

**PETITION TO ESTABLISH BAHIA MAR
COMMUNITY DEVELOPMENT DISTRICT**

**BEFORE THE CITY COMMISSION
OF THE CITY OF FORT LAUDERDALE, FLORIDA**

**IN RE: AN ORDINANCE TO ESTABLISH THE BAHIA MAR COMMUNITY
DEVELOPMENT DISTRICT**

PETITION

RAHN BAHIA MAR, L.L.C., a Delaware limited liability company, registered to do business in the State of Florida ("Petitioner"), hereby submits this Petition to the City Commission of the City of Fort Lauderdale, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, to establish a Community Development District with respect to the land described herein. In support of this Petition, Petitioner states as follows:

1. **Location and Size.** The proposed District (as hereinafter defined) is located west of Seabreeze Boulevard, south of Hall of Fame Drive, east of Intracoastal Waterway and north of Harbor Drive in the City of Fort Lauderdale, Florida, ("City") and contains approximately 15.98 acres. The general location of the proposed District is shown on **Exhibit 1** attached hereto. The metes and bounds description of the external boundaries of the proposed District is set forth in **Exhibit 2** attached hereto.

2. **Landowner Consent.** Attached hereto as **Exhibit 3** is the written consent of the Landowner.

3. **Name.** The proposed name of the proposed District to be established is Bahia Mar Community Development District (the "District").

4. **Initial Board Members.** The five (5) persons designated to serve as initial members of the Board of Supervisors of the proposed District, are as follows:

Ben Gerber, 7236 SW 54th Court, Miami, FL 33143

Kurt Drstvensek, 13503 SW 58th Avenue, Pinecrest, Florida 33156

Landon McNeil, 1175 NE 125th Street, Suite 102, North Miami, Florida 33161

Michael Fine, 1175 NE 125th Street, Suite 102, North Miami, Florida 33161

Michael Sperling, 19790 West Dixie Highway, PH-1, Miami, Florida 33180

All of the above listed persons are residents of the State of Florida and citizens of the United States of America.

5. **Existing Land Uses.** The lands within the proposed District are currently occupied by a parking lot, hotel, roadways, retail and commercial areas, office areas, and other related amenities and service areas. Such lands are zoned Planned Development District (PDD), as set forth in the City of Fort Lauderdale Unified Land Development Code.

6. **Future Land Uses.** The future general distribution, location and extent of the public and private land uses proposed within the proposed District are shown on **Exhibit 4** attached hereto. These proposed land uses are consistent with the state comprehensive plan and the City Comprehensive Plan. The proposed development of the lands within the proposed District contemplates the construction of a hotel, including amenities, parking facilities, including a public/private parking garage, a promenade available to the public as provided in the Master Lease Agreement dated April 13 2022, as amended, between the City and the Petitioner ("Master Lease"), park and open space available to the public as provided in the Master Lease, retail, commercial, and office spaces/facilities, and condominium units. The City Commission has previously approved the proposed development of the lands both within and adjacent to the proposed District.

7. **Major Water and Wastewater Facilities.** **Exhibit 5** attached hereto shows the existing major trunk water mains and sewer connections within the proposed District.

8. **District Facilities and Services.** The Petitioner presently intends that the proposed District may participate in the funding and construction of the public portion of a parking garage, park and open spaces, and promenade, roadway improvements, seawall, security improvements, lighting improvements, stormwater management system, water distribution, sanitary sewer and certain off-site public improvements and related access improvements (the "Improvements"). **Exhibit 6** attached hereto sets forth the estimated costs of construction of the Improvements. The estimated timetable for construction is shown in **Exhibit 7** attached hereto. These are

good faith estimates but are subject to change. Actual construction timetables and expenditures will likely vary, due in part, among other reasons, to the effects of future changes in economic conditions and other factors such as costs for labor, services, materials, interest rates and market conditions.

9. **Statement of Estimated Regulatory Costs.** A Statement of Estimated Regulatory Costs prepared in accordance with the requirements of Section 120.541, Florida Statutes, is attached hereto as **Exhibit 8**.

10. **Rights to be Granted the District.** Petitioner hereby requests that the District be granted the right to exercise all power provided for in Sections 190.012(1) and (2)(a) and (d), Florida Statutes.

11. **Disclosure Requirements.** Petitioner undertakes on behalf of the District that Petitioner will provide full disclosure of information relating to the public financing of improvements to real property to be undertaken by the District as required by Section 190.009, Florida Statutes, as amended.

12. **Petitioner and Authorized Agent.** The Petitioner is RAHN BAHIA MAR, L.L.C., a Delaware limited liability company, registered to do business in the State of Florida, whose principal address is 1175 NE 125 Street, #102, North Miami, Florida 33161, Attention: James D. Tate, President. Copies of all correspondence and official notices should also be sent to the authorized agent for the Petitioner:

J. Kenneth Tate, as Agent for Rahn Bahia Mar, L.L.C.
1175 NE 125 Street, Suite 102
North Miami, Florida 33181
Email: Kenny@tatecapital.com

13. **Reasons for Establishment of the District.** This Petition to establish the Bahia Mar Community Development District should be granted for the following reasons:

a. Establishment of the proposed District and all land uses and services planned within the proposed District are not inconsistent with any applicable element or portion of the state comprehensive plan or the effective local government comprehensive plan.

b. The area of land within the proposed District is part of a unified plan of development that has been or will be approved by the City Commission of the City of Fort Lauderdale, Florida. It is of a sufficient size and is sufficiently compact and contiguous to be developed as one functional and interrelated community.

c. The proposed District will be the best alternative available for delivering community development services and facilities to the area to be served without financially impacting persons residing outside the proposed District. Establishment of the proposed District in conjunction with a comprehensively planned community, as proposed, allows for a more efficient use of resources.

d. The community development services and facilities of the proposed District will be compatible with the capacity and use of existing local and regional community development services and facilities. In addition, the establishment of the proposed District will provide a perpetual entity capable of making reasonable provisions for the operation and maintenance of the proposed District services and facilities in the future.

e. The area to be served by the proposed District is amenable to separate special-district government.

WHEREFORE, Petitioner respectfully requests the City Commission of the Fort Lauderdale, Florida to:

a. Hold a public hearing to consider the establishment of the Bahia Mar Community Development District in accordance with the requirements of section 190.005(2)(b), Florida Statutes; and

b. Adopt an ordinance pursuant to Chapter 190, Florida Statutes, granting this Petition and establishing the Bahia Mar Community Development District.

SUBMITTED this 10th day of October, 2023.

RAHN BAHIA MAR, L.L.C., a Delaware limited liability company

By: Its Manager, Bahia Mar Manager L.L.C.,
a Delaware limited liability company


By: 
J. Kenneth Tate, Manager

EXHIBIT 1

LOCATION SKETCH



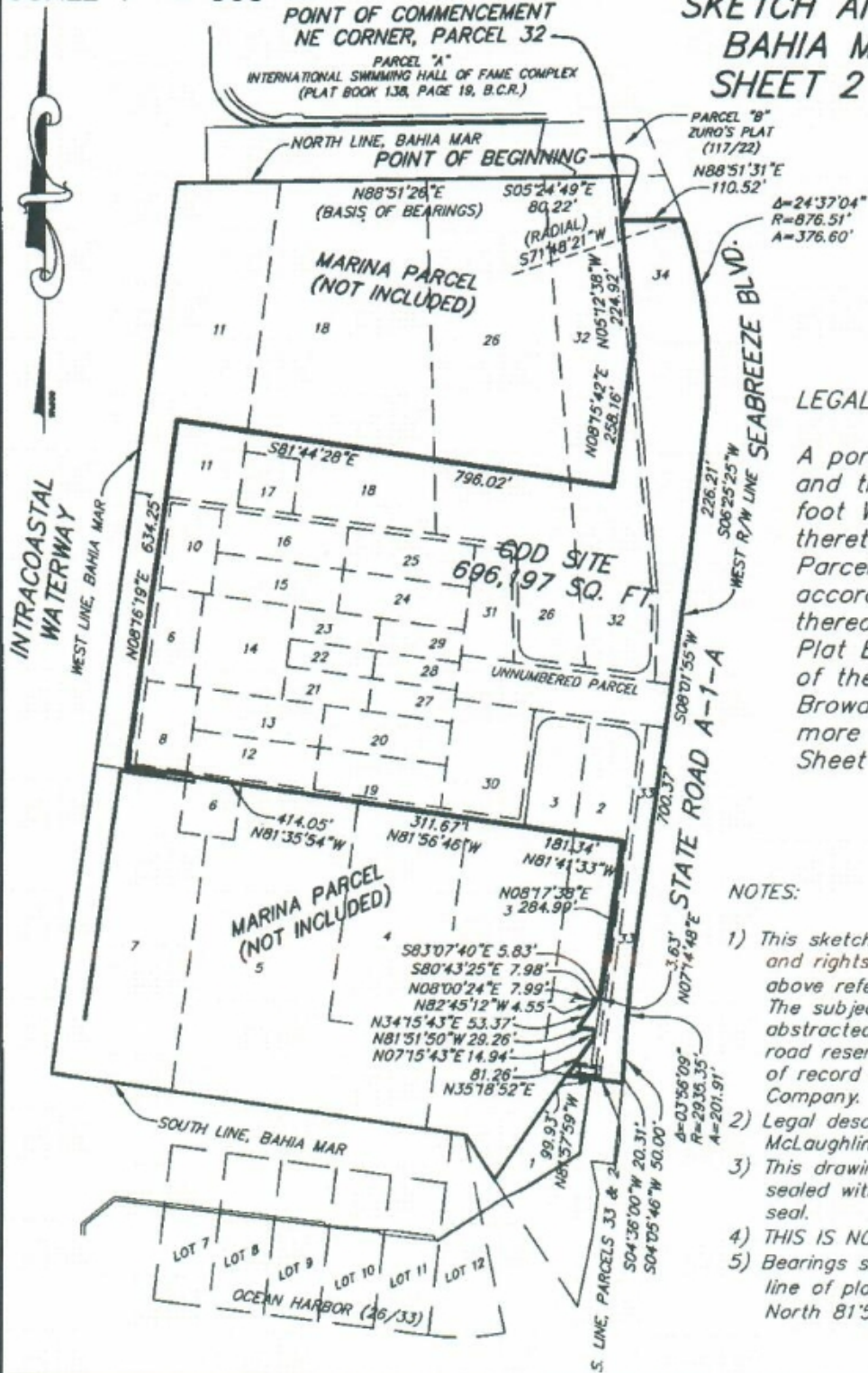
McLAUGHLIN ENGINEERING COMPANY LB 285
A DIVISION OF CONTROL POINT ASSOCIATES, INC. LB 8137

CUTTING EDGE SURVEYING * PLATTING * LAND PLANNING
1700 N.W. 64th STREET #400, FORT LAUDERDALE, FLORIDA 33309
PHONE: (954) 763-7611 * EMAIL: JHADDIX@CPASURVEY.COM



SCALE 1" = 300'

SKETCH AND DESCRIPTION
BAHIA MAR CDD SITE
SHEET 2 OF 2 SHEETS



LEGAL DESCRIPTION:

A portion of the Parcels and those certain 10.00 foot Walkways adjacent thereto and within said Parcels, BAHIA MAR, according to the plat thereof, as recorded in Plat Book 35, Page 39, of the public records of Broward County, Florida, more fully described on Sheet 1 of 2 Sheets.

NOTES:

- 1) This sketch reflects all easements and rights-of-way, as shown on above referenced record plat(s). The subject property was not abstracted for other easements road reservations or rights-of-way of record by McLaughlin Engineering Company.
- 2) Legal description prepared by McLaughlin Engineering Company.
- 3) This drawing is not valid unless sealed with an appropriate surveyors seal.
- 4) THIS IS NOT A BOUNDARY SURVEY.
- 5) Bearings shown assume the North line of plat (35/39), as North 81°51'26" East.

FIELD BOOK NO. _____

DRAWN BY: JMMjr

JOB ORDER NO. 230306 (BAHIA MAR)

CHECKED BY: _____

REF. DWG.: A-20(14), 97-3-134

C: JMMjr/2023/ 230306 (BAHIA MAR)

EXHIBIT 2

METES AND BOUNDS DESCRIPTION



McLAUGHLIN ENGINEERING COMPANY LB 285
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SKETCH AND DESCRIPTION
BAHIA MAR CDD SITE
SHEET 1 OF 2 SHEETS

LEGAL DESCRIPTION:

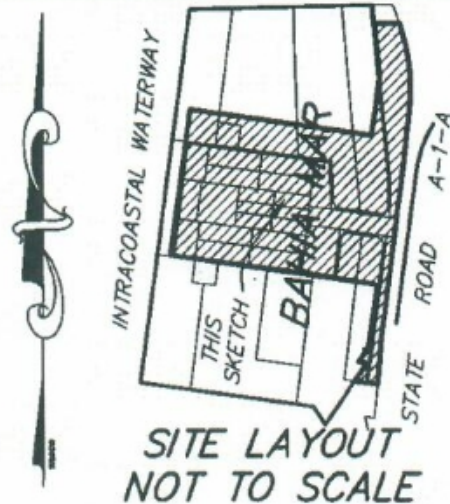
A portion of the Parcels and those certain 10.00 foot Walkways adjacent thereto and within said Parcels, BAHIA MAR, according to the plat thereof, as recorded in Plat Book 35, Page 39, of the public records of Broward County, Florida, more fully described as follows:

Commencing at the Northeast corner of Parcel 32, of said BAHIA MAR; thence South 05°24'49" East, a distance of 80.22 feet to the Point of Beginning; thence North 88°51'31" East, a distance of 110.52 feet to a point on a curve; thence Southerly on the West right of way line of State Road A-1-A (Seabreeze Boulevard) the following six (6) courses and distances 1) thence Southerly on said curve to the right, whose radius point bears South 71°48'21" West, with a radius of 876.51 feet, a central angle of 24°37'04", an arc distance of 376.60 feet to a point of tangency; 2) thence South 06°25'25" West, a distance of 226.21 feet; 3) thence South 08°01'55" West, a distance of 700.37 feet to a point of curve; 4) thence Southerly on said curve to the left, with a radius of 2935.35 feet, a central angle of 03°56'09", an arc distance of 201.91 feet to a point of tangency; 5) thence South 04°05'46" West, a distance of 50.00 feet; 6) thence South 04°36'00" West, a distance of 20.31 feet to the end of said six (6) courses and distances; thence North 81°57'59" West, on the South line of said Parcels 33 and 2a, distance of 99.93 feet; thence North 35°18'52" East, a distance of 81.26 feet; thence North 07°15'43" East, a distance of 14.94 feet; thence North 81°51'50" West, a distance of 29.26 feet; thence North 34°15'43" East, a distance of 53.37 feet; thence North 82°45'12" West, a distance of 4.55 feet; thence North 08°00'24" East, a distance of 7.99 feet; thence South 80°43'25" East, a distance of 7.98 feet; thence North 07°14'48" East, a distance of 3.63 feet; thence South 83°07'40" East, a distance of 5.83 feet; thence North 08°17'38" East, a distance of 284.99 feet; thence North 81°41'33" West, a distance of 181.34 feet; thence North 81°56'46" West, a distance of 311.67 feet; thence North 81°35'54" West, a distance of 414.05 feet; thence North 08°16'19" East, a distance of 634.25 feet; thence South 81°44'28" East, a distance of 796.02 feet; thence North 08°15'42" East, a distance of 258.16 feet; thence North 05°12'38" West, a distance of 224.92 feet to the Point of Beginning.

Said lands situate, lying and being in the City of Fort Lauderdale, Broward County Florida and containing 696,197 square feet or 15.9825 acres more or less.

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CERTIFICATION

Certified Correct. Dated at
Fort Lauderdale, Florida this
25th day of September, 2023.

McLAUGHLIN ENGINEERING COMPANY
A DIVISION OF CONTROL POINT ASSOC. INC.

JERALD A. McLAUGHLIN
Registered Land Surveyor No. LS5269
State of Florida.

FIELD BOOK NO. _____

DRAWN BY: JMMjr

JOB ORDER NO. 230306 (BAHIA MAR)

CHECKED BY: _____

REF. DWG.: A-20(14), 97-3-134

C: JMMjr/2023/ 230306 (BAHIA MAR)



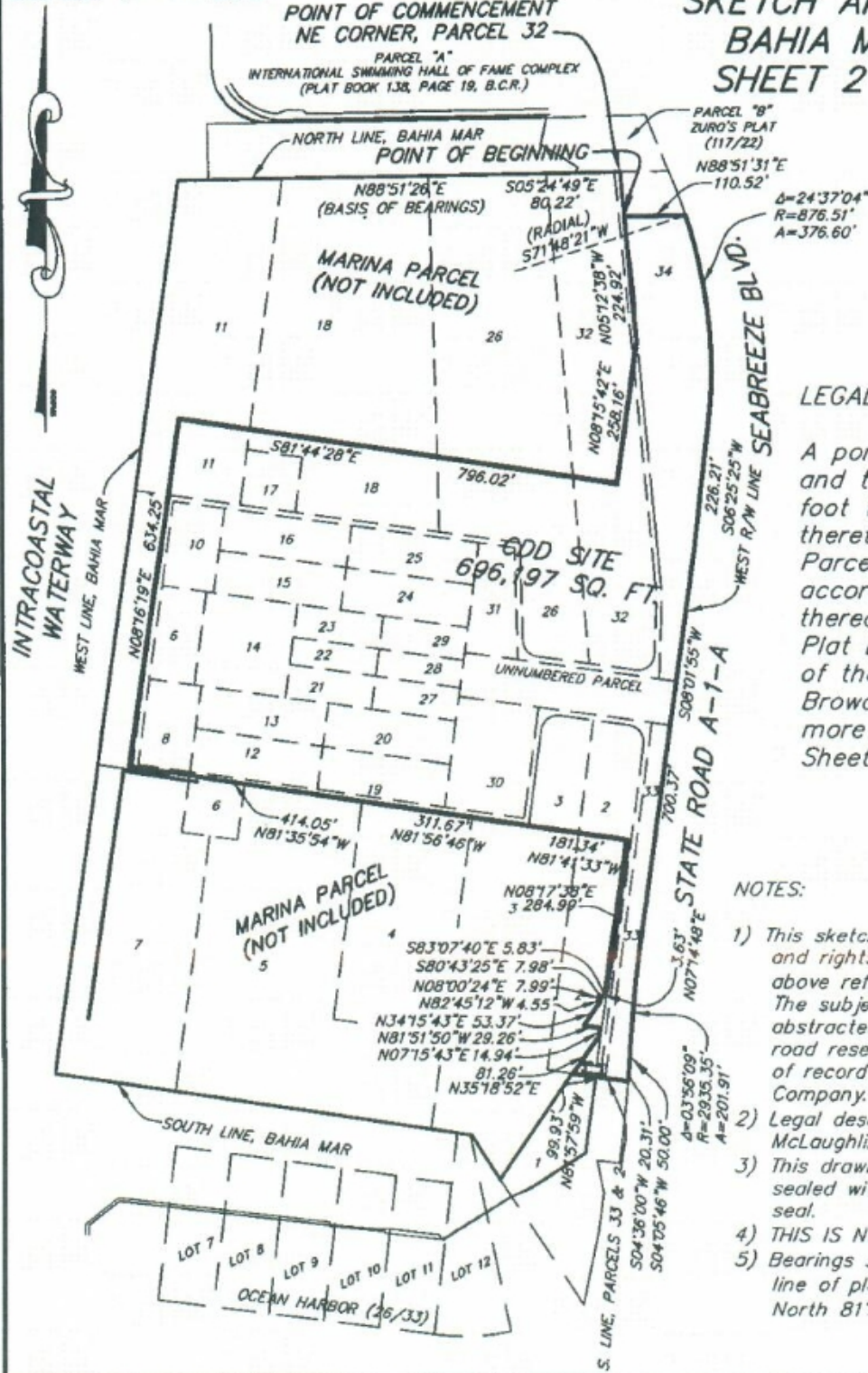
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CHECKED BY: _____

REF. DWG.: A-20(14), 97-3-134

C: JMMjr/2023/ 230306 (BAHIA MAR)

EXHIBIT 3

**AFFIDAVIT OF OWNERHIP AND CONSENT TO ESTABLISHMENT OF
BAHIA MAR COMMUNITY DEVELOPMENT DISTRICT**

STATE OF FLORIDA
COUNTY OF BROWARD

On this ____ day of _____, 2023, _____, personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, who, after being duly sworn, deposes and says:

1. Affiant is the _____ of City of Fort Lauderdale, a municipal corporation (the "City").
2. Affiant hereby represents that he has full authority to execute all documents and instruments on behalf of the City, including the Petition before the City Commission of the City of Fort Lauderdale ("City"), for the adoption of an ordinance to establish the Bahia Mar Community Development District (the Proposed CDD").
3. The City is the fee simple owner of the following described property:

See Exhibit "A" attached hereto (the "Property")

The Property consists of certain real property to be included within the boundaries of the Proposed CDD.

4. Affiant, on behalf of the City, hereby consents to the establishment of the Proposed CDD.

FURTHER AFFIANT SAYETH NOT.

CITY OF FORT LAUDERDALE, a municipal corporation of
the State of Florida

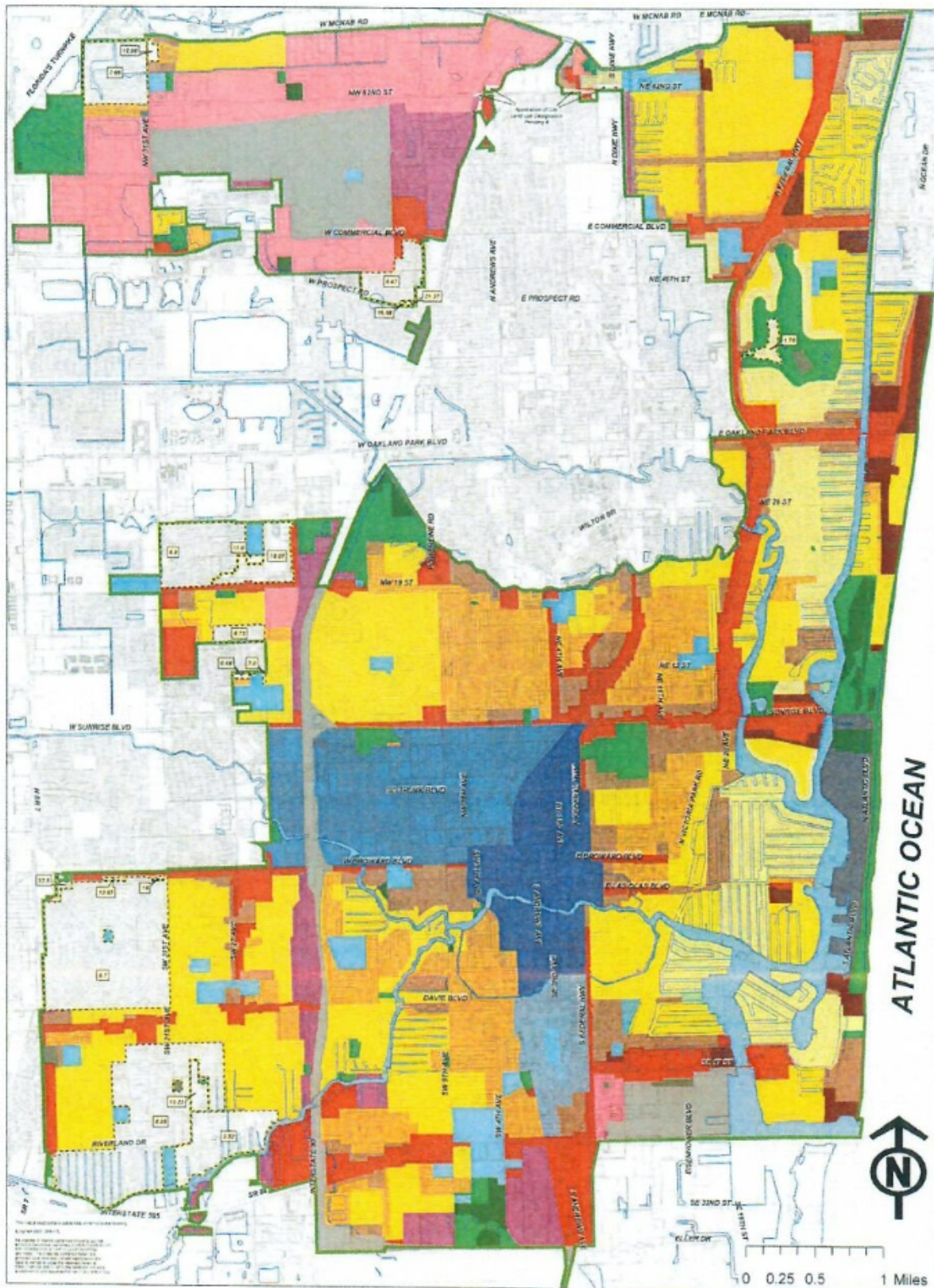
By: _____
Name: _____
Title: _____

Sworn to and subscribed before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2023, by _____, as _____, of City of Fort Lauderdale, a municipal corporation of the State of Florida, who is personally known to me or who has produced (type of identification) as identification.

Notary: _____
Print Name: _____
Notary Public, State of Florida

EXHIBIT 4

**FUTURE GENERAL DISTRIBUTION, LOCATION AND EXTENT OF THE PUBLIC
AND PRIVATE LAND USES PROPOSED WITHIN THE PROPOSED DISTRICT**



**CITY OF FORT LAUDERDALE
FUTURE LAND USE MAP
MARCH, 2018**

**CITY OF FORT LAUDERDALE
DEPARTMENT OF SUSTAINABLE DEVELOPMENT**

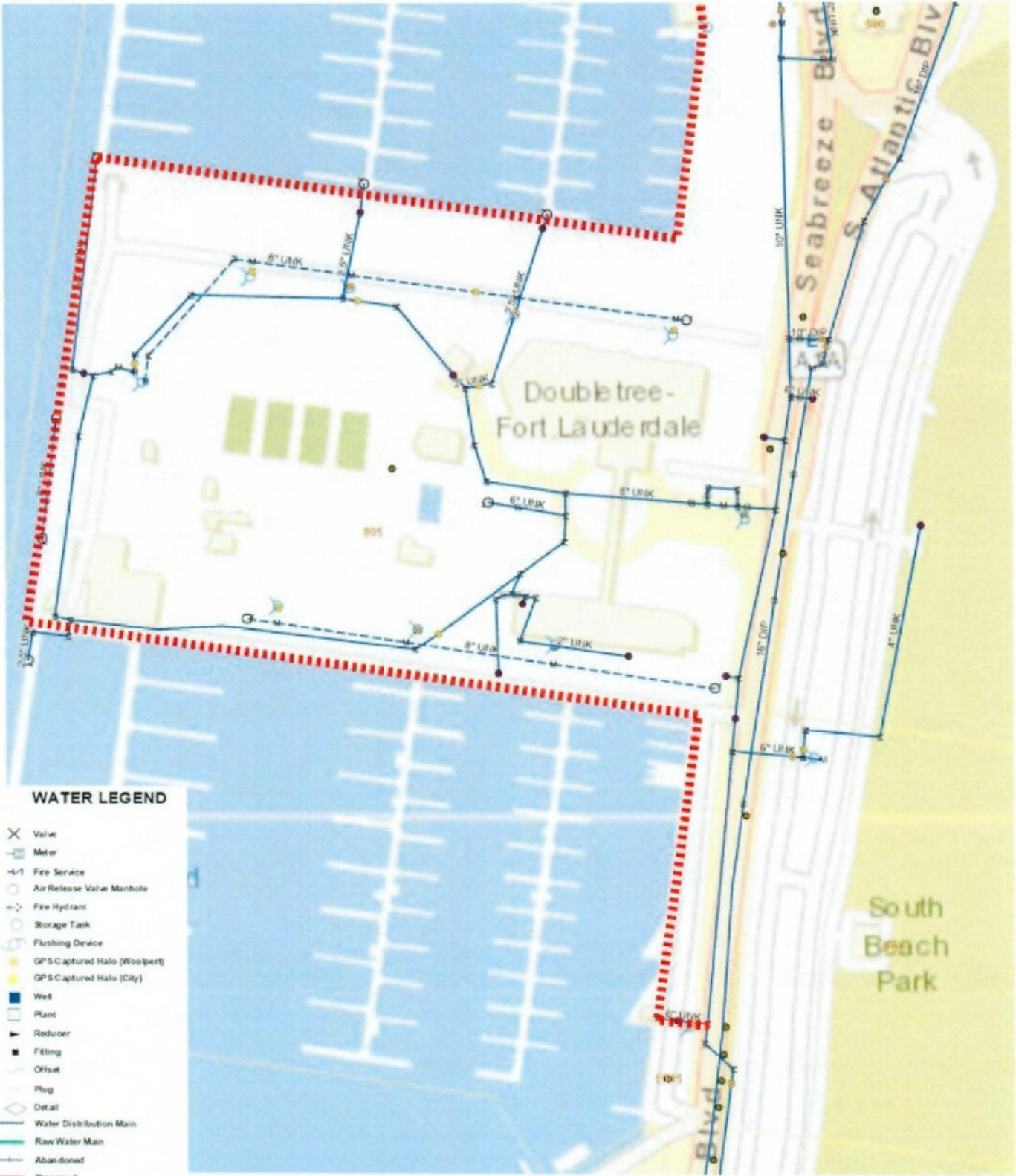
LEGEND	
WATER**	IRREGULAR*
UTILITIES	LOW 4.4
COMMERCIAL	LOW-MEDIUM 8
COMMUNITY FACILITIES	MEDIUM 15
EMPLOYMENT CENTER	MEDIUM-HIGH 25
OFFICE PARK	HIGH 60
INDUSTRIAL	PARK-OPEN SPACE
TRANSPORTATION	COMMERCIAL RECREATION
	CONSERVATION
	NW REGIONAL ACTIVITY CENTER
	DOWNTOWN REGIONAL ACTIVITY CENTER
	SOUTH REGIONAL ACTIVITY CENTER
	CENTRAL BEACH REGIONAL ACTIVITY CENTER
	REGIONAL ACTIVITY CENTER - PARK
	REGIONAL ACTIVITY CENTER CONSERVATION

*ALLOWABLE DENSITY FOR EACH IRREGULAR DISTRICT IS INDICATED ON MAP IN DOWNSHED UNITS PER ACRE.
**NOT A FUTURE LAND USE DESIGNATION
District County level site designations are in effect in unshaded areas until such time City land use designations are applied

EXHIBIT 5

**EXISTING MAJOR TRUNK WATER MAINS AND SEWER CONNECTIONS WITHIN
THE DISTRICT**

CITY WATER



CITY SEWER

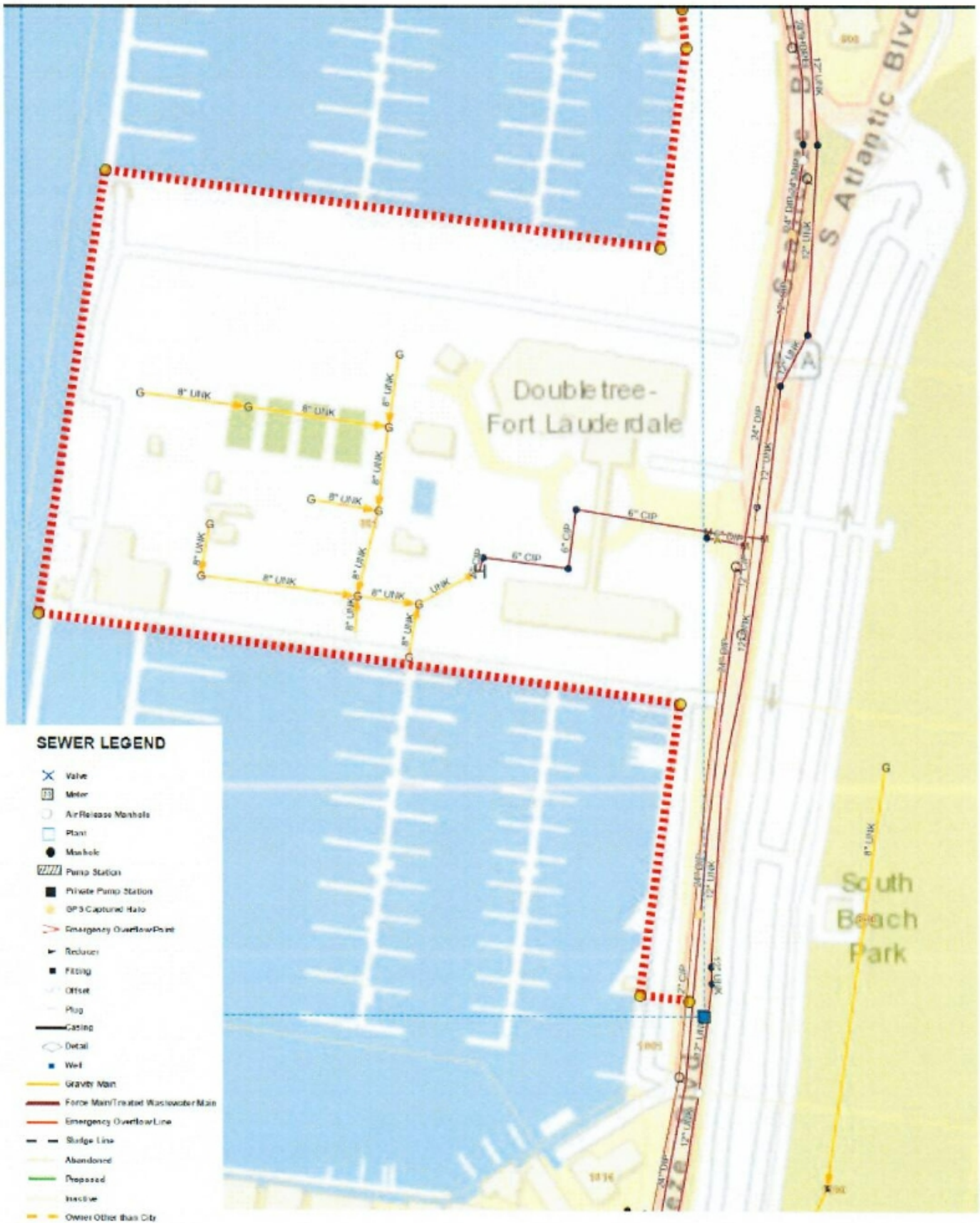


EXHIBIT 6

ESTIMATED COSTS OF DISTRICT IMPROVEMENTS

Parking garage	\$16,650,000
Park and open spaces	\$ 5,000,000
Promenade	\$ 3,500,000
Bridge improvements	\$ 540,000
Roadway improvements	\$ 1,065,000
Lighting improvements	\$ 750,000
Stormwater management system	\$ 900,000
Water Distribution system	\$ 900,000
Sanitary sewer system	\$ 900,000
Public recreation off-site improvements	\$ 1,000,000
Total Estimated Costs	\$31,205,000

EXHIBIT 7

**PROPOSED TIMETABLE FOR CONSTRUCTION OF
DISTRICT IMPROVEMENTS**

	<u>Start Date</u>	<u>Completion Date</u>
Parking garage	Q2 2025	Q2 2028
Park and open spaces	Q4 2025	Q2 2028
Promenade	Q4 2025	Q2 2028
Bridge improvements	Q4 2027	Q2 2028
Roadway improvements	Q4 2027	Q2 2028
Lighting improvements	Q4 2027	Q2 2028
Stormwater management system	Q2 2025	Q2 2028
Water distribution system	Q2 2025	Q2 2028
Sanitary sewer system	Q2 2025	Q2 2028
Public recreation off-site improvements	Q2 2025	Q2 2028

EXHIBIT 16

STATEMENT OF ESTIMATED REGULATORY COSTS

1.0 Introduction

1.1 Purpose and Scope

This Statement of Estimated Regulatory Costs ("SERC") supports the petition to form the Bahia Mar Community Development District ("District"). The proposed District comprises approximately 15.98 acres of land located within the City of Fort Lauderdale (the "City"), Broward County (the "County"), Florida. The limitations on the scope of this SERC are explicitly set out in Section 190.002(2)(d), Florida Statutes (governing District formation or alteration) as follows:

"That the process of establishing such a district pursuant to uniform general law shall be fair and based only on factors material to managing and financing the service delivery function of the district, so that any matter concerning permitting or planning of the development is not material or relevant (emphasis added)."

1.2 Overview of the Bahia Mar Community Development District

The proposed District is designed to provide community infrastructure, services, and facilities along with certain on-going operations and maintenance to the Bahia Mar Community Development District. The Bahia Mar Community Development District will encompass approximately 15.98 acres. The development plan for the proposed lands within the District includes the construction of hotel, condominium units, park and open spaces, promenade, parking garage, and retail, commercial and office spaces (the "Development"). All are authorized for inclusion within the District.

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

A CDD is not a substitute for the local, general purpose, government unit, i.e., the City or County in which the CDD lies. A CDD does not have permitting, zoning or police powers possessed by general purpose governments. A CDD is an alternative means of financing, constructing, operating, and maintaining community infrastructure for planned developments, such as the proposed Development herein. The scope of this SERC is limited to evaluating the consequences of approving the proposal to establish the Bahia Mar Community Development District.

1.3 Requirements for Statement of Estimated Regulatory Costs

Section 120.541(2), Florida Statutes, defines the elements a statement of estimated regulatory costs must contain:

- (a) An economic analysis showing whether the rule¹ directly or indirectly:
 - 1. Is likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule;
 - 2. Is likely to have an adverse impact on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets, productivity, or innovation in excess of \$1 million in the aggregate within 5 years after implementation of the rule; or
 - 3. Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after implementation of the rule.
- (b) A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to be affected by the rule.
- (c) A good faith estimate of the cost to the agency, and to any other state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state and local revenues.
- (d) A good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local governmental entities, required to comply with the requirements of the rule. As used in this paragraph, "transactional costs" are direct costs that are readily ascertainable based upon standard business practices, and include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, and the cost of monitoring and reporting.
- (e) An analysis of the impact on small businesses as defined by Section 288.703, Florida Statutes, and an analysis of the impact on small counties and small cities as defined by Section 120.52, Florida Statutes. The impact analysis for small businesses must include the basis for the agency's decision not to implement alternatives that would reduce adverse impacts on small businesses.
- (f) Any additional information that the agency determines may be useful.
- (g) In the statement or revised statement, whichever applies, a description of any regulatory alternatives submitted under paragraph (1)(a) [of Section 120.541, Florida Statutes] and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule.

¹ For the purposes of this SERC, the term "agency" means City of Fort Lauderdale and the term "rule" means the ordinance(s) which the City of Fort Lauderdale will enact in connection with the creation of the District.

2.0 (a) An economic analysis showing whether the rule directly or indirectly is likely to (1) have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule; (2) have an adverse impact on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets, productivity, or innovation in excess of \$1 million in the aggregate within 5 years after implementation of the rule; or (3) increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.

It is unlikely the establishment/creation of the District will meet any of the triggers in Section 120.541(2)(a), Florida Statutes. The basis for this determination is provided in the discussions in Section 3.0 through Section 6.0 herein.

3.0 A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to be affected by the rule.

As noted above, the Development described herein is an anticipated planned community designed for up to 350 residential condominium units, 60 hotel-condominium units, a 256-key hotel, 88,000 square feet of retail and commercial uses, public improvements and related facilities, amenities, and service areas. Formation of the District would put most of these unit owners, occupants and businesses under the jurisdiction of the District. It is not anticipated that anyone outside the District would be affected by the rule creating the District.

4.0 Good faith estimate of the cost to state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state and local revenues.

4.1 Costs to Governmental Agencies of Implementing and Enforcing Rule

State Government Entities

There will be only modest costs to various State governmental entities to implement and enforce the proposed formation of the District. The District as proposed will encompass less than 2,500 acres and is wholly located in the boundaries of the City; therefore, the City is the establishing entity under 190.005(2)(e), Florida Statutes. The modest costs to various State entities to implement and enforce the proposed rule relate strictly to the receipt and processing of various reports that the proposed District is required to file with the State and its various entities. The costs to those State agencies that will receive and process the District's reports are very small, because the District is only one of many governmental units that are required to submit the various reports. Therefore, the marginal cost of processing one additional set of reports is inconsequential. Additionally, pursuant to Section 189.018, Florida Statutes, the District will be required to pay an annual fee to the State of Florida Department of Economic Opportunity, which offsets such costs.

City of Fort Lauderdale

The proposed boundaries of the District are in the City of Fort Lauderdale, Broward County, Florida. The City and its staff may process and analyze the petition, conduct hearings with respect to the petition, and the City Commission of the City of Fort Lauderdale will vote upon the petition to establish the District. These activities will absorb some resources. The City will absorb the de minimis costs to produce the record of the City Commission hearing, the transcript of the hearing, and the ordinance adopted by the City Commission.

These costs to the City are modest for a number of reasons. First, according to Chapter 190, Florida Statutes, review of the petition to establish the District does not include analysis of the project itself. Second, the petition itself provides much of the information needed for a staff review. Third, local governments already possess the staff needed to conduct the review without the need for new staff. Fourth, there is no capital required to review the petition. Fifth, the City has already reviewed and approved the development agreement for the subject property. Finally, local governments routinely process similar petitions for land uses and zoning charges that are far more complex than is the petition to establish a community development district.

The annual costs to the City because of the establishment of the District are also very small. The proposed District is an independent unit of local government. The only annual costs the City faces are the minimal costs of receiving and reviewing the various reports that the District is required to provide to the local governing authorities.

4.2 Impact on State and Local Revenues

Adoption of the proposed rule will have no negative impact on State and local revenues. The District is an independent unit of local government. It is designed to provide community facilities and services to serve the planned Development. It has its own sources of revenue. No State or local subsidies are required or expected.

In this regard it is important to note that any debt obligations incurred by the District to construct its infrastructure, or for any other reason, are not debts of the State of Florida, the City, or any other unit of local government. In accordance with State law, debts of the District are strictly its own responsibility.

5.0 A good faith estimate of the transactional costs are likely to be incurred by individuals and entities required to comply with the requirements of the ordinance.

Table 1 provides an outline of the various facilities and services the proposed District may provide. The proposed District intends to finance a parking garage, park, promenade, roadway improvements, bridge improvements, lighting improvements, stormwater management system, water distribution, sanitary sewer improvements and public recreation off-site improvements.

Table 1. Bahia Mar Community Development District Proposed Facilities and Services			
FACILITY	FUNDED BY	O&M	OWNERSHIP
Stormwater Management System	CDD	CDD	CDD
Water Distribution System	CDD	CITY	CITY
Sanitary Sewer System	CDD	CITY	CITY
Roadway Improvements	CDD	CDD	CDD
Parking garage	CDD	CDD	CDD
Park and open spaces	CDD	CDD	CDD
Promenade	CDD	CDD	CDD
Bridge improvements	CDD	CDD	CDD
Lighting improvements	CDD	CDD	CDD
Public recreation improvements (off-site)	CDD	CITY	CITY

CDD = PROPOSED COMMUNITY DEVELOPMENT DISTRICT; CITY = CITY OF FORT LAUDERDALE

The Petitioner has estimated the present design and development costs for providing the capital facilities as outlined in Table 1. The present cost estimates are shown in Table 2 below. The total present design and development costs for these facilities are estimated to be approximately \$31,205,000. The District, upon proper adoption thereof, may issue special assessments or other revenue bonds to possibly fund the development of some or all of these facilities and/or other appropriate expenditures which may be incurred by the District. These bonds would be repaid through non-ad valorem assessments levied on properties in the District that benefit from the District's capital improvement program outlined in Table 2.

Prospective future residential and business owners in the District may be required to pay non-ad valorem assessments levied by the District to secure the debt incurred through bond issuance. In addition to the levy of non-ad valorem assessments for debt service, the District may also impose a non-ad valorem assessment to fund the operations and maintenance of the District and its facilities and services. However, locating in the District by new residents/occupants is completely voluntary. So, ultimately, all owners and users of the affected property choose to accept the non-ad valorem assessments as a tradeoff for the numerous benefits and facilities that the District provides. In addition, state law requires all assessments levied by the District to be disclosed to all prospective purchasers of property within the District.

A Community Development District ("CDD") provides residents with the option of having higher levels of facilities and services financed through self-imposed charges. The District is an alternative means to finance necessary community services. District financing is no more expensive, and often less expensive, than the alternatives of a municipal service

taxing unit, a neighborhood association, City/County provision, or through developer equity and/or bank loans.

In considering these costs it shall be noted that occupants of the lands to be included within the District will receive three major classes of benefits.

First, those residents and businesses in the District will receive a higher level of public services and amenities sooner than would otherwise be the case.

Second, a Community Development District ("CDD") is a mechanism for assuring that the community services and amenities will be completed concurrently with development of lands within the District. This satisfies the revised growth management legislation, and it assures that growth pays for itself without undue burden on other consumers. Establishment of the District will ensure that these owners pay for the provision of facilities, services and improvements to these lands.

Third, a CDD is the sole form of governance which allows District owners, through owner voting and ultimately electoral voting for resident elected boards, to determine the type, quality and expense of the District services they receive, provided they meet the City's overall requirements.

The cost impact on the ultimate owners in the District is not the total cost for the District to provide infrastructure services and facilities. Instead, it may be the incremental costs above what the owners would have paid to install infrastructure via an alternative financing mechanism. Given the low cost of capital for a CDD, the cost impact to owners is negligible. This incremental cost of the high-quality infrastructure provided by the proposed District, if imposed on such owners, is likely to be fairly low.

Table 2. Summary of Estimated District Costs	
CATEGORY	COST
Parking garage	\$16,650,000
Park and open spaces	\$ 5,000,000
Promenade	\$ 3,500,000
Roadway improvements	\$ 1,065,000
Lighting improvements	\$ 750,000
Bridge improvements	\$ 540,000
Stormwater management system	\$ 900,000
Water distribution system	\$ 900,000
Sanitary sewer system	\$ 900,000
Recreational public improvements (off-site)	\$ 1,000,000
Total	<u>\$ 31,205,000</u>

6.0 An analysis of the impact on small businesses as defined by Section 288.703, Florida Statutes, and an analysis of the impact on small counties and small cities as defined by Section 120.52, Florida Statutes.

There will be little to no impact on small businesses because of the formation of the District. If anything, the impact may be positive. This is because the District must competitively bid many of its contracts. This affords small businesses the opportunity to bid on District work.

The development is located in the City. As of the 2020 U.S. Census date and estimated population in 2023, the City has population that is greater than 10,000. Therefore, the District is not located in a City that is defined as a "small" City according to Section 120.52, Florida Statutes.

7.0 Any additional useful information and description of regulatory alternatives.

The analysis provided above is based on a straightforward application of economic theory, especially as it relates to tracking the incidence of regulatory costs and benefits. Inputs were received from the Petitioner's engineer and other professionals associated with the Petitioner.

Finally, it is useful to reflect upon the question of whether the proposed formation of the District is the best alternative to provide community facilities and services to the Project. As an alternative to the District, the City could approve a dependent special district for the area, such as a special taxing district under Chapter 189, *Fla. Stat.* This alternative could finance the improvements contemplated in Table 1 in a fashion similar to the proposed District.

However, this alternative is inferior to the District. Unlike the District, the alternative would require the City to continue to administer the Project and its facilities and services. As a result, the costs for these services and facilities would not be sequestered to the land directly benefiting from them, as the case would be with the District.

A District also is preferable from a government accountability perspective. With a District as proposed, residents and lessees in the District would have a focused unit of government under their direct control. The District would be more responsive to needs without disrupting other City responsibilities.

Another alternative to the District would be for the developer to provide the Infrastructure and to use a property owners association ("POA") for operation and maintenance of community facilities and services. A District is superior to a POA for a variety of reasons. First, unlike a POA, a District has the ability to impose and collect its assessments along with other property taxes. Therefore, the District is far more assured of obtaining its needed funds than is a POA. Second, the proposed District is a unit of local government. Therefore, unlike the POA the District must abide by all governmental rules and regulations.