section 288.703, F.S., and an analysis of the impact on small counties and small cities as defined by Section 120.52, F.S.

There will be little impact on small businesses because of the formation of the District. if anything, the impact may be positive. This is because the District must competitively bid many of its contracts. This affords small businesses the opportunity to bid on District work.

The City has an estimated population in 2020 that is greater than 10,000. Therefore, the City is not defined as a "small" City according to Section 120.52, F.S.

#### 6.0 Any additional useful information.

The analysis provided above is based on a straightforward application of economic theory, especially as it relates to tracking the incidence of regulatory costs and benefits. Inputs were received from the Developer's Engineer and other professionals associated with the Developer.

## APPENDIX A LIST OF REPORTING REQUIREMENTS

| REPORT                                | FLORIDA<br>STATUTE<br>CITE | DATE  |
|---------------------------------------|----------------------------|---|
| Annual Financial Audit                | 11.45                      | 12 months after end of fiscal year  |
| Annual Financial Report               | 218.32                     | within 45 days of financial audit completion, but no later than 9 months after end of fiscal year |
| TRIM Compliance Report                | 200.068                    | 30 days after adoption of assessment resolution   |
| Form 1 - Limited Financial Disclosure | 112.3144                   | by July 1   |
| Public Depositor Report               | 280.17                     | by November 30  |
| Proposed Budget                       | 190.008                    | sixty (60) days prior to<br>adoption of final budget  |
| Public Meetings Schedule              | 189.015                    | quarterly, semiannually, or annually  |
| Bond Report                           | 218.38                     | When issued   |