

ORDINANCE NO 2005-10-47

This is a true
and certified
Copy.
Anne Sasser,
City Clerk

ORDINANCE GRANTING PETITION OF LEVITT & SONS OF LAKE COUNTY LLC., A FLORIDA LIMITED LIABILITY COMPANY FOR ESTABLISHMENT OF A COMMUNITY DEVELOPMENT DISTRICT; CREATING AND ESTABLISHING THE CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT"); PROVIDING FOR NAME, POWERS AND DUTIES; PROVIDING DESCRIPTION AND BOUNDARIES; PROVIDING INITIAL MEMBERS OF BOARD OF SUPERVISORS; PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE.

WHEREAS, the Florida Legislature created and amended Chapter 190, Florida Statutes, to provide an alternative method to finance and manage basic services for community development; and

WHEREAS, the City of Groveland has the authority to exercise all powers and privileges granted to municipalities and counties by the laws of this State; and

WHEREAS, Levitt & Sons of Lake County LLC., a Florida limited company (the "Petitioner") has petitioned City of Groveland to grant the establishment of the Cascades at Groveland Community Development District (the "District"); and

WHEREAS, a public hearing has been conducted by the City of Groveland City Council in accordance with the requirements and procedures of Section 190.005(2)(b), Florida Statutes, and the applicable requirements and procedures of the City of Groveland; and

WHEREAS, the District will constitute a timely, efficient, effective, responsive and economic way to deliver community development services in the area, thereby providing a solution to the City's planning, management and financing needs for delivery of capital infrastructure therein without overburdening the City and its taxpayers; and

WHEREAS, the City of Groveland finds that the statements contained in the Petition are true and correct; and

WHEREAS, the creation of the District is not inconsistent with any applicable element or portion of the state comprehensive plan or the City of Groveland Comprehensive Plan; and

WHEREAS, the area of land within the District is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be developable as one functional interrelated community; and

WHEREAS, the creation of the District is the best alternative available for delivering the community development services and facilities to the area that will be served by the District; and

WHEREAS, the proposed services and facilities to be provided by the District will be compatible with the capacity and uses of existing local and regional community development services and facilities; and

WHEREAS, the area that will be served by the District is amenable to separate special-district government; and

WHEREAS, having made the foregoing findings, after a public hearing, the City of Groveland City Council wishes to approve the Community Development District in the manner provided by Chapter 190, Florida Statutes; and

WHEREAS, the City of Groveland City Council finds that the District shall have those general and special powers authorized by Sections 190.011 and 190.012, Florida Statutes, and set forth herein, and that it is in the public interest of all of the citizens of City of Groveland that the District have such powers.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA:

Section 1. The foregoing findings, which are expressly set forth herein, are hereby adopted and made a part hereof.

Section 2. The Petition to establish the Cascades at Groveland Community Development District over the real property described in Exhibit "A" attached hereto, which was filed by Levitt & Sons of Lake County LLC., a Florida limited company on 7th June, 2005, and which Petition is on file at the Office of the City Manager, is hereby granted. A Copy of the Petition, attached as Appendix "A", is set forth in its entirety and incorporated herein.

Section 3. The external boundaries of the District shall be as depicted on the location map attached hereto and incorporated herein as Exhibit 1 of Appendix A.

Section 4. The initial members of the Board of Supervisors of the District shall be as follows:

Run Utterback:	4037 Avalon Park East, Orlando, FL 32828
Robert Hudson:	4037 Avalon Park East, Orlando, FL 32828
Dave Schmitt:	4037 Avalon Park East, Orlando, FL 32828
Jeffery Hoyos:	777 West Glades Road, #410, Boca Raton, FL 33434
Edson Mena:	777 West Glades Road, #410, Boca Raton, FL 33434

Section 5. The name of the District shall be the "Cascades at Groveland Community Development District".

Section 6. The Cascades at Groveland Community Development District is created for the purposes set forth in Chapter 190, Florida Statutes, pursuant to the authority granted by the City of Groveland.

Section 7. Pursuant to Section 190.005(2)(d), Florida Statutes, the charter for the Cascades at Groveland Community Development District shall be Sections 190.006 through 190.041, Florida Statutes.

Section 8. The City of Groveland City Council hereby grants to the Cascades at Groveland Community Development District all general powers authorized pursuant to Section 190.011, Florida Statutes, and hereby finds that it is in the public interest of all citizens of City of Groveland to grant such general powers.

Section 9. The City of Groveland hereby grants to the Cascades at Groveland Community Development District the special powers authorized pursuant to Sections 190.012(1), 190.012(2)(a), (b), (d) and (f), (except for powers regarding waste disposal or regarding collection of any waste other than commercial or industrial), and 190.012(3), Florida Statutes, and hereby finds that it is in the public interest of all citizens of the City of Groveland to grant such special powers.

Section 10. All bonds, which mature over a period of 5 years or more, issued by the Cascades at Groveland Community Development District pursuant to the powers granted by this ordinance shall be validated pursuant to Chapter 75, Florida Statutes.

Section 11. No bond, debt or other obligation of the Cascades of Groveland Community Development District, nor any default thereon, shall constitute a debt or obligation of City of Groveland, except upon the express approval and agreement of the City of Groveland.

Section 12. Notwithstanding any power granted to the Cascades at Groveland Community Development District pursuant to this Ordinance, neither the District nor any real or personal property or revenue in the District shall, solely by reason of the District's creation and existence, be exempted from any requirement for the payment of any and all rates, fees, charges, permitting fees, impact fees, connection fees, or similar city rates, fees or charges, which are required by law, ordinance or city rule or regulation to be imposed within or upon any local government within the City.

Section 13. Notwithstanding any power granted to the Cascades at Groveland Community Development District pursuant to this Ordinance, the District may exercise the power of eminent domain outside the district's existing boundaries only with the prior specific and express approval of the City Council of the City of Groveland.

Section 14. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 15. It is the intention of the City Council, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made a part of the Code of the City of Groveland, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section", "article", or other appropriate word.


Section 16. The Cascades at Groveland Community Development District shall, to the extent required by law, require minority participation in the financing and construction of District projects.

Section 17. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

Section 18. This ordinance does not contain a sunset provision.

ATTEST:


James Smith, Mayor


Anne Sasser, City Clerk

Approved as to Form:

Anita Geraci
City Attorney

Passed First Reading 9-19-05
Passed Second Reading 10-3-05

BEFORE THE CITY COUNCIL
CITY OF GROVELAND, FLORIDA

PETITION TO ESTABLISH THE CASCADES AT GROVELAND
COMMUNITY DEVELOPMENT DISTRICT

Petitioner, Levitt & Sons of Lake County, LLC, (hereafter "Petitioner"), hereby petitions the City of Groveland City Council 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:

1. Location and Size. The proposed District is located entirely within the City of Groveland, Florida. Exhibit 1 depicts the general location of the project. The proposed District covers approximately 751.932 acres of land. It is located on a site, which is north of State Road 50, East of State Road 19, south of Florida's Turnpike and west of Highway 27. The metes and bounds description of the external boundaries of the District is set forth in Exhibit 2.

2. Excluded Parcels. There are no parcels within the external boundaries of the proposed District that are to be excluded from the District.

3. Landowner Consent. Petitioner has obtained written consent to establish the District from the owners of one hundred percent of the real property located within the District. Documentation of this consent is contained in Exhibit 3.

4. Initial Board Members. The five persons designated to serve as initial members of the Board of Supervisors of the proposed District are as follows:

Name: Ron Utterback
Address: 4037 Avalon Park East
 Orlando, Florida 32828

Name: Robert Hutson
Address: 4037 Avalon Park East
 Orlando, Florida 32828

Name: Dave Schmitt
Address: 4037 Avalon Park East
 Orlando, Florida 32828

Name: Jeffery Hoyos
Address: 7777 West Glades Road, #410
Boca Raton, Florida 33434

Name: Edson Mena
Address: 7777 West Glades Road, #410
Boca Raton, Florida 33434

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

5. Name. The proposed name of the District is Cascades at Groveland Community Development District.

6. Future Land Uses. The future general distribution, location, and extent of the land uses proposed for the District by future land use plan element of the applicable Future Land Use Plan is identified on Exhibit 4. The proposed land uses for lands within the proposed District are consistent with the adopted applicable Comprehensive Plan.

7. Major Water and Wastewater Facilities and Outfalls. There are no pre-existing major trunk water mains and wastewater interceptors for the lands to be included within the District. Exhibit 5 indicates the major outfall canals and drainage basins for the lands within the proposed District.

8. District facilities and services. The Petitioner presently intends for the District to participate in the construction and installation of certain systems, facilities and basic infrastructure within the ambit of Section 190.012, Florida Statutes. Exhibit 6 identifies the estimated costs of the construction and installation. At present, these improvements are estimated to be made, constructed and installed in 3 years, starting in January 2005 and finishing in December 2007. Actual construction timetables and expenditures will likely vary, due in part to the effects of future changes in the economic conditions upon costs such as labor, services, materials, interest rates and market conditions.

9. Statement of Estimated Regulatory Costs. Exhibit 7 is the statement of estimated regulatory costs ("SERC") prepared in accordance with the requirements of section 120.541.

Florida Statutes. The SERC is based upon presently available data. The data and methodology used in preparing the SERC accompany it.

10. Notice Address. Copies of all correspondence and official notices should also be sent to:

Jonathan T. Johnson, Esq.
HOPPING GREEN & SAMS, P.A.
123 South Calhoun Street
Post Office Box 6526
Tallahassee, FL 32314

11. This petition to establish the Cascades at Groveland Community Development District should be granted for the following reasons:

a. Establishment of the District and all land uses and services planned within the proposed District are not inconsistent with applicable elements or portions of the effective State Comprehensive Plan or the local Comprehensive Plan.

b. The area of land within the proposed District is part of a planned community. It is of a sufficient size and is sufficiently compact and contiguous to be developed as one functional and interrelated community.

c. The establishment of the District will prevent the general body of taxpayers in The City of Groveland from bearing the burden for installation of the infrastructure and the maintenance of the above-described facilities within the development encompassed by the District. The District is the best alternative for delivering community development services and facilities to the proposed community without imposing an additional burden on the general population of the local general-purpose government. Establishment of the 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 District will not be incompatible with the capacity and use of existing local and regional community development services and facilities. In addition, the establishment of the District will provide a perpetual

entity capable of making reasonable provisions for the operation and maintenance of the District services and facilities.

e. The area to be served by the proposed District is amenable to separate special-district government.

WHEREFORE, Petitioner respectfully requests the City of Groveland City Council to:

a. Schedule a public hearing in accordance with the requirements of Section 190.005, Florida Statutes.

b. Grant the petition and adopt an ordinance establishing the District pursuant to Chapter 190, Florida Statutes.

c. Grant such other relief as appropriate.

RESPECTFULLY SUBMITTED, this 8th day of June, 2005.

HOPPING GREEN & SAMS, P.A.

BY: 

Jonathan T. Johnson, Esq.

Florida Bar No. 986460

Wesley S. Haber, Esq.

Florida Bar No. 420069

123 South Calhoun Street

Post Office Box 6526

Tallahassee, FL 32314

(850) 222-7500

Attorney for Petitioner

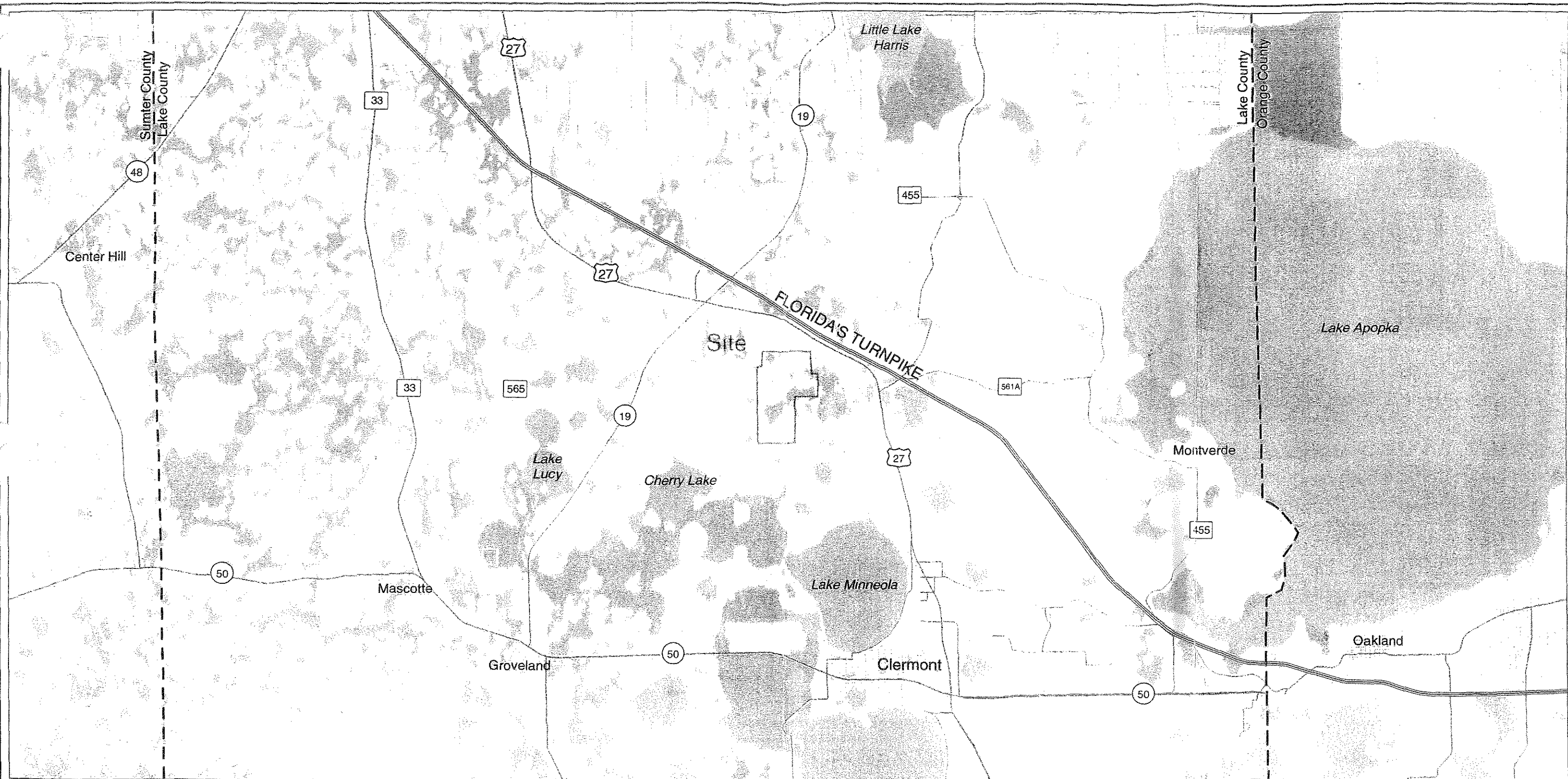
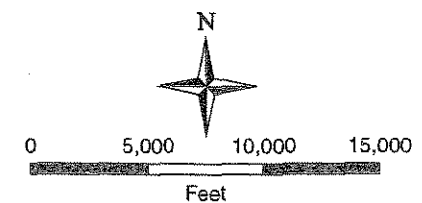


EXHIBIT 1

Cascades Property Lake County, Florida Location Map

(407) 843-5120 www.bsaorl.com



PREPARED BY AND RETURN TO:

JONATHAN T. JOHNSON, ESQ.
HOPPING GREEN & SAMS, P.A.
123 SOUTH CALHOUN STREET
TALLAHASSEE, FLORIDA 32301

Consent and Joinder to Establishment of Community Development District

The undersigned is the owner of certain lands more fully described on Exhibit A attached hereto and made a part hereof ("Property").

The undersigned understands and acknowledges that HOPPING GREEN & SAMS, P.A. ("Petitioner") intends to submit a petition to establish a Community Development District in accordance with the provisions of Chapter 190 of the Florida Statutes.

As an owner of lands which are intended to constitute a portion of the Community Development District, the undersigned understands and acknowledges that pursuant to the provisions of Section 190.005, Florida Statutes, the Petitioner is required to include the written consent to the establishment of the Community Development District of one hundred percent (100%) of the owners of the lands to be included within the Community Development District.

The undersigned hereby consents to the establishment of a Community Development District which will include the Property within the lands to be a part of the Community Development District and agrees to further execute any documentation necessary or convenient to evidence this consent and joinder during the application process for the establishment of the Community Development District.

The undersigned acknowledges that the consent will remain in full force and effect until the Community Development District is established or three years from the date hereof, whichever shall first occur. The undersigned further agrees that it will provide to the next purchaser or successor in interest of all or any portion of the Property a copy of this consent form and obtain, if required by Petitioner, consent to establishment of the Community Development District in substantially this form.

The undersigned hereby represents and warrants that it has taken all actions and obtained all consents necessary to duly authorize the execution of this consent and joinder by the officer executing this instrument.

Executed this 10th day of May, 2005.

Witnessed:

Levin and sons of Lake County, LLC

Edson Mena - WITNESS

Print Name: EDSON MENA

Jeffery Hoyes, SVP

Amy Schenewetter - WITNESS

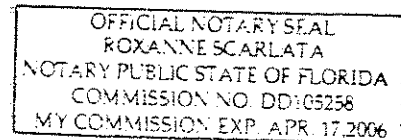
Print Name: Amy Schenewetter

Roxanne Scarlata
Notary Public

Personally known: ☒

Produced Identification: _____

Type of Identification: _____



LEGAL DESCRIPTION
(WRITTEN BY SURVEYOR)

A PORTION OF SECTIONS 26, 27, 34 AND 35, TOWNSHIP 21 SOUTH, RANGE 25 EAST, LAKE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF SAID SECTION 34, BEING A 6' X 6' CONCRETE MONUMENT AS PER CERTIFIED CORNER RECORD 050778, DATED DECEMBER 14, 1994; THENCE NORTH 89° 45' 40" WEST, ALONG THE SOUTH LINE OF SAID SECTION 34 FOR A DISTANCE OF 1,323.84 FEET; THENCE DEPARTING SAID SOUTH LINE RUN NORTH 00° 21' 44" EAST, ALONG THE WEST LINE OF THE EAST HALF OF THE EAST HALF OF SAID SECTION 34 FOR A DISTANCE OF 5,344.61 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 34; THENCE NORTH 00° 37' 21" EAST ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 27, FOR A DISTANCE OF 1,326.41 FEET TO THE NORTHWEST CORNER OF SAID SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 SECTION 27; THENCE SOUTH 89° 45' 07" EAST ALONG THE NORTH LINE OF SAID SOUTHEAST 1/4 OF THE SOUTHEAST 1/4, FOR A DISTANCE OF 420.01 FEET; THENCE DEPARTING SAID NORTH LINE RUN NORTH 00° 37' 21" EAST, FOR A DISTANCE OF 1,326.94 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 27; THENCE SOUTH 89° 50' 28" EAST, ALONG SAID NORTH LINE FOR A DISTANCE OF 912.78 FEET TO THE EAST 1/4 CORNER OF SAID SECTION 27; THENCE SOUTH 89° 24' 56" EAST, ALONG THE NORTH LINE OF THE SOUTHWEST 1/4 AND THE SOUTHEAST 1/4 OF SAID SECTION 26 FOR A DISTANCE OF 3,353.25 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 03° 14' 47" EAST, FOR A DISTANCE OF 1,204.39 FEET; THENCE SOUTH 01° 38' 39" EAST, FOR A DISTANCE OF 784.35 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 26; THENCE SOUTH 89° 31' 34" EAST, ALONG SAID NORTH LINE FOR A DISTANCE OF 516.82 FEET TO THE NORTHEAST CORNER OF SAID SOUTH HALF; THENCE SOUTH 00° 31' 52" WEST, ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 26 FOR A DISTANCE OF 661.29 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE SOUTH 00° 54' 01" WEST, ALONG THE EAST LINE OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 35 FOR A DISTANCE OF 1,326.94 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE NORTH 89° 36' 57" WEST, ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 AND THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 35, FOR A DISTANCE OF 1,985.75 FEET TO A POINT ON THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 35; THENCE SOUTH 00° 35' 34" WEST, ALONG SAID EAST LINE FOR A DISTANCE OF 4,012.95 FEET TO THE SOUTH LINE OF SAID SECTION 35; THENCE NORTH 89° 36' 39" WEST, ALONG SAID SOUTH LINE FOR A DISTANCE OF 1,977.99 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT ROAD RIGHTS-OF-WAY

OVERALL

CONTAINING 751.932 ACRES OR 32,754,146 SQUARE FEET MORE OR LESS.

RIGHTS-OF-WAY

CONTAINING 3.976 ACRES OR 173,215 SQUARE FEET MORE OR LESS.

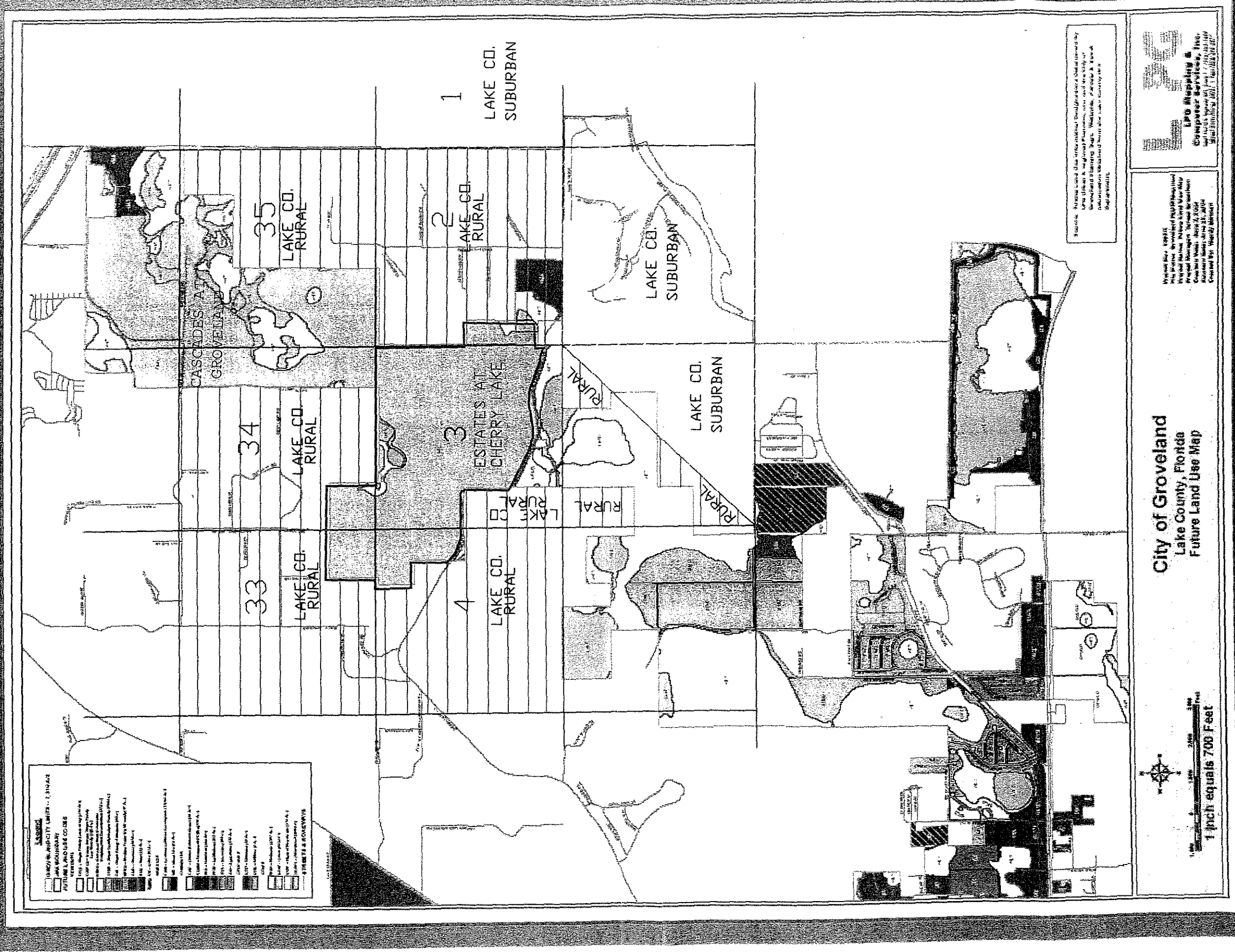


EXHIBIT 6
THE CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT

Cost Estimate for District Improvements

Permits/Engineering/Survey/Professional Fees	\$674,000.00
Earthwork	\$5,716,523.53
Roadways	\$3,120,155.80
Stormwater Management System	\$1,985,630.50
Water & Wastewater	\$2,952,887.40
Offsite Roadway (US-27)	\$85,611.25
Offsite Utilities	<u>\$2,675,173.70</u>
Total Estimated Costs	\$17,209,982.18

STATEMENT OF ESTIMATED REGULATORY COSTS

FOR

CASCADES AT GROVELAND
COMMUNITY DEVELOPMENT DISTRICT

PREPARED BY:

RIZZETTA & COMPANY, INC.

3434 Colwell Avenue

Suite 200

Tampa, Florida 33614

(813) 933-5571

May 11, 2005

RIZZETTA & COMPANY
INCORPORATED

CASCADES AT GROVELAND
COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ESTIMATED REGULATORY COSTS

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CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF ESTIMATED REGULATORY COSTS

I. INTRODUCTION

1. PURPOSE AND SCOPE

This Statement of Estimated Regulatory Costs has been prepared as a component of the petition filed with the City of Groveland, Florida to establish the Cascades at Groveland Community Development District ("District") in accordance with Section 190.005, Florida Statutes ("F.S."). Specifically, Section 190.005(1) (a) 8, F.S., requires, as part of the petition, a Statement of Estimated Regulatory Costs prepared pursuant to Section 120.541 F.S.

A community development district ("CDD") is established under the Uniform Community Development District Act of 1980, Chapter 190 of the Florida Statutes, as amended (the "Act"). A CDD is a local unit of special-purpose government that is limited to the performance of those specialized functions authorized by the Act. Those specialized functions consist of the planning, financing, constructing and maintaining of certain public infrastructure improvements and community development services. As an independent special district, the CDD's governing body establishes its own budget and, within the scope of its authorized powers, operates independently of the local general-purpose governmental entity (i.e., the county or the city) whose boundaries include the CDD.

However, a CDD cannot regulate land use or issue development orders; those powers reside with the local general-purpose government. The Legislature has, in Section 190.004(3), F.S., made this clear by stating:

"The establishment of an independent community development district as provided in this act is not a development order within the meaning of chapter 380. All governmental planning, environmental, and land development laws, regulations, and ordinances apply to all development of the land within a community development district. Community development districts do not have the power of a local government to adopt a comprehensive plan, building code, or land development code, as those terms are defined in the Local Government Comprehensive Planning and Local Development Regulation Act. A district shall take no action which is inconsistent with applicable comprehensive plans, ordinances, or regulations of the applicable local general-purpose government."

CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT STATEMENT OF ESTIMATED REGULATORY COSTS

In addition, the parameters for the review and evaluation of community development district petitions are clearly set forth in Section 190.002(2) (d), F.S., as follows:

"That the process of establishing such a district pursuant to uniform general law be fair and 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 development is not material or relevant."

Therefore, the scope of this Statement of Estimated Regulatory Costs is limited to an evaluation of those factors pertinent to the establishment of a CDD as defined by the Legislature and outlined in Section 120.541(2), F.S.

The purpose of the Act is to provide another tool to government and private landowners in their efforts to comply with comprehensive plans which require adequate public facilities and services as a pre-condition for future development. See Section 163.3177(10) (h) (the "concurrency" requirement), F.S.

The CDD is a special purpose unit of local government that is established for the purpose of providing an alternative mechanism for financing the construction of public infrastructure. A CDD must be structured to be financially independent as intended by the Legislature. The cost of any additional public improvements to be constructed or any additional services to be provided by the county as a result of this development will be incurred by the developer whether the infrastructure is financed through a CDD or any other alternative financing method. The annual operations and administrative costs of the CDD will be borne entirely by the District and will not require any subsidy from the State of Florida, Lake County or the City of Groveland, nor will it place any additional economic burden on those persons not residing within the District.

2. CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT

The proposed District will contain approximately 751.93 acres. If established, a CDD is empowered, as outlined in Section 190.012 F.S., to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities and basic infrastructure that may include, but is not

RIZZETTA & COMPANY
INCORPORATED

CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF ESTIMATED REGULATORY COSTS

limited to: water management and control, water supply, sewer, wastewater management, bridges or culverts, District roads and street lights, transportation facilities, parking improvements, environmental remediation and cleanup, conservation areas, or any other project, within or without the boundaries of the District, required by a development order issued by a local government or subject of an agreement between the District and a governmental entity.

If approved, the District will be authorized to finance these types of infrastructure improvements through special or non-ad valorem assessment revenue bonds. Repayment of these bonds will be through special or non-ad valorem assessments levied against all benefited properties within the District. On-going operation and maintenance for District owned facilities is expected to be funded through maintenance assessments levied against all benefited properties within the District.

II. STATUTORY ITEMS:

Section 120.541(2), F.S. (2004), defines the elements a Statement of Estimated Regulatory Costs must contain, as follows:

- (a) A good faith estimate of the number of individuals and entities likely to be required to comply with the ordinance, together with a general description of the types of individuals likely to be affected by the ordinance;
- (b) 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 ordinance, 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 government entities, required to comply with the requirements of the ordinance;
- (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.;
- (e) Any additional information that the agency determines may be useful.

The estimated regulatory impacts for the establishment of the District are summarized below.

CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF ESTIMATED REGULATORY COSTS

1. A GOOD FAITH ESTIMATE OF THE NUMBER OF INDIVIDUALS AND ENTITIES LIKELY TO BE REQUIRED TO COMPLY WITH THE ORDINANCE, TOGETHER WITH A GENERAL DESCRIPTION OF THE TYPES OF INDIVIDUALS LIKELY TO BE AFFECTED BY THE ORDINANCE.

The individuals and entities likely to be required to comply with the ordinance or affected by the proposed action (i.e., adoption of the ordinance) can be categorized, as follows: A) The State of Florida and its residents, B) Lake County and its residents, C) the City of Groveland and its residents, D) current property owners and E) future property owners.

A. THE STATE OF FLORIDA

The State of Florida and its residents and general population of will not incur any compliance costs related to the establishment and on-going administration of the District and will only be affected to the extent that the State incurs those nominal administrative costs outlined in Section 2. A. 1 below. The cost of any additional administrative services provided by the state as a result of this development will be incurred whether the infrastructure is financed through a CDD or any alternative financing method.

B. LAKE COUNTY

Lake County and its residents not residing within the boundaries of the District will not incur any compliance costs related to the on-going administration of the District other than any one-time administrative costs outlined in Section 2. A. 2 below. Once the District is established, these residents will not be affected by adoption of the ordinance. The cost of any additional administrative services provided by the county as a result of this development will be incurred whether the infrastructure is financed through a CDD or any alternative financing method.

C. CITY OF GROVELAND

The City of Groveland and its residents not residing within the boundaries of the District will not incur any compliance costs related to the on-going administration of the District other than any one-time administrative costs outlined in Section 2. A. 3 below. Once the District is established, these residents will not be affected by

CASCADES AT GROVELAND COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF ESTIMATED REGULATORY COSTS

adoption of the ordinance. The cost of any additional administrative services provided by the city as a result of this development will be incurred whether the infrastructure is financed through a CDD or any alternative financing method.

D. CURRENT PROPERTY OWNERS

The current property owners of the lands within the boundaries of the proposed District will be affected by the proposed ordinance to the extent that the District issues debt for the construction of infrastructure and undertakes operation and maintenance responsibility for that infrastructure.

E. FUTURE PROPERTY OWNERS

The future property owners are those who will own property in the proposed District. These future property owners will be affected by the proposed ordinance to the extent that the District issues debt for the construction of infrastructure and undertakes operation and maintenance responsibility for that infrastructure.

2. A GOOD FAITH ESTIMATE OF THE COST TO THE AGENCY, AND TO ANY OTHER STATE AND LOCAL ENTITIES, OF IMPLEMENTING AND ENFORCING THE PROPOSED ORDINANCE, AND ANY ANTICIPATED EFFECT ON STATE AND LOCAL REVENUES

A. COSTS TO GOVERNMENTAL AGENCIES OF IMPLEMENTING AND ENFORCING THE ORDINANCE

1. State of Florida.

Once the District is established, the State of Florida will incur only nominal administrative costs to review the periodic reports required pursuant to Chapters 190, and 189, F.S., and other law. These reports include the annual financial report, annual audit and public financing disclosures. To offset these costs, the Legislature has established a maximum fee of \$175 per District per year to pay the costs incurred by the Special Districts Information Program to administer the reporting requirements of Chapter 189, F.S. Because the proposed District, as defined in Chapter 190, F.S., is designed to function as a self-sufficient special-purpose governmental entity, it is responsible for its own management. Therefore, except for the reporting requirements outlined above, or later established by law, no additional burden is placed on the State once the District has been established.

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2. Lake County.

Once the proposed District is established, Lake County will not incur any quantifiable on-going costs resulting from the on-going administration of the District.

As previously stated, a CDD operates independently from the county and all administrative and operating costs incurred by a CDD relating to the financing and construction of infrastructure are borne entirely by the CDD. The proposed District will submit, for informational purposes, its annual budget, financial report, audit and public financing disclosures to the County. Since there are no legislative requirements for review or action, Lake County should not incur any costs.

3. City of Groveland (the "Agency").

Because the proposed District encompasses less than 1,000 acres, this petition is being submitted to the City of Groveland (i.e., the "Agency" under Section 120.541(2), F.S.) for approval in accordance with Section 190.005(2) F.S. The Agency will incur certain one-time administrative costs involved with the review of this petition.

Once the proposed District is established, the City of Groveland will not incur any quantifiable on-going costs resulting from the on-going administration of the District. The proposed District will submit, for informational purposes, its annual budget, financial report, audit and public financing disclosures to the City. The City of Groveland should not incur any undue quantifiable costs. The City may, however, choose to review these documents. To offset these one time administrative costs, the petitioner will submit a filing fee of up to \$15,000 to the City of Groveland.

B. IMPACT ON STATE AND LOCAL REVENUES

It is anticipated that approval of this petition will not have any negative effect on state revenues. There is however, the potential for an increase in state sales tax revenue resulting from a stimulated economy although it is not possible to estimate this increase with any degree of certainty. In addition, local ad valorem tax revenues may be increased due to long-lasting increases in property values resulting from the District's construction of infrastructure and on-going maintenance services. Similarly, private development within the District, which will be facilitated by the

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District's activities, should have a positive impact on property values and therefore ad valorem taxes.

In addition, impact fee and development permit revenue is expected to be generated by private development within the District and, accordingly, should also increase local revenues.

Lastly, some express a concern that a District obligation could become a state or county obligation thereby negatively effecting state or local revenues. This cannot occur as Chapter 190 specifically addresses this issue and expressly states: "It is further the purpose and intent of the Legislature that no debt or obligations of a district constitute a burden on any local general-purpose government without its consent." Section 190.002(3), F.S. "A default on the bonds or obligations of a district shall not constitute a debt or obligation of a local general-purpose government or the state." Section 190.016(15), F.S.

In summary, establishment of the proposed Cascades at Groveland Community Development District will not create any significant economic costs for the State of Florida, Lake County or the City of Groveland.

3. A GOOD FAITH ESTIMATE OF THE TRANSACTIONAL COSTS LIKELY TO BE INCURRED BY INDIVIDUALS AND ENTITIES, INCLUDING LOCAL GOVERNMENT ENTITIES, REQUIRED TO COMPLY WITH THE REQUIREMENTS OF THE ORDINANCE.

The transactional costs associated with adoption of an ordinance to establish the District are primarily related to the financing of infrastructure improvements. The District will determine what infrastructure it considers prudent to finance through the sale of bonds. Once the decision is made to issue bonds it is expected that assessments will be levied against benefited property owners within the proposed District. The revenue generated by payment of these assessments will be used to repay the bonds. The obligation to pay the assessments will "run with the land" and will be transferred to new property owners upon sale of any portions of the property.

To fund the cost of maintaining infrastructure that the District maintains, operation and maintenance assessments may be imposed on the District property owners. As with the special assessments for infrastructure acquisition and construction, the property owner will be responsible for payment of these assessments on the basis of the amount of benefited property owned.

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All persons choosing to acquire property in the District will be responsible for such assessments in addition to the taxes or assessments imposed by Lake County, the City of Groveland or other taxing authorities.

In exchange for the payment of these special assessments, there are benefits to be derived by the future property owners. Specifically, these persons can expect to receive a higher level of services because they, the property owners, will elect the members of the Districts' Board of Supervisors. Further, the District is limited in jurisdiction and responsibility to this single development. Therefore, the District should be extremely responsive to the needs of the property owners within the District.

4. 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 could be both positive and negative impacts on small businesses because of the establishment of the District. Positive impacts could occur as a result of the additional population in the District requiring more goods and services from small businesses. Negative impacts could occur because of the increased competition generated by the new businesses in the commercial area within the District. The City of Groveland has an estimated population in 2002 that is less than 10,000; therefore the City is defined as a "small" City according to Section 120.52, F.S. Accordingly, the impacts of the development and the District on the City of Groveland could be significant. These include, but are not limited to (1) an increase in the tax base of the City thereby generating additional revenue for the City to utilize in delivering services to the community, (2) additional recreational facilities and other public facilities provided at no cost to the City and (3) an increase in business opportunities, thereby generating additional sales tax revenue. There are also numerous other benefits that the City would receive. Lake County has an estimated population in 2002 that is greater than 75,000; therefore the County is not defined as a "small" County according to Section 120.52, F.S. and there will accordingly be no impact on a small County because of the formation of the District.

5. ANY ADDITIONAL INFORMATION THAT THE AGENCY DETERMINES MAY BE USEFUL

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Certain data utilized in this report was provided by the developer/petitioner and represents the best information available at this time. Other data was provided by Rizzetta & Company and was based on observations, analysis and experience with private development and other CDDs in various stages of existence.