

History & Evolution of The Groves Community Development District

August 1997 - The 446 acres that constitute The Groves was purchased by Florida Dream Communities (hereinafter "FDC") from the Conner family. The initial zoning and permitting process pertaining to the anticipated 755 lots at The Groves commenced in 1998 and continued through October 1999.

November 1999 - Construction of Phase I consisting of 320 lots, the Clubhouse, 10 holes of the 18 hole Executive Golf Course, the Gate House, and other community amenities began.

January 2000 - Pre-sales of new homes began.

May 31, 2000 - A petition dated May 24, 2000 to establish The Groves Community Development District (A Master Planned Unit Development - MPUD) was submitted to the Pasco County Board of Supervisors. The petitioner was Florida Dream Communities, a Florida Corporation with its offices at 4710 Land O Lakes, Blvd., Land O Lakes, FL 34639. The land area of the proposed district was 446.03 acres containing 755 residential units.

July 19, 2000 - The Growth Management/Zoning Department of Pasco County recommended approval of said petition to the BOCC and directed its staff to set a public hearing date for adoption of the ordinance on August 15, 2000.

August 15,2000 - Ordinance Number 00-14 to establish The Groves Community Development District (hereinafter "the CDD") was adopted by the Pasco County BOCC. (Effective with filing August 22, 2000)

The CDD Organization

The Groves Community Development District is organized as any other local government in Florida; the legislative body is composed of a five-member board known as Supervisors. The primary function of the Board is to plan, finance, construct, operate and maintain the community-wide infrastructure and services of the district, specifically for the benefit of its residents. It is the responsibility of the board to conduct the business of the district in accordance with applicable laws and regulations which are set forth in Chapter 190 of the Florida Statutes. To assist them with these responsibilities the board must hire a District Manager, a District Engineer, and a District Counsel. It is the responsibility of this staff to administer the operations of the District and to implement the Board's policies and contracts.

At the initial board meeting of the CDD held September 5, 2000, Rizzetta & Co., was appointed District Manager, District Agent and District Financial Advisor. Pete Williams, an employee of Rizzetta & Co., was appointed District Secretary. Since then several different employees of Rizzetta & Co., have held this position. It is currently held by Nils Hallberg. The District Manager functions for the district much as the County Administrator functions for the county.

The firm of Akerman, Senterfitt & Edison, PA., was appointed District Counsel with Attorney Mark Straley as their representative, and Bond Counsel, with Mike Williams from their Orlando Office representing them. Mark Straley and Mike Williams subsequently formed their own legal firm and with the addition of Tracy Robin continued to serve in the District. Mike Williams subsequently left the partnership and today Mark Straley and Tracy Robin are our District Counsel.

The firm of Landmark Engineering and Surveying Corporation was appointed as District Engineer at the board meeting of November 7, 2000. Represented by Everett Morrow, they continue to serve our community today.

The firm of Prager, McCarthy & Sealy was appointed as the District Investment Banker and the Bank of America was designated as the District Depository.

Establishment of the first Board of Supervisors

On September 5, 2000, the initial meeting of the CDD was held in accordance with the Florida Statutes that dictate that within 90 days following the effective date of the ordinance establishing the district, a meeting of the landowners shall be held for the purpose of electing five (5) supervisors for the district. Each landowner was entitled to cast one vote per acre of land owned by him or her located within the district for each person to be elected. A fraction of an acre (or building lot) was treated as one acre. The two candidates receiving the highest number of votes were elected for a period of 4 years, and the three candidates receiving the next highest number of votes were elected for a period of two years. This process assures the community of a certain continuity of management as Board members change through future elections.

The first elected Board of Supervisors consisted of Bob Brown, Chrm., Scott Brown, V-Chrm., Leslie Heron, Tad Yeatter and Randy Henderson, all Assistant Secretaries.

From November 7, 2000, the date of the initial Landowners Election, to November 4, 2004 the Board continued to be filled by the developer and those they appointed or elected through Landowner's elections. In November 2004, Don Pratt was the first resident elected to the Board, for a two year term.

September 5, 2000 - The Board of Supervisors of the CDD adopted Resolution 00-19 approving the issuance of revenue bonds.

November 2000 - The Clubhouse and the first nine holes of the golf course were opened and the HOA became the legal owner of that portion of the golf course. The HOA did not purchase the golf course. FDC simply deeded the property to the HOA via a number of deeds that are a matter of public record.

As of November 1, 2000 the majority of the infrastructure of Phase I had been completed at a cost of approximately \$8,750,000. The other phases had not been designed or "permitted" at that time. The initial funding for the construction cost of the infrastructure was obtained by FDC through construction loans from a lending institution.

December 1, 2000 - A Master Trust Indenture was signed between the CDD and SunTrust Bank, a Georgia banking corporation whereby Sun Trust Bank became Trustee for the two revenue bonds created that same day.

The **Series 2000A** revenue bond in the amount of \$1,825,000, carries an interest rate of 7.75% and matures May 1,2032. That bond is paid pursuant to an annual \$225 non-ad valorem tax assessment on each property in The Groves. The funds were used to build the clubhouse, the tennis and bocce ball courts, the dog and butterfly parks, the fishing hole walkways, etc.

The **Series 2000B** revenue bond in the amount of \$18,295,000, also carries an interest rate of 7.75% and matures May 1,2008. That bond is paid incrementally as each home is sold and closed and is anticipated to be paid in full May 1, 2007. The funds were used to build the infrastructure of our community, such as the roads and storm water drains, the lift stations and sewage system and to do the initial grading for the lots and all the aforementioned. Also, from the revenue generated by the issuance of these bonds, FDC was reimbursed the \$8,750,000 it had incurred as development expenses for Phase I.

April 2001 - The first homeowners moved in.

November 2001 - The Groves Grill opened.

November 2003 - The back nine holes of the golf course opened.

October 2004 - The Master Development Plan was amended to increase the total number of living units from 750 to 755, to reconfigure the development of Pods B-1 and B-2, and to approve the sale of alcoholic beverages for the entire golf course with mobile refreshment carts.

November 2004 - Don Pratt was the first resident elected (to a two year term) to the CDD Board at the landowner's election.

October 2005 - The remaining golf course holes were deeded over to the HOA after the Phase IV plat was recorded. The reason for the delay was the creation of the legal description of the golf course property which was more easily done by waiting for the plat of Phase IV to be done, and then subtracting its tracts from the other tracts in Phase IV.

Bob Brown indicated that all the lots in The Groves had been "sold" and that he anticipated the construction of those homes would be completed in November 2006.

August 2006 - Bob Brown announced that 90% of the homes had been closed, triggering the 90 day management turnover to residents. A transition committee was formed to track this progress and to consider Property Management firms when FDC turns management over to us. CDD approved creation of HOA/CDD Cost Sharing Agreement for property management services.

September 2006 – Greenacre Properties, Inc. was selected by the HOA Board of Directors to be our Property Manager effective on/around November 1st. The HOA Board announced that Susie and Steve Brown would be resigning from the board effective in November and that two residents would be appointed to serve out their term of office. The terms of office for current Board of Supervisors Bob Brown, Steve Brown and Don Pratt are to expire November 7th. Don Pratt qualified, unopposed, to return to his supervisor's position and resident Dave Colflesh qualified, unopposed, to fill the position of Steve Brown effective November 21st. Bob Brown announced he will not stand for re-election at the November 7th Landowners Election. Resident Bill Anderson indicated he would run for election to that position. When Susie Brown and George Schwappach resign their seats, two residents from those indicating interest in these positions will be selected to complete the remaining two years of the terms of those resigning.

Transition of Board Supervisors to Qualified Electors(Residents)

After the 6th year, once a district reaches 250 qualified electors, then the positions of the two board members whose terms are expiring shall be filled by qualified electors of the district, elected by the qualified electors of the district for 4-year terms. The remaining board member whose term is expiring shall be elected for a 4-year term by the landowners and is not required to be a qualified elector. Once a district qualifies to have any of its board members elected by the qualified electors of the district, the initial and all subsequent elections by the qualified electors of the district shall be held at the general election in November.

November 2006 – In November 2006, three (3) supervisor's terms expired and their seats were up for election. At the Landowners Election Bill Anderson won Seat #1 previously held by Bob Brown. Seats #2 and #3, currently held by Steven Brown and Don Pratt respectively were filled by residents qualifying to be put on the ballot at the General Election. By virtue of their qualifying for election to CDD Supervisor seats at the general election November 7th, and having no competition, Don Pratt and Dave Colflesh were each duly elected to a four year term on the CDD Board of Supervisors.

December 2006 - All newly elected supervisors were sworn in at the December 5th meeting. In addition Susie Brown's resignation became effective and resident Don Osborn was appointed to serve out the remaining two years of her term. Mr. Osborn was also sworn in at this meeting. The only non-resident Supervisor currently serving on the board is George Schwappach, an employee of Florida Dream Communities. His term expires in November 2008.

April 2007 – A three hour supervisors Training Workshop was conducted by Pete Williams of Rizzetta & Co., on April 26th. All the supervisors attended this workshop.

May 2007 – George Schwappach resigned his Supervisor position and Jane Thompson was appointed by the board to complete George's term of office.

JULY 2007 – Discussion about the benefits of refinancing our “A Bond” began. The in effect interest rate on the bond was 7.75% and interest rates were dropping. That factor plus the community being built-out created a good opportunity to reduce the interest rate and either shorten the term of the bond or getting additional funds for capital improvements.

September 2007 - Refinancing of the “A Bond” was completed at an interest rate of 5.47%, netting the CDD approximately \$215,850 for capital improvements while decreasing the bond payment for each property owner \$21 per year and maintaining the same maturity of the original bond. A prospective list of capital improvements to be made was developed in a public meeting with the input of residents.

CDD Operations

The CDD has an annual operations budget for carrying out its responsibilities to the residents. This budget is initially developed by the District Manager in the second quarter of the year and is generally larger than the final budget because it has to be submitted to the county prior to July 1st. This budgeted amount appears on the County’s **TRIM Notices** mailed out in August. However, subsequent to July 1st, the District holds two workshops where the budget is fine tuned by the Supervisors and subsequently discussed with the residents. Only the CDD Board of Supervisors votes to approve or reject the budget. This is the actual budget that is billed to us by Mike Wells, Pasco County Property Appraiser, in early November. This budget is divided by 765, the number of residential lots in our development (755) plus 10 allotted to the golf course, and assessed to all landowners as a non-ad valorem tax on their Pasco County Property Tax Bill, together with the aforementioned \$225 per lot bond amortization. .

Issues of Concern and Interest to All Residents

1. **The management of our surface water system** “No owner of property within the subdivision may construct or maintain any building, residence or structure, or undertake or perform any activity in the wetlands, wetland mitigation areas, buffer areas, upland conservation areas and drainage easements described in the approval permit and recorded plat of the subdivision, without prior approval from the Brooksville Regulation Department of the Southwest Florida Water Management District”, as stated in your Deed Restrictions.

That being said, meetings with SWFWMD to ascertain the dos and don’ts of maintaining the overgrowth of exotic and obnoxious plants along the rim ditches and ponds in our

community has resulted in our permission to;

Cut and remove the various bushes along the rim ditch on the south side of Nectarine Place.

Cut and remove the cattails along the edge of Pond "F" bordering Red Blush and Sanguinelli homes.

Cut and remove cattails in Pond 3B adjacent to Jaffa Lane.

Cut and remove cattails and willows growing along the other rim ditches, including those on the perimeter of the golf course.

The use of herbicides to control the growth or removal of obnoxious weeds is frowned on and can only be done by licensed Ecological Contractors with specific approval from SWFWMD.

2. **The Fishing Hole.** SWFWMD has approved an Ecological Contractor to control the water surface plant growth around the fishing hole dock area by spraying them with ecologically approved herbicides. This allows our residents and their guests to throw a line in the fishing area without getting their line tangled in the aquatic growth.

3. **Our Streets and Roads.** Some residents have voiced concern over what they perceive to be premature deterioration of some of our streets and roads. Documentation from our District Engineer and the Engineering Department of Pasco County attests that our streets and roads were constructed at standards in excess of those required by the county.

4. **Buffering US 41.** Beginning in 2004, residents of Berna Lane and Nectarine Place showed concern over the noise emanating from the traffic on US 41. When it was ascertained that neither our developer nor the State planned on constructing any sort of noise buffer along the western edge of our community, the CDD approved the planting of viburnum along the fence to give us a visual buffer when the road is widened and the existing trees along there are cut down and removed. This was implemented in December 2005..

5. **CDD Management Transition** In the 6th year of our being, management control of the CDD transitioned to the residents. Supervisors Don Pratt and Dave Colflesh worked diligently to ascertain to the best of their knowledge that the CDD's assets and the documentation pertaining to the CDD were properly turned over to resident board.

6. **Ingress and Egress** – Access into and out of our community has become more difficult as other communities and subdivisions are developed to our north. Additionally, the building of a Publix and other commercial buildings just north of our main entrance has added to the traffic counts in our area. To help alleviate these conditions the state and

county approved the installation of a traffic light at the intersection of Pleasant Plains Parkway (the south entrance into Connerton) and US 41. The county also approved, and required, that a second entrance to our community be constructed at the end of Diamonte Drive where it intersects with Pleasant Plains Parkway. Gates controlling this entrance for residents only were installed and made operative November 1, 2007.

Where You Can Learn More

You can learn more about our CDD and its operations by attending the monthly meetings held in the Clubhouse on the first Tuesday of each month. Some meetings are held at 10:00 a.m. and some at 6:30 p.m. The notice of our meetings is posted on the bulletin board along with the published agendas.

You can also find additional information on the following web sites:

www.thegrovescdd.org

and

www.thegrovesfl.com