



Resident Academy

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The Villages®

Community Development Districts

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THANK YOU!

- ◆ We APPRECIATE your taking time from your Villages lifestyle to learn about the Community Development Districts.
- ◆ We have OUTSTANDING employees committed to the Districts' core values, and they do a wonderful job!
- ◆ However, it is critical that residents learn, understand, involve themselves, and participate in their local government to GUARANTEE SUSTAINABILITY of The Villages.

WHAT IS A Community Development District (CDD) ?



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TECHNICAL ANSWER

- ◆ A Community Development District is a unit of Special Purpose Government established in accordance with Florida Statute Chapter 190.



SOME QUESTIONS YOU MAY HAVE

- ◆ What does it mean to me to live in a CDD?
- ◆ What do the CDDs do?
- ◆ How are the CDDs Funded?
- ◆ Who governs the CDDs?
- ◆ How do the CDDs get started and how long will they last?
- ◆ What happens when the Developer is “gone”?
- ◆ Do CDDs and local government provide duplicate services?
- ◆ What is the difference between the CDD and the Developer?
- ◆ And, of course, you have a lot more questions we hope to answer throughout the day.

WHAT THE VILLAGE COMMUNITY DEVELOPMENT DISTRICTS DO NOT GOVERN!

- ◆ Downtown Entertainment
- ◆ The Sharon
- ◆ The Charter School
- ◆ Businesses
- ◆ Entertainment Shows at the Savannah Center
- ◆ Real Estate (Sales, construction, rentals, etc.)
- ◆ The Hospital and Medical Services
- ◆ Law Enforcement
- ◆ Championship Golf Courses
- ◆ Home Construction
- ◆ Tax Rates / Impact Fees of Counties and Cities
- ◆ Non-Villa / Non-District 4 Street Signage
- ◆ Mosquito Control
- ◆ Animal Control
- ◆ Traffic Signalization & Coordination

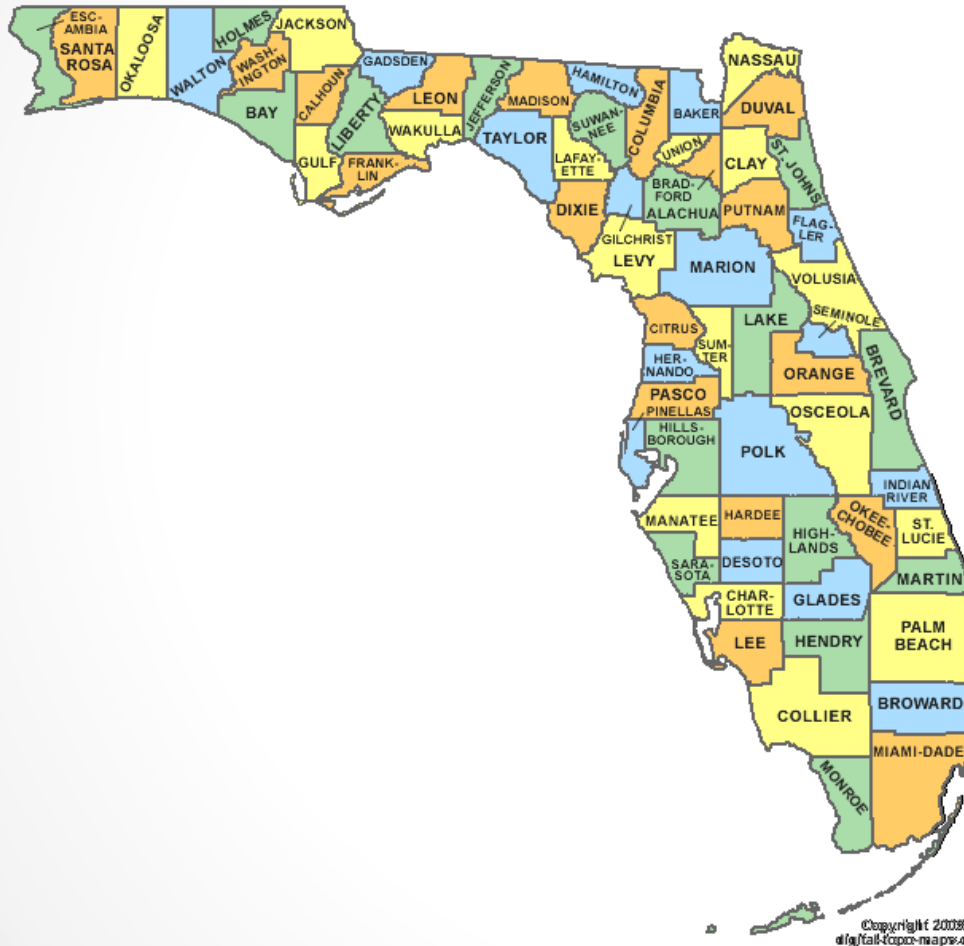


TODAY...

We are going to:

- ◆ Examine a unit of special purpose government and the history of special purpose government.
- ◆ Examine 20 different Village Community Development Districts, the North Sumter County Utility Dependent District, and the Wildwood Utility Dependent District, how they are governed, what they do, and how they are funded.

COMMUNITY DEVELOPMENT DISTRICTS AND THE STATE OF FLORIDA LOCAL GOVERNMENT STRUCTURE



◆ Counties: 67

◆ Cities 411

COMMUNITY DEVELOPMENT DISTRICTS AND THE STATE OF FLORIDA LOCAL GOVERNMENT STRUCTURE



There are approximately

- ◆ 1944 Special Districts
- ◆ 1328 Independent Districts
- ◆ 616 Dependent Districts
- ◆ Every square inch of the State of Florida is located within a Special District.

VCDD AS A COMMUNITY



- ◆ The Villages' population is larger than 96% of the municipalities in the State of Florida.
(14th largest of 411)
- ◆ The Villages' population is larger than 33 of the 67 Counties in the state of Florida.

WHAT IS AN INDEPENDENT SPECIAL DISTRICT?

It is created by the State Legislature with Local Government Approval for a:

- ◆ Specific purpose and a Specific area.
- ◆ The Special District derives its authority from provisions in Florida State Statutes.
- ◆ However, the funding and purview of each one is set by the Legislature.
- ◆ Examples of Independent Special Districts include:
 - ◆ Community Development Districts (State Statute 190)
 - ◆ Water Management Districts
 - ◆ Inland Navigation
 - ◆ Fire Service

WHAT IS A DEPENDENT SPECIAL DISTRICT?

Created by the city and/or county it resides within.

- ◆ The Special Districts are created pursuant to provisions in Florida State Statutes. However, Districts derive their authority from the government that created them.
- ◆ Examples of Dependent Special Districts include:
 - ◆ Downtown improvement authorities
 - ◆ Community redevelopment authorities
 - ◆ Special taxing districts
 - ◆ In The Villages, the North Sumter County Utility Dependent District and Wildwood Utility Dependent District.
(State Statute 189)

HISTORY OF CHAPTER 190

- ◆ In 1822, before Florida became a state, there was a Special District under the territorial governing mechanism for roads and highway “The Road, Highway and Ferry Act”.



- ◆ In 1845 a Drainage District was created to simply drain a swamp.
 - Five commissioners were empowered to drain the “Alachua Savannah”. To finance the project, the first special assessments were made on landowners based on the number of acres owned and the benefit derived.

HISTORY OF CHAPTER 190

- ◆ In 1913 the State passed the first general drainage law, the “General Drainage law of 1913” which evolved into the current Chapter 298.
- ◆ Developers and Attorneys (who were very creative) took the old Chapter 298 (which provided for only draining properties) to the legislature with the property they owned and asked the legislature for additional powers such as roads, bridges, water, sewer and sometimes parks and recreation.
- ◆ As a result of using Chapter 298, there was *no uniform or consistent application* of special district powers – each District was different and operated under whatever authority was granted at the time of the request.

HISTORY OF CHAPTER 190

- ◆ During 1973 to 1974, Governor Ruben Askew became concerned about “districts” and developments being “custom made” with no accountability, no standards and no uniformity.
- ◆ So, in 1975, the State enacted the New Communities Act to help the development process. However, although it provided a more uniform method of development, it was very difficult to use and was not creating the economic development first envisioned when it was created. As a result development laws and rules began to be overhauled.
- ◆ In 1980, the Legislature, along with interested parties and the State Community Affairs Committee, asked the question: **Are Special Districts in the State’s interest?**
- ◆ **Their answer was yes.**
- ◆ As a result, the legislature adopted Chapters 189 and Chapter 190 – Chapter 190 is the legislative authority for the Community Development Districts, which are independent units of special purpose government.

Multiple Districts - What does that mean to you?

- ◆ If you live in Lady Lake/Lake County – you receive services from ONE District
VCCDD – Amenities, Fire Service, Water/Sewer
- ◆ If you live NORTH of CR466 – you receive services from THREE Districts
VCCDD – Amenities, Fire Service, Water/Sewer
NSCUDD – Sanitation
District 1, 2, 3, or 4 – Maintenance, Deed Compliance
- ◆ If you live SOUTH of CR466 and NORTH of SR44 – you receive services from FOUR Districts
VCCDD – Fire Service
SLCDD – Amenities
NSCUDD – Sanitation, Water/Sewer
District 5, 6, 7, 8, 9, 10, or 11 – Maintenance, Deed Compliance (with exception of District 11)
- ◆ If you live SOUTH of SR44 – you receive services from THREE Districts
VCCDD – Fire Service
WUDD – Water/Sewer
District 12, 13, 14, or 15 – Maintenance, Deed Compliance (District 12 only)



CHAPTER 190 LEGISLATIVE INTENT

THE NEED TO ENCOURAGE NEW, LARGE SCALE COMMUNITIES THAT INCLUDED *LONG RANGE PLANNING, MANAGEMENT, FINANCING AND A PERPETUAL ENTITY TO OPERATE AND MAINTAIN COMMUNITY INFRASTRUCTURE.*

TO ALLOW LARGE LANDOWNERS THE *MECHANISM TO INVEST THE TIME AND FINANCIAL RESOURCES* TO UNDERTAKE A LARGE SCALE NEW COMMUNITY, THE LEGISLATURE CREATED A PUBLIC PRIVATE PARTNERSHIP.

WHY DOES THE STATE AND WHY DO WE HAVE SPECIAL DISTRICTS?

- ◆ Creates a governing board of elected members to focus on the specific community needs and issues the special district is addressing. And establishes a council-manager form of government to provide efficient management of the District.
- ◆ Districts allow municipalities and counties to focus on general government issues. The Districts do not duplicate services offered by the cities and counties.
- ◆ Generate money to pay for projected growth without putting an excessive burden on other taxpayers and governments, since only those who benefit from the special district's services are required to pay.

WHY DOES THE STATE AND WHY DO WE HAVE SPECIAL DISTRICTS?

- **Ensure accountability of public resources**, since special districts, cities and counties are held to high standards (e.g., Ethics, Sunshine Law, Public Records Law, Financial Reporting, Financial Disclosure Laws.)
- **Protect property values** by assuring property owners that their roads, water and sewer lines, and other essential facilities and services will continue to be maintained.
- **Save money** for affected citizens by selling tax-exempt bonds, purchasing essential goods and services tax-free, and participating in state programs and initiatives.
- **Maintain the financial integrity** of the special district by limiting its liability to civil lawsuits and providing state and federal assistance in the event of a financial emergency.

SO, IF YOU ARE A DEVELOPER,
HOW DO YOU DEVELOP
PROPERTY IN ACCORDANCE
WITH CHAPTER 190?

The Developer Owns Land!
What Next?

Developer petitions the State and Local Government to establish Chapter 190 District



Local Government reviews and, if approved, State then reviews and, if approved, establishes Community Development District



Landowners elect Board Members (Board members begin to transition to qualified elected positions when the District is both 6 years old and has a minimum of 250 qualified electors residing in the District)



District issues **bonds based on Engineer's Report of estimated cost of infrastructure construction**



Developer is reimbursed for construction costs up to estimated cost (bond amount)- **any additional costs are the Developer's responsibility**



District Bonds are paid off through assessments on individual properties. They are either paid in full or are billed on Annual Tax Bill from county within which the home is located.



Other than road infrastructure (which is turned over to county government - except in Marion County and Villa roads) annual maintenance assessments on tax bill pay for the upkeep and operation of the District's infrastructure built with the bond proceeds of the District

Developer begins construction of infrastructure as required by local government



Developer enters into **Interim Funding Agreement** with District



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DEVELOPMENT

Chapter 190 District

- ◆ Developer begins by establishing District in accordance with Chapter 190 Statute
- ◆ Special District is developed and *infrastructure is built and funded through bonds issued by Special District.*
- ◆ Bonds issued by the District to build required infrastructure are paid through assessment on each home within the District according to an assessment methodology.
- ◆ District owns, manages and controls infrastructure as provided through the establishing State and local government framework.

Village Community Development Districts

- ◆ Community Development Districts (CDD) 1 through 15
- ◆ Village Center Community Development District (VCCDD)
- ◆ Sumter Landing Community Development District (SLCDD)
- ◆ Brownwood Community Development District (BCDD)

2 Dependent Districts

- ◆ North Sumter County Utility Dependent District (NSCUDD)
- ◆ Wildwood Utility Dependent District (WUDD)

Spans approximately 82 square miles and population is approximately 140,000 residents.

CDD ACREAGE

- ◆ Newly established Community Development Districts (CDDs) are restricted in size to no greater than 2500 acres.
- ◆ Existing CDDs (also commonly called Residential Districts) can amend their boundaries no greater than 50% of the cumulative net total of the land in the initial district, and no greater than 1,000 acres on a cumulative net basis.

District	Acreage	Number of Homes
District 1	998	3420
District 2	989.6	3668
District 3	894.6	3762
District 4	1253.5	5432
District 5	1406	6399
District 6	1496	6697
District 7	976	4765
District 8	1098	5193
District 9	1311.7	5409
District 10	1588.8	6639
District 11	692.8	2055
District 12	1490	6202
District 13	2385.2	8062
District 14	2500	913
District 15	1378.4	0

COMMUNITY DEVELOPMENT DISTRICTS 1-15

The elected Board of Supervisors within each District levies Assessments (taxes) on property owners within that district to **operate, maintain and manage infrastructure owned by that District.**

- ◆ Storm and Gutter Facilities
- ◆ Water Retention Areas
- ◆ Villa Roads
 - ◆ District 4 maintains all streets except Buena Vista Blvd.
 - ◆ City of Wildwood maintains all streets in District 12, and District 13 upon turnover.
 - ◆ City of Leesburg maintains all streets in District 14 upon turnover.
- ◆ Rights of Way
- ◆ Landscaping
- ◆ Common Areas
- ◆ Street Lights
- ◆ Multi-Modal Transportation Paths
- ◆ Sign Walls
- ◆ Fences
- ◆ Deed Restrictions (Districts 1-14)

Project Wide Fund

- ◆ South of CR466 there is a unique mechanism to manage the maintenance assessments needed for “common” areas.
- ◆ Infrastructure such as landscape along major roadways, storm water facilities, tunnels, multi-modal paths, etc. are paid for through a Project Wide Fund (PWF).
- ◆ The PWF receives its revenue from Districts 5-13, Sumter Landing and Brownwood Community Development Districts based on assessable acreage and the funds are used to maintain the common areas.

Project Wide Fund

Project Wide Advisory Committee

CDDs 5-13

- ◆ The Project Wide Advisory Committee (PWAC) was established by Resolution 13-05 of the Sumter Landing Community Development District (SLCDD) and is comprised of a Board Supervisor from Village Community Development District No's 5-13. The resolution provides the PWAC will;
 - ◆ Provide input, explore issues and provide advice and recommendations to the SLCDD on issues related to the maintenance of Project Wide Improvements.
 - ◆ Review and recommend the annual budget to the SLCDD, review budget to actual statements
 - ◆ Review and recommend contract renewals and bid/proposal awards to the Board related to the Project Wide Improvements.
 - ◆ Explore significant and important issues pertaining to the Project Wide Improvements as they arise and provide advice and recommendations to the SLCDD.

MANAGEMENT SERVICES PROVIDED TO ALL DISTRICTS BY VCCDD



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VILLAGE CENTER COMMUNITY DEVELOPMENT DISTRICT (VCCDD) Management Services

- ◆ The VCCDD provides the management services and general government services for all other CDDs within The Villages and the North Sumter County Utility Dependent District (NSCUDD and WUDD).
- ◆ The use of the VCCDD as a “management” company provides the rest of the CDDs, NSCUDD, and WUDD a benefit from economy of scale.
- ◆ The type of services cost allocated to the other CDDs, NSCUDD, and WUDD are personnel, buildings and overhead (electric/phones/landscaping), operating supplies, and equipment.

AMENITY FEES

Resident purchases home.



Resident signs Contract to pay amenity fees in exchange for services.



When offered, Amenity fee contractual agreements were sold to VCCDD and SLCDD who provides amenities in accordance with the contract (fee for services).



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AMENITY FEES

- ◆ Payment of the Amenity Fee is **required** through the **Contract** you signed **when you bought your home**. The contract requires you to adhere to the Declaration of Restrictions (Restrictions) for your unit/lot.
- ◆ Amenity Fee is paid for in exchange for Amenity Services- it is a **FEE FOR SERVICES**.
- ◆ Depending on your Restrictions, your Amenity Fee increases every year or every three years.
- ◆ Depending on your Restrictions, your Amenity Fee increase is based on either the date you signed your contract or the original land sale date.
- ◆ The Amenity Fee increase is based on the CPI and **CANNOT** be increased or decreased greater than that amount each year (or every three years depending on your Restrictions).
- ◆ The current prevailing rate for all new homebuyers (and resales post 1/1/23) is \$189.00/month.

AMENITY FEES

- ◆ VCCDD - 22,557 Amenity Fees north of CR466.
 - ◆ VCCDD purchased 22,007 Amenity Fees north of CR466 beginning in 1996.
 - ◆ 250 Assisted Living/Independent Living Facility Unit Amenity Fees.
 - ◆ 300 units approved by AAC – 14 units utilized by Chatham Acres and Elan Spanish Springs.
- ◆ SLCDD - 37,975 Amenity Fees south of CR466 to S.R.44.
 - ◆ SLCDD purchased 37,157 Amenity Fees south of CR466 to S.R.44 beginning in 2005.
 - ◆ 175 Continuing Care Unit Amenity Fees.
 - ◆ VLS reserved 643 Amenity Fees south of CR466 to S.R.44.
 - ◆ Atwood Villas, Brownwood Lofts and Continuing Care Unit Amenity Fees.
- ◆ VLS (Developer) owns all Amenity Fees south of S.R.44.
- ◆ For a total of 77,172 rooftops as of 7/5/23.



Village Center Community Development District (VCCDD)

Sumter Landing Community Development District (SLCDD)



Brownwood Community Development District (BCDD)

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VCCDD, SLCDD AND BCDD

- ◆ Established through the State of Florida, subject to local government approval, like all Community Development Districts.
- ◆ VCCDD, SLCDD and BCDD are commercial Districts.
- ◆ VCCDD, SLCDD and BCDD provide a multitude of services funded through various sources.

VILLAGE CENTER COMMUNITY DEVELOPMENT DISTRICT (VCCDD)

Recreation Amenities Division (RAD)

- ◆ Funded through *Contractual Amenity Fees Purchased from Developer.*
- ◆ Common Area Maintenance (Including maintenance in the Lady Lake/Lake County portion of The Villages)
- ◆ Community Watch
- ◆ Recreation Centers and Activities
- ◆ Water Retention Areas
- ◆ Gate and Postal Facility Maintenance
- ◆ Executive Golf Courses

Water and Wastewater Services

- ◆ Funded through User Fees.
- ◆ LSSA and VCSA Utilities

Villages Public Safety

- ◆ Funded through VCCDD Amenities Revenue, SLCDD Amenities Revenue, Developer Amenities Revenue, Lady Lake Assessments, Fruitland Park Assessments, Lake County Assessments, Sumter County Assessments and General Fund.
- ◆ Provided to all residents in Lady Lake/Lake County and 14 Residential Numbered Districts.

Village Of Spanish Springs Assessment Program

- ◆ Funded through assessments on properties in the VCCDD geographic area.
- ◆ Provides the operation and maintenance costs for the Village of Spanish Springs and Rolling Acres Plaza - sidewalks, landscaping, parking lots, décor, janitorial and Holiday decorations.



VILLAGE CENTER COMMUNITY DEVELOPMENT DISTRICT

- ◆ Amenity Authority Committee (AAC) established 2008
 - ◆ Discretion over all Non-Bond Recreation Amenity Division Funds
 - ◆ Rate setting of Amenity Facility user fees
 - ◆ Policy control over operations of Amenity Facilities and Services
 - ◆ Prohibited from establishing disparate services north and south of CR 466
 - ◆ Restricted from involvement in Public Safety, Management Fees/services

SUMTER LANDING COMMUNITY DEVELOPMENT DISTRICT (SLCDD)

Sumter Landing Amenities Division- (SLAD)

- ◆ Funded through *Contractual Amenity Fees Purchased from Developer.* (CR 466 south to SR 44)
- ◆ Common Area Maintenance
- ◆ Community Watch
- ◆ Recreation Centers and Activities
- ◆ Water Retention Areas
- ◆ Gate and Postal Facility Maintenance
- ◆ Executive Golf Courses
- ◆ Project Wide Maintenance

Villages Public Safety

- ◆ Funded through Amenity Fees.
- ◆ SLCDD provides funding to VCCDD for Villages Public Safety.

Lake Sumter Landing Assessment Program

- ◆ Funded through assessments on properties in the SLCDD geographic area.
- ◆ Provides the operation and maintenance costs for Lake Sumter Landing – sidewalks, landscaping, parking lots, décor, janitorial and Holiday decorations.

Management Fees

- ◆ For management services provided by Village Center Community Development District.



SUMTER LANDING COMMUNITY DEVELOPMENT DISTRICT

Project Wide Advisory Committee (Amenities)

- ◆ Resolution 17-11 was adopted by the SLCDD on May 18, 2017 to expand the duties and responsibilities of the Project Wide Advisory Committee (PWAC) to provide input, explore issues and provide recommendations on issues related to SLCDD owned Amenity facilities.
 - ◆ Discretion over all Non-Bond Recreation Amenity Division Funds
 - ◆ Rate setting of Amenity Facility user fees
 - ◆ Policy control over operations of Amenity Facilities and Services
 - ◆ Prohibited from establishing disparate services north and south of CR 466
 - ◆ Restricted from involvement in Public Safety, Management Fees/services

HOW DO WE ACCOMPLISH
PROVIDING THESE SERVICES
TO AN ESTIMATED
140,000
RESIDENTS AND GROWING!

WITH AN OUTSTANDING AND DEDICATED
TEAM OF 446 FULL-TIME EMPLOYEES AND
912 PART-TIME EMPLOYEES AND INVOLVED
RESIDENTS!



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