

CITY OF MARGATE, FLORIDA

ORDINANCE NO. 90-7

1
2 AN ORDINANCE OF THE CITY OF MARGATE CREATING
3 THE CYPRESS COVE COMMUNITY DEVELOPMENT
4 DISTRICT PURSUANT TO F.S. 190.005(2)(e)
5 ENCOMPASSING A PARCEL OF LAND BEING A PORTION
6 OF GATEWAY MILE SUBDIVISION, AS RECORDED IN
7 PLAT BOOK 74, PAGE 28, OF THE PUBLIC RECORDS
8 OF BROWARD COUNTY, FLORIDA AND A PORTION OF
9 SECTION 26 TOWNSHIP 48 SOUTH, RANGE 41 EAST,
10 BROWARD COUNTY, FLORIDA (COMPRISING
11 APPROXIMATELY 7.5 ACRES); ALSO INCLUDED IS A
12 PORTION OF TRACT 4, GATEWAY MILE
13 RESUBDIVISION, AS RECORDED IN PLAT BOOK 74,
14 PAGE 28, OF THE PUBLIC RECORDS OF BROWARD
15 COUNTY, FLORIDA, AND A PORTION OF THE NORTH
16 ONE-HALF (N 1/2) OF SECTION 26, TOWNSHIP 48
17 SOUTH, RANGE 41 EAST (COMPRISING
18 APPROXIMATELY 21.7 ACRES); PROVIDING FOR THE
19 MEMBERS OF THE BOARD OF SUPERVISORS FOR THE
20 DISTRICT; PROVIDING FOR THE NAME OF THE
21 COMMUNITY DEVELOPMENT DISTRICT AS THE CYPRESS
22 COVE COMMUNITY DEVELOPMENT DISTRICT;
23 PROVIDING FOR REPEAL; PROVIDING FOR
24 SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

15 WHEREAS, the Florida Legislature has passed the Uniform
16 Community Development District Act of 1980 (otherwise known
17 as Chapter 190 Florida Statutes) to provide an alternative
18 method to finance and manage basic services for community
19 development; and

20 WHEREAS, Excel Development Corporation, a Florida
21 Corporation, has petitioned the City of Margate to grant the
22 establishment of the Cypress Cove Community Development
23 District; and

24 WHEREAS, a public hearing has been conducted by the
25 City Commission pursuant to the requirements and procedures
26 of Section 190.005(1)(d), Florida Statutes; and

27
28
29

1 WHEREAS, the City Commission has considered the record
2 of the public hearing and has decided that the establishment
3 of the Cypress Cove Community Development District is the
4 best alternative means to provide certain basic services to
5 the community; and

6 WHEREAS, the City Commission finds that establishment
7 of the Cypress Cove Community Development District is in the
8 best interests of all the citizens of the City of Margate;

9 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION
10 OF THE CITY OF MARGATE, FLORIDA:

11 SECTION 1: That the foregoing Preamble is hereby
12 ratified and confirmed as true and correct by the City
13 Commission of the City of Margate, Florida.

14 SECTION 2: That the petition to establish the Cypress
15 Cove Community Development District is hereby granted.

16 SECTION 3: That the external boundaries of the District
17 are those described in attached Exhibit "A".

18 SECTION 4: That the initial members of the Board of
19 Supervisors shall be as follows:

20 1. Mike F. Balais
21 Vice President, Excel Development Corporation
22 6262 Bird Road, #31
Miami, FL 33155

23 2. E. Daniel Lopez
24 Vice President, Excel Development Corporation
6262 Bird Road, #31
Miami, FL 33155

25 3. David Schack
26 Vice President, Excel Development Corporation
27 6262 Bird Road, #31
Miami, FL 33155

1 4. Alina Orriols
Excel Development Corporation
6262 Bird Road, #31
Miami, FL 33155

2 5. Mike Verdeja
3 Excel Development Corporation
4 6262 Bird Road, #31
5 Miami, FL 33155

6 SECTION 5: That the name of the District shall be
"Cypress Cove Community Development District".

7 SECTION 6: That all ordinances or parts of ordinances
8 in conflict herewith be and the same are hereby repealed to
9 the extent of such conflict.

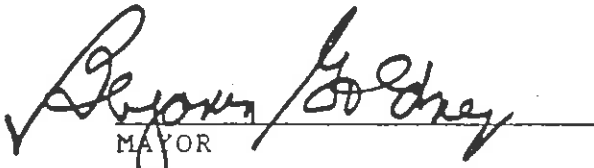
10 SECTION 7: That if any section, sentence, clause, or
11 phrase of this ordinance is held to be invalid or
12 unconstitutional by a court of competent jurisdiction, then
13 said holding shall in no way affect the validity of the
14 remaining portions of this ordinance.

15 SECTION 8: That this ordinance shall become effective
16 immediately upon adoption at its second reading.

17 PASSED ON FIRST READING THIS 29th day of August, 1990.

18 PASSED ON SECOND READING THIS 5th day of September, 1990.

19 ATTEST:

20 
MAYOR

21 
22 CITY CLERK

23 RECORD OF VOTE - 1ST READING RECORD OF VOTE - 2ND READING

24 Varsallone Aye
25 Bross Aye
26 Anton Aye
Weisinger Absent
Goldner Aye

Varsallone Aye
Bross Aye
Anton Aye
Weisinger Absent
Goldner Aye

**PETITION FOR THE CREATION OF THE CYPRESS COVE
COMMUNITY DEVELOPMENT DISTRICT**

**A Planned Unit Development
in the
City of Margate
Broward County, Florida**

Date Submitted:

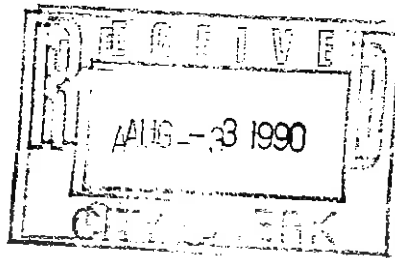


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1.0. INTRODUCTION

1.1 Purpose and Scope

Cypress Cove is a Planned Unit Development . As part of the Planned Unit Development approvals, the City of Margate required the developer to establish a master community association to provide services and maintenance to the residents of the Cypress Cove Planned Unit Development. It is the Developer's intention to provide the services generally provided by a Master Association by forming a Community Development District (CDD) pursuant to Section 190 of the Florida Statutes. The use of a CDD as the community association for a large planned unit development is a state of the art method of coordinating and controlling the quality of maintenance and community identity and services in new housing communities.

The Cypress Cove CDD will be the master community association that will regulate and coordinate the activities of the Cypress Cove development and ensure the long term viability and first class appearance of the Cypress Cove housing community. The Cypress Cove CDD will finance, construct, own, operate and maintain the community-wide infrastructure within the Cypress Cove housing development in Margate, Florida. The landowner is Invex Corporation , Inc., a Florida Corporation, and the developer is Excel Development Corporation also a Florida Corporation.

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

A CDD is not a substitute for the local general purpose government unit (the city or county) in which the CDD lies. Because of its unique statutory structure and powers, however, a CDD is an alternate mechanism for providing the mechanical and aesthetic maintenance needs typically provided by homeowner associations. A CDD has no permitting, zoning, police powers nor does it have many other powers possessed by general purpose governments. In its limited capacity, the CDD serves as a service link between the local general purpose government and the residents of the neighborhood served by the CDD.

"The creation 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 Land 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." (Section 190.004(3), F.S.)

1.2. The Cypress Cove Community Development District

Cypress Cove is a planned unit development in the City of Margate. The project is being developed over a 3 year period. Upon completion, it will contain 195 homes. A master community association in the form of a Community Development District (the Cypress Cove CDD) will control and maintain the general appearance and infrastructure of the entire Cypress Cove subdivision ensuring uniform standards of maintenance, appearance, and quality throughout the Cypress Cove neighborhood.

The financial design of the Cypress Cove CDD was formulated to ensure that the district will be capable of standing alone throughout its lifetime. Revenue bonds will be used to provide the capital to build or acquire the CDD's infrastructure. The bonds will be repaid either through benefit taxes or special assessments levied on all benefited property in the district.

Section 8.0. outlines the plan for financing, ownership, operations, and maintenance of the infrastructure in the CDD. Section 7.0. shows the infrastructure construction timetable and estimated construction costs for the community facilities in the district.

The Cypress Cove CDD will own, operate, and maintain the roads, surface water management system, recreational facilities, and the landscape system in the district. The water distribution system, wastewater collection system, will be donated to the City of Margate.

To defray the costs of operating and maintaining its infrastructure, the Cypress Cove CDD will use a variety of maintenance fees and charges tailored to the services rendered, thereby minimizing costs while ensuring that only those who receive the benefits from a facility pay the costs involved.

Because the water and wastewater system will be donated to the City of Margate, the city will operate and maintain the water and wastewater systems and charge users for service.

Maintenance taxes, authorized in Section 190.021(3), F.S., will be used to defray the costs of maintaining the water management and landscape systems which will be owned by the district. These taxes will be assessed on each benefited taxable unit (dwelling unit, structure, or portion of an acre) within the CDD.

2.0. LEGAL DESCRIPTION OF THE REAL PROPERTY INCLUDED IN THE DISTRICT

Two parcels of land which are described by the following legal descriptions:

A parcel of land being a portion of GATEWAY MILE SUBDIVISION, as recorded in plat book 74, page 28, of the public records of Broward County, Florida and a portion of section 26 Township 48 South, Range 41 East, Broward County, Florida. Comprising approximately 7.5 acres. Also included is;

A portion of Tract 4, GATEWAY MILE RESUBDIVISION, as recorded in Plat Book 74, page 28, of the Public Records of Broward County, Florida, and a portion of the North One-Half (N 1/2) of Section 26, Township 48 South, Range 41 East. Comprising approximately 21.7 acres.

There is no real property within the external boundaries of the district which is to be excluded from the district.

METES AND BOUNDS LEGAL DESCRIPTION OF THE CYPRESS COVE CDD

A PORTION OF THE NORTH ONE-HALF (N 1/2) OF SECTION 26, TOWNSHIP 48 SOUTH, RANGE 41 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF TRACT 4, "GATEWAY MILE RESUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 74, PAGE 28 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA; THENCE, SOUTH 03°59'17" WEST ALONG THE SOUTHERLY PROLONGATION OF THE WEST LINE OF SAID TRACT 4, A DISTANCE OF 397.90 FEET TO A POINT OF INTERSECTION WITH A LINE 35.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE NORTH ONE-HALF (N 1/2) OF SAID SECTION 26; THENCE, SOUTH 89°31'13" EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 339.63 FEET; THENCE, NORTH 03°59'17" EAST ALONG A LINE PARALLEL WITH THE WEST LINE OF SAID TRACT 4, A DISTANCE OF 392.54 FEET TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID TRACT 4; THENCE, SOUTH 89°31'13" EAST, ALONG SAID SOUTH LINE, A DISTANCE OF 407.95 FEET, TO THE SOUTHEAST CORNER OF SAID TRACT 4; THENCE SOUTH 81°01'28" EAST ALONG THE SOUTHERLY PROLONGATION OF THE EAST LINE OF SAID TRACT 4, A DISTANCE OF 426.95 FEET TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF THE NORTH ONE-HALF (N 1/2) OF SAID SECTION 26; THENCE NORTH 89°31'13" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 1793.42 FEET TO THE SOUTHEAST CORNER OF "SUNFLOWER-MARGATE", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 82, PAGE 38, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA; THENCE, NORTH 00°29'47" EAST ALONG THE EAST LINE OF SAID "SUNFLOWER-MARGATE", A DISTANCE OF 516.05 FEET TO THE SOUTHEAST CORNER OF LOT 9, BLOCK K, "SPRINGS GATEWAY", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 127, PAGE 17 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA; THENCE, NORTH 19°41'43" EAST ALONG THE EAST LINE OF SAID LOT 9, A DISTANCE OF 119.25 FEET TO A POINT ON THE ARC OF CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 3623.00 FEET (A RADIAL LINE TO SAID POINT BEARS SOUTH 19°41'43" WEST), AND TO THE SOUTHERLY RIGHT-OF-WAY LINE OF N.W. 19TH STREET AS SHOWN ON "GATEWAY MILE", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 63, PAGE 15 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA; THENCE, SOUTHEASTERLY ALONG THE ARC OF SAID CURVE AND ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 15°06'03", A DISTANCE OF 1018.11 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH:

TRACT 4, "GATEWAY MILE RESUBDIVISION", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 74, PAGE 28 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, LESS THE WESTERLY 338.99 FEET THEREOF, AS MEASURED AT RIGHT ANGLES TO THE WEST LINE OF SAID TRACT 4.

TOGETHER WITH:

THE PROPOSED PLAT OF "CYPRESS COVE" AS PREPARED BY ASSOCIATED ENGINEERS, INC. BEING FURTHER DESCRIBED AS A PARCEL OF LAND BEING A PORTION OF GATEWAY MILE RESUBDIVISION, AS RECORDED IN PLAT BOOK 74, PAGE 28, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA, AND A PORTION OF SECTION 26, TOWNSHIP 48 SOUTH, RANGE 41 EAST, BROWARD COUNTY, FLORIDA ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE S.W. CORNER OF TRACT 4 OF SAID GATEWAY MILE RESUBDIVISION: THENCE SOUTH $03^{\circ}54'25''$ WEST A DISTANCE OF 397.73 FEET TO A POINT 35.00 FEET NORTH OF THE SOUTH LINE OF THE NORTH 1/2 OF SAID SECTION 26; THENCE SOUTH $89^{\circ}36'05''$ EAST ALONG A LINE 35.00 FEET NORTH OF AND PARALLEL WITH, AS MEASURED AT RIGHT ANGLES TO THE SOUTH LINE OF THE NORTH 1/2 OF THE SAID SECTION 26, A DISTANCE OF 339.93 FEET; THENCE N. $03^{\circ}54'25''$ E, A DISTANCE OF 963.44 FEET TO A POINT ON THE NORTH LINE TRACT 4 OF SAID: "GATEWAY MILE RESUBDIVISION", BEING FURTHER DESCRIBED AS BEING ON THE SOUTHERLY RIGHT-OF-WAY LINE OF ROYAL PALM, NORTH $89^{\circ}36'05''$ WEST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 177.50 FEET TO THE POINT OF CURVATURE OF A CIRCULAR CURVE TO THE RIGHT; THENCE WESTERLY ALONG THE ARC OF THE SAID CURVE HAVING A RADIUS OF 3053.00 FEET AND AN ARC DISTANCE OF 137.34 FEET TO THE POINT OF REVERSE CURVATURE OF A CIRCULAR CURVE TO THE LEFT; THENCE WESTERLY AND SOUTHERLY ALONG THE ARC OF THE SAID CURVE HAVING A RADIUS OF 25.00 FEET AND AN ARC DISTANCE OF 38.86 FEET TO THE POINT OF TANGENCY; THENCE SOUTH $03^{\circ}54'25''$ WEST ALONG THE WEST LINE OF SAID TRACT 4 A DISTANCE OF 545.32 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

SAID LANDS SITUATE LYING AND BEING IN THE CITY OF MARGATE, BROWARD COUNTY, STATE OF FLORIDA, CONTAINING 28.91 ACRES, MORE OR LESS.

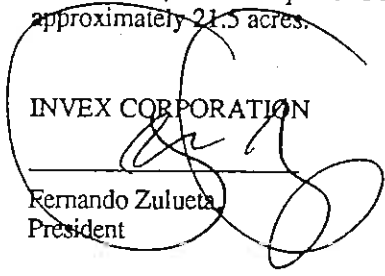
3.0. DOCUMENTATION DEMONSTRATING THAT PETITIONER HAS 100% CONTROL OF THE REAL PROPERTY INCLUDED IN THE DISTRICT

The landowner of all the real property to be included in the Community Development District is Invex Corporation, a Florida Corporation, and the petitioner and developer is Excel Development Corporation, also a Florida Corporation. The consent of the land owner is contained below:

A parcel of land being a portion of GATEWAY MILE SUBDIVISION, as recorded in plat book 74, page 28, of the public records of Broward County, Florida and a portion of section 26 Township 48 South, Range 41 East, Broward County, Florida. Comprising approximately 7.5 acres. Also included is;

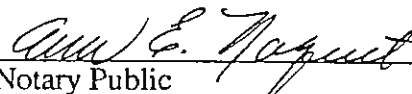
A portion of Tract 4, GATEWAY MILE RESUBDIVISION, as recorded in Plat Book 74, page 28, of the Public Records of Broward County, Florida, and a portion of the North One-Half (N 1/2) of Section 26, Township 48 South, Range 41 East. Comprising approximately 21.5 acres.

INVEX CORPORATION



Fernando Zulueta
President

I HEREBY CERTIFY that on the 2 day of August, 1990, before me, an officer duly authorized in the State of Florida, County of Dade to take acknowledgments, personally appeared Fernando Zulueta, well known to me to be the President of Invex Corporation, a Florida Corporation, in that he acknowledged executing the documentation of ownership, freely and voluntarily under authority duly vested in him by said Corporation in that the seal affixed thereto is the true corporate seal of said corporation.



Notary Public
State of Florida at Large

My commission expires :

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. OCT. 14, 1992
BOARDED THRU GENERAL INS. UND.

4.0. DESIGNATION OF ORIGINAL BOARD OF SUPERVISORS

The proposed Board of Supervisors, all of whom are residents of the State of Florida and Citizens of the United States of America is as follows:

Mike F. Balais
Vice President, Excel Development Corporation
6262 Bird Road #3I
Miami, Florida 33155

E. Daniel Lopez
Vice President, Excel Development Corporation
6262 Bird Road #3I
Miami, Florida 33155

David Schack
Vice President, Excel Development Corporation
6262 Bird Road #3I
Miami, Florida 33155

Alina Orriols
Excel Development Corporation
6262 Bird Road #3I
Miami, Florida 33155

Mike Verdeja
Excel Development Corporation
6262 Bird Road #3I
Miami, Florida 33155

5.0. PROPOSED NAME OF THE COMMUNITY DEVELOPMENT DISTRICT

Petitioner proposes to name the District the **Cypress Cove Community Development District**.

6.0. MAP OF THE PROPOSED COMMUNITY DEVELOPMENT DISTRICT INCLUDING MAJOR TRUNK WATER MAINS AND SEWER INTERCEPTORS AND OUTFALLS

A map of the proposed Community Development District is contained in the Exhibits attached hereto. The plan shows the water distribution system, the sanitary sewer collection system and the drainage system. A description of each follows.

6.1. Potable Water (Donated by the Cypress Cove CDD to the City of Margate)

Potable water for the Cypress Cove Development will be supplied by the City of Margate. According to Broward County Health Department and Broward County Environmental Quality Control Board (EQCB) standards, the estimated potable water demand is 71,400 gallons/day. The City of Margate's water plant currently has a demand of 10.26 MGD with a design capacity of 18.0 MGD ; therefore, excess capacity does exist in the plant.

6.2. Sanitary Sewer (Donated by the Cypress Cove CDD to the City of Margate)

Sanitary sewer service for the Cypress Cove Development will be provided by the City of Margate. According to EQCB standards, the estimated wastewater flow is 71,400 gallons/day. The City of Margate's wastewater treatment plant currently has a demand of 6.68 MGD with a design capacity of 8.0 MGD ; therefore, excess capacity does exist in the plant.

The sewage collection system will consist of a gravity system throughout the site and will connect to the gravity system on Royal Palm Boulevard. Units located on the South side of the canal will be served by the existing gravity system located on Northwest 18th street.

6.3. Drainage (Owned and maintained by the Cypress Cove CDD)

Cypress Cove lies within the South Florida Water Management District (SFWMD) C-14 drainage basin and the project encompasses approximately 28.9 acres. The overall storm water management plan will consist with SFWMD and Broward County EQCB - Water Management Division. Generally the criteria states that the drainage plant must consist of adequate water quality and discharge controls and must provide sufficient storm water storage capacity to insure the roadways are not flooding during the 10 year - 1 day storm event and flood levels do not exceed finished floor elevations during a 100 year - 3 day storm event. The site will be graded such that runoff is routed to the catch basins and then ultimately to the lake within the site. The last structure before the outfall will be designed with a pollution retardant device to intercept oils and other floating debris from entering the lake. The system will be acquired and maintained by the Community Association.

7.0. TIME TABLE AND COST ESTIMATE FOR DISTRICT SERVICES

Cypress Cove

Community Development District

Value/Cost and Timing of Infrastructure to be Incorporated into the Cypress Cove CDD.

Water and Sewer

Water Distribution	127,212.50
Sewage Collection	<u>162,148.00</u>
Subtotal	289,360.50

Paving, Grading and Drainage

Paving	130,561.00
Grading and Fill	346,390.00
Drainage	<u>122,320.50</u>
Subtotal	599,271.50

Equivalent Residential Connections (E.R.C.)

Water and Sewer	218,290.00
Water Service	<u>35,350.00</u>
Subtotal	253,640.00

N.W. 73rd Street and N.W. 19th Street

Water Distribution	15,759.00
Sewage Collection	6,625.00
Paving	<u>37,675.00</u>
Subtotal	60,059.00

Improvements

Royal Palm	<u>130,000.00</u>
Subtotal	130,000.00

Landscaping

	<u>181,800.00</u>
Subtotal	181,800.00

Recreational Amenities

Parks	59,186.00
Other	<u>90,900.00</u>
Subtotal	150,086.00

Total Cost of Infrastructure Improvements

Project Total : \$ 1,664,217.00

8.0. DESIGNATION OF FUTURE GENERAL DISTRIBUTION, LOCATION AND EXTENT OF PUBLIC AND PRIVATE USES OF LAND WITHIN THE COMMUNITY DEVELOPMENT DISTRICT

Facility Description	Capital Costs	Owned By	Maintained By	Financed By
Surface Water Management System (Drainage)	CDD	CDD	CDD	Benefit Taxes Maint. Fees
Waste Water Collection System (Sanitary Sewer)	CDD	Margate	Margate	Utility Fees
Water Distribution System (Potable Water)	CDD	Margate	Margate	Utility Fees
Landscape and Hardscape System	CDD	CDD	CDD	Benefit Taxes Maint. Fees
NW 19th Street Improv. within Public right of way	CDD	Margate	Margate	Benefit Taxes Maint. Fees
NW 73 Ave. Improv. within Public right of way	CDD	Margate	Margate	Benefit Taxes Maint. Fees

9.0. ECONOMIC IMPACT STATEMENT IN ACCORDANCE WITH SECTION 120.54(2), FLORIDA STATUTES

This economic impact statement supports the petition to establish the Cypress Cove Community Development District (CDD).

The scope of this economic impact statement is limited to evaluating the consequences of creating the Cypress Cove CDD. The limits on the scope of this economic impact statement for a proposed CDD are explicitly set out in Section 190.002 (2)(d), F.S., which provides:

"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."

Section 120.54(2)(b), F.S. defines the elements an economic impact statement must contain:

- (1) An estimate of the cost to the agency of the implementation of the proposed action, including the estimated amount of paperwork;
- (2) An estimate of the cost or economic benefit to all persons directly affected by the proposed action;
- (3) An estimate of the impact of the proposed action on competition and the open market for employment, if applicable;
- (4) A detailed statement of the data and method used in making each of the above estimates; and
- (5) An analysis of the impact on small business as defined in the Florida Small and Minority Business Assistance Act of 1985.

The economic impacts of the proposed Cypress Cove CDD are summarized below.

9.1. Cost to Governmental Agencies

Because the Cypress Cove CDD is less than 1,000 acres, the City of Margate will review and process the CDD petition. The cost to review the petition is similar in amount to the cost generated by any other land use petition typically processed by the city, and the costs are offset by the CDD filing fees paid by the petitioner to the city.

The paperwork generated to process the petition will be similar in amount to the paperwork generated by any other land use petition typically processed by the city.

9.2. Costs and Benefits to all Persons Directly Affected

The establishment of the Cypress Cove CDD will generate economic benefits that exceed economic costs for all affected persons. The district mechanism is superior because it allows the land development process to take care of its own needs. On an ongoing basis, it restricts costs to those who benefit from

the services provided. The persons directly affected include local and state governments, developers, landowners, and home buyers.

It is difficult to place a dollar value on all the benefits resulting from well planned community development because they accrue over a long period of time and flow from the smoother operation and maintenance and better appearance that can be expected from communities served by CDDs. But given the relatively low costs needed to establish the CDD, the benefits likely outweigh those costs.

9.2.1. The State of Florida and its citizens

There will be no cost incurred by either the State of Florida or the general citizenry because of the establishment of the Cypress Cove CDD. The district will require no subsidies from the state or its citizens.

There are several benefits which will flow to the state and its citizens if the proposed district is established. First, approval of this CDD satisfies the intent of the Legislature and can be considered a benefit for that reason. In enacting the Uniform Community Development District Act of 1980 and reenacting it in 1984, the Legislature recognized that there are substantial public benefits from well planned community development in Florida.

"(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, duration of independent districts to manage and finance basic community development services; and based upon a proper and fair determination of applicable facts, an independent district can constitute a timely, efficient, effective, responsive and economic way to deliver these basic services, providing a solution to the state's planning, management, and financing needs for delivery of capital infrastructure to service projected growth without overburdening other governments and their taxpayers." (Section 190.002, F.S.)

Second, the state and its citizens benefit from the improved level of planning and coordination which the CDD will provide. This will help to minimize the likelihood that a problem at Cypress Cove will affect other citizens or jurisdictions. The alternative of piecemeal development, which typically lacks the substantial up-front investment in roads, proper drainage, water and wastewater systems found in planned communities, is not encouraged in Florida.

"(c) it is in the public interest that long range planning, management, and financing and long-term maintenance, upkeep, and operation of basic services for community development districts be under one coordinated entity." (Section 190.002 (1) (c), F.S.)

9.2.2. The City of Margate and its Citizens

The cost to review the petition is similar in amount to the cost generated by any other land use petition typically processed by the city, and the costs are offset by the CDD filing fees paid by the petitioner to the city.

Processing the petition will be no more complicated than processing any other land use petition, and the costs are offset by the CDD filing fee paid by the petitioner to the city. No other costs will be incurred by the city, but several benefits will result.

Being citizens of the state, the city's citizens receive the same state wide benefits from planned developments. Margate residents will benefit to a greater

degree, however, because the development is to occur in their city. Well planned and well financed housing developments are attractive locations for new residents. The availability of such developments enhances the property values of the areas in which they are located.

Over time, the CDD will result in lower costs to Margate because the city will not have to expend resources to manage the affairs of the district or its occupants for district related matters. The CDD will have its own elected board and manager. The elected board will be most responsive to district occupants, because it is the governmental unit closest to them. The result will be a level of services in the Cypress Cove housing community consistent with what its occupants want and are willing to pay for, without imposing the same level of services or financial burden on nearby property.

The city does not lose control over the district, but the city is not obligated in any way to provide district services to the lands within the district. Although the city and its citizens are not involved in any way in the operation or finance of the district, should the city wish to take over any CDD provided function, there are provisions in Chapter 190 which provide for this capability.

The CDD is the most beneficial subdivision management system for the city on an ongoing basis. The alternatives to a CDD at Cypress Cove are (1) a community association or (2) city provision. Either could make the city at least partly responsible for the district's services or result in impaired financial capacity to make long term repairs or enhancements to the infrastructure serving the Cypress Cove subdivision.

The first alternative to the CDD is a neighborhood association. Although such an association provides the necessary structure for the maintenance of infrastructure in the district, such associations typically lack the capability to issue bonds and other forms of long term debt. This limitation increases the risk that a neighborhood association could effectively finance and construct the necessary community infrastructure and make major repairs or enhancements to that infrastructure in the future. Neighborhood associations must levy special assessments against the property of residents to pay for any such repairs or enhancements, and the resulting financial burden on the residents can be severe. A CDD can borrow to finance such repairs and enhancements at attractive interest rates and spread payments over a long period of time. The resulting financial burden on the residents is both cheaper and less immediate and severe.

The second alternative to the CDD is provision and maintenance of infrastructure by the city. This alternative is inferior to the establishment of the CDD. Without the CDD the city would have to plan, finance, operate and maintain the community infrastructure using its own revenues and staff. By contrast, establishment of the proposed district avoids these costs.

9.2.3. The Developer and Landowner

The petitioner will incur costs to establish the district. These costs can be grouped into three categories: (1) planning and applying for the district; (2) contributions of management and technical assistance; and (3) payment of district taxes and fees.

First, it is costly and time consuming to plan and establish a CDD of the size and complexity proposed here. The petitioner's consultants for this planning

include attorneys, investment bankers, engineers, planners, and experienced district managers.

Second, the district will need managerial and technical assistance from the petitioner, especially in the early years of its operation.

Third, the petitioner will pay district taxes and fees over the life of the project. During the first phase of the project the petitioner will be the district's largest taxpayer.

The CDD will provide the petitioner with several benefits. The CDD may provide access to tax exempt financing for the portion of the housing development's infrastructure. The petitioner benefits during the period it holds the property for sale to home buyers by paying a lower effective rate of financing on the infrastructure. Much of the benefit from the availability of tax exempt financing ultimately accrues to the benefit of the home buyers within the CDD.

The CDD provides the long term, ongoing maintenance and operation of district facilities. This ensures that the first class standards which the petitioner has set for Cypress Cove will be preserved during the development stages of the project and into the future and results in a long term benefit to the petitioner.

9.2.4. The Home Buyers

Home buyers will purchase homes at Cypress Cove and become occupants of the district. As occupants of the district, they will incur costs and enjoy benefits.

First, to pay for the cost of infrastructure financed by the district, district occupants will pay district taxes in addition to their general county taxes. Strictly speaking, however, this does not represent an additional cost to occupants because the alternative is for them to pay for the amounts financed by the district as a part of the price of their homes.

Second, district occupants will pay fees for the maintenance and repair of district facilities on a periodic basis. This does not necessarily represent an additional cost to occupants because the alternative mechanism to maintaining the facilities is a neighborhood association which would also levy maintenance fees. Maintenance by the district imposes no greater cost to the district occupants than maintenance by a master neighborhood association.

District occupants benefit from a high level of community service. A CDD will ensure that maintenance and public service provided to the Cypress Cove residents are consistent with the high standards that the petitioner has established for the Cypress Cove project and that future Cypress Cove residents anticipate receiving.

The total cost of home ownership can be lower for home buyers served by a district. The cost to construct community infrastructure is no different whether financed by the district as a whole or by each individual home buyer as a part of the price of his home. A significant difference arises, however, in the long term cost of financing these infrastructure improvements. Because the district can have access to lower cost financing than individual home buyers, using the district mechanism for this purpose can result in important long term interest savings for each home buyer.

A CDD ensures that the community services and amenities are maintained at a high level throughout the life of the project. Because of its ability to obtain low

cost financing for capital improvements, a CDD is best positioned to adopt improvements in infrastructure technology or enhance the quality of existing infrastructure. It thus can more effectively improve the value of property and quality of life for district residents. This protects the substantial investment occupants will make in Cypress Cove.

The strict statutory reporting and operating requirements imposed on CDDs ensure higher standards of accountability and service to district residents than available otherwise. A CDD is subject to Florida's government in the sunshine act and must conduct all of its business meetings open to the public. The developer is required by law to fully disclose the existence of the district to prospective home buyers. The district occupant enjoys the benefits of better and more consistent reporting at no additional cost because the administrative costs of managing a CDD need not be greater than the administrative costs of properly managing a homeowner association.

9.3. Impact on Competition and the Market for Employment

The establishment of the Cypress Cove CDD will have no impact on competition or the open market for employment. A CDD is only an alternate mechanism for financing and maintaining community infrastructure. Because the duties it performs would be performed in any event, and because it does not possess any qualities or restrictions which favor any particular class or subgroup in the work force, it does not affect the open market for employment.

There is no unique competitive advantage conferred upon Cypress Cove which is not available to and currently being used by everyone else in the market competing in the niche Cypress Cove will serve. Failure to establish the Cypress Cove CDD could result in a competitive disadvantage, however, because a number of CDD's already exist in neighboring subdivisions competing with Cypress Cove.

Cypress Cove will compete with other large planned housing developments. These developments can also petition to have a CDD serve their infrastructure needs if they decide to. It confers no unique competitive advantage to any one developer or landowner because other developers and landowners have this same financing and maintenance vehicle available to them. Many large planned housing developments in Broward County already have CDD's in place. Cypress Cove's neighbor, the Coral Bay development, has a CDD approved and operating, and there are several more throughout Broward County.

9.4. Data and Method Used

Much of the data used to prepare the above estimates of economic impact is contained in the Cypress Cove Planned Unit Development prepared by Excel Development Corporation and submitted along with this petition. The Required Information for the Planned Unit rezoning includes demographic data, econometric projections, neighborhood land use plans, site plans, infrastructure plans, development standards, phasing plans, and project timetables for the Cypress Cove development. It is a complete land use document which sets forth the implementation and operation plan for the Cypress Cove project. The construction schedule and timing and amount of infrastructure improvements come from the Planned Unit Development study and reflect the current status of governmental approvals at Cypress Cove.

Additional information was obtained from the public records of Broward County, from municipal and county employees, and from experienced district directors, developers, and administrators of other community development districts in Broward County (Coral Bay Community Development District, Turtle Run Community Development District, North Springs Improvement District, Indian Trace Development District, South Broward Drainage District).

Methodologically, a computerized cash-flow model for the proposed CDD was created using a spreadsheet program. The model tracks sources of revenue and major CDD cost items.

9.5. Impact on Small Businesses

The establishment of the Cypress Cove CDD will have no impact on small businesses. A community development district is only an alternate mechanism for financing and maintaining community infrastructure. It provides no unique benefit to any one size of business entity because it is generally available for use by business entities of all sizes.

10.0. DRAWINGS AND EXHIBITS

10.1. General Location Map

10.2. District Boundary Map

10.3. Boundary Survey

10.4. Illustrative Site Plan

10.5. Existing Infrastructure Improvements