



Agenda Item Cover Sheet

Agenda Item N^o. _____

Meeting Date July 20, 2021

Consent Section
 Regular Section
 Public Hearing

Subject: CDD 21-0550 PETITION TO ESTABLISH THE SIMMMONS VILLAGE NORTH COMMUNITY DEVELOPMENT DISTRICT (CDD)			
Agency/Department: Development Services Department, Community Development Section			
Contact Person: J. Brian Grady		Contact Phone: 276-8343	
Sign-Off Approvals			
 <small>Deputy County Administrator</small>		 <small>Department Director</small>	
Date		Date	
7/6/2021		7/6/2021	
<small>Business and Support Services - Approved as to Financial Impact Accuracy</small>		<small>County Attorney - Approved as for Legal Sufficiency</small>	

STAFF'S RECOMMENDED BOARD MOTION

Establish the Simmons Village North Community Development District (CDD) in accordance with the attached ordinance.

No direct financial impact to the County will occur as a result of this petition.

Of the approximate total of \$12,500,000 budgeted for CDD-qualified common area infrastructure development costs ("common costs"), it is estimated that \$4,486,416 (or about 36%) will be funded with long-term CDD bond proceeds.

FINANCIAL IMPACT STATEMENT

No direct financial impact to the County will occur as a result of this petition.

BACKGROUND

On March 18, 2021 Spencer Farms, Inc. petitioned Hillsborough County to establish the Simmons Village North Community Development District (CDD). The applicant submitted revised information on June 23, 2021. The Simmons Village North CDD will be ± 123.11 acres. It is located on the west side of Simmons Loop, south of the intersection of Simmons Loop and Big Bend Road in Riverview. Please see Attachment A for the proposed CDD's location. The CDD will consist of the following folios:

77748.0000			
77753.0000			

List Attachments: A) Location Map B) Consent of Landowners C) Draft Ordinance

BACKGROUND - Continued:

The CDD area is located within Planned Development (PD) zoning district PD 06-1687. The PD permits a total of 450 single-family homes in the area of the proposed CDD with a single-family detached minimum lot size of 4,400 and minimum lot width of 40 feet. It is anticipated that the development will consist of approximately 173 50' lots and 77 60' lots.

The statutory purpose of a CDD is to plan, finance, construct, and/or acquire, operate, and maintain community-wide infrastructure in large, planned community developments. As stated in 190.002, F.S., the Legislature found that "an independent district can constitute a timely, efficient, effective, responsive and economic way to deliver these basic services, thereby providing a solution to the state's planning, management, and financing needs for delivery of capital infrastructure in order to service projected growth without overburdening other governments and their taxpayers."

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 lacks the powers of permitting, zoning, police, and many other authorities possessed by the general purpose governments.

As an independent special district, the governing body of the CDD establishes its own budget and, within the scope of its authorized powers, operates independently of the local general-purpose government entity whose boundaries include the CDD. The District landowners control the entity which provides services and levies the funds to pay for them.

The District's budget is submitted to the County annually for informational purposes only. The creation of the District does not impact the ad valorem taxing authority of the County, nor does the County incur any obligation for the debt payments of the District, pursuant to the provisions of Section 190.002(3) F.S.

The petition identifies the total CDD-qualified common cost of improvements as being \$12,500,000. The cost estimate summary provided to the County for review appears below. Pursuant to Section 190.005(1)(a)6., F.S., the proposed timetable for construction of district services and the estimated cost of construction are not binding and may be subject to change.

Total proposed CDD-qualified common costs include the following items. The scope of the County's financial review excludes making any determination as to which of the items may be funded with bond proceeds.

<u>Description</u>	<u>Total Budget</u>
Stormwater Management	\$2,640,000
Utilities	2,900,000
Amenities	1,465,000
Roads	1,470,000
Off-Site Improvements	880,000
Landscape/Hardscape/Irrigation	<u>645,000</u>
Subtotal	<u>10,000,00</u>
Privately Funded CDD-qualified Development Costs	<u>2,500,000</u>
Total Project Costs	\$12,500,000

BACKGROUND - Continued:

Financing Summary:

The intent of the Petitioner is to use a mix of long-term CDD bonds, conventional bank financing and owners equity to fund construction of infrastructure improvements which will directly benefit landowners within the CDD boundaries. Long-term CDD bonds (“A Bonds”) are repaid over a period of 30 years via annual assessments levied on landowners, which at different points in the project’s life cycle may be the developer, homebuilder(s) or residents depending on the ownership state of the land at the time of assessment. While the developer bears no long-term financial responsibility for repayment of A bond debt assessed on land owned by others, it does bear financial responsibility for the debt over the short-term and until such time as the indebted land is sold to a third-party builder. At that point, the builder assumes responsibility for repayment of the affiliated A bond debt until such time as the land is sold to a homebuyer, at which point the homeowner assumes responsibility for repayment of the debt. Therefore, the financial capacity and willingness of the developer to assume financial responsibility for the debt through the time of transfer of the land to unaffiliated third-party buyers is of concern. Of the total \$12,500,000 budgeted for CDD-qualified common area infrastructure development costs (“common costs”), it is estimated that about \$4,486,416 (or 36%) of those costs will be funded with long-term CDD bond proceeds. While the plan of finance submitted with the Petition includes short-term CDD bonds as a financing source, the County confirmed verbally with the developer that at this time there is no intent to issue short-term bonds. It is anticipated that the development will consist of approximately 173 50’ single-family attached units and 77 60’ single-family detached lots. Annual assessments are projected to range from \$1,500/lot to \$1,800/lot and will be based on lot size. A complete CDD financing summary follows.

Projected Inflows from Issuance of Bonds:

Bond Proceeds (equal to the par amount)	\$5,755,000
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Projected Uses of Funds Received:

Underwriter’s Discount (2% of the par amount)	\$115,100
Cost of Issuance	200,000
Debt Service Reserve Fund (about 7% of par amount)	374,214
Capitalized Interest (for approximately 24 months)	575,500
Construction of Infrastructure Improvements (1)	4,486,416
Contingency/Rounding	<u>3,770</u>
Total Projected Uses of Bond Proceeds	\$5,755,000

(1) Total proposed CDD-qualified common costs include the following items. The scope of the County’s financial review excludes making any determination as to which of the items may be funded with bond proceeds.

Lot Mix and Projected Assessments

The proposed CDD will consist of approximately 173 50’ single-family attached units and 77 60’ single-family detached lots. Annual assessments are projected to range from \$1,500/lot to \$1,800/lot and will be based on lot size.

Proposed Facilities Ownership and Maintenance

<u>Description</u>	<u>Ownership & Maintenance</u>
Stormwater Management	County/CDD
Utilities	County
Roads	County/CDD
Amenities	CDD
Off-site Improvements	County

BACKGROUND - Continued:

The District will be managed by District Supervisors selected by qualified electors of the District. The initial Board of Supervisors includes Tonya S. Hills, Jeffery S. Hills, Nicholas Dister, Ryan Motko and Steve Luce. The District landowners control the entity which provides services and levies the funds to pay for these services. In accordance with 190.006, F.S., the residents of the District will begin to assume control of the CDD commencing six years after the initial appointment of the CDD board by the landowners. The County is not involved in the management or financial responsibilities of the District. The applicant has provided a deed documenting that 100 percent of the real property included in the CDD is in their control, as required by Chapter 190, F.S.

A CDD is an independent special-purpose, local government taxing district authorized by Chapter 190, F.S. (Uniform Community Development Act of 1980, Section 190.002(1)a F.S.). The Uniform Community Development Act requires a public hearing on the petitioned request.

A petition for the establishment of a CDD shall contain the following information:

- 1) A metes and bounds description of the external boundaries of the district. Any real property within the external boundaries of the district which is to be excluded from the district shall be specifically described, and the last known address of all owners of such real property shall be listed. The petition shall also address the impact of the proposed district on any real property within the external boundaries of the district which is to be excluded from the district.
- 2) The written consent to the establishment of the district by all landowners whose real property is to be included in the district or documentation demonstrating that the petitioner has control by deed, trust agreement, contract, or option of 100 percent of the real property to be included in the district, and when real property to be included in the district is owned by a governmental entity and subject to a ground lease as described in s. 190.003(13), the written consent by such governmental entity.
- 3) A designation of five persons to be the initial members of the board of supervisors, who shall serve in that office until replaced by elected members as provided in s. 190.006.
- 4) The proposed name of the district.
- 5) A map of the proposed district showing current major trunk water mains and sewer interceptors and outfalls if in existence.
- 6) Based upon available data, the proposed timetable for construction of the district services and the estimated cost of constructing the proposed services. These estimates shall be submitted in good faith but shall not be binding and may be subject to change.
- 7) A designation of the future general distribution, location, and extent of public and private uses of land proposed for the area within the district by the future land use plan element of the effective local government comprehensive plan of which all mandatory elements have been adopted by the applicable general-purpose local government in compliance with the Local Government Comprehensive Planning and Land Development Regulation Act.
- 8) A statement of estimated regulatory costs in accordance with the requirements of s. 120.541.

The above information was received by Hillsborough County and was made part of the review for the proposed CDD.

Chapter 190, F.S., establishes six criteria that a petition must meet to merit approval for the establishment of a CDD. The six requirements include:

- 1) That all statements contained within the petition have been found to be true and correct.
- 2) That the creation of the District is not inconsistent with any applicable element or portion of the State Comprehensive Plan or the effective local government comprehensive plan.
- 3) That the land area within the proposed district is of sufficient size, sufficiently compact, and sufficiently contiguous to be developable as one functional, interrelated community.
- 4) That 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.
- 5) That the proposed services and facilities to be provided by the District are not incompatible with the capacity and uses of existing local and regional community development district services and facilities.
- 6) That the area proposed to be included in the District is amenable to separate special district government.

BACKGROUND - Continued:

Review Performed by County

No objections to the proposed CDD were raised from reviewing agencies. Staff from the Management and Budget department met with representatives of the Petitioner and conducted a financial review of the application to establish the Simmons Village North CDD. This review evaluated 1) the Applicant's compliance with the requirements of F.S. Ch. 190, 2) the financial capacity of the Petitioner, who will be responsible for the development and operation of the CDD, and 3) the plan of finance for the CDD, including the issuance of bonds to finance eligible infrastructure. This review did not include determining the reasonableness of estimated infrastructure costs or a determination of which project costs are or are not eligible for reimbursement by the CDD and does not guarantee success of the project. Project financials reviewed were based on planned or anticipated performance rather than actual results, and as with any plan or strategy, some amount of risk is inherent and cannot be mitigated away.

Review Performed by the District's Financial Consultant

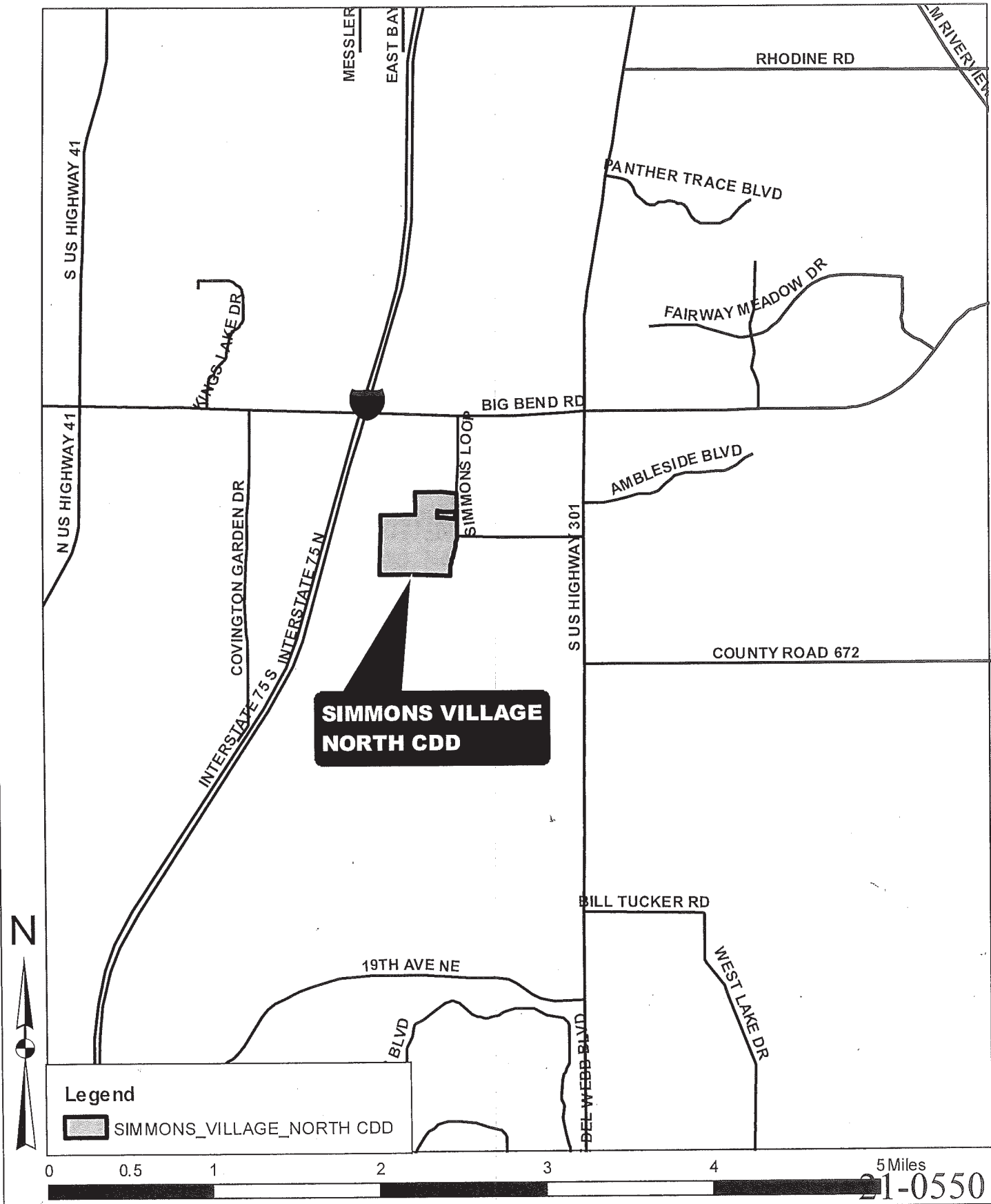
The financial consultant engaged by the Petitioner completed a feasibility study and performed certain other financial analysis in order to evaluate the probability of success of the project. The County reviewed this analysis for reasonableness; however, the fiduciary responsibility for this information lies with the Petitioner and its finance team rather than with the County. The County's financial review is conducted for the purpose of evaluating whether the applicant has met and complied with the requirements of Florida Statute Chapter 190 with regard to the establishment of the CDD.

Role of the Underwriter

It is the underwriters' responsibility to identify investors to purchase the bonds issued by the CDD.

Based on the information contained in this petition and reviews of county departments, staff finds that the petition meets the criteria contained in Chapter 190, F.S., for the establishment of a CDD.

SIMMONS VILLAGE NORTH CDD LOCATION MAP



ATTACHMENT B

CONSENT AND JOINDER OF LANDOWNER TO ESTABLISHMENT OF A 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 Spencer Farms, Inc. ("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, which ever 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.

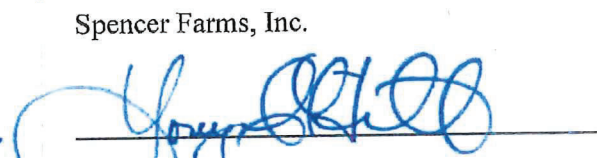
The undersigned hereby represents and warrants that it has taken all actions and obtained all consents necessary to duly authorize the execution of this consent and joinder by the officer executing this instrument.

Executed this 20th day of January, 2021.

Witnessed:

Spencer Farms, Inc.





Print Name: Albert Viera

By: Tonya S. Hills
Its: President



Print Name: Michelle Campbell

STATE OF FLORIDA

COUNTY OF Hillsborough

The foregoing instrument was sworn to, affirmed, and subscribed before me by means of () physical presence or () online notarization, before me this 20th day of January, 2021, by Tonya S. Hills, as President of Spencer Farms, Inc., a Florida corporation.

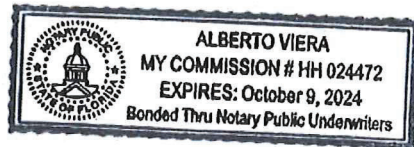
He/she is personally known to me, or has produced _____ as identification.

Alberto Viera

NOTARY PUBLIC, STATE OF FLORIDA

Alberto Viera

(Print, Type or Stamp Commissioned Name of Notary Public)



ATTACHMENT C

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING THE SIMMONS VILLAGE NORTH COMMUNITY DEVELOPMENT DISTRICT PURSUANT TO CHAPTER 190, FLORIDA STATUTES; SPECIFYING GENERAL AND SPECIAL POWERS OF THE DISTRICT; DESCRIBING THE BOUNDARIES OF THE DISTRICT; NAMING THE MEMBERS OF THE BOARD OF SUPERVISORS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Spencer Farms, Inc., a Florida limited liability company ("**Petitioner**"), has filed a Petition to Establish the Simmons Village North Community Development District ("**Petition**") with Hillsborough County requesting that the Board of County Commissioners in and for Hillsborough County, Florida ("**County**"), adopt an ordinance establishing the Simmons Village North Community Development District pursuant to chapter 190, Fla. Stat. ("**District**"), and designating the real property described in **Exhibit A**, attached hereto, as the area of land for which the District is authorized to manage and finance basic service delivery; and

WHEREAS, the District will constitute a timely, efficient, effective, responsive, and economic method of delivering community development services, in the area described in **Exhibit A**, which the County is not able to provide at a level and quality needed to service the District, thereby providing a solution to the County's planning, management, and financing needs for the delivery of capital infrastructure therein without overburdening the County and its taxpayers; and

WHEREAS, the County has held a public hearing on the Petition in accordance with the requirements and procedures of section 190.005(1)(d), Fla. Stat.; and

WHEREAS, the County has considered the record of the public hearing and the factors set forth in section 190.005(1)(e), Fla. Stat.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, THIS ____ DAY OF _____ AS FOLLOWS:

SECTION 1. FINDINGS OF FACT. The Board of County Commissioners hereby finds and states that:

1. the "WHEREAS" clauses stated above are adopted as findings of fact in support of this Ordinance;
2. all statements contained in the Petition are true and correct;
3. the establishment of the District is not inconsistent with any applicable element or portion of the State Comprehensive Plan or the County's Comprehensive Plan;
4. the area of land within the proposed District is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be developable as one functional interrelated community;
5. the establishment of the District is the best alternative available for delivering community development services and facilities to the area that will be served by the District;
6. the proposed community development services and facilities to be provided by the District will not be incompatible with the capacity and uses of existing local and regional community development services and facilities; and
7. the area that will be served by the District is amenable to separate, special-district government.

SECTION 2. CONCLUSIONS OF LAW.

1. This proceeding is governed by chapter 190, Fla. Stat.;
2. The County has jurisdiction pursuant to section 190.005(2), Fla. Stat.; and
3. The granting of the Petition complies with the dictates of chapter 190, Fla. Stat.

SECTION 3. CREATION, BOUNDARIES AND POWERS. There is hereby established the Simmons Village North Community Development District for the area of land described in **Exhibit A**, attached hereto, which shall have, and which may exercise through its Board of Supervisors, the powers of sections 190.011 and 190.012 (1), (2)(a), (2)(b), (2)(c), 2(d), (2)(e), (2)(f), and (3), Fla. Stat. The District shall operate in accordance with the uniform community development district charter as set forth in sections 190.006-190.041, Fla. Stat., including the special powers provided by Section 190.012, Fla. Stat.

SECTION 4. INITIAL BOARD. The following five persons are designated as the initial members of the Board of Supervisors: Tonya S. Hills, Jeffery S. Hills, Nicholas Dister, Ryan Motko and Steve Luce.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be effective immediately upon receipt of acknowledgment that a copy of this Ordinance has been filed with the Secretary of State.

SECTION 6. SEVERABILITY. If any section, subsection, sentence, clause, provision, or other part of this Ordinance is held invalid for any reason, the remainder of this Ordinance shall not be affected thereby, but shall remain in full force and effect.

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

I, CINDY STUART, Clerk of the Circuit Court and Ex-Officio of the Board of County Commissioners of Hillsborough County, Florida, do hereby certify that the above and foregoing is a true and correct copy of an Ordinance adopted by the Board of County Commissioners at its regular meeting of _____ as the same appears of record in Minute Book _____ of the Public Records of Hillsborough County, Florida.

WITNESS my hand and official seal this _____ day of _____, 2021.

CINDY STUART, CLERK

BY:

Deputy Clerk

APPROVED BY COUNTY ATTORNEY AS
TO FORM AND LEGAL SUFFICIENCY

BY:

Nancy Y. Takemori
Assistant County Attorney

THIS IS NOT A SURVEY

LEGAL DESCRIPTION: (BY ARDURRA)

A PARCEL OF LAND LYING IN SECTION 13, TOWNSHIP 31 SOUTH, RANGE 19 EAST AND SECTION 18, TOWNSHIP 31 SOUTH, RANGE 20 EAST, HILLSBOROUGH COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 13, TOWNSHIP 31 SOUTH, RANGE 19 EAST ALSO BEING THE SOUTHWEST CORNER OF SECTION 18, TOWNSHIP 31 SOUTH, RANGE 20 EAST; THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 13 NORTH 89°43'53" WEST, A DISTANCE OF 1,140.28 FEET TO THE EAST LINE OF THE WEST 200' OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 13; THENCE ALONG SAID EAST LINE NORTH 00°21'50" EAST, A DISTANCE OF 1,287.85 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 13; THENCE ALONG THE EAST LINE OF THE WEST 200 FEET OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 13 NORTH 00°15'56" EAST, A DISTANCE OF 579.11 FEET TO THE NORTH LINE OF THE SOUTH 579.10 FEET OF THE SOUTH 2/3 OF THE NORTH 3/4 OF THE EAST 1/4 OF SAID SECTION 13; THENCE ALONG SAID NORTH LINE SOUTH 89°20'08" EAST, A DISTANCE OF 1,140.47 FEET; THENCE SOUTH 88°49'32" EAST, A DISTANCE OF 35.00 FEET TO THE EAST LINE OF THE WEST 35.00 FEET OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 18, TOWNSHIP 31 SOUTH, RANGE 20 EAST; THENCE ALONG SAID EAST LINE NORTH 00°25'17" EAST, A DISTANCE OF 698.76 FEET TO THE NORTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 18; THENCE ALONG SAID NORTH LINE SOUTH 88°49'32" EAST, A DISTANCE OF 1,276.95 FEET THE WEST MAINTAINED RIGHT-OF-WAY LINE OF SIMMONS LOOP; THENCE ALONG SAID WEST MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES: 1) SOUTH 00°15'56" WEST, A DISTANCE OF 596.10 FEET; 2) SOUTH 00°14'40" WEST, A DISTANCE OF 199.80 FEET; 3) SOUTH 01°05'08" WEST, A DISTANCE OF 495.43 FEET; 4) SOUTH 71°09'15" EAST, A DISTANCE OF 28.71 FEET; 5) SOUTH 34°41'50" EAST, A DISTANCE OF 38.13 FEET; THENCE LEAVING SAID WEST MAINTAINED RIGHT-OF-WAY LINE NORTH 87°59'00" WEST, A DISTANCE OF 4.18 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT; THENCE SOUTHERLY 458.26 FEET ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,437.50 FEET, A CENTRAL ANGLE OF 10°46'19", AND A CHORD BEARING AND DISTANCE OF SOUTH 11°18'52" WEST 457.59 FEET; THENCE SOUTH 16°42'02" WEST, A DISTANCE OF 204.17 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE SOUTHERLY 618.52 FEET ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,812.50 FEET, A CENTRAL ANGLE OF 12°36'01", AND A CHORD BEARING AND DISTANCE OF SOUTH 10°24'01" WEST 617.27 FEET TO THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 18; THENCE ALONG SAID SOUTH LINE NORTH 87°16'59" WEST, A DISTANCE OF 1,100.85 FEET TO THE POINT OF BEGINNING.

CONTAINING 123.112 ACRES.

SPENCER FARMS INC

SIMMONS VILLAGE NORTH



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Tampa, Florida 33634
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