



MEMORANDUM

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA
Agenda Item No. 4(2)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: (Public Hearing 10-7-03)
September 9, 2003

FROM: 
County Manager

SUBJECT: Ordinance Creating the
Valencia Acres Community
Development District

03 208

RECOMMENDATION

It is recommended that the Board adopt the attached ordinance creating the Valencia Acres Community Development District (CDD) in unincorporated Miami-Dade County, pursuant to the authority granted by the Miami-Dade County Home Rule Charter for the purposes set forth in Chapter 190 of the Florida Statutes, subject to acceptance of the declaration of restrictive covenants running with the lands within the jurisdiction of the CDD.

BACKGROUND

R. L. Homes L.L.C., owner of the Valencia Acres Development, has filed an application to create the Valencia Acres CDD in connection with said development. Valencia Acres is a 69.0-acre residential development lying wholly within unincorporated Miami-Dade County, in the area bounded by theoretical S.W. 130 Avenue on the east, S.W. 192 Street on the south, S.W. 132 Avenue and theoretical S.W. 133 Court on the west and S.W. 184 Street (Eureka Drive) on the north. The CDD is designed to provide a financing mechanism for community infrastructure, facilities and services, along with certain ongoing operations and maintenance for the Valencia Acres development. The development plan for the lands within the proposed CDD include construction of 144 single family units, with associated roadway, storm drainage, and water and sewer facilities estimated to cost approximately \$4.767 million. A detailed summary of CDD elements, as well as their cost and anticipated lack of fiscal impacts to government agencies, is presented in the attached application submitted by R. L. Homes L.L.C. In accordance with Florida Statute 190, R. L. Homes L.L.C., has paid a filing fee of \$15,000 to the County.

A declaration of restrictive covenants will be proffered at public hearing by the owner of the lands within the CDD jurisdiction, providing for notice in the public records of the projected taxes and assessments to be levied by the CDD, and providing for individual prior notice to the initial purchaser of a residential lot or unit within the development. The document shall also include provisions for remedial options to property owners whose contract for sale did not include timely notice of the existence and extent of CDD liens and special assessments.



MEMORANDUM

(Revised)

TO: Hon. Chairperson Barbara Carey-Shuler, Ed.D. **DATE:** October 7, 2003
 and Members, Board of County Commissioners

FROM: Robert A. Ginsburg **SUBJECT:** Agenda Item No. 4(Q)
 County Attorney

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 4(Q)

10-7-03

ORDINANCE NO. 03 208

ORDINANCE GRANTING PETITION OF R.L. HOMES L.L.C., ("R. L. HOMES" OR "PETITIONER") FOR ESTABLISHMENT OF A COMMUNITY DEVELOPMENT DISTRICT; CREATING AND ESTABLISHING VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT ("DISTRICT"); PROVIDING FOR NAME, POWERS AND DUTIES; PROVIDING DESCRIPTION AND BOUNDARIES; PROVIDING INITIAL MEMBERS OF BOARD OF SUPERVISORS; ACCEPTING PROFFERED DECLARATION OF RESTRICTIVE COVENANTS; PROVIDING SEVERABILITY, EXCLUSION FROM 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, Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter grants the Miami-Dade County Board of County Commissioners the authority to exercise all powers and privileges granted to municipalities and counties by the laws of this State; and

WHEREAS, Article VIII, section 6(1) of the Florida Constitution provides for exclusive County Charter authority to establish all governmental units within Miami-Dade County and to provide for their government and prescribe their jurisdiction and powers; and

WHEREAS, R. L. Homes L.L.C., ("R. L. Homes" or "Petitioner") has petitioned for the establishment of the Valencia Acres Community Development District (the "District"); and

WHEREAS, a public hearing has been conducted by the Miami-Dade County Board of County Commissioners in accordance with the requirements and procedures of Section 190.005(2)(b), Florida Statutes, and the applicable requirements and procedures of the Miami-Dade County Home Rule Charter and Code; 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 County's planning, management and financing needs for delivery of capital infrastructure therein without overburdening the County and its taxpayers; and

WHEREAS, the Board of County Commissioners 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 Miami-Dade County Comprehensive Development Master 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 facilities and services to the area that will be served by the District; and



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

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

WHEREAS, the owner of the property that is to be developed and served by the community development services and facilities to be provided by the District has submitted an executed declaration of restrictive covenants pledging among other things to provide initial purchasers of individual residential parcels with notice of liens and assessments applicable to such parcels, with certain remedial rights vesting in the purchasers of such parcels if such notice is not provided in a timely and accurate manner; and

WHEREAS, having made the foregoing findings, after a public hearing, the Miami-Dade County Board of County Commissioners wishes to exercise the powers bestowed upon it by Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter in the manner provided by Chapter 190, Florida Statutes; and

WHEREAS, the Miami-Dade County Board of County Commissioners 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 Miami-Dade County that the District have such powers,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, 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 Valencia Acres Community Development District over the real property described in Exhibit A attached hereto, which was filed by R. L. Homes L.L.C., a Florida limited liability company, on June 24, 2003 and which Petition is on file at the Office of the Clerk of the Board, is hereby granted. A copy of the Petition is attached and incorporated herein (Exhibit B).

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

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

Eric T. Reardon

Daniel A. Levine

Orestes Gonzales, Sr.

Janet Pascul

Arlene Wildenburg

Section 5. The name of the District shall be the "Valencia Acres Community Development District."

Section 6. The Valencia Acres Community Development District is created for the purposes set forth in Chapter 190, Florida Statutes, pursuant to the authority granted by Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter.

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

Section 8. The Miami-Dade County Board of County Commissioners hereby grants to the Valencia Acres 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 Miami-Dade County to grant such general powers.

Section 9. The Miami-Dade County Board of County Commissioners hereby grants to the Valencia Acres Community Development District the special powers authorized pursuant to Section 190.012 (1), Florida Statutes and Sections 190.012 (2)(d) and (f), (except for powers regarding waste disposal), Florida Statutes and Section 190.012 (3), Florida Statutes, and hereby finds that it is in the public interest of all citizens of Miami-Dade County to grant such special powers; provided that the District's exercise of power under Section 190.012(1)(b), Florida Statutes, pertaining to water, waste water and reuse water services shall be pursuant to that Declaration of Restrictive Covenants submitted to the Board of County Commissioners on October 7, 2003, in connection with the petition.

Section 10. All bonds issued by the Valencia Acres 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 Valencia Acres Community Development District, nor any default thereon, shall constitute a debt or obligation of Miami-Dade County, except upon the express approval and agreement of the Miami-Dade Board of County Commissioners.

Section 12. Notwithstanding any power granted to the Valencia Acres 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 County rates, fees or charges, special taxing districts special assessments which are required by law, ordinance or County rule or regulation to be imposed within or upon any local government within the County.

Section 13. Notwithstanding any power granted to the Valencia Acres 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 Board of County Commissioners of Miami-Dade County.

Section 14. This Board hereby accepts that Declaration of Restrictive Covenants proffered October 7, 2003 by the owners of the lands within the jurisdiction of the Valencia Acres Community Development District, in connection with the petition submitted by R. L. Homes L.L.C., and approved herein.

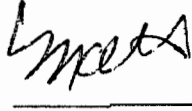
Section 15. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 16. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance shall be excluded from the Code of Miami-Dade County.

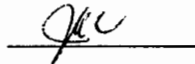
Section 17. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED: OCT 07 2003

Approved by County Attorney as
to form and legal sufficiency:



Prepared by:



Joni Armstrong Coffey

EXHIBIT A
LEGAL DESCRIPTION
VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT

The West ½ of Lots 2, 3, 6, 7, 10, and 11 less the North 20.00 feet of Lot 2 and lots 19 and 20, less the South 20 feet thereof, "TROPICO" according to the plat thereof, as record in Plat Book 2, at Page 57, of the Public Records of Miami-Dade County, Florida, lying and being in the NE ¼ of Section 2 Township 56 South, 39 East.

and;

Lots 1, 4, and the East ½ of Lot 5, Less the West 720.19 feet and the North 20. feet of said Lot 1 and Less the North 21.69 feet of the West 720.19 feet of said lot 4, "TROPICO" according to the Plat thereof, as recorded in Plat Book 2, at Page 57 of the Public Records of Miami-Dade County Florida, lying and being in the N.W. ¼ Section 2 Township 56 South, Range 39 East;

Less;

A portion of Section 2, Township 56 South, Range 39 East, Miami-Dade County Florida, being more particularly described as follows:

Commence at the NW corner of the East ½ of the NW ¼ of said Section 2; thence S00° 28'13" E along the West line of the East ½ of the NW ¼ of said Section 2 for a distance of 334.19 feet; thence N88 °13'55" for a distance of 507.85 feet; thence S01° 15'36"E for a distance of 258.97 feet; thence S88° 44'24" W for a distance of 485.99 feet to a point of curvature; thence 39.61 feet along the arc of a curve to the right, said curve having a radius of 25 .00 feet, and a central angle of 90°, 47'23" to a point of tangency; thence N00°8'13" W for a distance of 229.15 feet to the POINT OF BEGINNING.

EXHIBIT "B"

PETITION FOR ORDINANCE

FOR

**VALENCIA ACRES
COMMUNITY DEVELOPMENT DISTRICT**

JUNE 24, 2003

Prepared by

Special District Services, Inc.
11000 Prosperity Farms Road, Suite 104
Palm Beach Gardens, Florida 33410

561-630-4922 – Tele
877-737-4922 – Toll Free
561-630-4923 – Fax

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IN RE: AN ORDINANCE TO ESTABLISH)
THE VALENCIA ACRES)
COMMUNITY DEVELOPMENT DISTRICT)

PETITION

Petitioner, R.L. Homes L.L.C., ("Petitioner"), hereby petitions the Miami-Dade County Commission to establish a Community Development District ("District") with respect to the land described herein and in support of the Petition, Petitioner states:

1. The proposed District is located within the unincorporated area of Miami-Dade County. Exhibit 1 depicts the general location of the project. The proposed District covers approximately 69.0 acres of land. The metes and bounds description of the external boundaries of the District is set forth in Exhibit 2. There is no real property within the external boundaries of the proposed District, which is to be excluded from the District.

2. Attached to this Petition as Exhibit 3 and made a part hereof is the written consent to the establishment of the District by the owners of 100% of the real property to be included in the District.

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

Eric T. Reardon	15964 SW 151 st Terrace, Miami FL 33196
Daniel A. Levine	701 Mockingbird Lane, Plantation, FL 33324
Orestes Gonzales Sr.	1502 Lisbon Street, Coral Gables, FL 33134
Janet Pascual	5800 SW 50 th Terrace, Miami FL 33155
Arlene Wildenburg	188 Carlisle Drive, Miami Springs, FL 33166

4. The proposed name of the District to be established is Valencia Acres Community Development District ("VACDD").

5. There are no existing major trunk water mains, sewer interceptors or outfalls currently existing on the site.

6. The proposed timetable for the construction of District services is shown on Exhibit 4A and the estimated cost of constructing the services, based on available data, is shown on Exhibit 4B. These are good faith estimates but are not binding on the Petitioner or the District and are subject to change

7. Petitioner is in the process of developing the project as a residential community. The proposed uses for the land within the District are 144 single family dwelling units. The proposed uses for the land included within the proposed District are in compliance with Miami-Dade County Future Land Use Element. The County Master Plan and Future Land Use Element designate the land contained within the proposed District for low density residential. The future general distribution, location and extent of public and private uses of land proposed for the area within the District are shown on Exhibit 5.

8. Exhibit 6 is a Statement of Estimated Regulatory Costs prepared in accordance with the requirements of Section 120.541, Florida Statutes.

9. The District is seeking and hereby requests the right to exercise all powers provided for in Section 190.06 through 190.041, Florida Statutes (except for powers regarding waste disposal or collection of any waste other than commercial or industrial), including the special powers provided by Section 190.012(1), Florida Statutes and Sections 190.012(2)(a), (d) and (f), (except for powers regarding waste disposal or collection of any waste other than commercial or industrial), Florida Statutes and Section 190.012(3), Florida Statutes.

10. The Petitioner is R L HOMES L.L.C. whose address is 18629 S.W. 107TH Avenue, Miami, Florida 33157.

11. The property within the proposed District is amenable to operating as an independent special district 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 Miami-Dade County Comprehensive Development Master Plan, as amended.

b. The area of land within the proposed District is part of a unified plan of development for which a development plan has been approved by Miami-Dade County. The land encompassing the proposed District is of sufficient size and is sufficiently compact and continuous to be developed as one functional inter-related community.

c. The community development facilities the District proposes to finance will be compatible with the capacity and use of existing local and regional community development services and facilities.

d. The proposed District will be the best alternative available for delivering community infrastructure to the area to be served because the District provides a governmental entity for delivering the infrastructure in a manner that does not financially impact persons residing outside the District.

WHEREFORE, Petitioner respectfully requests the Miami-Dade County Commission to:

1. Hold a public hearing as required by Section 190.005(2) (b), Florida Statutes to consider the establishment of the VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT and;

a) Adopt an ordinance pursuant to Chapter 190, Florida Statutes, granting this Petition and establishing the VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT.

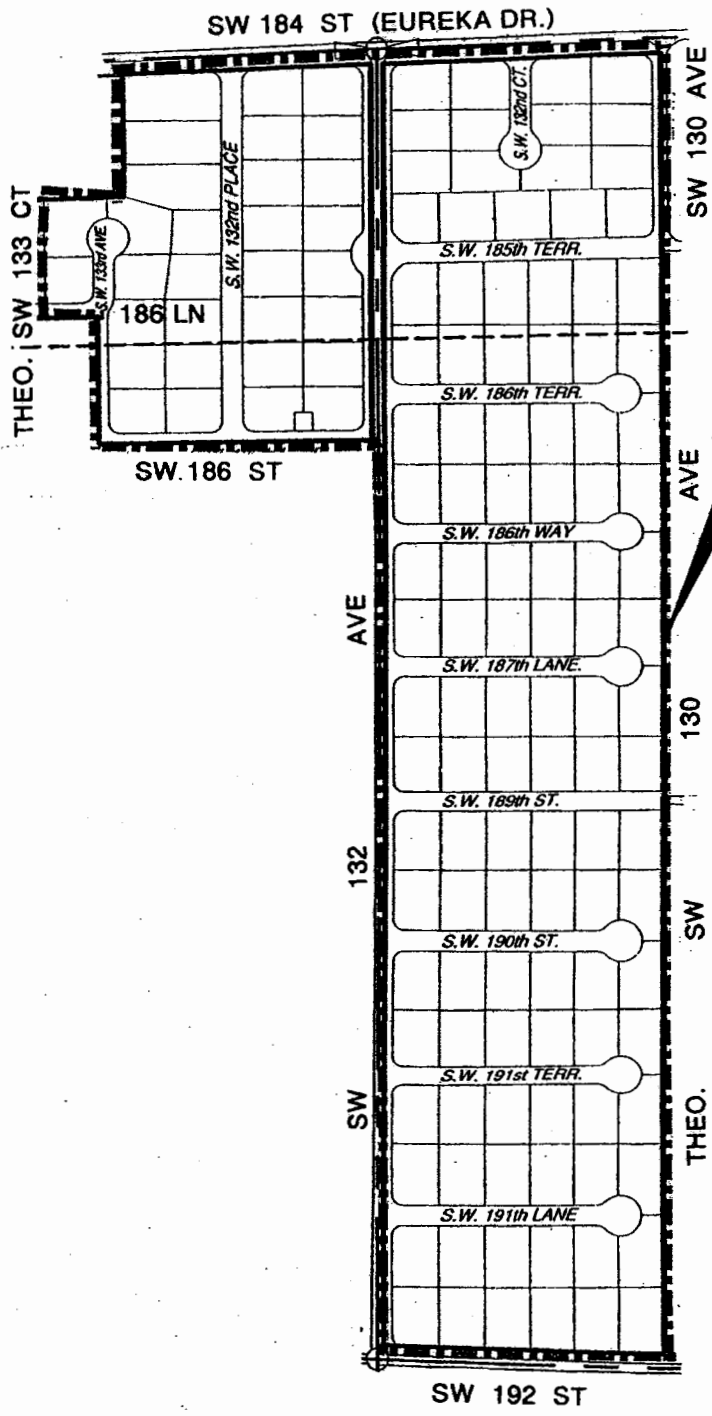
Respectfully submitted this 20th day of June, 2003.

R.L. HOMES L.L.C.



By: DAN LEVINE, V. PRESIDENT
18629 SW 107TH AVE.
MIAMI, FL 33157

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**DISTRICT
BOUNDARIES**



VALENCIA ACRES
COMMUNITY DEVELOPMENT DISTRICT

EXHIBIT 6

**VALENCIA ACRES
COMMUNITY DEVELOPMENT DISTRICT**

Statement of Estimated Regulatory Costs

June 24th, 2003

Prepared by

Special District Services, Inc.
11000 Prosperity Farms Road, Suite 104
Palm Beach Gardens, Florida 33410

561.630.4922 Tele
877.SDS.4922 Toll Free
561.630.4923 Fax

1.0 INTRODUCTION

1.1 Purpose and Scope

This statement of estimated regulatory costs supports the R L Homes L.L.C. ("Petitioner") petition to establish a community development district to be known as Valencia Acres Community Development District (the "CDD"). The CDD proposes to finance and acquire a portion of the community infrastructure for the development to be known as Valencia Acres, located in the unincorporated area of Miami-Dade County, Florida.

A community development district is an independent special taxing district authorized by Chapter 190, F.S. (the "Act") to plan, finance, construct, operate and maintain community infrastructure in planned community developments. As stated in the Act, a CDD provides:

"...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". Section 190.002 (1) (a), F.S.

The CDD is not a substitute for Miami-Dade County, which is the local general-purpose governmental unit having jurisdiction over the CDD. The reason is the CDD does not have the planning, zoning and regulatory powers granted to Miami-Dade County. As a result, all development undertaken within the CDD must be consistent with all requirements of Miami-Dade County.

The CDD's powers are strictly limited to planning, financing, constructing, operating and maintaining community infrastructure.

The scope of this statement of estimated regulatory costs is statutorily limited to evaluating the consequences of creating the CDD. The policy of the State regarding the scope of the CDD establishment process is explicitly set out in Section 190.002 (2) (d), F.S. as follows:

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

Therefore, the only relevant concern is whether the CDD will be a financially viable entity.

1.2 Valencia Acres Development

The sole landowner and developer of Valencia Acres is R L Homes L.L.C. (the "Developer"). The proposed development is designed as a master planned residential development, serving south Florida markets. Valencia Acres offers 144 single family dwelling units designed to service a wide variety of buyers.

Valencia Acres development is located in the unincorporated area of Miami-Dade County, Florida, between S.W. 184th Street (Eureka Drive) and S.W. 192nd Street at S.W. 132nd Avenue and is planned as a self-sustaining single family residential community. Projected build-out of the project is 3 years.

1.3 VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT (CDD)

The Petitioner proposes to establish the Valencia Acres Community Development District to finance and acquire some of the public infrastructure in the Valencia Acres development. Table 1 outlines the proposed development plan timetable and the schedule for completion of the various projects.

Table 2 shows the infrastructure that is proposed to be financed and/or acquired by the CDD and the estimated costs.

The financial design of the CDD was carefully formulated to help assure that the CDD will be strong, stable, and able to stand alone throughout its lifetime. A detailed cash-flow analysis has been developed for the proposed range of potential future economic conditions in which the proposed district might have to operate. In all cases, the proposed financial structure allowed the CDD to remain financially strong and capable of carrying out its obligations. The important features of the financial design for proposed CDD are discussed below.

As outlined in Table 2, the CDD is projected to finance the construction of the surface water management system. The bonds used to finance the surface water management system will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The CDD will convey the surface water management system to Miami Dade County. Thus, the operation and maintenance of the surface water management system will be the responsibility of Miami-Dade County.

The CDD is projected to finance the construction of the water distribution system and the wastewater collection and transmission facilities. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The water distribution system and the wastewater collection and transmission facilities will be conveyed to Miami-Dade County Water and Sewer Department (WASD). Thus, the operation and maintenance of these facilities will be the responsibility of WASD.

The CDD will finance the construction of the internal roadway system. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The CDD will convey the internal roadway system to Miami Dade County. Thus, the operation and maintenance of the internal roadway system will be the responsibility of Miami Dade County.

Finally, the Petitioner has no plans for the CDD to issue general obligation debt or to levy ad valorem taxes. The financial structure of the District is such that there is no need to use ad valorem taxation.

2.0 COSTS AND BENEFITS OF ESTABLISHING THE VALENCIA ACRES COMMUNITY DEVELOPMENT DISTRICT

2.1 Costs to Miami-Dade County to Implement the Proposed Community Development District

Chapter 190.005 (2), F.S. mandates that the exclusive and uniform method for the establishment of a community development district of less than 1,000 acres in size shall be by an ordinance adopted by the county commission of the county having jurisdiction over the majority of land in the area in which the district is to be located.

The one-time cost of reviewing the CDD petition is minimal. The County has its own in-house staff to process petitions filed for other reasons. Therefore, the marginal addition of one more petition to review results in little, if any, additional cost. Review of the proposed development will not be necessary since the project was previously approved through the Public Hearing process. Additionally, the Petitioner has included a payment of \$15,000 to offset any expense the County may incur in the processing of this Petition.

The CDD will pay its own election costs and will pay substantial fees for other urban services, such as tax assessment and collection.

Concern that district obligations, particularly debt payments, could become state or county obligations is without foundation. This point was made explicitly clear by the Legislature when it adopted Section 190.002 (3) F. S.

“...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.

Obviously, if the County assumes ownership of the water and sewer system, the surface water management system and the internal roadway system, the County will also assume the obligation for maintenance of these facilities which is no different from any other County approved development with public roads.

2.2 Benefits to Miami-Dade County and Its Citizens

There are several types of benefits (both indirect and direct), which will flow to Miami-Dade County and its citizens if the CDD is established. First, with regard to the indirect benefits, approval of the CDD satisfies the intent of the Act by providing a solution to the planning, management and financing of capital infrastructure to service projected growth without overburdening Miami-Dade County and its taxpayers. Section 190.002 of the Act is quoted as follows:

“(1) The Legislature finds that: (a) there is a need for uniform, focused and fair procedures in state law to provide a reasonable alternative for the establishment, power, operation and duration of independent districts to manage and finance basic community development services; and that, based upon a proper and fair determination of applicable facts, an 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.” Section 190.002, F. S.

A second indirect benefit, which Miami-Dade County and its citizens receive, is the improved level of planning and coordination, which the CDD will provide. This benefit will minimize any potential negative impacts to other citizens and jurisdictions.

By enacting the Act, the Legislature recognized that substantial public benefits accrue from well-planned community developments in Florida. Valencia Acres CDD is just the type of planned development envisioned in Chapter 190, F. S.

The Valencia Acres CDD will provide a number of direct economic benefits to Miami-Dade County and its citizens. First, the CDD is the best means of assuring that the CDD residents receive the services they need. At the same time, this structure also allows future CDD residents to control the entity, which has the authority to provide additional services beyond those contemplated herein and to levy assessments to pay for those services.

Second, residents of the CDD will be able to address their concerns about future infrastructure to the Board of Supervisors of the CDD. This focus will lighten the burden on the County Commission compared with what would likely occur without the CDD.

The CDD is an independent governmental unit, it has its own independent board and budget, and it must see to its own administration. This arrangement for governing

and administering the district means a considerable cost saving to the County over other types of arrangements.

Third, approval of the proposed CDD would minimize some increases in the cost of County funded services. As new development occurs in any community, residents of the new area demand increased levels of services over and above those provided before development and as described herein. The costs of providing these services are spread to the remaining taxpayers in the jurisdiction of the local government(s) providing the services. If this were to happen, taxing and spending levels would increase, and costs would be passed on, at least in part, to surrounding residents. The result would further strain the County budget. Without the CDD, development of Valencia Acres could possibly increase the demands on Miami-Dade County to extend and improve services to the community.

Fourth, the CDD proposes to finance and acquire the water distribution system and the wastewater collection and transmission facilities and to deed same to Miami-Dade County WASD at no cost. The estimated cost to the CDD to finance these facilities is estimated to be \$1,530,000. In addition to this donation, Miami-Dade County WASD's customer base will increase by approximately 144 households.

The proposed CDD will serve the needs of its residents. The board of supervisors of the CDD will determine the future level and quality of the community services the residents want and are willing to pay for. The CDD will provide the residents of Valencia Acres with a mechanism for satisfying these future needs without recourse to the County.

All of these benefits have substantial value. The financial benefits to the County and its citizens include the avoided costs of administering public services for the community beyond those provided for herein. In addition, there are significant, if only intangible, benefits which result from having a district to ensure that CDD residents get the services they need. The CDD also ensures that its property owners, and only its property owners, pay for the services they receive in the future and beyond those provided for herein.

2.3 Costs to the Petitioner

The petitioner will incur substantial costs if the CDD is approved. These costs can be grouped into four categories: (1) planning and applying for the CDD; (2) contributions for management and technical assistance; (3) payment of CDD taxes; and (4) donation of capital facilities.

It is costly and time consuming to plan and apply for a CDD of the size and complexity proposed for Valencia Acres CDD. First, the Petitioner has secured a team of professionals including attorneys, engineers, investment bankers, planners, economists and special district experts to insure that the CDD will perform as provided by the Act.

Second, the CDD will need financial support from the Petitioner to secure managerial and technical assistance, especially in the early years of its operation.

Third, the Petitioner will pay substantial CDD assessments and fees over the life of the project. During the first several years of the project, the Petitioner will be the CDD's largest taxpayer.

Fourth, the Petitioner undertakes considerable financial commitment in establishing the CDD and allowing the advance funding of the infrastructure. As the sole landowner in the initial stages of development, the Petitioner assumes the sole liability for all the debt incurred by the CDD until the land is developed and sold to individual homeowners.

2.4 Benefits to the Petitioner

The CDD will also provide the Petitioner with several benefits. First, the CDD will provide access to financing for a portion of the community's infrastructure. While this particular benefit to the petitioner is obvious, it is not the most significant one. In fact, the importance of this benefit, while significant, would not be enough by itself to entice the Petitioner to establish the CDD.

The value to the Petitioner of financing a portion of the infrastructure through the CDD amounts to an annual financing cost difference in today's market which results in a cost saving. As a result, the potential gross savings will accrue to the future homeowners in the CDD and does not represent a net cost saving to the Petitioner. As noted above, with the establishment of the CDD, the Petitioner will be obligated to pay substantial assessments and fees to the CDD.

Other benefits for the Petitioner in establishing the CDD exist beyond the financing of a portion of the community's infrastructure. Most important among these is that the proposed CDD is a mechanism for providing long term, on-going maintenance and operation of the public infrastructure. Ultimately, the CDD will be controlled and operated by the CDD homeowners for their own benefit. This helps assure that the high standard, which the Petitioner has set for the CDD, will be preserved throughout the life of the project.

2.5 Costs to the Consumers

Consumers are people who will purchase land and residences in the Valencia Acres. Should the CDD be established, district homeowners will be required to pay CDD assessments over and above their County taxes. CDD assessments do not affect or offset County taxes. It is this increment of expenses, which is the cost of the CDD to the consumers.

As noted above, the CDD plans to finance and acquire the public infrastructure for the benefit of its homeowners. Currently, homeowners in unincorporated Miami-

Dade County are subject to a number of different ad valorem and non-ad valorem taxes. All of these taxes will continue to exist regardless of whether the CDD is approved. Homeowners of the CDD will continue to pay County taxes notwithstanding the existence of the CDD. Thus, these costs cannot properly be viewed as taxes that arise from the CDD itself, even though district homeowners would pay such taxes. The point is that homeowners will pay these costs in any event. If the CDD is not created, the cost of the infrastructure will be included in the price of the property sold to future homeowners rather than paid over time as a special assessment on the tax bill.

All prospective purchasers will be informed of the existence of the CDD. Chapter 190.048, F. S. requires each contract for the sale of real estate within a CDD include a specific disclosure statement in boldfaced and conspicuous type immediately prior to the space reserved in the contract for the signature of the purchases.

2.6 Benefits to the Consumers

CDD residents will receive three major classes of benefits. First, CDD residents may receive a higher level of public services and amenities than would otherwise be the case. Valencia Acres is designed as a single family residential project with high service demands. To be successful, the Petitioner feels that a mechanism is needed to help ensure a high level of public services consistent with the project goals. The CDD is the best vehicle for this purpose.

Second, the CDD is a mechanism for assuring that the community services and amenities are maintained at a high level throughout the life of the project. This mechanism protects the substantial investment purchasers will make in their homes in the Valencia Acres CDD.

Finally, the CDD is the sole form of governance that allows district property owners to totally control the type, quality and expense of services provided by the CDD in the future, beyond those provided for herein.

It is clear that the formation and operation of the Valencia Acres CDD will benefit its homeowners. The CDD will be controlled by CDD property owners, and will be operated for their benefit. Finally, the CDD will help ensure that the high standards the Petitioner has set for the development will be maintained for the benefit of CDD property owners.

3.0 COMPETITIVE EFFECTS

Approval of the Valencia Acres CDD will have an effect on competition in the market for housing in Miami-Dade County and in those areas where there are projects similar to the Valencia Acres. To understand the nature of these competitive effects, it is important to recognize the type of project envisioned at Valencia Acres CDD. The development in the CDD is designed as a single family residential community currently consisting of 144 residential units. As such, it competes with other developments serving

this same market niche. In addition, the granting of a community development district for Valencia Acres does not provide a competitive advantage, which others could not obtain.

4.0 IMPACT ON SMALL BUSINESS

Approval of the Valencia Acres CDD will have a positive impact on small business as defined in Chapter 288.703 (1), F. S. Many types of neighborhood services will be required by the residents of the CDD. These services can be provided by the small businesses that currently serve the general area. Additional opportunities will also be created for new businesses to be formed or relocate to the area. No negative impacts have been identified for small businesses as defined.

5.0 DATA AND METHODOLOGY

The data used in this analysis, in particular the build-out schedule and average home values, were developed and submitted with the initial application for Valencia Acres and updated for the petition for the CDD. Table 2 outlines the capital infrastructure proposed to be financed by or for the CDD and reflects the best estimates of costs and timing at this juncture.

6.0 PROBABILITY OF A GOOD FAITH WRITTEN PROPOSAL CHAPTER 120.541 (1) (A), F. S.

Since the Petitioner represents the sole landowner of the property encompassing the proposed CDD, Petitioner is the only substantially affected party who could have standing to submit a good faith written proposal for a lower regulatory cost alternative to the creation of the CDD as provided for in Chapter 120.541 (1) (a), F. S. Petitioner has already explored all feasible alternatives to lower costs, including the alternative of not forming the CDD, and has concluded that creation of the CDD is the best alternative.

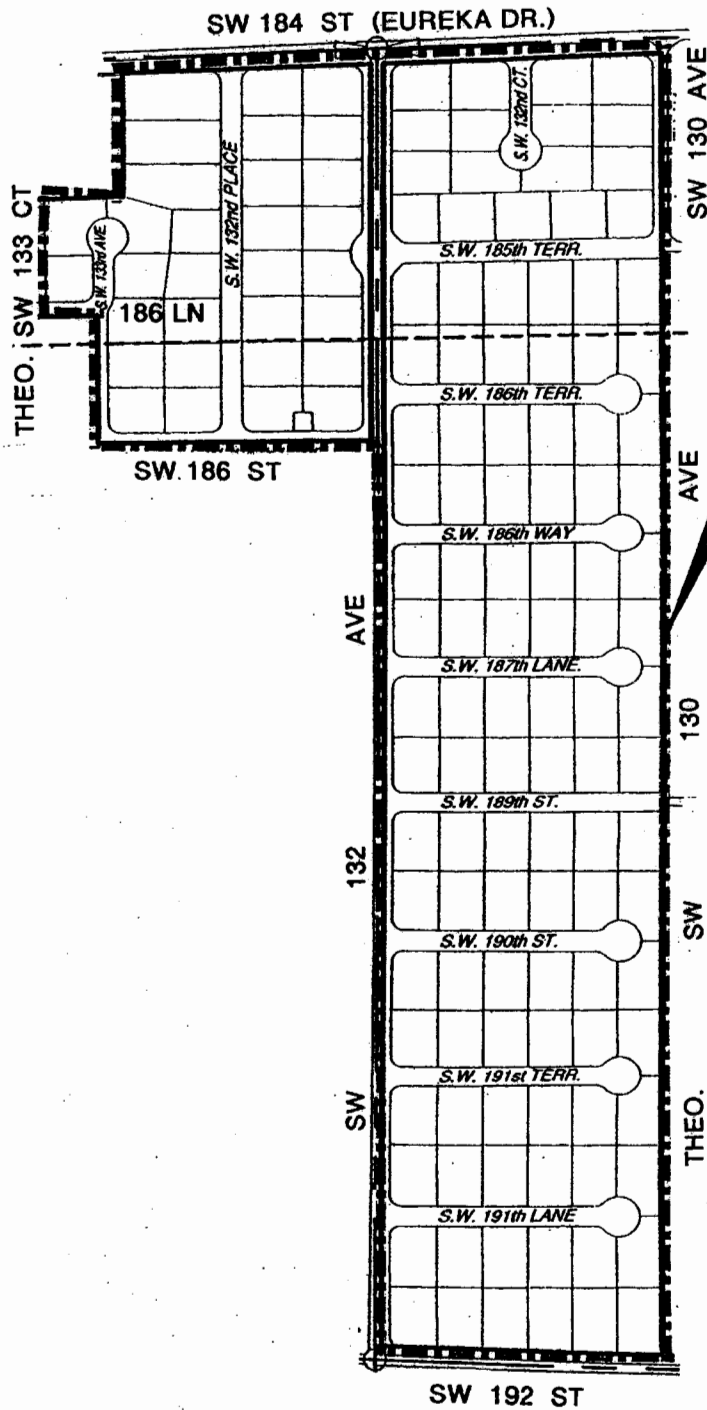
7.0 CONCLUSION

The question is whether having a CDD provide the community services is more financially viable, efficient and responsive to the needs of the homeowners than any other form of service provider. After careful review and analysis, the process of elimination suggests that the CDD is, in fact, the most financially viable, efficient and responsive way to provide the public infrastructure required for this project.

The estimated budget for the CDD indicates that the various charges to prospective home buyers will be moderate, and well within the ranges typical for Florida communities with strong tax bases. As noted in Table 2, the estimated cost to provide the CDD infrastructure is \$4,767,000.

Finally, it is emphasized that the CDD is the only governmental agency responsible for the bonded financial obligations of the district. Florida State law (Section

190.002 (3), F. S.) protects the State of Florida, Miami Dade-County and all other governmental agencies from all bonded obligations of the CDD.



**DISTRICT
BOUNDARIES**



VALENCIA ACRES
COMMUNITY DEVELOPMENT DISTRICT