

MINUTES OF MEETING

CROSS CREEK COMMUNITY DEVELOPMENT DISTRICT BOARD OF SUPERVISORS MEETING

Monday, August 25, 2020

11:00 A.M.

Via telephonic conferencing due to the COVID-19 Executive Order 20-179

Board Members Present:

Connor Chambers	Vice Chairperson	(via phone)
Kathy Beccia	Assistant Secretary	(via phone)
Chris Chavez	Assistant Secretary	(via phone)

Also present were:

Vivian Carvalho	District Manager- PFM Group Consulting, LLC	(via phone)
Venessa Ripoll	PFM Group Consulting, LLC	(via phone)
Amy Champagne	PFM Group Consulting, LLC	(via phone)
Andy Cohen	District Counsel- Persson Cohen & Mooney, P.A.	(via phone)
Geoffrey Jonsson	Medallion Homes	(via phone)

FIRST ORDER OF BUSINESS

Organizational Matters

Call to Order and Roll Call

The Board of Supervisors Meeting was called to order at 11:06 a.m. and Ms. Carvalho proceeded with roll call. Board Members in attendance was Charlie Tokarz, Connor Chambers, Kathy Beccia, and Chris Chavez via phone.

SECOND ORDER OF BUSINESS

Continuance

Ms. Carvalho requested a motion to continue the Cross Creek's meeting to today August 25, 2020 at 3:30 p.m. at the same hyperlink contact information that was provided for the 11:00 a.m. meeting.

On MOTION by Ms. Chambers, seconded by Ms. Holeman, with all in favor, the Board continued the meeting to August 25, 2020 at 3:30 p.m. with the same call in information provided previously.

MINUTES OF MEETING

CROSS CREEK COMMUNITY DEVELOPMENT DISTRICT CONTINUED BOARD OF SUPERVISORS MEETING

Monday, August 25, 2020

3:30 PM

Via telephonic conferencing due to the COVID-19 Executive Order 20-179

Board Members Present:

Charlie Torkarz	Chairman	(via phone)
Connor Chambers	Vice Chairperson	(via phone)
Kathy Beccia	Assistant Secretary	(via phone)
Chris Chavez	Assistant Secretary	(via phone)

Also present were:

Vivian Carvalho	District Manager- PFM Group Consulting, LLC	(via phone)
Venessa Ripoll	PFM Group Consulting, LLC	(via phone)
Amy Champagne	PFM Group Consulting, LLC	(via phone)
Kevin Plenzler	PFM Financial Advisors, LLC	(via phone)
Andy Cohen	District Counsel- Persson Cohen & Mooney, P.A.	(via phone)
Geoffrey Jonsson	Medallion Homes	(via phone)
Charlie McHenley	Medallion Homes	(via phone)
Tabby Callis	Medallion Homes	(via phone)
Various Audience Members Present via phone		(via phone)

FIRST ORDER OF BUSINESS

Organizational Matters

Call to Order and Roll Call

The Board of Supervisors Meeting was reconvened 3:37 p.m. and Ms. Carvalho proceeded with roll call. Board Members in attendance was Charlie Tokarz, Connor Chambers, Kathy Beccia, and Chris Chavez via phone.

Public Comment Period

Ms. Carvalho noted the Public Comment Period will be only during the budget section and each member of the public is limited to two minutes and then staff will move on to the next person.

Discussion regarding Executive Order 20-179

Ms. Carvalho explained per Executive Order 20-179 this meeting can be conducted virtually and any decisions the Board takes today will be ratified at a future in person meeting.

SECOND ORDER OF BUSINESS

General Business Matters

Public Hearing on the Adoption of the District's Annual Budget & Imposing of Special Assessments

- a) Public Comments and Testimony**
- b) Board Comments**
- c) Consideration of Resolution 2020-05, Adopting the Fiscal Year 2021 Budget and Appropriating Funds**

Mr. Cohen noted this Public Hearing is related to the Budget as well as all issues related to assessments. Ms. Carvalho requested a motion to open the Public Hearing.

On MOTION by Mr. Tokarz, seconded by Mr. Chambers, with all in favor, the Board opened the Public Hearing.

Ms. Silvia stated that Mr. Beruff told her husband as more homes would be built the CDD fees would reduce because more people would be contributing to assessments, but assessments have increased. She asked why the CDD fees have increased for the third year in a row and where the money is going.

Mr. Plenzler explained how an Assessment Methodology is derived. Mr. Cohen explained with regard to an Assessment Methodology Chapter 170 has two requirements. Properties assessed must receive a special benefit from the improvement paid for and the assessments must be fairly and reasonably allocated to the properties being assessed. There are several ways to do a methodology if those requirements are met.

Ms. Silvia asked if its fair to take fees off empty lots and add them to each homeowner. She also asked what benefit they are getting for the additional \$1,000.00 assessment.

Ms. Carvalho explained the Operations and Maintenance Budget is increasing because there are certain areas of the budget which was discussed in pervious meetings that were part of the HOA Budget which should have been part of the CDD all along. Fiscal Year 2021 will transfer some of those obligations to the CDD. The Assessment Methodology and the Budget are increasing which is why the residents' assessments are increasing.

Mr. Jay stated for the residents who purchased the lots based on the tax amount calculated from a front frontage they were told the CDD tax amount would be calculated by the lot size and his purchase was part of the decision making information. He is opposed to the Board of Supervisors changing the methodology after his purchase and

believes the only reason this is happening is because Mr. Beruff cannot sell the lots in the development. He also asked to be shown where there is a record of this being a fair practice and asked Mr. Cohen to send it to him. Ms. Carvalho noted Mr. Cohen was referring to the Florida Statute. Mr. Cohen noted he was referring to a case. Mr. Cohen stated that there are different ways to do an Assessment Methodology and it must meet the requirements of Chapter 170 of the Florida Statutes. The Board hired Mr. Plenzler who informed the Board in his opinion that it meets those requirements. Mr. Cohen read the case he previously referred to.

Mr. Kloby asked about the process for determining the HOA decrease to offset the funds going into the CDD. Ms. Carvalho stated the Finance Committee within the HOA has been working on that in conjunction with Mr. Tokarz and the HOA Manager but she does not have the specific numbers but the HOA Manager can reach out to the homeowner with the specific information.

Ms. Abrams noted her questions are being addressed by other residents.

Ms. Litwin commented on the change to the methodology and does not think its fair. Ms. Carvalho stated from year to year the Board reviewed the Budget and the Assessment Methodology. This is an assessment based on the conditions of the property at this point in time. Ms. Carvalho offered to have a discussion with her outside of the Board meeting regarding the change in the Methodology.

Mr. Allen agreed with the other residents. He does not think the builder is paying their fair share of the lots and the CDD is supposed to represent the homeowners and he is against the Budget and the changes. He does not want the CDD helping the builder.

Ms. Johnson stated she joined the meeting late and asked for the reason for the change in the Methodology. Mr. Plenzler stated the nature of the change was with respect to direction from the Board when treating an allocation for assessment instead of allocating on a front footage the change was to allocate to lots with COS vs. lots without COS. He has done this in other District and treated vacant acres differently than platted lots with units based on those elements and that methodology was applied at the direction of the Board and allocated accordingly based on what he believes would be a fair and reasonable allocation of assessment meeting all the guidance of Chapter 170. It was based on the timing of where the development was with respect to how the lots were developed to date. Ms. Johnson asked how the change is fair and reasonable. Ms. Carvalho stated the Board already addressed this and Mr. Plenzler outlined that is how the Assessment Methodology is derived. The Board looks at the Budget year to year based on what needs to be maintained by the District. Ms. Carvalho asked the resident to reach her via email if she has any other questions.

Homeowner asked how the assessments are fair and reasonable. She noted when she came into the community there was no CDD fee and now its \$1,600.00 and noted there will be a lot of residents moving out. Mr. Cohen stated he previously quoted case law, the District has an Assessment Methodology prepared by an expert that the Board is relying upon, and the Board is hearing all the comments. At the end of the Public Hearing it will be up to the Board if they want to make any changes or not with regards to the budget. If the Board gives him direction to add any additional information he will be glad to respond.

Ms. Burlison commented that she opposed the Budget and is curious why the CDD would go down as more houses were built and yet they have more than doubled. When she moved in there were signs everywhere that there were no CDD fees. She asked about the plans to reduce the CDD fees as promised to residents by Mr. Beruff. The Assessment Methodology and the Budget are reviewed every year. This budget is taking into consideration all the obligations the District has responsibility to maintain.

Mr. Anderson opposed the new Budget and asked when the residents can vote the Board away. Ms. Carvalho explained the District must adhere to Florida Statute which outlines for 250 registered voters living in the District as well as 6 years of existence. This District has established its 6 years but there not yet 250 registered voters living in the District. In 2022 will be the first year where two Board seats that are currently Landowner/Developer controlled will be transitioned to the General Election and Homeowner control assuming 250 registered voters is met.

Mr. Anderson state his income is drastically reduced due to the pandemic and asked if the residents will have to foreclose if their payment goes up another \$200.00 per month. Ms. Carvalho noted the O&M Budget is based on all contractual obligations the District has to maintain.

A resident stated if the Methodology was not changed the non CO lots would be contributing enough to cover the Budget.

Ms. Barber stated she and her husband are opposed to the Budget increase. They purchased the home in December 2019 because there were no CDD fees and thinks it will hurt the sale of homes and residents.

Mr. Cohen suggested a motion to close the Public Hearing and then the Board can discuss the Budget if there no additional comments.

On MOTION by Mr. Tokarz, seconded by Mr. Chambers, with all in favor, the Board closed the Public Hearing.

Mr. Cohen stated now is the Board's opportunity after hearing from members of the public to have any discussion regarding the Budget, assessments, and any changes they would like to see. After the discussion is concluded there are three resolutions to consider. There were no questions from the Board so Ms. Carvalho requested a motion from the Board to approve Resolution 2020-05, as presented.

On MOTION by Mr. Tokarz, seconded by Mr. Chambers, with all in favor, the Board approved Resolution 2020-05, Adopting the Fiscal Year 2021 Budget and Appropriating Funds with a Total Net Revenue of \$347,779.00.

Consideration of Resolution 2020-06, Equalizing the O&M Special Assessments

Ms. Carvalho requested a motion to approve Resolution 2020-06, as presented. Mr. Cohen stated this Resolution approves the changing of assessments and revised methodology.

On MOTION by Ms. Tokarz, seconded by Mr. Chambers, with all in favor, the Board approved Resolution 2020-06, Equalizing the O&M Special Assessments.

Consideration of Resolution 2020-07, Imposing Special Assessments and Certifying an Assessment Roll

Mr. Cohen stated this Resolution certifies the assessments and the necessary steps for PFM to work with the Tax Collector in certifying an Assessment Roll.

On MOTION by Mr. Tokarz, seconded by Mr. Chambers, with all in favor, the Board approved Resolution 2020-07,

THIRD ORDER OF BUSINESS

Other Business

Staff Reports

District Counsel- No Report

District Engineer- N/A

District Manager- Ms. Carvalho stated the next meeting is scheduled for September 22, 2020 and District staff will work with the Chair if the meeting needs to be held. The Board will consider the Fiscal Year 2021 Calendar during that meeting and the calendar invites will go out after the Annual Meeting Schedule is approved.

FOURTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Mr. Batal stated he got caught off during the public hearing and was unable to speak. Ms. Carvalho apologized and asked him to send her an email with his comments.

FIFTH ORDER OF BUSINESS

Adjournment

There was no other business to discuss, Ms. Carvalho requested a motion to adjourn the meeting.

On MOTION by Ms. Beccia, seconded by Mr. Tokarz, with all in favor, the Board adjourned the August 25, 2020 Continued Board of Supervisors Meeting for Cross Creek Community Development District at 4:19 p.m.

Vanessa Repel
Secretary/Assistant Secretary

Charles J. Phay
Chairperson/Vice Chairperson