

Holly Hill Road East Community Development District

12051 Corporate Boulevard, Orlando, FL 32817; 407-723-5900

www.hollyhillroadeastcdd.com

The following is the proposed agenda for the meeting of the Board of Supervisors for the Holly Hill Road East Community Development District, scheduled to be held **Wednesday, June 17, 2020 at 10:00 a.m. via conference call due to the Executive Order 20-112 extending COVID-19 Executive Order 20-69**. Attached to this Agenda is a copy of the Executive Order 20-69. Questions or comments on the Board Meeting or proposed agenda may be addressed to Jane Gaarlandt at gaarlandtj@pfm.com or (407) 723-5900. The attendance of three Board Members is required to constitute a quorum.

To attend the meeting, please use the below conference call information:

Call-in Number: **1-844-621-3956**

Access Code: **790 393 986 #**

PROPOSED BOARD OF SUPERVISORS' MEETING AGENDA

Administrative Matters

- Roll Call to Confirm Quorum
- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*
- 1. **Consideration of the Minutes of the May 20, 2020 Board of Supervisors' Meetings**

Business Matters

- 2. **Consideration of Financing Matters Relative to Phase 3 Project, Series 2020 Bonds**
 - A. **Resolution 2020-14, Supplemental Assessment Resolution**
 - B. **Other Matters** *(provided under separate cover)*
- 3. **Consideration of Lease Agreement for Playground Shade Structure** *(provided under separate cover)*
- 4. **Consideration of Proposal for Trash Cans** *(provided under separate cover)*
- 5. **Discussion Regarding Re-Opening of Amenity Facilities**
- 6. **Ratification of Payment Authorization Nos. 123**
- 7. **Review of Monthly Financials**

Other Business

Staff Reports

District Counsel
Interim Engineer
District Manager

Supervisor Requests and Audience Comments
Adjournment



STATE OF FLORIDA

OFFICE OF THE GOVERNOR EXECUTIVE ORDER NUMBER 20-69

(Emergency Management – COVID-19 – Local Government Public Meetings)

WHEREAS, on March 1, 2020, I issued Executive Order 20-51 directing the Florida Department of Health to issue a Public Health Emergency as a result of COVID-19; and

WHEREAS, on March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19; and

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida as a result of COVID-19; and

WHEREAS, on March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention (“CDC”) issued the “15 Days to Slow the Spread” guidance advising individuals to adopt far-reaching social distancing measures, such as working from home and avoiding gatherings of more than 10 people; and

WHEREAS, on March 17, 2020, I wrote a letter to Attorney General Ashley Moody seeking an advisory opinion regarding concerns raised by local government bodies about their ability to hold meetings through teleconferencing and other technological means in order to protect the public and follow the CDC guidance regarding social distancing; and

WHEREAS, on March 19, 2020, Attorney General Ashley Moody delivered an opinion to me indicating that certain provisions of Florida law require a physical quorum be present for local government bodies to conduct official business, and that local government bodies may only conduct meetings by teleconferencing or other technological means if either a statute permits a quorum to be present by means other than in person, or that the in person requirement for constituting a quorum is lawfully suspended during the state of emergency; and

WHEREAS, it is necessary and appropriate to take action to ensure that COVID-19 remains controlled, and that residents and visitors in Florida remain safe and secure;

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1. I hereby suspend any Florida Statute that requires a quorum to be present in person or requires a local government body to meet at a specific public place.

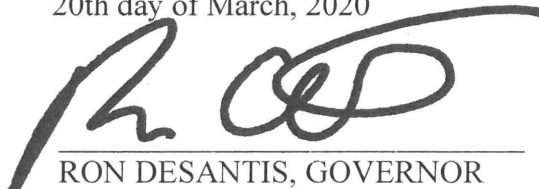
Section 2. Local government bodies may utilize communications media technology, such as telephonic and video conferencing, as provided in section 120.54(5)(b)2., Florida Statutes.

Section 3. This Executive Order does not waive any other requirement under the Florida Constitution and "Florida's Government in the Sunshine Laws," including Chapter 286, Florida Statutes.

Section 4. This Executive Order shall expire at the expiration of Executive Order 20-52, including any extension.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 20th day of March, 2020


RON DESANTIS, GOVERNOR

ATTEST:


SECRETARY OF STATE

FILED
2020 MAR 20 AM 9:38
TALLAHASSEE, FLORIDA

Holly Hill Road East Community Development District

Minutes

MINUTES OF MEETING

HOLLY HILL ROAD EAST COMMUNITY DEVELOPMENT DISTRICT BOARD OF SUPERVISORS' MEETING

Wednesday, May 20, 2020 at 10:21 a.m.

Via telephonic conferencing due to the COVID-19 Executive Orders 20-52, 20-69, & 20-112.

Board Members present at roll call:

Rennie Heath	Chair	(via phone)
Scott Shapiro	Vice Chair	(via phone)
Lauren Schwenk	Assistant Secretary	(via phone)
Patrick Marone	Assistant Secretary	(via phone)
Andrew Rhinehart	Assistant Secretary	(via phone)

Also Present:

Roy Van Wyk	Hopping Green & Sams	(via phone)
Jane Gaarlandt	PFM Group Consulting, LLC	(via phone)
Christina Hanna	PFM Group Consulting, LLC	(via phone)
Dexter Glasgow	PFM Group Consulting, LLC	(via phone)
Kevin Plenzler	PFM Group Consulting, LLC	(via phone)
Bob Gang	Greenberg Traurig	(via phone)
Various members of the public present via phone		

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

The meeting was called to order approximately at 10:21 a.m. Those in attendance are outlined above.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no public comments at this time.

THIRD ORDER OF BUSINESS

Consideration of the Minutes of the March 18, 2020 Board of Supervisors' Meeting

The Board reviewed the Minutes of the March 18, 2020 Board of Supervisors' Meeting.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board approved the Minutes of the March 18, 2020 Board of Supervisors' Meeting.

FOURTH ORDER OF BUSINESS

Consideration of Letter from Supervisor of Election Regarding Qualified Electors

As of April 15, 2020 there were 91 registered voters living in the District.

FIFTH ORDER OF BUSINESS

Consideration of Financing Matters Relative to Phase 3 & 4 Projects, Series 2020 Bonds

- a) **Presentation of Supplemental
Assessment Report**
- b) **Resolution 2020-10, Amending
Resolution 2020-05, Delegation
Resolution**
 - i. **Third Supplemental Trust
Indenture**
 - j. **Forth Supplemental Trust
Indenture**
 - k. **Preliminary Offering
Memorandum**
- c) **Presentation of Supplemental
Assessment Report, Bond
Anticipation Note, Series 2018**
- d) **Resolution 2020-11, Amending
Resolution 2019-01 Authorizing
Not to Exceed \$550,000 Bond
Anticipation Note, Series 2018
(Amenity Center Line of Credit)**
- e) **US Bank Trustee Fee Proposal**
- f) **Other Matters**

Mr. Plenzler presented the Supplemental Assessment Report. The District is just moving forward with assessment area 3 at this time and assessment area 4 will be removed from the document. Table 1 and Table 2 are consistent with the Engineer's Report. Table 3 outlines the estimated sizing of the Bonds. The District is preparing to fund approximately \$2,900,000.00 of the Phase 3 CIP via Bonds totaling \$3,520,000.00. Table 4 outlines the Bond Par and Annual Assessments. Per lot

assessments are estimated \$19,341.00 per lot and annual assessments of \$1,310.00. The District is not funding assessment area 4 at this time. He analyzed the Debt Service Assessment on both an acreage and per lot basis and found them to be reasonably and equitably allocated and found that the benefit received by the District's property owners is in excess of the cost of the related assessments. It is consistent with the Master Assessment methodology that the District has in place.

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Board approved the Supplemental Assessment Methodology.

Mr. Gang presented Resolution 2020-10, Amending Resolution 2020-05, Delegation Resolution. The resolution amends Resolution 2020-05 to remove the typical optional redemption provision that says no later than 10 years so the Bonds could be non-callable. This includes Phases 3 and 4 even though the District is not moving forward with Phase 4 right now. There are some other changes to be made related to timing of principle interest payments. The District is proceeding on the basis of the authorization from January as modified by Resolution 2020-10

On MOTION by Ms. Schwenk, seconded by Mr. Rhinehart, with all in favor, the Board approved Resolution 2020-10, Amending Resolution 2020-05, Delegation Resolution.

Mr. Plenzler presented the Supplemental Assessment Report with respect to the Bond Anticipation Note, Series 2018. Table 1 outlines the District Land Use Plan. Table 2 outlines the Band Principle. Table 3 outlines the CIP as it relates to parks and Amenities. Table 4 outlines the allocation of the Band Principle and the forecast of accrued interest. He analyzed the allocations of assessments on an acreage and per lot basis and found the assessments to be reasonably and equitably allocated and found that the benefit received by each of the District's property owners associated with the CIP in excess of the cost related to the assessments. Mr. Van Wyk asked if this is consistent with the current District Methodology. Mr. Plenzler replies yes.

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, the Board approved The Supplemental Assessment Report, Bond Anticipation Note, Series 2018.

Mr. Gang presented Resolution 2020-11, Amending Resolution 2019-01 Authorizing Not to Exceed \$550,000 Bond Anticipation Note, Series 2018 for the Amenity Center Line of Credit. In October 2018 the District entered into a line of credit with Mr. Shapiro's company whereby he would advance the money for the completion of the Amenity Center. There were to Joint

Acquisition Agreements with North Boulevard, Holly Hill and HHR. The District issued a Bond Anticipation note in an amount pursuant to Resolution 2019-01. In an amount not to exceed \$550,000.00. The total amount advanced was \$512,000.00. The maturity date of the note was December of this year. It has been determined that the maturity date of the note should be moved to June 30, 2021. It was intended to be paid back as soon as bonds were issued. Section 4 of the note resolution has a couple of modifications. Assessment area 3 assessments will be due and payable either at the earlier sale of lands to homebuilders rather than immediately upon the issuance of the Bonds and no later than a maturity date of June 30, 2021. The District will be imposing assessments to secure that repayment. The idea is that the District would sign this note and exchange it for the prior 2018 note and it is an amendment note.

Mr. Shapiro requested to change the term home builder to third party. Mr. Shapiro will abstain from voting due to conflict.

Mr. Gang will update the resolution and send Ms. Gaarlandt the revised Resolution and the note on safety paper and she can arrange to get it signed and get it to Mr. Shapiro and he will surrender the old one to Ms. Gaarlandt.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with 4 in favor and 1 abstained, the Board approved Resolution 2020-11, Amending Resolution 2019-01, Authorizing Not to Exceed \$550,000.00 Bond Anticipation Note, Series 2018.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2020-13, Approving a Proposed Budget for Fiscal Year 2020-2021 and Setting a Public Hearing Date Thereon

Ms. Gaarlandt suggested July 22, 2020 at 10:00 a.m. as the Public Hearing date. It will either take place at the Holliday Inn Winter Garden or telephonically but the notice will reflect the location.

Ms. Lane stated they split between the Holly Hill and North Boulevard percentage of Amenity has not been updated. The total amount of the revenue of \$341,106.05 does not change it just reallocates the amount that goes to on-roll vs. the amount that will come in from North Boulevard. The North Boulevard will change. \$42, 383.66 is 38% of the Amenity cost. The on-roll assessments will decrease to \$298,722.39 for the total. The Gross amount per platted lot will be \$834.30 and the Net amount will be \$775.90.

The overall budget is increasing from \$309,113.45 to \$341,106.05. Ms. Gaarlandt reviewed the various line items that were either increasing or decreasing.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Board approved Resolution 2020-13, Approving a Proposed Budget for Fiscal Year 2020-2021 and Setting a Public Hearing Date for July 11, 2020 at 10:00 a.m. at the Holliday Inn Winter Garden or Telephonically.

Mr. Van Wyk presented the Assessment Resolution.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Board approved Resolution 2020-12, Assessment Resolution.

SEVENTH ORDER OF BUSINESS

Consideration of Proposals for Dissemination Services

- a) **PFM**
- b) **GMS**

Mr. Van Wyk explained the current Dissemination Agent is Lerner. Some of the Dissemination notices were missed and we wanted to bring that to the Boards' attention. Mr. Van Wyk explained the purpose of a Dissemination Agent. The current amount for Dissemination Services is \$6,500.00.

Ms. Glasgow explained she handles the dissemination and disclosures for all the Districts that PFM manages. PFM does all the quarterly and annually disclosures and the posting the audit. PFM is more than capable of handling that. PFM does it for all their District's except for 5 that Lerner currently has. PFM would honor \$2,000.00 per Bond issue but any new Bond Issues would be \$2,500.00.

Ms. Gaarlandt explained the GMS proposal is \$3,500.00 for the first Bond Issuance and \$1,000.00 for each additional Bond Issuance and for future the one time set up is \$2,500.00.

Mr. Van Wyk asked if PFM would honor the lower cost for future Bond issuances. Mr. Plenzler replied they would. Mr. Van Wyk asked when the next payment is due to the Dissemination Agent. Ms. Lane stated the District pays for the year and they do not bill for a regular amount. The \$6,500.00 is paid in full. A discussion took place.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Board approved retaining Lerner.

EIGHTH ORDER OF BUSINESS

Consideration of Proposal(s) for Playground Shade Structure

Ms. Gaarlandt stated previously one of the residents requested the District provide shade structure for the second playground area. The proposal is in the amount of \$25,000.00. Mr. Glasgow stated it covers everything within the boarder that keeps in the mulch and it would cover the plat structure. This is the same type of structure the District has at the existing play area. Ms. Schwenk asked if it can be leased. There is no money in the budget to purchase it. Ms. Gaarlandt stated District Management will go back to the leasing company and get a proposal from them and will bring it to the Board at the next meeting.

Mr. Glasgow stated there is an additional cost as the District will need to move the existing trees away from the area so when they grow, they won't interfere with the shade structure.

NINTH ORDER OF BUSINESS

Consideration of Proposal(s) for Dog Park

Mr. Glasgow approached the same company who did the shade structures and some of the other amenities for the existing dog park. They gave the District pricing for all the elements the District may want to include like a watering station, different types of benches, and waste stations. Mr. Glasgow asked the size that the Board wants to make the dog park. The fencing is \$16.00 per foot.

The District does not have anything budgeted for dog park improvements and this is only going to be in the Citrus Isle portion of the District. A discussion took place. Mr. Marone suggested holding off on the dog park because it does not benefit the entire District and only benefits those with dogs. Mr. Heath and Mr. Rhinehart also thought the District should hold off on doing the dog park. It will be tabled for now.

TENTH ORDER OF BUSINESS

Consideration of Proposal for Speed Limit Signs

Mr. Glasgow contacted the sign shops. To replace all the speed limit signs in Citrus Isle and Citrus Point the cost is \$2,547.92 including the installation. It might be able to be reduced if a separate company can do the installation vs. having the sign company do it. The signs are being replaced because the speed limit was changed in the community. The cost is for a total of 24 signs.

Mr. Heath asked if there was money in the Budget. Ms. Gaarlandt stated there is money in the miscellaneous line item. The District Budgeted \$19,000.00 and only spent \$900.00.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board approved proposal(s) for Speed Limit Signs in the amount of \$2,547.92.

ELEVENTH ORDER OF BUSINESS

Consideration of Proposals for Towing Services

Mr. Glasgow stated there will not be an upfront cost to the District except for the charge that the towing company would ask for the installation of their signs. There will be one at each entrance plus one near the area at the Amenity center that Borders the mailboxes. There will be one sign at Citrus Isle and three signs at Citrus Point. It costs \$75.00 per sign for a total of \$300.00.

Mr. Glasgow mentioned he has to amend some of the areas that allow parking right now and making those no parking zones so the District is not causing any hazards when people come around the corner into oncoming traffic to get around parked cars.

Ms. Gaarlandt asked Mr. Van Wyk if the District needs a standard agreement with the towing company as well. He replied yes. Mr. Heath asked if the District needs to sign a contract with them and about termination of the District is not happy with their services. Mr. Van Wyk replied the Contract will provide for a 30-day cancellation notice. Mr. Glasgow reminded the Board that towing will not begin until all the tow away zone signs in place.

On MOTION by Mr. Heath, seconded by Mr. Marone, with all in favor, the Board approved Proposal for Towing Services.

TWELFTH ORDER OF BUSINESS

Discussion Regarding Re-Opening of Amenity Facilities

There was no update regarding the Re-Opening of Amenity Facilities

THIRTEENTH ORDER OF BUSINESS

Ratification of Payment Authorization Nos. 114

The Board reviewed payment authorizations numbers 114.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board ratified Payment Authorization Nos. 114.

FOURTEENTH ORDER OF BUSINESS

Review of Monthly Financials

The Board reviewed the monthly financials through April 30, 2020. There was no action required by the Board.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

District Counsel – Mr. Van Wyk asked Ms. Gaarlandt received the Memorandum of Understanding. Ms. Gaarlandt replied that Ms. Champagne sent something this morning. Mr. Van Wyk asked Mr. Marone if the District has a contract with Tucker Paving for the Construction Contract. Mr. Marone replied the District is moving forward. Mr. Heath asked Ms. Gaarlandt to send the Memorandum of Understanding to the Board. Ms. Schwenk stated there was a delay in billing for the loan. The Memorandum of Understanding providing for an extension of the timeframe for the Notice of Commencement and to maintain the pricing after the current premium for 120 days.

Mr. Van Wyk requested approval of the Memorandum of Understanding.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the Board approved the Memorandum of Understanding.

District Engineer – Not Present

District Manager – No Report

SIXTEENTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

There were no Supervisor requests.

Various Audience members provided comments and concerns related to the following topics;

There is parking and confusion as to which side is supposed to be for parking and which side is no parking. Parking is allowed on the odd side but the map shows parking is on even side. The Engineer went by the plot numbers and not by the house numbers because he did not have access. That is what is causing confusion. The District Engineer will revise the maps. Residents brought up concerns with neighbors parking in front of their home and asked the CDD to limit the number of cars a resident can have. Mr. Glasgow stated spaces in front of residents' homes belong to the public at large. A neighbor across the street parking in front of someone's house is not a violation of a parking rule. The Management Company of the CDD cannot tell a homeowner they can only own limited vehicles. Residents stated there are commercial and abandoned vehicles. Mr. Van Wyk reminded the residents they can report any commercial vehicles or abandoned cars to the HOA. A resident asked if this District could implement rules like Highland meadows who has no on

street parking from 10:00 p.m. to 6:00 a.m. Ms. Gaarlandt state its not in this District's policies. If the Board wants to revisit the polices, they can.

Concerns were brought up about the speed limit signs. A police officer said the suggested speed is 15 miles. A suggestion was made by a resident to install speed bumps. Mr. Glasgow stated the initial cost is excessive for the number of roads in the community. They are not always affective and younger drivers view them as a challenge. A style needs to be chosen and it must be cleared by the City

Concerns were raised regarding HOA Guidelines and rules state no parking on the street ever. Mr. Van Wyk stated HOA guidelines apply to private roads but the roads in the District are public roads.

A resident requested signs asking homeowners to pick up after their dogs. A suggestion was made by a resident to add that sign to the speed limit signs.

Maintenance concerns on the community fence and walkway to the pool were discussed. Mr. Glasgow reached out to the maintenance company. They changed crew chiefs and that was missed. They are trying to get it back in shape and they will be back and during each cutting they will change the dog waste receptacles.

A resident asked about the fallen trees. Mr. Glasgow stated some of the trees belong to the District and he will have those done but others belong to another community that borders the area and he will look into it. The Downed trees belonging to the District will be removed by District staff

The fence gate that leads from community to the pool is always opened. She suggested a gate with a spring-loaded hinge. Mr. Glasgow understands the security concern with the gate but because the whole area is considered public the District is legally not allowed to lock that particular gate with the Board's approval the District can have a spring-loaded gate installed. Panels in the walkway is missing towards the Citrus Point subdivision.

Questions were raised regarding the promised dog park in Citrus Isle. Mr. Glasgow stated residents were told about a dog park set up at the Amenity Center. There is a twin dog park there. District staff is not aware what the sales team told residents. The one at the Amenity Center is the one that was put in place for the community. District staff was unaware of one in Citrus Isle.

A resident asked when the Amenity Center opening. Mr. Van Wyk stated within Phase 1 of the State opening the District is still not permitted to open the pool unless they provide cleaning at the pool. The Board has decided to wait for future Phases before opening the pool. The City pools and county pools are all closed due to the significant cost with opening them up right now and enforcing social distancing. When the State gets to Phase 2 the Board will reconsider opening the pool. The District Manager and District Chairman can handle the opening of the pool and a Board meeting is not necessary.

A resident stated there is lack of lighting in mailbox area of Citrus Isle. Mr. Glasgow will reach out to the utility provider to ask for additional lighting. It is a lengthy process but he can get that started.

A resident stated the sales team is not providing information about the HOA or the District to new homeowners. Mr. Glasgow suggested District staff reach out to the sales team to ensure they are providing the proper information to homeowners.

Concerns about oak trees in the community by the sidewalks. Can the District change it? Mr. Glasgow stated each community has a list of approved plants that they can and can't have which is governed by the HOA. The CDD does not regulate and the trees were installed to be in compliance with the regulations of the State or the City. Anyone that removes those trees could receive a notice. The District cannot tell residents which trees they can or cannot put in. it is an HOA issue.

A resident thanked the District for cutting the easements on the property and fixing the fence. There are pieces of the tops of the fence that were not replaced. She sent an email. Mr. Glasgow will have a vendor come out and look at the caps on the fencing.

In the easement there is erosion at the bottom of the fence. You can see into the next development.

A resident brought up concerns about trash throughout the community. She suggested trashcans throughout the neighborhood. There is trash in the easement and residents' backyards. They asked the District staff to speak to the workers regarding this issue. District staff will reach out to the builders about the trash. District staff will get proposals for trashcans.

A resident asked when the next meeting will be held and where will it be held. Ms. Glasgow replied the meeting is noticed in the newspaper and on the District website. Whenever the District gets back to being allowed to have the meeting in person the meeting location is the Holiday Inn Winter Garden. The District is currently doing telephonic meetings only.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

There were no other questions or comments. Ms. Gaarlandt requested a motion to adjourn.

ON MOTION by Mr. Shapiro, seconded by Mr. Heath, with all in favor, the May 20, 2020 Board of Supervisors' Meeting for the Holly Hill Road East Community Development District was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

Holly Hill Road East Community Development District

**Financing Matters Relative to Phase 3 Project,
Series 2020 Bonds**

**Holly Hill Road East
Community Development District**

Resolution 2020-14

RESOLUTION 2020-14

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HOLLY HILL ROAD EAST COMMUNITY DEVELOPMENT DISTRICT SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT'S SPECIAL ASSESSMENT BONDS, SERIES 2020 (ASSESSMENT AREA 3 PROJECT); CONFIRMING THE DISTRICT'S PROVISION OF IMPROVEMENTS; CONFIRMING THE ENGINEER'S REPORT AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT; CONFIRMING, ALLOCATING AND AUTHORIZING THE COLLECTION OF SPECIAL ASSESSMENTS SECURING THE ASSESSMENT AREA 3 BONDS; PROVIDING FOR THE APPLICATION OF TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; PROVIDING FOR THE RECORDING OF A NOTICE OF SERIES 2020 SPECIAL ASSESSMENTS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the Holly Hill Road East Community Development District ("**District**") has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the imposition of special assessments on benefited property within the District and the issuance of bonds; and

WHEREAS, the District's Board of Supervisors ("**Board**") has previously adopted, after notices and public hearings, Resolutions 2018-10 and 2019-09, relating to the imposition, levy, collection and enforcement of such special assessments; and

WHEREAS, pursuant to and consistent with the terms of Resolutions 2018-10 and 2019-09, this Resolution shall set forth the terms of bonds actually issued by the District, and apply the adopted special assessment methodology to the actual scope of the project to be completed with such series of bonds and the terms of the bond issue; and

WHEREAS, on May 20, 2020, the District entered into a Bond Purchase Contract, whereby it agreed to sell \$3,660,000 of its Special Assessment Bonds, Series 2020 (Assessment Area 3 Project) (the "**Assessment Area 3 Bonds**"); and

WHEREAS, pursuant to and consistent with Resolutions 2018-10 and 2019-09, the District desires to set forth the particular terms of the sale of the Assessment Area 3 Bonds and to confirm the liens of the levy of special assessments securing the Assessment Area 3 Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HOLLY HILL ROAD EAST COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and Resolutions 2018-10 and 2019-09.

SECTION 2. FINDINGS. The Board of Supervisors of the Holly Hill Road East Community Development District hereby finds and determines as follows:

(a) On May 16, 2018, and February 20, 2019, the District, after due notice and public hearing, adopted Resolution 2018-10 and Resolution 2019-09, both of which, among other things, equalized, approved, confirmed and levied special assessments on property benefiting from the improvements authorized by the District. Each Resolution provides that as each series of bonds is issued to fund all or any portion of the District's improvements, a supplemental resolution will be adopted to set forth the specific terms of each series of the bonds and certifying the amount of the liens of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, any True-Up amounts and the application of receipt of any True-Up proceeds.

(b) The *Third Amended and Restated Engineer's Report for Capital Improvements*, dated January 23, 2020 (the "**Engineer's Report**"), attached to this Resolution as **Exhibit A**, identifies and describes the presently expected components of the infrastructure improvements for Phase 3 ("**Assessment Area 3 Project**"), to be financed all or in part with the Assessment Area 3 Bonds (the "**Improvements**"), and indicates the estimated costs of the Assessment Area 3 Project as \$5,090,350. The District hereby confirms that the Assessment Area 3 Project serves a proper, essential and valid public purpose. The Engineer's Report is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the Assessment Area 3 Bonds.

(c) The *Third Amended & Restated Master Assessment Methodology Report*, dated January 31, 2019 ("**Third Master Methodology**"), as supplemented by the *Supplemental Assessment Methodology Report, Assessment Area 3*, dated May 20, 2020 ("**Third Supplemental Methodology**"), and together with the Third Master Methodology, the "**Assessment Report**", attached to this Resolution as **Composite Exhibit B**, applies the Assessment Report to the Improvements and the actual terms of the Assessment Area 3 Bonds. The Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the Assessment Area 3 Bonds.

(d) The Assessment Area 3 Project will specially benefit certain property within the District known as Phase 3 ("**Assessment Area 3**"), the legal description of the assessable property therein is attached hereto as **Exhibit C**. It is reasonable, proper, just and right to assess the portion of the costs of the Assessment Area 3 Project financed with the Assessment Area 3 Bonds to the specially benefited properties within the District as set forth in Resolutions 2018-10 and 2019-09, and this Resolution.

SECTION 3. SETTING FORTH THE TERMS OF THE ASSESSMENT AREA 3 BONDS; CONFIRMATION OF MAXIMUM ASSESSMENT LIEN FOR ASSESSMENT AREA 3 BONDS. As provided in Resolutions 2018-10 and 2019-09, this Resolution is intended

to set forth the terms of the Assessment Area 3 Bonds and the final amount of the liens of the special assessments securing those bonds.

(a) The Assessment Area 3 Bonds, in a par amount of \$3,660,000, shall bear such rates of interest and maturity as shown on **Exhibit D**, attached hereto. The final payment on the Assessment Area 3 Bonds shall be due on November 1, 2050. The estimated sources and uses of funds of the Assessment Area 3 Bonds shall be as set forth in **Exhibit E**. The debt service due on the Assessment Area 3 Bonds is set forth on **Exhibit F** attached hereto.

(b) The lien of the special assessments securing the Assessment Area 3 Bonds on Assessment Area 3 (the “**Series 2020 Assessments**”), shall be the principal amount due on the Assessment Area 3 Bonds, together with accrued but unpaid interest thereon, and together with the amount by which annual assessments are grossed up to include early payment discounts required by law and costs of collection. The Assessment Area 3 Bonds are secured solely by the Assessment Area 3 Pledged Revenues (as defined in the Indenture (hereinafter defined)), which is comprised in part by the lien against Assessment Area 3.

SECTION 4. ALLOCATION OF ASSESSMENTS SECURING THE ASSESSMENT AREA 3 BONDS; ADDRESSING COLLECTION OF THE SAME.

(a) The special assessments for the Assessment Area 3 Bonds shall be allocated in accordance with Composite Exhibit B, which allocation shall initially be on an acreage basis and further allocated as lands are platted. The Third Supplemental Methodology is consistent with the District’s Third Master Methodology. The Third Supplemental Methodology, considered herein, reflects the actual terms of the issuance of the District’s Assessment Area 3 Bonds. The estimated costs of collection of the special assessments for the Assessment Area 3 Bonds are as set forth in the Third Supplemental Methodology.

(b) The lien of the special assessments securing the Assessment Area 3 Bonds includes all property within Assessment Area 3, and as such land is ultimately defined and set forth in any plats, certificates of occupancy or other designations of developable acreage.

(c) Taking into account capitalized interest and earnings on certain funds and accounts as set forth in the Assessment Report, the District shall, for Fiscal Year 2021/2022, begin annual collection of special assessments for the Assessment Area 3 Bonds debt service payments due starting November 1, 2020, using the methods available to it by law. Debt service payments, including semi-annual installments of interest, are reflected on Exhibit F for Assessment Area 3. The Assessment Area 3 Bonds include an amount for capitalized interest through November 1, 2020.

(d) The Series 2020 Assessments may be paid in not more than thirty (30) substantially equal consecutive annual installments of principal and interest. Series 2020 Assessments may be paid in full without interest at any time within thirty (30) days after the completion of the Improvements and the adoption by the Board of a resolution accepting the Improvements; provided, however, that the Board shall at any time make such adjustments by resolution, at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually

issued by the District. All impact fee credits received shall be applied against the outstanding indebtedness of any debt issuance that funded the improvement giving rise to the credits which application may be addressed by such resolutions. At any time subsequent to thirty (30) days after the Improvements have been completed and a resolution accepting the Improvements has been adopted by the Board, the Series 2020 Assessments may be prepaid in full including interest amounts to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). The owner of property subject to Series 2020 Assessments may prepay the entire remaining balance of the Series 2020 Assessments at any time, or a portion of the remaining balance of the Series 2020 Assessments one time if there is also paid, in addition to the prepaid principal balance of the Series 2020 Assessments, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date, or, if prepaid during the forty-five day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). Prepayment of Series 2020 Assessments does not entitle the property owner to any discounts for early payment.

(e) The District hereby certifies the Series 2020 Assessments for collection and directs staff to take all actions necessary to meet the time and other deadlines imposed by Polk County and Florida law for collection. The District intends, to the extent possible and subject to entering into the appropriate agreements with the Polk County Tax Collector and Polk County Property Appraiser (or other appropriate Polk County, Florida officials) to collect the Series 2020 Assessments on platted lands contained within a plat or certificate of occupancy using the Uniform Method in Chapter 197, *Florida Statutes*. The District intends, to the extent possible, to directly bill, collect and enforce the Series 2020 Assessments on lands not included within an approved plat or certificate of occupancy unless in any year, the District determines it to be in its best interest to collect such assessments using the Uniform Method in Chapter 197, *Florida Statutes*. The District Manager shall prepare or cause to be prepared each year an assessment roll for purposes of effecting the collection of the Series 2020 Assessments and present same to the District Board as required by law. The District Manager is further directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law in order to provide for the timely payment of debt service.

SECTION 5. APPROVAL OF TRUE-UP PROCESS AND APPLICATION OF TRUE-UP PAYMENTS.

(a) Pursuant to Resolutions 2018-10 and 2019-09, there may be required from time to time certain True-Up payments. As parcels of land are included in a plat or certificate of occupancy, the special assessments securing the Assessment Area 3 Bonds shall be allocated as set forth in Resolutions 2018-10 and 2019-09, this Resolution, and the Assessment Report, including, without limitation, the application of the True-Up process set forth in the Assessment Report.

(b) Based on the final par amount of \$3,660,000 in Series 2020 Bonds, the True-Up calculations will be made in accordance with the process set forth in the Assessment Report.

The District shall apply all True-Up payments related to the Assessment Area 3 Bonds only to the credit of the Assessment Area 3 Bonds. All True-Up payments, as well as all other prepayments of assessments, shall be deposited into the accounts specified in the Supplemental Indenture.

SECTION 6. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution, these special assessments as reflected herein shall be recorded by the Secretary of the Board of the District in the District's Improvement Lien Book. The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 7. OTHER PROVISIONS REMAIN IN EFFECT. This Resolution is intended to supplement Resolutions 2018-10 and 2019-09, both of which remain in full force and effect. This Resolution and Resolutions 2018-10 and 2019-09 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. ASSESSMENT NOTICE. The District's Secretary is hereby directed to record a Notice of Series 2020 Special Assessments securing the Assessment Area 3 Bonds, in the Official Records of Polk County, Florida, or such other instrument evidencing the actions taken by the District.

SECTION 9. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

[Signature page on following page]

APPROVED AND ADOPTED this 17th day of June, 2020.

ATTEST:

**HOLLY HILL ROAD EAST
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: *Third Amended and Restated Engineer's Report for Capital Improvements*, dated January 23, 2020
Comp. Exhibit B: *Third Amended & Restated Master Assessment Methodology Report*, dated January 31, 2019, as supplemented by the *Supplemental Assessment Methodology Report, Assessment Area 3*, dated May 20, 2020
Exhibit C: Legal Description of Assessment Area 3
Exhibit D: Maturities and Coupons of Series 2020 Bonds
Exhibit E: Sources and Uses of Funds for Series 2020 Bonds
Exhibit F: Debt Service for Series 2020 Bonds

Exhibit A:

Third Amended and Restated Engineer's Report for Capital Improvements
dated January 23, 2020

Comp. Exhibit B:

Third Amended & Restated Master Assessment Methodology Report, dated January 31, 2019,
as supplemented by the *Supplemental Assessment Methodology Report, Assessment Area 3*,
dated May 20, 2020

Exhibit C
Legal Description of Assessment Area 3

CITRUS LANDING
CDD LEGAL DESCRIPTION

BEGIN AT THE NORTHWEST CORNER OF SAID TRACT 29, AND RUN THENCE ALONG THE NORTH LINE THEREOF S-89°53'06"-E, 326.18 FEET TO THE NORTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID TRACT 21; THENCE ALONG THE WEST LINE OF SAID TRACT 21 N-00°25'33"-W, 640.90 FEET TO A POINT ON THE SOUTH MAINTAINED RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE ACCORDING TO THE MAP AS RECORDED IN MAP BOOK 17, PAGES 100-108, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1) S-89°49'04"-E, 95.08 FEET; THENCE 2) S-88°09'06"-E, 71.24 FEET; THENCE 3) S-89°58'57"-E, 160.16 FEET TO A POINT ON THE EAST LINE OF SAID TRACT 21; THENCE DEPARTING SAID MAINTAINED RIGHT-OF-WAY LINE, AND ALONG THE EAST LINE OF SAID TRACT 21 S-00°23'18"-E, 638.91 FEET TO THE SOUTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SAID TRACT 27; THENCE ALONG THE NORTH LINE OF SAID TRACT 27 S-89°53'06"-E, 326.98 FEET TO THE NORTHEAST CORNER THEREOF; THENCE ALONG THE WEST LINE OF SAID TRACT 23 N-00°23'11"-W, 635.57 FEET TO A POINT ON SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES: 1) S-89°36'39"-E, 187.39 FEET; THENCE 2) S-89°59'30"-E, 139.69 FEET TO A POINT ON THE EAST LINE OF SAID TRACT 23; THENCE DEPARTING SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE, AND ALONG THE EAST LINE OF SAID TRACT 23 S-00°23'04"-E, 634.92 FEET TO THE SOUTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID TRACT 26; THENCE ALONG THE EAST LINE OF SAID TRACT 26 S-00°22'59"-E, 635.38 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF NORTH BOULEVARD WEST PER O.R. BOOK 781, PAGE 709 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE PER O.R. BOOK 781, PAGE 709, AND PER O.R. BOOK 781, PAGE 667, AND PER O.R. BOOK 781, PAGE 696, ALL IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, N-89°48'44"-W, 1305.66 FEET TO A POINT ON THE WEST LINE OF SAID TRACT 29; THENCE ALONG THE WEST LINE OF SAID TRACT 29 N-00°26'06"-E, 633.72 FEET TO THE **POINT OF BEGINNING**.

PROPERTY DESCRIBED CONTAINS 28.58 ACRES, MORE OR LESS.

AND

BEGIN AT A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHWEST CORNER OF SAID TRACT 22, SAID POINT ALSO BEING THE NORTHWEST CORNER OF TRACT 27 OF SAID HOLLY HILL GROVE & FRUIT COMPANY SUBDIVISION, AND RUN ALONG THE WEST LINE OF SAID TRACT 22 N-00°23'47"-W, 642.49 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE SOUTH MAINTAINED RIGHT-OF-WAY OF FOREST LAKE DRIVE PER MAP BOOK 17, PAGE 100, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY THE FOLLOWING THREE (3) COURSES; 1) N-89°47'53"-E, 100.29 FEET; 2) THENCE S-89°09'22"-E, 206.27 FEET; THENCE 3) S-89°49'49"-E, 20.44 FEET TO THE INTERSECTION OF SAID SOUTH MAINTAINED RIGHT-OF-WAY AND THE EAST LINE OF SAID TRACT 22; THENCE ALONG SAID EAST LINE S-00°22'41"-E, 640.18 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHEAST CORNER OF SAID TRACT 22, SAID POINT ALSO BEING THE

NORTHEAST CORNER OF SAID TRACT 27; THENCE ALONG THE SOUTH LINE OF SAID TRACT 22, ALSO BEING THE NORTH LINE OF SAID TRACT 27, N-89°55'26"-W, 326.76 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS CONTAIN 4.82 ACRES, MORE OR LESS.

AND

BEGIN AT A 5/8" IRON ROD WITH CAP "LB 8135" STANDING AT THE INTERSECTION OF THE WEST LINE OF SAID TRACT 25 AND THE NORTH RIGHT-OF-WAY OF NORTH BOULEVARD WEST PER OFFICIAL RECORDS BOOK 794, PAGE 787, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, AND RUN ALONG SAID WEST LINE N-00°22'38"-W, 635.40 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE NORTHWEST CORNER OF SAID TRACT 25, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID TRACT 24: THENCE ALONG THE WEST LINE OF SAID TRACT 24 N-00°22'38"-W, 640.57 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE INTERSECTION OF SAID WEST LINE AND THE SOUTH MAINTAINED RIGHT-OF-WAY OF FOREST LAKE DRIVE PER MAP BOOK 17, PAGE 100, PUBLIC RECORDS OF POLK COUNTY, FLORIDA: THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY THE FOLLOWING EIGHT (8) COURSES; 1) N-89°47'20"-E, 165.81 FEET; THENCE 2) S-89°23'34"-E, 56.51 FEET; THENCE 3) S-84°02'15"-E, 28.73 FEET; THENCE (4) S-69°03'33"-E, 26.63 FEET; THENCE (5) S-59°18'02"-E, 25.17 FEET; THENCE (6) S-40°32'53"-E, 25.66 FEET; THENCE (7) S-22°07'34"-E, 27.32 FEET; THENCE (8) S-07°00'55"-E, 14.43 FEET TO THE EAST LINE OF SAID TRACT 24: THENCE ALONG SAID EAST LINE S-00°19'41"-E, 556.53 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHEAST CORNER OF SAID TRACT 24, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID TRACT 25; THENCE ALONG THE EAST LINE OF SAID TRACT 25 S-00°19'41"-E, 636.04 FEET TO THE NORTH RIGHT-OF-WAY OF NORTH BOULEVARD WEST PER OFFICIAL RECORDS BOOK 794, PAGE 787, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID NORTH RIGHT-OF-WAY N-89°48'36"-W, 324.57 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS CONTAIN 9.48 ACRES, MORE OR LESS.

CITRUS LANDING TOTAL ACREAGE: 42.88 ACRES MORE OR LESS

Exhibit D:
Maturities and Coupons of Assessment Area 3 Bonds

BOND SUMMARY STATISTICS

Holly Hill Road East Community Development District
Special Assessment Bonds, Series 2020 (Assessment Area 3 Project)

Dated Date	06/23/2020
Delivery Date	06/23/2020
Last Maturity	11/01/2050
Arbitrage Yield	5.148535%
True Interest Cost (TIC)	5.329268%
Net Interest Cost (NIC)	5.183267%
All-In TIC	5.784399%
Average Coupon	4.953841%
Average Life (years)	19.276
Duration of Issue (years)	11.699
Par Amount	3,660,000.00
Bond Proceeds	3,571,336.55
Total Interest	3,495,000.56
Net Interest	3,656,864.01
Total Debt Service	7,155,000.56
Maximum Annual Debt Service	238,250.00
Average Annual Debt Service	235,706.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	95.577501

Bond Component	Par Value	Price	Average Coupon	Average Life
Assessment Area 3 - Term 1	320,000.00	99.400	4.000%	3.434
Assessment Area 3 - Term 2	480,000.00	99.117	4.500%	8.991
Assessment Area 3 - Term 3	1,185,000.00	98.382	5.000%	17.237
Assessment Area 3 - Term 4	1,675,000.00	96.219	5.000%	26.693
	3,660,000.00			19.276

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,660,000.00	3,660,000.00	3,660,000.00
+ Accrued Interest			
+ Premium (Discount)	-88,663.45	-88,663.45	-88,663.45
- Underwriter's Discount	-73,200.00	-73,200.00	
- Cost of Issuance Expense		-174,400.00	
- Other Amounts			
Target Value	3,498,136.55	3,323,736.55	3,571,336.55
Target Date	06/23/2020	06/23/2020	06/23/2020
Yield	5.329268%	5.784399%	5.148535%

Exhibit E:
Sources and Uses of Funds for Assessment Are 3 Bonds

SOURCES AND USES OF FUNDS

Holly Hill Road East Community Development District
Special Assessment Bonds, Series 2020 (Assessment Area 3 Project)

Sources:

Bond Proceeds:	
Par Amount	3,660,000.00
Original Issue Discount	-88,663.45
	<hr/>
	3,571,336.55
	<hr/>

Uses:

Other Fund Deposits:	
DSRF (MADS with Release)	238,250.00
Capitalized Interest Fund (thru 11/01/2020)	<hr/>
	63,075.56
	301,325.56
Delivery Date Expenses:	
Cost of Issuance	174,400.00
Underwriter's Discount	<hr/>
	73,200.00
	247,600.00
Other Uses of Funds:	
Construction Fund	3,022,410.99
	<hr/>
	3,571,336.55
	<hr/>

Exhibit F:
Annual Debt Service Payment Due on Assessment Area 3 Bonds

BOND DEBT SERVICE

Holly Hill Road East Community Development District
Special Assessment Bonds, Series 2020 (Assessment Area 3 Project)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
06/23/2020						3,660,000.00	3,660,000.00
11/01/2020			63,075.56	63,075.56	63,075.56	3,660,000.00	3,660,000.00
05/01/2021			88,700.00	88,700.00		3,660,000.00	3,660,000.00
11/01/2021	60,000.00	4.000%	88,700.00	148,700.00	237,400.00	3,600,000.00	3,600,000.00
05/01/2022			87,500.00	87,500.00		3,600,000.00	3,600,000.00
11/01/2022	60,000.00	4.000%	87,500.00	147,500.00	235,000.00	3,540,000.00	3,540,000.00
05/01/2023			86,300.00	86,300.00		3,540,000.00	3,540,000.00
11/01/2023	65,000.00	4.000%	86,300.00	151,300.00	237,600.00	3,475,000.00	3,475,000.00
05/01/2024			85,000.00	85,000.00		3,475,000.00	3,475,000.00
11/01/2024	65,000.00	4.000%	85,000.00	150,000.00	235,000.00	3,410,000.00	3,410,000.00
05/01/2025			83,700.00	83,700.00		3,410,000.00	3,410,000.00
11/01/2025	70,000.00	4.000%	83,700.00	153,700.00	237,400.00	3,340,000.00	3,340,000.00
05/01/2026			82,300.00	82,300.00		3,340,000.00	3,340,000.00
11/01/2026	70,000.00	4.500%	82,300.00	152,300.00	234,600.00	3,270,000.00	3,270,000.00
05/01/2027			80,725.00	80,725.00		3,270,000.00	3,270,000.00
11/01/2027	75,000.00	4.500%	80,725.00	155,725.00	236,450.00	3,195,000.00	3,195,000.00
05/01/2028			79,037.50	79,037.50		3,195,000.00	3,195,000.00
11/01/2028	80,000.00	4.500%	79,037.50	159,037.50	238,075.00	3,115,000.00	3,115,000.00
05/01/2029			77,237.50	77,237.50		3,115,000.00	3,115,000.00
11/01/2029	80,000.00	4.500%	77,237.50	157,237.50	234,475.00	3,035,000.00	3,035,000.00
05/01/2030			75,437.50	75,437.50		3,035,000.00	3,035,000.00
11/01/2030	85,000.00	4.500%	75,437.50	160,437.50	235,875.00	2,950,000.00	2,950,000.00
05/01/2031			73,525.00	73,525.00		2,950,000.00	2,950,000.00
11/01/2031	90,000.00	4.500%	73,525.00	163,525.00	237,050.00	2,860,000.00	2,860,000.00
05/01/2032			71,500.00	71,500.00		2,860,000.00	2,860,000.00
11/01/2032	95,000.00	5.000%	71,500.00	166,500.00	238,000.00	2,765,000.00	2,765,000.00
05/01/2033			69,125.00	69,125.00		2,765,000.00	2,765,000.00
11/01/2033	100,000.00	5.000%	69,125.00	169,125.00	238,250.00	2,665,000.00	2,665,000.00
05/01/2034			66,625.00	66,625.00		2,665,000.00	2,665,000.00
11/01/2034	105,000.00	5.000%	66,625.00	171,625.00	238,250.00	2,560,000.00	2,560,000.00
05/01/2035			64,000.00	64,000.00		2,560,000.00	2,560,000.00
11/01/2035	110,000.00	5.000%	64,000.00	174,000.00	238,000.00	2,450,000.00	2,450,000.00
05/01/2036			61,250.00	61,250.00		2,450,000.00	2,450,000.00
11/01/2036	115,000.00	5.000%	61,250.00	176,250.00	237,500.00	2,335,000.00	2,335,000.00
05/01/2037			58,375.00	58,375.00		2,335,000.00	2,335,000.00
11/01/2037	120,000.00	5.000%	58,375.00	178,375.00	236,750.00	2,215,000.00	2,215,000.00
05/01/2038			55,375.00	55,375.00		2,215,000.00	2,215,000.00
11/01/2038	125,000.00	5.000%	55,375.00	180,375.00	235,750.00	2,090,000.00	2,090,000.00
05/01/2039			52,250.00	52,250.00		2,090,000.00	2,090,000.00
11/01/2039	130,000.00	5.000%	52,250.00	182,250.00	234,500.00	1,960,000.00	1,960,000.00
05/01/2040			49,000.00	49,000.00		1,960,000.00	1,960,000.00
11/01/2040	140,000.00	5.000%	49,000.00	189,000.00	238,000.00	1,820,000.00	1,820,000.00
05/01/2041			45,500.00	45,500.00		1,820,000.00	1,820,000.00
11/01/2041	145,000.00	5.000%	45,500.00	190,500.00	236,000.00	1,675,000.00	1,675,000.00
05/01/2042			41,875.00	41,875.00		1,675,000.00	1,675,000.00
11/01/2042	150,000.00	5.000%	41,875.00	191,875.00	233,750.00	1,525,000.00	1,525,000.00
05/01/2043			38,125.00	38,125.00		1,525,000.00	1,525,000.00
11/01/2043	160,000.00	5.000%	38,125.00	198,125.00	236,250.00	1,365,000.00	1,365,000.00
05/01/2044			34,125.00	34,125.00		1,365,000.00	1,365,000.00
11/01/2044	165,000.00	5.000%	34,125.00	199,125.00	233,250.00	1,200,000.00	1,200,000.00
05/01/2045			30,000.00	30,000.00		1,200,000.00	1,200,000.00
11/01/2045	175,000.00	5.000%	30,000.00	205,000.00	235,000.00	1,025,000.00	1,025,000.00
05/01/2046			25,625.00	25,625.00		1,025,000.00	1,025,000.00
11/01/2046	185,000.00	5.000%	25,625.00	210,625.00	236,250.00	840,000.00	840,000.00
05/01/2047			21,000.00	21,000.00		840,000.00	840,000.00

BOND DEBT SERVICE

Holly Hill Road East Community Development District
Special Assessment Bonds, Series 2020 (Assessment Area 3 Project)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
11/01/2047	195,000.00	5.000%	21,000.00	216,000.00	237,000.00	645,000.00	645,000.00
05/01/2048			16,125.00	16,125.00		645,000.00	645,000.00
11/01/2048	205,000.00	5.000%	16,125.00	221,125.00	237,250.00	440,000.00	440,000.00
05/01/2049			11,000.00	11,000.00		440,000.00	440,000.00
11/01/2049	215,000.00	5.000%	11,000.00	226,000.00	237,000.00	225,000.00	225,000.00
05/01/2050			5,625.00	5,625.00		225,000.00	225,000.00
11/01/2050	225,000.00	5.000%	5,625.00	230,625.00	236,250.00		
	3,660,000.00		3,495,000.56	7,155,000.56	7,155,000.56		



SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT, ASSESSMENT AREA 3

HOLLY HILL ROAD EAST COMMUNITY DEVELOPMENT DISTRICT

May 2020

Prepared for:

Members of the Board of Supervisors,
Holly Hill Road East Community Development District

Prepared on May 20, 2020

PFM Financial Advisors LLC
12051 Corporate Boulevard
Orlando, FL 32817



**SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT,
SERIES 2020 BONDS (ASSESSMENT AREA 3)
HOLLY HILL ROAD EAST COMMUNITY DEVELOPMENT DISTRICT**

May 20, 2020

1.0 Introduction

1.1 Purpose

This Supplemental Assessment Methodology Report, Assessment Area 3, dated May 20, 2020 ("Supplemental Methodology") provides a system for the allocation of non-ad valorem special assessments securing the repayment of bond debt planned to be issued by the Holly Hill Road East Community Development District ("District") to fund beneficial public infrastructure improvements and facilities. This Supplemental Methodology operates pursuant to the District's "Third Amended & Restated Master Assessment Methodology Report" dated January 31, 2019 ("Third Master Methodology"), which effectively amended and restated the District's "Second Amended & Restated Master Assessment Methodology Report" dated December 19, 2018 ("Second Master Methodology"), which effectively amended and restated the District's "Amended & Restated Master Assessment Methodology Report" dated March 21, 2018 ("Master Methodology"), which effectively amended and restated the District's "Master Assessment Methodology Report," dated September 20, 2017 ("Original Master Methodology") in order to reflect an amendment to the District's boundaries to include additional acres and associated infrastructure improvements not included in the Original Methodology. The Supplemental Methodology applied herein has two goals: (1) identifying the special benefits received by properties within the District as a result of the installation of the District's improvements and facilities, and (2) reasonably allocating the costs incurred by the District to provide these benefits to properties in the District.

The District has implemented a capital improvement program ("CIP") that will allow for the development of property within the District. The District plans to fund the majority of its CIP through bond debt financing. This bond debt will be repaid from the proceeds of non-ad valorem special assessments levied by the District's Board of Supervisors (the "Board"). These special assessments will serve as liens against properties within the boundary of the District that receive a special benefit from the CIP. This Supplemental Methodology is designed to conform to the requirements of Chapters 170, 190, and 197 of the Florida Statutes with respect to special assessments and is consistent with our understanding of the case law on this subject.



1.2 Background

The District, as amended, includes approximately 145 gross acres of property within its boundaries. The District is generally located to the south of Forest Lake Drive and to the east of Holly Hill Road within the City of Davenport, Florida. At build-out, the District is expected to contain approximately 628 single-family lots, landscaping, common and recreation areas, and related infrastructure. Phase 3 ("Assessment Area 3") is comprised of approximately 42.82 acres as described in Exhibit "A", attached herein.

The District previously issued its Series 2017 Special Assessment Bonds to fund infrastructure specially benefiting Phase 1 within the District. The District also previously issued its Series 2018 Special Assessment Bonds to fund infrastructure specially benefiting Phase 2 with the District. The District now desires to issue the Special Assessment Bonds, Series 2020 (Assessment Area 3 Project) (the "Assessment Area 3 Bonds" and/or "Series 2020 Bonds") to fund the infrastructure specially benefiting the properties within Assessment Area 3 (described in Exhibit "A"). The land use plan for Assessment Area 3 within the District is found in Table 1.

Table 1. Summary of Assessment Area 3 Land Plan

<u>Development Area</u>	<u>Number of Single-Family Lots</u>
Assessment Area 3 ("AA 3")	182
Total	182

Source Wood & Associates Engineering, LLC

1.3 Special Benefits and General Benefits

Improvements undertaken by the District create both special benefits and general benefits to property owners located within and surrounding the District. However, in our opinion, the general benefits to the public at large are incidental in nature and are readily distinguishable from the special benefits which accrue to property located within the District. It is the District's CIP that enables properties within the District's boundaries to be developed. Without the District's CIP there would be no infrastructure to support development of land within the District. Without these improvements, development of property in the District would not be permitted.

The new infrastructure improvements included in the CIP create both: (1) special benefits to the developable property within the District and (2) general benefits to properties outside the District. The CIP described in the District Engineer's Report (as defined herein) enables the developable property within the District to be developed. Without the CIP, there would be no infrastructure to support development of the developable property within the District.



1.4 Requirements of a Valid Assessment Methodology

In PFM Financial Advisors LLC (“PFM FA” and/or “Assessment Consultant”) experience, there are two primary requirements for special assessments to be valid under Florida law. First, the properties assessed must receive a special benefit from the improvements paid for via the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed. If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to legislative bodies, such as the District’s Board, in approving special assessments. Indeed, Florida courts have found that the mathematical perfection of calculating special benefit is likely impossible. Our research suggests that only if the District’s Board was to act in an arbitrary, capricious, or grossly unfair fashion would its assessment methods be overturned. Based on the information provided for this Supplemental Methodology, the special benefits received by the properties subject to the assessment at least equals or exceeds the amount of the assessments.

2.0 CIP Plan of Finance

2.1 Infrastructure Installation

The District is installing its public infrastructure and improvements on a phased basis, as outlined in more detail in the “Holly Hill Road East Community Development District Third Amended and Restated Engineer’s Report for Capital Improvements”, dated January 23, 2019 (“Engineer’s Report”), as prepared by Wood & Associates Engineering, LLC (“District Engineer”). As outlined in the Engineer’s Report, the District plans to acquire or construct the public infrastructure necessary to serve the lands within Assessment Area 3. The District infrastructure and improvements for Assessment Area 3 are designed to serve and specially benefit the lands within Assessment Area 3. The estimated costs for Assessment Area 3 are presented in Table 2.

Table 2. Summary of Assessment Area 3 CIP

<u>Infrastructure Component</u>	<u>Est. Costs, AA 3</u>
Offsite Improvements	\$180,000
Stormwater Management	\$2,165,800
Utilities (Water, Sewer, & Street Lighting)	\$1,019,200
Roadways	\$787,150
Entry Features & Signage	\$365,000
Parks and Amenities	\$382,200
Contingency	<u>\$191,000</u>
Totals	<u>\$5,090,350</u>

Source Wood & Associates Engineering, LLC



2.2 Bond Requirements

The District intends to finance the majority of its CIP by issuing bonds. These bonds are being issued in several series, as development progresses within the District. The District's Assessment Area 3 Bonds will fully or partially fund the costs of Assessment Area 3. The Assessment Area 3 Bonds will be supported by assessments imposed solely to properties located within Assessment Area 3.

The details of the Series 2020 Bonds issuance required to fund Assessment Area 3 is found in Table 3. As shown in Table 3, the Series 2020 Bonds include several component funds typical of similar bonds, including funds to pay capitalized interest, establish a debt service reserve, and pay the costs of issuance associated with the Series 2020 Bonds.

Table 3. District Bond Financing Details, Assessment Area 3 (1)

<u>Sources</u>	
Par Amount	\$3,660,000
Original Issue Discount	(\$88,663)
TOTAL	\$3,571,337
<u>Uses</u>	
Other Fund Deposits:	
Debt Service Reserve	\$238,250
Capitalized Interest	\$63,076
Delivery Date Expenses	
Costs of Issuance	\$174,400
Underwriter's Discount	\$73,200
Other Uses of Funds:	
Construction Fund	\$3,022,411
Total	\$3,571,337
<u>Bonds Details</u>	
Average Annual Interest Rate:	4.95%
Term (Years):	30
Net Annual Debt Service:	\$238,250
Gross Annual Debt Service (2):	\$256,183

(1) Source: District Underwriter

(2) Includes a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount



3.0 Assessment Methodology

3.1 Assessment Foundation

The assessment methodology associated with the allocation of the costs of the CIP is a four-step process. First, the District Engineer determines the costs for the District's infrastructure and related improvements. Second, an estimate of the amount of bonds required to finance the infrastructure improvements is calculated. Third, the District Engineer outlines which parcels benefit from the provision of infrastructure and improvements. Finally, the as-financed costs of the infrastructure and related improvements are allocated to the benefiting properties based on the approximate relative benefit each unit receives as expressed by that unit's Equivalent Residential Unit ("ERU") Factor.

In allocating special assessments to benefiting property, Florida governments have used a variety of methods including, but not limited to, front footage, area, trip rates, equivalent residential units, dwelling units, and acreage. PFM FA has determined that an assessment methodology based on equivalent residential unit ("ERU") values is appropriate. These ERU values equate the benefit received by a stated amount of such particular land use category to the benefit received by a typical single-family residence. The use of ERU values to estimate the benefit derived from infrastructure improvements is recognized as a simple, fair, and reasonable method for apportioning benefit. ERU values are a commonly accepted method for calculating special benefit assessments in Florida. Here, the Assessment Consultant has chosen to assign an ERU value of 1.0 to each single-family lot.

3.2 Allocation of Specific Assessments

The CIP cost estimates are outlined in Table 2 and described in detail in the Engineer's Report. The details of the Series 2020 Bonds issuance required to fund the District's CIP is shown in Table 3. The principal and related assessments to secure the Assessment Area 3 Bonds will be allocated among the 182 lots planned for Assessment Area 3 within the District. The resulting bonds principal and related annual debt service assessments assigned to each lot within Assessment Area 3 is shown in the corresponding Table 4. Table 4 becomes important as the land within Assessment Area 3 is platted, as specific bond debt service assessments will be assigned to the individual Development Units (as that term is defined below) at this time.



Table 4. Summary of Allocation of Bond Principal and Annual Debt Service

<u>Unit Type</u>	<u>Unit Count</u>	<u>ERUs/Unit</u>	<u>Total ERUs</u>	<u>Bond Principal Allocation/ Category</u>	<u>Bond Principal Allocation/Unit</u>
AA 3	182	1.00	182.00	\$3,660,000	\$20,110

<u>Unit Type</u>	<u>Bond Net Annual Assessment/ Category</u>	<u>Bond Net Annual Assessment/ Unit</u>	<u>Bond Max Annual Assessment/ Category (1)</u>	<u>Bond Gross Annual Assessment/Unit (1)</u>
AA 3	\$238,250	\$1,309	\$256,183	\$1,408

Source: PFM Financial Advisors LLC

(1) Includes a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount

3.3 Assignment of Specific Assessments

The Assessment Area 3 Bonds assessments for Assessment Area 3 will initially be assigned to the lands within Assessment Area 3 on an equal per acre basis. The assessments for Assessment Area 3 will be equally divided among the lots within that phase, as property is *initially* platted.

The final assignment of bond debt to a specific lot does not take place until the land containing that lot is platted (a platted single-family lot will be referred to herein as a “Development Unit”). The specific bond debt assessment that is assigned to platted Development Units within an Assessment Area will be detailed in a future assessment lien roll, in accordance with the principles and allocations set forth in this Supplemental Methodology.

3.4 True-Up Mechanism

In order to ensure that the District’s bond debt will not build up on the unplatted land within each Assessment Area, the District shall periodically apply a “true-up” test. Initially, the assessments securing the Assessment Area 3 Bonds shall be allocated across Assessment Area 3. This bond debt shall, prior to platting, be allocated equally to each of the undeveloped developable acres within Assessment Area 3. As property within Assessment Area 3 is platted, “true-up” or density reduction payments may become due based upon the amount of bond debt assessments initially assigned to Assessment Area 3.



For example, as outlined in Table 3, the \$3,660,000 in bonds principal will be allocated to Assessment Area 3 at the time of issuance. This \$3,660,000 in bonds principal is expected to be allocated equally to the 182 lots planned for Assessment Area 3 at the time the lots are platted. However, should it happen at the time of platting that only 181 lots have been identified in the plat, the owner of the Assessment Area 3 lands at the time of platting will be required to make a true-up payment to the District equal to the bonds principal assessment assigned to one single-family residence. The bonds principal true-up test shall be applied at the completion of the platting of 50%, 75%, 90%, and 100% of the gross acreage within Assessment Area 3 of the District. It is the responsibility of the landowner of record of the affected parcel to make or cause to be made any required true-up payments due. This true-up obligation runs with the land within the District. The District will not release any liens on property for which true-up payments are due until provision for such payment has been satisfactorily made. The true-up threshold for the lands within Assessment Area 3 of the District is found in Table 5.

Table 5. Series 2020 Bonds, Assessment Area 3 True-Up Thresholds

<u>Category</u>	<u>50%</u>	<u>75%</u>	<u>90%</u>	<u>100%</u>
AA 3 Developed Acres	21.4	32.1	38.5	42.8
AA 3 Undev. Acres	21.4	10.7	4.3	0.0
Debt per Undev. AA 3 Acre	\$85,474	\$85,474	\$85,474	\$85,474

Source: PFM Financial Advisors LLC

In the event that additional land not currently subject to the assessments required to repay the debt associated with the District is developed in such a manner as to receive special benefit from District improvements, it is contemplated that this Supplemental Methodology will be re-applied to include such new parcels. The additional land, as a result of applying this Supplemental Methodology, will be allocated an appropriate share of the special assessments, while all then-assessed parcels will receive a relative adjustment in their assessment levels.

4.0 Contribution of District Infrastructure and/or Improvements

The costs of the District's CIP will likely be funded by two mechanisms. The first mechanism is the issuance of special assessment bonds. The second mechanism is the contribution of funds or CIP components to the District ("Contribution"). Property owners within the District will have the opportunity to make such a Contribution upon approval by the District.

A District property owner's Contribution will give rise to assessment credits that can be applied by the property owner to reduce or eliminate bond debt service assessments that would otherwise be assigned to lands within the District to fund the costs of the CIP. Prior to a property owner reducing or eliminating bond debt service assessments through a Contribution, it must be shown that the improvements funded or contributed by the property owner are a component of the CIP, as outlined in the Engineer's Report.



The property owner will be permitted to apply assessment credits equal to the value of the Contribution plus the costs of financing the improvement(s) that would otherwise have been incurred by the District if the District were required to issue bonds to fund or acquire the improvement(s) (such that the property would not be responsible for bond financing costs if the Contribution was made prior to the District's issuance of special assessment bonds). A property owner possessing assessment credits due to a Contribution will, in the District's discretion, have the opportunity to use the assessment credits to adjust bond debt service assessment levels of Development Units.

5.0 Assessment Roll

Table 6 outlines the bond principal assessment per acre for the Assessment Area 3 lands within the District. A description of the land within the District, which will be assessed to secure the repayment of the District's bonds, is found in Exhibit "A." The assessments shall be paid in not more than thirty (30) annual installments.

Table 6. Assessment Roll Summary (AA 3)

<u>Assess Area</u>	<u>Parcel ID</u>	<u>Acres</u>	<u>Series 2020 Bonds Principal Assessment</u>	<u>Bond Principal Assessment per Acre</u>	<u>Series 2020 Bonds Net Annual Assessment</u>	<u>Series 2020 Bonds Net Annual Assessment per Acre</u>	<u>Series 2020 Bonds Gross Annual Assessment (1)</u>	<u>Series 2020 Bonds Gross Annual Assessment per Acre (1)</u>
3	272705725500010210	4.80	\$410,276	\$85,474	\$26,707	\$5,564	\$28,717	\$5,983
3	272705725500010230	4.80	\$410,276	\$85,474	\$26,707	\$5,564	\$28,717	\$5,983
3	272705725500010290	4.75	\$406,002	\$85,474	\$26,429	\$5,564	\$28,418	\$5,983
3	272705725500010280	4.75	\$406,002	\$85,474	\$26,429	\$5,564	\$28,418	\$5,983
3	272705725500010270	4.77	\$407,711	\$85,474	\$26,540	\$5,564	\$28,538	\$5,983
3	272705725500010260	4.77	\$407,711	\$85,474	\$26,540	\$5,564	\$28,538	\$5,983
3	272705725500010221	4.81	\$411,130	\$85,474	\$26,763	\$5,564	\$28,777	\$5,983
3	272705725500010251	4.64	\$396,600	\$85,474	\$25,817	\$5,564	\$27,760	\$5,983
3	272705725500010240	4.73	\$404,292	\$85,474	\$26,318	\$5,564	\$28,299	\$5,983
Total, AA 3		42.82	\$3,660,000		\$238,250		\$256,183	

(1) Values include the 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount

Source: PFM Financial Advisors LLC



EXHIBIT "A"

DESCRIPTION OF DISTRICT LANDS, ASSESSMENT AREA 3

ASSESSMENT AREA 3

BEGIN AT THE NORTHWEST CORNER OF SAID TRACT 29, AND RUN THENCE ALONG THE NORTH LINE THEREOF S-89°53'06"-E, 326.18 FEET TO THE NORTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID TRACT 21; THENCE ALONG THE WEST LINE OF SAID TRACT 21 N-00°25'33"-W, 640.90 FEET TO A POINT ON THE SOUTH MAINTAINED RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE ACCORDING TO THE MAP AS RECORDED IN MAP BOOK 17, PAGES 100-108, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1) S-89°49'04"-E, 95.08 FEET; THENCE 2) S-88°09'06"-E, 71.24 FEET; THENCE 3) S-89°58'57"-E, 160.16 FEET TO A POINT ON THE EAST LINE OF SAID TRACT 21; THENCE DEPARTING SAID MAINTAINED RIGHT-OF-WAY LINE, AND ALONG THE EAST LINE OF SAID TRACT 21 S-00°23'18"-E, 638.91 FEET TO THE SOUTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SAID TRACT 27; THENCE ALONG THE NORTH LINE OF SAID TRACT 27 S-89°53'06"-E, 326.98 FEET TO THE NORTHEAST CORNER THEREOF; THENCE ALONG THE WEST LINE OF SAID TRACT 23 N-00°23'11"-W, 635.57 FEET TO A POINT ON SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE OF FOREST LAKE DRIVE; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING TWO (2) COURSES: 1) S-89°36'39"-E, 187.39 FEET; THENCE 2) S-89°59'30"-E, 139.69 FEET TO A POINT ON THE EAST LINE OF SAID TRACT 23; THENCE DEPARTING SAID SOUTH MAINTAINED RIGHT-OF-WAY LINE, AND ALONG THE EAST LINE OF SAID TRACT 23 S-00°23'04"-E, 634.92 FEET TO THE SOUTHEAST CORNER THEREOF, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID TRACT 26; THENCE ALONG THE EAST LINE OF SAID TRACT 26 S-00°22'59"-E, 635.38 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF NORTH BOULEVARD WEST PER O.R. BOOK 781, PAGE 709 OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE PER O.R. BOOK 781, PAGE 709, AND PER O.R. BOOK 781, PAGE 667, AND PER O.R. BOOK 781, PAGE 696, ALL IN THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA, N-89°48'44"-W, 1305.66 FEET TO A POINT ON THE WEST LINE OF SAID TRACT 29; THENCE ALONG THE WEST LINE OF SAID TRACT 29 N-00°26'06"-E, 633.72 FEET TO THE POINT OF BEGINNING.

PROPERTY DESCRIBED CONTAINS 28.58 ACRES, MORE OR LESS.

AND

BEGIN AT A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHWEST CORNER OF SAID TRACT 22, SAID POINT ALSO BEING THE NORTHWEST CORNER OF TRACT 27 OF SAID HOLLY HILL GROVE & FRUIT COMPANY SUBDIVISION, AND RUN ALONG THE WEST LINE OF SAID TRACT 22 N-00°23'47"-W, 642.49 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE SOUTH MAINTAINED RIGHT-OF-WAY OF FOREST LAKE DRIVE PER MAP BOOK 17, PAGE 100, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY THE FOLLOWING THREE (3) COURSES: 1) N-89°47'53"-E, 100.29 FEET; 2) THENCE S-89°09'22"-E, 206.27 FEET; THENCE 3) S-89°49'49"-E, 20.44 FEET TO THE INTERSECTION OF SAID SOUTH MAINTAINED RIGHT-OF-WAY AND THE EAST LINE OF SAID TRACT 22; THENCE ALONG SAID EAST LINE S-00°22'41"-E, 640.18 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHEAST CORNER OF SAID TRACT 22, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID TRACT 27; THENCE ALONG THE SOUTH LINE OF SAID TRACT 22, ALSO BEING THE NORTH LINE OF SAID TRACT 27, N-89°55'26"-W, 326.76 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS CONTAIN 4.82 ACRES, MORE OR LESS.

AND

BEGIN AT A 5/8" IRON ROD WITH CAP "LB 8135" STANDING AT THE INTERSECTION OF THE WEST LINE OF SAID TRACT 25 AND THE NORTH RIGHT-OF-WAY OF NORTH BOULEVARD WEST PER OFFICIAL RECORDS BOOK 794, PAGE 787, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, AND RUN ALONG SAID WEST LINE N-00°22'38"-W, 635.40 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE NORTHWEST CORNER OF SAID TRACT 25, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF SAID TRACT 24; THENCE ALONG THE WEST LINE OF SAID TRACT 24 N-00°22'38"-W, 640.57 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE INTERSECTION OF SAID WEST LINE AND THE SOUTH MAINTAINED RIGHT-OF-WAY OF FOREST LAKE DRIVE PER MAP BOOK 17, PAGE 100, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID SOUTH MAINTAINED RIGHT-OF-WAY THE FOLLOWING EIGHT (8) COURSES: 1) N-89°47'20"-E, 165.81 FEET; THENCE 2) S-89°23'34"-E, 56.51 FEET; THENCE 3) S-84°02'15"-E, 28.73 FEET; THENCE 4) S-69°03'33"-E, 26.63 FEET; THENCE 5) S-59°18'02"-E, 25.17 FEET; THENCE 6) S-40°32'53"-E, 25.66 FEET; THENCE 7) S-22°07'34"-E, 27.32 FEET; THENCE 8) S-07°00'55"-E, 14.43 FEET TO THE EAST LINE OF SAID TRACT 24; THENCE ALONG SAID EAST LINE S-00°19'41"-E, 556.53 FEET TO A 5/8" IRON ROD AND CAP "LB 8135" STANDING AT THE SOUTHEAST CORNER OF SAID TRACT 24, SAID POINT ALSO BEING THE NORTHEAST CORNER OF SAID TRACT 25; THENCE ALONG THE EAST LINE OF SAID TRACT 25 S-00°19'41"-E, 636.04 FEET TO THE NORTH RIGHT-OF-WAY OF NORTH BOULEVARD WEST PER OFFICIAL RECORDS BOOK 794, PAGE 787, PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE ALONG SAID NORTH RIGHT-OF-WAY N-89°48'36"-W, 324.57 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED LANDS CONTAIN 9.48 ACRES, MORE OR LESS.

Holly Hill Road East Community Development District

Other Matters

(provided under separate cover)

**Holly Hill Road East
Community Development District**

Lease Agreement for Playground Shade Structure

(provided under separate cover)

**Holly Hill Road East
Community Development District**

Proposal for Trash Cans

(provided under separate cover)

Holly Hill Road East Community Development District

Re-Opening of Amenity Facilities

**Holly Hill Road East
Community Development District**

Payment Authorization No. 123

**HOLLY HILL ROAD EAST
COMMUNITY DEVELOPMENT DISTRICT**

Payment Authorization No. 123-R

5/15/2020

Item No.	Vendor	Invoice Number	General Fund
1	Business Observer Legal Advertising on 05/08/2020	20-00674K	\$ 157.50
2	Creative Association Services May Landscaping - Citrus Isle May Landscaping - Amenity Walkway May Landscaping - Citrus Pointe May Landscaping - Citrus Pointe Amenity	6682 6688 6689 6690	\$ 1,166.00 \$ 500.00 \$ 1,000.00 \$ 1,000.00
3	Duke Energy 000 Davenport Blvd Lite ; Service 04/08/2020 - 05/08/2020	--	\$ 714.22
4	Navitas Playground Lease	--	\$ 527.41
5	PFM Group Consulting DM Fee: May 2020 Website Fee: May 2020	DM-05-2020-0029 DM-05-2020-0030	\$ 1,666.67 \$ 125.00
6	Spectrum Business 127 Bergamot Loop ; Service 05/11/2020 - 06/10/2020	85433101051220	\$ 131.97
7	VGlobalTech Quarterly ADA & WCAG Audits	1618	\$ 300.00
TOTAL			\$ 7,288.77



Board Member

Please Return To:
Holly Hill Road East CDD
c/o Fishkind & Associates
12051 Corporate Boulevard
Orlando, FL 32817

RECEIVED MAY 18 2020

Holly Hill Road East Community Development District

Monthly Financials

Holly Hill Road East CDD
Statement of Financial Position
As of 5/31/2020

	General Fund	Debt Service Fund	Capital Projects Fund	Long-Term Debt	Total
<u>Assets</u>					
<u>Current Assets</u>					
General Checking Account	\$156,898.20				\$156,898.20
Prepaid Expenses	1,293.00				1,293.00
Deposits	1,160.00				1,160.00
Due From Other Funds		\$1,200.59			1,200.59
Debt Service Reserve A1 Bond		114,878.12			114,878.12
Debt Service Reserve A2 Bond		63,371.88			63,371.88
Revenue A1 Bond		111,541.10			111,541.10
Revenue A2 Bond		75,078.89			75,078.89
Interest A2 Bond		0.09			0.09
Prepayment A1 Bond		3,387.17			3,387.17
Prepayment A2 Bond		2,743.88			2,743.88
Redemption Account A1 Bond		181.86			181.86
Accounts Receivable - Due from Developer			\$169,389.78		169,389.78
Acquisition/Construction A2 Bond			51.26		51.26
Total Current Assets	<u>\$159,351.20</u>	<u>\$372,383.58</u>	<u>\$169,441.04</u>	<u>\$0.00</u>	<u>\$701,175.82</u>
<u>Investments</u>					
Amount Available in Debt Service Funds				\$371,182.99	\$371,182.99
Amount To Be Provided				4,888,817.01	4,888,817.01
Total Investments	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$5,260,000.00</u>	<u>\$5,260,000.00</u>
Total Assets	<u><u>\$159,351.20</u></u>	<u><u>\$372,383.58</u></u>	<u><u>\$169,441.04</u></u>	<u><u>\$5,260,000.00</u></u>	<u><u>\$5,961,175.82</u></u>
<u>Liabilities and Net Assets</u>					
<u>Current Liabilities</u>					
Accounts Payable	\$4,065.58				\$4,065.58
Accounts Payable			\$169,389.78		169,389.78
Deferred Revenue			169,389.78		169,389.78
Total Current Liabilities	<u>\$4,065.58</u>	<u>\$0.00</u>	<u>\$338,779.56</u>	<u>\$0.00</u>	<u>\$342,845.14</u>
<u>Long Term Liabilities</u>					
Revenue Bonds Payable - Long-Term				\$5,260,000.00	\$5,260,000.00
Total Long Term Liabilities	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$5,260,000.00</u>	<u>\$5,260,000.00</u>
Total Liabilities	<u><u>\$4,065.58</u></u>	<u><u>\$0.00</u></u>	<u><u>\$338,779.56</u></u>	<u><u>\$5,260,000.00</u></u>	<u><u>\$5,602,845.14</u></u>
<u>Net Assets</u>					
Net Assets, Unrestricted	\$11,358.49				\$11,358.49
Current Year Net Assets, Unrestricted	(11,358.52)				(11,358.52)
Net Assets - General Government	54,896.60				54,896.60
Current Year Net Assets - General Government	100,389.05				100,389.05
Net Assets, Unrestricted		\$398,917.86			398,917.86
Current Year Net Assets, Unrestricted		(26,534.28)			(26,534.28)
Net Assets, Unrestricted			\$600,439.86		600,439.86
Current Year Net Assets, Unrestricted			(146,672.50)		(146,672.50)
Net Assets - General Government			(623,105.88)		(623,105.88)
Total Net Assets	<u><u>\$155,285.62</u></u>	<u><u>\$372,383.58</u></u>	<u><u>(\$169,338.52)</u></u>	<u><u>\$0.00</u></u>	<u><u>\$358,330.68</u></u>
Total Liabilities and Net Assets	<u><u>\$159,351.20</u></u>	<u><u>\$372,383.58</u></u>	<u><u>\$169,441.04</u></u>	<u><u>\$5,260,000.00</u></u>	<u><u>\$5,961,175.82</u></u>

Holly Hill Road East CDD

Statement of Activities

As of 5/31/2020

	General Fund	Debt Service Fund	Capital Projects Fund	Long-Term Debt	Total
Revenues					
On-Roll Assessments	\$214,276.80				\$214,276.80
Off-Roll Assessments	50,690.16				50,690.16
Other Income & Other Financing Sources	18,872.66				18,872.66
Inter-Fund Transfers In	(11,358.52)				(11,358.52)
On-Roll Assessments		\$354,398.37			354,398.37
Developer Contributions			\$67,409.74		67,409.74
Developer Advance			77,060.69		77,060.69
Inter-Fund Transfers In			11,358.52		11,358.52
Total Revenues	\$272,481.10	\$354,398.37	\$155,828.95	\$0.00	\$782,708.42
Expenses					
Supervisor Fees	\$4,600.00				\$4,600.00
D&O Insurance	2,306.00				2,306.00
Trustee Services	7,084.57				7,084.57
Management	13,333.36				13,333.36
Field Management	238.16				238.16
Engineering	2,755.00				2,755.00
Dissemination Agent	6,500.00				6,500.00
District Counsel	14,603.07				14,603.07
Assessment Administration	12,500.00				12,500.00
Audit	3,000.00				3,000.00
Travel and Per Diem	30.48				30.48
Postage & Shipping	393.02				393.02
Copies	55.20				55.20
Legal Advertising	1,961.06				1,961.06
Miscellaneous	990.89				990.89
Leased Space	16,431.70				16,431.70
Web Site Maintenance	1,300.00				1,300.00
Dues, Licenses, and Fees	175.00				175.00
Maintenance Staff	6,290.00				6,290.00
Electric	10,381.37				10,381.37
Amenity - Landscape Maintenance	16,000.00				16,000.00
Amenity - Pest Control	385.20				385.20
Cable Television	893.75				893.75
General Insurance	2,958.00				2,958.00
Property & Casualty	9,357.00				9,357.00
Irrigation	181.72				181.72
Irrigation Parts	3,049.70				3,049.70
Landscaping Maintenance & Material	21,328.00				21,328.00
Contingency	3,601.20				3,601.20
Streetlights	7,152.61				7,152.61
Swimming Pools	13,944.02				13,944.02
Principal Payments		\$125,000.00			125,000.00
Interest Payments		258,357.51			258,357.51
Engineering			\$19,400.00		19,400.00
District Counsel			2,094.75		2,094.75
Contingency			281,006.98		281,006.98
Total Expenses	\$183,780.08	\$383,357.51	\$302,501.73	\$0.00	\$869,639.32
Other Revenues (Expenses) & Gains (Losses)					
Interest Income	\$329.51				\$329.51
Interest Income		\$2,424.86			2,424.86
Interest Income			\$0.28		0.28
Total Other Revenues (Expenses) & Gains (Losses)	\$329.51	\$2,424.86	\$0.28	\$0.00	\$2,754.65
Change In Net Assets	\$89,030.53	(\$26,534.28)	(\$146,672.50)	\$0.00	(\$84,176.25)
Net Assets At Beginning Of Year	\$66,255.09	\$398,917.86	(\$22,666.02)	\$0.00	\$442,506.93
Net Assets At End Of Year	\$155,285.62	\$372,383.58	(\$169,338.52)	\$0.00	\$358,330.68

Holly Hill Road East CDD
Budget to Actual
For the Month Ending 05/31/2020

	Year To Date			FY 2020 Adopted Budget
	Actual	Budget	Variance	
<u>Revenues</u>				
On-Roll Assessments	\$ 214,276.80	\$ 142,437.27	\$ 71,839.53	\$ 213,655.91
Off-Roll Assessments	50,690.16	37,952.04	12,738.12	56,928.06
Other Income & Other Financing Sources	40.00	-	40.00	-
Inter-Governmental Revenue (North Blvd CDD)	18,832.66	25,686.32	(6,853.66)	38,529.48
Net Revenues	\$ 283,839.62	\$ 206,075.63	\$ 77,763.99	\$ 309,113.45
<u>General & Administrative Expenses</u>				
Supervisor Fees	\$ 4,600.00	\$ 8,000.00	\$ (3,400.00)	\$ 12,000.00
D&O Insurance	2,306.00	1,650.00	656.00	2,475.00
Trustee Services	7,084.57	4,000.00	3,084.57	6,000.00
Management	13,333.36	13,333.33	0.03	20,000.00
Field Management	238.16	3,333.33	(3,095.17)	5,000.00
Engineering	2,755.00	10,000.00	(7,245.00)	15,000.00
Dissemination Agent	6,500.00	3,333.33	3,166.67	5,000.00
District Counsel	14,603.07	13,333.33	1,269.74	20,000.00
Assessment Administration	12,500.00	8,333.33	4,166.67	12,500.00
Reamortization Schedules	-	333.33	(333.33)	500.00
Audit	3,000.00	4,000.00	(1,000.00)	6,000.00
Travel and Per Diem	30.48	333.33	(302.85)	500.00
Telephone	-	133.33	(133.33)	200.00
Postage & Shipping	393.02	216.67	176.35	325.00
Copies	55.20	1,133.33	(1,078.13)	1,700.00
Legal Advertising	1,961.06	3,333.33	(1,372.27)	5,000.00
Miscellaneous	990.89	12,744.40	(11,753.51)	19,116.60
Property Taxes	-	50.00	(50.00)	75.00
Web Site Maintenance	1,300.00	1,800.00	(500.00)	2,700.00
Dues, Licenses, and Fees	175.00	116.67	58.33	175.00
Total General & Administrative Expenses	\$ 71,825.81	\$ 89,511.04	\$ (17,685.23)	\$ 134,266.60

Holly Hill Road East CDD
 Budget to Actual
 For the Month Ending 05/31/2020

	Year To Date			FY 2020 Adopted Budget
	Actual	Budget	Variance	
<u>Field Expenses</u>				
General Insurance (Phase 1)	\$ 2,958.00	\$ 2,016.67	\$ 941.33	\$ 3,025.00
General Insurance (Phase 2)	-	988.56	(988.56)	1,482.84
Irrigation (Phase 1)	181.72	466.67	(284.95)	700.00
Irrigation (Phase 2)	-	228.76	(228.76)	343.14
Irrigation Repairs (Phase 1)	2,525.37	1,600.00	925.37	2,400.00
Irrigation Repairs (Phase 2)	524.33	784.31	(259.98)	1,176.47
Landscaping Maintenance & Material (Phase 1)	9,328.00	10,928.00	(1,600.00)	16,392.00
Landscaping Maintenance & Material (Phase 2)	12,000.00	8,000.00	4,000.00	12,000.00
Flower & Plant Replacement (Phase 1)	-	3,666.67	(3,666.67)	5,500.00
Flower & Plant Replacement (Phase 2)	-	1,797.39	(1,797.39)	2,696.08
Fertilizer / Pesticides (Phase 1)	-	1,666.67	(1,666.67)	2,500.00
Fertilizer / Pesticides (Phase 2)	-	816.99	(816.99)	1,225.49
Contingency (Phase 1)	3,601.20	3,624.00	(22.80)	5,436.00
Contingency (Phase 2)	-	1,776.47	(1,776.47)	2,664.71
Storm Damage	-	2,000.00	(2,000.00)	3,000.00
Streetlights (Phase 1)	7,152.61	6,000.00	1,152.61	9,000.00
Streetlights (Phase 2)	-	2,941.18	(2,941.18)	4,411.76
Total Field Expenses	\$ 38,271.23	\$ 49,302.34	\$ (11,031.11)	\$ 73,953.49
<u>Cabana & Pool Expenses</u>				
Security	\$ -	\$ 4,666.67	\$ (4,666.67)	\$ 7,000.00
Maintenance Staff	6,290.00	2,916.67	3,373.33	4,375.00
Electric	10,381.37	16,666.67	(6,285.30)	25,000.00
Amenity Landscaping	16,000.00	8,000.00	8,000.00	12,000.00
Cable Television	893.75	350.00	543.75	525.00
Property & Casualty	9,357.00	4,218.67	5,138.33	6,328.00
Equipment Repair & Maintenance	-	1,361.33	(1,361.33)	2,042.00
Pest Control	385.20	440.00	(54.80)	660.00
Signage & Amenities Repair	-	500.00	(500.00)	750.00
Swimming Pools Maintenance	13,944.02	15,333.33	(1,389.31)	23,000.00
Playground Lease	16,431.70	13,142.24	3,289.46	19,713.36
Total Cabana & Pool Expenses	\$ 73,683.04	\$ 67,595.58	\$ 6,087.46	\$ 101,393.36
Total Expenses	\$ 183,780.08	\$ 206,408.96	\$ (22,628.88)	\$ 309,613.45
<u>Other Revenues (Expenses) & Gains (Losses)</u>				
Interest Income	\$ 329.51	\$ 333.33	\$ (3.82)	\$ 500.00
Total Other Revenues (Expenses) & Gains (Losses)	\$ 329.51	\$ 333.33	\$ (3.82)	\$ 500.00
Net Income (Loss)	\$ 100,389.05	\$ -	\$ 100,389.05	\$ -

Holly Hill Road East Community Development District

Staff Reports