

**MINUTES OF MEETING
CYPRESS RIDGE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Cypress Ridge Community Development District was held Thursday, **May 11, 2023** at 1:58 p.m. at the Holiday Inn Express & Suites 2102 N. Park Rd., Plant City, Florida.

Present and constituting a quorum:

Brian Walsh	Chairman
Milton Andrade	Vice Chair
Jeff Shenefield	Assistant Secretary
Garret Parkinson	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Lauren Gentry	District Counsel, KVVW Law
Ashton Bligh <i>via Zoom</i>	Bond Counsel, Greenberg Traurig
Bob Gang <i>via Zoom</i>	Bond Counsel, Greenberg Traurig
Heather Wertz <i>via Zoom</i>	District Engineer, Absolute Engineering

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order at 1:58 p.m. and called the roll. Four Supervisors were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Burns stated that there were no members of the public present at the meeting and none joining via Zoom.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the March 9, 2023
Board of Supervisor's Meeting**

Ms. Burns presented the minutes of the March 9, 2023 Board of Supervisors meeting. She asked if there were any questions, comments or corrections. Hearing none, she asked for a motion to approve.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, the Minutes of the March 9, 2023 Board of Supervisor's Meeting, were approved.
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FOURTH ORDER OF BUSINESS**Presentation and Approval of Updated Engineer's Report dated April 2023**

Ms. Wertz stated that they had updated the previously presented engineering report for Cypress Ridge. The changes include the number of lots per phase that have been adjusted, but Phase 1 remains at 369 lots. The cost for the infrastructure construction has been updated with current pricing and the Phase 1 permit approvals have been added to the engineer's report as well as the projected dates for Phases 2 and 3 for permit approvals. The Cypress Ridge CDD is located along the west side of CR 579, south of Bishop Road. The District currently contains approximately 481.5 acres and it will consist of 1,056 single family lots, recreation/amenity areas, parks, and associated infrastructure. She stated again that Phase 1 was fully permitted, and all those permit approvals were listed. Phase 2 is expected to be permitted in January of 2024. Phase 3 is expected to be permitted in January of 2025. The infrastructure proposed improvements include the stormwater facilities, water and sewer, street lighting/conduit, road construction, parks and amenities, entry signage and features. She further explained that all of these improvements would be constructed by the District and would be financed using District bonds. She stated that the District would own, operate, and maintain the stormwater facilities, parks, entry signage and features. They will enter into a contract with TECO for the street lighting. Hillsborough County will own and maintain water and sewer utilities and the roads. The cost for the infrastructure for Phase 1 totals \$22,390,341 for 369 lots. Phase 2 includes 317 lots, and the cost of that infrastructure is \$16,444,796. Phase 3 includes 370 units, and the cost of that infrastructure is \$15,546,287. The total infrastructure cost for the entire project with 1,056 lots is \$54,381,424. She concluded her summarization of the engineer's report and stated that she would be happy to answer any questions. Ms. Gentry asked if they were expecting another final report or if this would be the final report. Ms. Wertz responded that this would be the final report.

On MOTION by Mr. Walsh, seconded by Mr. Shenefield, with all in favor, the Updated Engineer's Report dated April 2023, was approved.

FIFTH ORDER OF BUSINESS**Presentation and Approval of Supplemental Assessment Methodology for Assessment Area 1 dated April 13, 2023**

Ms. Burns stated that this assessment report allocated debt to the properties based on the benefits that each receives from the Assessment Area 1 capital improvements that Ms. Wertz reviewed in her report. Table 1 is the development plan with three product types, single family 40', single family

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50' and a single family 60'. There is a total of 369 units in this assessment area. She stated that they added the note after some discussion that a portion of the 50' lots may market as a 40' premium lot for sales purposes, but it is a 50' lot and has the 50' assessments. Table 2 showed the improvement cost estimate of \$22,390,341. Table 3 showed an estimated bond sizing of \$12,000,000. The improvement cost per unit is outlined on table 4. Table 5 showed the par debt per unit. The 40' lot was \$27,211, the 50' lot was \$34,014, the 60' lot was \$40,816. Table 6 breaks down the par debt into the net and annual gross assessment per unit. The gross annual debt assessment per unit when collected on the Hillsborough County tax bill for the 40' lot would be \$1,992 annually, the 50' lot would be \$2,490 annually, and the 60' lot would be \$2,988 annually. Table 7 showed the preliminary assessment roll, which allocates the debt by acre. There is one property owner, Clayton Properties Group, Inc., and it owns 208.37 acres. She stated that she would be happy to answer any questions that anyone has. Ms. Wertz stated that the legal hadn't been updated for the latest changes that they made. It was noted to update legal when Ms. Wertz provides the updated changes. Ms. Burns stated that they would do a final methodology as well, but they could approve this as amended to update the legal when Ms. Wertz has that to send over. She also stated that when they do the final pricing, they would make sure that is the legal that is in there.

On MOTION by Mr. Andrade, seconded by Mr. Parkinson, with all in favor, the Supplemental Assessment Methodology for Assessment Area 1 dated April 13, 2023, was approved as amended.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-01 Amended Delegation Resolution

Ms. Burns presented Resolution 2023-01 to the Board. She turned over the presentation to Mr. Gang. Mr. Gang stated that back in April 2021, they adopted a Master Bond Resolution and approved a form of a master trust indenture for an amount not to exceed \$50,000,000. He further explained that the District went ahead and validated those bonds. He explained that in December of 2021, the District started to proceed authorizing Phase 1 of a series bond of about not to exceed \$13,000,000, but then they ran into permitting problems and other delays. Now in May of 2023, they are ready to do the first series. He explained that what they have in this resolution was a series resolution authorizing not to exceed \$10,500,000, but it also repeals Resolution 2022-03 that was adopted on December 9, 2021. He explained that attached to the resolution were forms of a first supplemental indenture, bond purchase contract, a preliminary limited offering memorandum, a 15c2-12 certificate required by the SEC for deeming this preliminary limited offering memorandum final before it is used to sell bonds.

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Then, a Continuing Disclosure Agreement, which is also a requirement for secondary market information required by the SEC. He noted that section 4 of this resolution made certain statutorily required findings. He explained that the complexity of the financing, the fact that it is unrated, and it's dependent on assessments, it's appropriate for a negotiated sale through an underwriter rather than some sort of public bid that they may do for a municipal bond or something like that. He stated that the sale of the bonds would be limited to institutions and accredited investors only because it does not have an investment rating and the District will not be adversely affected if they don't do a competitive public sale. He stated that those were findings that they had to make in order to do a negotiated sale through FMS bonds. He also pointed out section 5 stating that since this was a Delegation Resolution, there had to be certain parameters for the delegation. The parameters were set forth in section 5, but the bonds are going to be subject to optional redemption and that determination would be made at the time of marketing and is most likely to be approximately 10 years. He stated that the interest rate couldn't exceed the statutory maximum in Florida. He noted that if they were selling bonds this month, the maximum interest rate for a bond without a rating would be 6.23%. He noted that this changes every month. The final maturity can't be more than 30 years. Once principal amortization starts, the underwriter spread can't be more than 2% of the bond issue. He explained that those were the requirements for passing this resolution and it repeals the prior Delegation Resolution that was passed in December of 2021.

On MOTION by Mr. Andrade, seconded by Mr. Parkinson, with all in favor, Resolution 2023-01 Amended Delegation Resolution, was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Series 2023 Assessment Area One Ancillary Documents

A. True-Up Agreement

Ms. Gentry stated that this agreement provided that if there are platted less than the anticipated number of ERUs, then a True-Up payment would be due for the assessments that couldn't be allocated to those units.

B. Collateral Assignment Agreement

Ms. Gentry stated that this agreement provided for assignment of the development rights to the Phase 1 property in the event that there is a default in the payment of those bonds or in the payment of a True-Up payment.

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C. Completion Agreement

Ms. Gentry stated that this agreement provided for completion of the Phase 1 project or Assessment Area One project over and above the amounts that were funded by the bond proceeds.

D. Acquisition Agreement

Ms. Gentry stated that this agreement provided the procedures by which the District could acquire improvements, real property, or work product that were completed and funded by the developer prior to the bond issuance.

E. Declaration of Consent

Ms. Gentry stated that they had a declaration of consent that would be signed by the landowner to declare their consent to all the proceedings that have happened up to this point. She noted that this consent would be reported in the public records.

F. Notice of Imposition of Special Assessments

Ms. Gentry stated that they had a notice of imposition of special assessments that would be recorded once the assessment lien is finalized, which would also be reported in the public records.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the Series 2023 Assessment Area One Ancillary Documents, were approved in substantial form.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2023-02 Approving the Proposed Fiscal Year 2023/2024 Budget (Suggested Date: July 13, 2023) and Setting the Public Hearing to Adopt the Fiscal Year 2023/2024 Budget

Ms. Burns presented Resolution 2023-02 to the Board. She stated that this budget was developer funded. She explained that based on the development timelines, they included a small field contingency as well as a line item for property insurance.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, Resolution 2023-02 the Proposed Fiscal Year 2023/2024 Budget and Setting the Public Hearing to Adopt the Fiscal Year 2023/2024 Budget for July 13, 2023, was approved.

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NINTH ORDER OF BUSINESS

**Consideration of Resolution 2023-03
Authorizing Bank Account Signatories**

Ms. Burns presented Resolution 2023-03 to the Board. She stated that this resolution authorizes the officers listed to sign for the bank account.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, Resolution 2023-03 Authorizing Bank Account Signatories, was approved.

TENTH ORDER OF BUSINESS

**Consideration of Resolution 2023-04
Appointing a Treasurer and Assistant
Treasurer**

Ms. Burns presented Resolution 2023-04 to the Board. This resolution adds Darrin Mousing to the list of current signers.

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, Resolution 2023-04 Appointing a Treasurer and Assistant Treasurer, was approved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Gentry had nothing to report to the Board.

B. Engineer

Ms. Wertz had nothing to report to the Board.

C. District Manager’s Report

i. Approval of Check Register

Ms. Burns stated she had approval of the check register in the amount of \$7,479.57. She asked for any questions on the check register.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the Check Register in the amount of \$7,479.57, was approved.

ii. Balance Sheet & income Statement

Ms. Burns noted financial statements were included in their package and asked for any questions on those. She stated there was no action necessary.

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TWELFTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being no comments, the next item followed.

FOURTEENTH ORDER OF BUSINESS

Adjournment

Ms. Burns adjourned the meeting.

On MOTION by Mr. Andrade, seconded by Mr. Shenefield, with all in favor, the meeting was adjourned.

Jill Burns

Secretary/Assistant Secretary

Brian Walsh

Chairman/Vice Chairman