

**HAWTHORNE MILL  
NORTH**

**COMMUNITY DEVELOPMENT  
DISTRICT**

**March 9, 2022**

**BOARD OF SUPERVISORS**

**REGULAR MEETING**

**AGENDA**

# Hawthorne Mill North Community Development District

## OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

March 2, 2022

Board of Supervisors  
Hawthorne Mill North Community Development District

Dear Board Members:

The Board of Supervisors of the Hawthorne Mill North Community Development District will hold a Regular Meeting on March 9, 2022 at 9:30 A.M., at the Ramada by Wyndham Davenport Orlando South, 43824 Highway 27, Davenport, Florida 33837-6808. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments

### GENERAL DISTRICT ITEMS

3. Administration of Oath of Office to Supervisor Chris Tyree (*the following will be provided in a separate package*)
  - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
  - B. Membership, Obligations and Responsibilities
  - C. Financial Disclosure Forms
    - I. Form 1: Statement of Financial Interests
    - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
    - III. Form 1F: Final Statement of Financial Interests
  - D. Form 8B: Memorandum of Voting Conflict
4. Consideration of Resolution 2022-07, Designating the Primary Administrative Office and Principal Headquarters of the District and Providing an Effective Date
5. Consideration of Stormwater Management Needs Analysis Proposal
6. Presentation/Consideration of Bond Financing Related Matter
  - A. Engineer's Report
  - B. Master Special Assessment Methodology Report

### ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

- C. Resolution 2022-25, Declaring Special Assessments; Designating the Nature and Location of the Proposed Improvements; Declaring the Total Estimated Cost of the Improvements, the Portion to be Paid By Assessments, and the Manner and Timing in Which the Assessments are to be Paid; Designating the Lands Upon Which the Assessments Shall be Levied; Providing for an Assessment Plat and a Preliminary Assessment Roll; Addressing the Setting of Public Hearings; Providing for Publication of this Resolution; and Addressing Conflicts, Severability and an Effective Date
- 7. Acceptance of Unaudited Financial Statements as of January 31, 2022
- 8. Approval of February 9, 2022 Public Hearings and Regular Meeting Minutes
- 9. Staff Reports
  - A. District Counsel: *KE Law Group, PLLC*
  - B. District Engineer [Interim]: *Dewberry Engineers, Inc.*
  - C. District Manager: *Wrathell, Hunt and Associates, LLC*

- NEXT MEETING DATE: April 13, 2022 at 9:30 A.M.

- QUORUM CHECK

CHRIS TYREE	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
MARY MOULTON	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
BILL FIFE	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
COURTNEY POTTER	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
JC NOWOTNY	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

- 10. Board Members' Comments/Requests
- 11. Public Comments
- 12. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (561) 346-5294.

**FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE**

**CALL-IN NUMBER: 1-888-354-0094**

**PARTICIPANT PASSCODE: 801 901 3513**

Sincerely,

*Cindy Cerbone*

Cindy Cerbone  
 District Manager

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

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**RESOLUTION 2022-07**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT DESIGNATING THE PRIMARY ADMINISTRATIVE OFFICE AND PRINCIPAL HEADQUARTERS OF THE DISTRICT AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the Hawthorne Mill North Community Development District (“**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*; and

**WHEREAS**, the District desires to designate its primary administrative office as the location where the District’s public records are routinely created, sent, received, maintained, and requested, for the purposes of prominently posting the contact information of the District’s Record’s Custodian in order to provide citizens with the ability to access the District’s records and ensure that the public is informed of the activities of the District in accordance with Chapter 119, *Florida Statutes*; and

**WHEREAS**, the District additionally desires to specify the location of the District’s principal headquarters for the purpose of establishing proper venue under the common law home venue privilege applicable to the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT:**

**1. PRIMARY ADMINISTRATIVE OFFICE.** The District’s primary administrative office for purposes of Chapter 119, *Florida Statutes*, shall be located at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

**2. PRINCIPAL HEADQUARTERS.** The District’s principal headquarters for purposes of establishing proper venue shall be located at the offices of \_\_\_\_\_, and within the City of Lakeland, Polk County, Florida.

**3. EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

**HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chair/Vice Chair, Board of Supervisors

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**5**

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**6A**

REFERENCE NO. 50138736

HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT  
DISTRICT ENGINEER'S REPORT

MARCH 3, 2022



**SUBMITTED BY**

Dewberry Engineers Inc.  
800 N. Magnolia Avenue  
Suite 1000  
Orlando, Florida 32803  
Phone: 407.843.5120

**SUBMITTED TO**

Hawthorne Mill North CDD  
c/o Ms. Cindy Cerbone  
Wrathell, Hunt and Associates, LLC  
2300 Glades Road #410W  
Boca Raton, Florida 33431  
Phone: 561.571.0010



# Engineer's Report

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DRAFT

## 1. INTRODUCTION

The purpose of this report is to provide a description of the capital improvement plan (“CIP”) and estimated costs of the CIP for the Hawthorne Mill North Community Development District (“District”), as well as the first phases of the CIP known as the “2022 Project.”

## 2. General Site Description

The proposed District is located entirely within the City of Lakeland, Florida, and includes approximately 289.07 acres of land. **Exhibit 1** depicts the general location of the project. The site is generally located approximately one-half mile east of County Line Road, on the south side of West Pipkin Road, north of Ewell Road, and west of the River Stone Community.

The metes and bounds sketch and description of the external boundary of the proposed District is set forth in **Exhibit 2**.

## 3. Proposed Capital Improvement Project and 2022 Project

The CIP is intended to provide public infrastructure improvements for the lands within the District, which is planned for 825 residential units. The 2022 Project, as the first phase of the CIP, will provide public improvements for the first 720 residential units. The proposed site plan for the District and the 2022 Project (Phases 1-2) is attached as **Exhibit 3**, and this plan enumerates the proposed lot count, by type, for the District.

The tables shown below depict the planned product types and land uses in **Table 1** and **Table 2** for the District respectively.

Table 3.1

Hawthorne Mill North Planned Product Types			
PRODUCT TYPE	UNITS FOR 2022 PROJECT (PHASES 1 3)	UNITS FOR FUTURE PROJECTS (PHASE 4)	TOTAL UNITS (PHASES 1 4)
40' x 120 LOTS (30%)	170	64	234
50' x 120 LOTS (53.0%)	286	41	327
60' x 120 LOTS (17.0%)	84	-	84
20' TOWNHOMES	180	-	180
<b>TOTAL</b>	<b>720</b>	<b>105</b>	<b>825</b>

Table 3.2

Hawthorne Mill North Land Uses	
LAND USE	ACREAGE
Lot Development	106.45
Roads	42.19
Common Areas	16.00
Stormwater Ponds	71.59
Conservation Areas	52.84
<b>TOTAL</b>	<b>289.07+/-</b>

The CIP infrastructure includes:

### 3.1 Roadway Improvements

The CIP includes subdivision roads within the District. Generally, roadways will be 2-lane undivided roads. Such roads include the roadway asphalt, base and subgrade, roadway curb and gutter, striping and signage, and sidewalks within the right-of-way abutting non-single-family lot lands. Sidewalks abutting lots will be constructed by the homebuilders. Roadways will be designed in accordance with standards outlined in Appendix A of the City of Lakeland Land Development Code.

Internal roadways may be financed by the District and dedicated to the City of Lakeland for ownership, operation, and maintenance. Alternatively, the developer may elect to finance and gate the internal roads and convey those roads to a homeowner's association for ownership, operation, and maintenance (in such an event, the District would be limited to financing only utilities, conservation/mitigation, and stormwater improvements behind such gated areas).

### 3.2 Stormwater Management System

The stormwater collection and outfall systems are a combination of roadway curbs, curb inlets, pipe, control structures, and open lakes designed to treat and attenuate stormwater runoff from District lands. The stormwater system within the project discharges to 13 retention ponds. The stormwater system will be designed consistent with the criteria established by the Southwest Florida Water Management District (SWFWMD) and the City of Lakeland for stormwater and floodplain management systems. It is anticipated that the District will finance, own, operate, and maintain the stormwater systems, with the exception that the city will own, operate, and maintain the inlets and storm sewer pipes within the city's right-of-way.

### 3.3 Water and Wastewater

As part of the CIP, the District intends to construct and/or acquire potable water and wastewater infrastructure for the development. **Exhibit 4** displays both the offsite connections for water and wastewater for the CIP and the anticipated onsite utilities to be constructed.

The on-site water supply improvements include watermains located within the right-of-way and used for potable water service and fire protection. There are two tie-in connection points from an existing 12-inch watermain (offsite) that runs parallel within West Pipkin Road right-of-way to the on-site system. The first connection point is located at the northwest corner of the property's boundary limits within the buffer zone and the southside of West Pipkin Road; at this location, the proposed pipe tying into the 12-inch existing (offsite) is an 8-inch watermain. The second connection point is located at the main entrance to the development and West Pipkin Road (County Road); at this location, the proposed 12-inch watermain is tying into the 12-inch existing (offsite).

Wastewater improvements for the project will include an onsite 8-inch and 12-inch diameter gravity system that collects into multiple lift stations throughout the project. Two onsite 4-inch and 10-inch force main conveys wastewater offsite into an existing force main within West Pipkin Road. This existing pipe is within the West Pipkin Road right-of-way on the north side of the road.

The first connection point is located at the northwest corner of the property's boundary limits within the buffer zone and the north side of West Pipkin Road; at this location, the proposed pipe tying into the 8-inch existing (offsite) is a 4-inch force main. The second connection point is located close to Phase 3B near Peachleaf Street; at this location, the proposed 10-inch force main is tying into the existing 12-inch force main.

There is no reclaim water distribution system for irrigation present on this project.

The water and wastewater collection systems for all phases will be completed by the District and subsequently dedicated to the City of Lakeland for operation and maintenance.

### **3.4 Hardscape, Landscape, and Irrigation**

The District will construct and/or install landscaping, irrigation, and hardscaping within District common areas and rights-of-way. The irrigation system will consist of irrigation mains, valves, and appurtenances. Hardscaping will include monuments and entry features.

The City of Lakeland has design criteria standards and specifications for planting and irrigation design; therefore, this project will meet and/or exceed the minimum requirements outlined by the city. The on-site enhancements at the common areas are for the general benefit of the community.

All such landscaping, irrigation, and hardscaping will be funded, maintained, and owned by the District. Such infrastructure located within the city rights-of-way are to be owned and maintained by the District pursuant to a right-of-way agreement to be entered into with the city.

### **3.5 Streetlights / Undergrounding of Electrical Utility Lines**

The District intends to lease streetlights through an agreement with Duke Energy. The District is anticipated to fund the streetlights through an annual operation and maintenance assessment. As such, streetlights are not included as part of the CIP.

The CIP does, however, include the underground installation of electrical utility conduit lines within right-of-way and utility easements throughout the community. Electrical lines and transformers will be owned by the electric company, Lakeland Electric, and not paid for by the District as part of the CIP.

### **3.6 Recreational Amenities**

While not part of the CIP, the developer intends to develop a residential amenity for the project, which would be financed by the developer and owned and maintained by a homeowner's association. The amenities constitute common areas for the exclusive benefit of the residential lot owners within the development.

### **3.7 Environmental Conservation/Mitigation**

There are 6.02 acres of forested and herbaceous wetland impacts associated with the proper construction of the District's infrastructure which will require 6.04 acres of wetland mitigation. The District may be responsible for the design, permitting, construction, maintenance, and government reporting of the environmental mitigation for incomplete or any modifications to the mitigation. The District will be responsible for final construction, maintenance and governmental monitoring per permit conditions.

These costs are not currently included within the CIP.

### **3.8 Land Acquisition**

As part of the CIP, the District will acquire approximately 289.07 acres of land necessary for development of the CIP. The cost figures were obtained from the Polk County Property Appraiser website and are currently valued at an estimated cost of \$4,251,232,04.00.

### **3.9 Professional Services**

The CIP also includes various professional services. These include: (i) engineering, surveying, and architectural fees, (ii) permitting and plan review costs, and (iii) development/construction management services fees that are required for the design, permitting, construction, and maintenance acceptance of the public improvements and community facilities.

### **3.10 Offsite Improvements**

As a portion of the CIP, the 2022 Project is a subset of the CIP, and includes all the public infrastructure listed above required for the development of the first 720 residential units. Among other such improvements, the 2022 Project contains the construction of an offsite improvements consisting of a 12-foot turn lane, striping and pavement markings, and site restoration associated with a jack and bores for utility tie-in on West Pipkin Road. The additions of two ADA access ramps, sidewalk, and associated curb at the intersection of Peachleaf Street and West Pipkin Road are also part of the offsite enhancements. Additional offsite improvements may be required through the permitting process.

As noted, the District's CIP, which includes the 2022 Project and future projects, functions as a system of improvements benefitting all lands within the District.

The foregoing improvements are required by applicable development approvals.

**TABLE 3** provides a breakdown of the CIP by category and the governing body for the purpose of financing, ownership, and management of each.

Table 3.3

Hawthorne Mill North Ownership and Management		
FACILITY DESCRIPTION	FINANCING ENTITY	OWNERSHIP AND MANAGEMENT ENTITY
Amenity	Developer	HOA
Stormwater Management	CDD	CDD
Utilities (Water, Sewer)	CDD	City
Hardscape/Landscape/Irrigation	CDD	CDD
Undergrounding of Electric Conduit	CDD	Lakeland Electric
Environmental Conservation/Mitigation	CDD	CDD
Off-Site Roadway	CDD	County
On-Site Roadways	CDD	City

#### 4. Permitting/Construction Commencement

Necessary permits for the construction of the 2022 Project have either been obtained or are currently being designed and are included in the following TABLE 4 below.

Table 4.1

Hawthorne Mill North 2022 Permit Status	
PERMIT	STATUS
Southwest Florida Water Management District (SWFWMD) - Mass Grading North	Permit Issued
City of Lakeland - Construction Plans Set (Phase 1)	Under Review
Polk County – Main Entrance (Phase 1)	Under Review
Florida Department of Environmental Protection (FDEP) - Water (Phase 1)	Under Review
Florida Department of Environmental Protection (FDEP) - Sewer (Phase 1)	Under Review

#### 5. Opinion of Probable Construction Costs

**Table 5** shown below presents the Opinion of Probable Cost for the CIP, and the 2022 Project. It is our professional opinion that the costs set forth in **Table 5** are reasonable and consistent with current market pricing.

Table 5.1

Hawthorne Mill North Opinion of Probable Cost for the CIP			
IMPROVEMENT	2022 PROJECT (PHASES 1 3)	FUTURE PROJECTS ESTIMATED COST (PHASE 4)	TOTAL PROJECT
Stormwater System	\$6,558,000	\$1,260,000	\$7,818,000
Sanitary Sewer	\$4,446,750	\$1,092,500	\$5,539,250
Water Distribution	\$2,086,750	\$554,500	\$2,641,250
Undergrounding of Electric Conduit	\$1,447,125	\$573,750	\$2,020,875
Conservation/Mitigation	\$498,702	\$72,727	\$571,429
Landscape/Hardscape/Irrigation	\$1,986,288	\$289,667	\$2,275,955
On-Site Roadways	\$4,062,250	\$688,650	\$4,750,900
Off-Site Roadways	\$480,000	\$70,000	\$550,000

Contingency	\$3,234,880	\$690,269	\$3,925,149
Professional Fees	\$1,520,182	\$221,693	\$1,741,875
<b>TOTAL</b>	<b>\$26,320,926</b>	<b>\$5,513,757</b>	<b>\$31,834,683</b>

The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated CDD expenditures that may be incurred.

## 6. Conclusions and Engineer's Certification

The CIP, which includes the 2022 Project and future projects, will be designed in accordance with current governmental regulations and requirements. The CIP will serve its intended function so long as the construction is in substantial compliance with the design.

It is further our opinion that:

- The estimated cost to the CIP as set forth herein is reasonable based on prices currently being experienced in City of Lakeland, Florida and is not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- Improvements comprising the CIP are required by applicable development approvals;
- The CIP is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the CIP, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- The reasonably expected economic life of the CIP is anticipated to be at least 20 years;
- The assessable property within the District will receive a special benefit from the CIP that is at least equal to such costs, and, more specifically, the 2022 Assessment Area will receive a special benefit from the 2022 Project that is at least equal to such costs; and
- The CIP, which includes the 2022 Project and future projects, will function as a system of improvements benefitting all lands within the District.

The professional service for establishing the Construction Cost Estimate is consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

The CIP improvements will be owned by the District or other governmental units and as such the CIP improvements are intended to be available and will be reasonably available for use by the general public (either by being part of a system of improvements that is available to the general public or is otherwise available to the general public) including nonresidents of the District. All the CIP improvements are or will be located on lands owned or to be owned by the District or another governmental entity or on public easements in favor of the District or other governmental entity. No private earthwork is included in the CIP. Accordingly, the earthwork costs include digging any stormwater ponds as well as the placement of fill at the site but does not include the cost of fine grading of any lots.

Please note that the CIP as presented herein is based on current plans and market conditions, which are subject to change. Accordingly, the CIP, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**6B**



# HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT

## Master Special Assessment Methodology Report

March 9, 2022



Provided by:

**Wrathell, Hunt and Associates, LLC**

2300 Glades Road, Suite 410W

Boca Raton, FL 33431

Phone: 561-571-0010

Fax: 561-571-0013

Website: [www.whhassociates.com](http://www.whhassociates.com)

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## **1.0 Introduction**

### **1.1 Purpose**

This Master Special Assessment Methodology Report (the "Report") was developed to provide a financing plan and a special assessment methodology for the Hawthorne Mill North Community Development District (the "District"), located in the City of Lakeland, Polk County, Florida, as related to funding the costs of public infrastructure improvements via public infrastructure improvements contemplated to be provided by the District.

### **1.2 Scope of the Report**

This Report presents the projections for financing the District's Capital Improvement Plan (the "CIP") described in the Hawthorne Mill North Community Development District Engineer's Report developed by Dewberry Engineers Inc. (the "District Engineer") and dated March 3, 2022 (the "Engineer's Report"), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of the CIP.

### **1.3 Special Benefits and General Benefits**

The public infrastructure improvements undertaken and funded by the District as part of the CIP create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to property within the District. The District's CIP enables properties within its boundaries to be developed.

There is no doubt that the general public and property owners of property outside the District will benefit from the provision of the CIP. However, these benefits are only incidental since the CIP is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the CIP and do not depend upon the CIP to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The CIP will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the CIP. Even though the exact value of the benefits provided by the CIP is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

#### **1.4 Organization of the Report**

*Section Two* describes the development program as proposed by the Developer, as defined below.

*Section Three* provides a summary of the CIP as determined by the District Engineer.

*Section Four* discusses the financing program for the District.

*Section Five* introduces the special assessment methodology for the District.

### **2.0 Development Program**

#### **2.1 Overview**

The District will serve the Hawthorne Mill North development, a master planned residential development located the City of Lakeland, Polk County, Florida. The land within the District consists of approximately 289.07 +/- acres and is generally located approximately one-half mile east of County Line Road, on the south side of West Pipkin Road, north of Ewell Road, and west of the River Stone Community.

#### **2.2 The Development Program**

The development of Hawthorne Mill North is anticipated to be conducted by Forestar (USA) Real Estate Group Inc, (the "Developer"). Based upon the information provided by the Developer and the Engineer, the current development plan envisions a total of 825 single-family residential dwelling units developed over a multi-year period in two (2) stages within four (4) development phases, although unit numbers, land use types and phasing may change throughout the development period. Table 1 in the *Appendix* illustrates the development plan for Hawthorne Mill North.

### **3.0 The Capital Improvement Plan**

#### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

#### **3.2 The Capital Improvement Plan**

The public infrastructure improvements which are part of the CIP and are needed to serve the Development are projected to consist of improvements which will serve all of the lands in the District. The CIP will consist of a stormwater system, sanitary sewer, water distribution, undergrounding of electric conduit, conservation/mitigation, landscape/hardscape/irrigation, on-site roadways and off-site roadways, the costs of which, along with contingencies and professional fees, were estimated by the District Engineer at \$31,834,683. The CIP consists of the 2022 Project, which is comprised of the public infrastructure improvements that are necessary for the development of and are intended to primarily serve the first 720 residential dwelling units projected to be developed commencing in 2022 within Phases 1, 2 and 3, and the Future Projects, which are comprised of the remaining public infrastructure improvements that are necessary for the development of and are intended to primarily serve the remaining 105 residential dwelling units projected to be developed beyond 2022 within Phase 4.

Even though the installation of the CIP is currently projected to occur in two (2) or more stages coinciding with the two (2) or more stages of development of land in the District, the public infrastructure improvements that comprise the CIP will nevertheless serve and provide benefit to all land uses in the District and will comprise an interrelated system of improvements, which means all of improvements will serve the entire District and improvements will be interrelated such that they will reinforce one another.

Table 2 in the *Appendix* illustrates the specific components of the CIP.

## 4.0 Financing Program

### 4.1 Overview

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within the District. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District. As of the time of writing of this Report, the District will most likely acquire completed improvements from the Developer, although the District maintains the complete flexibility to either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

Even though the actual financing plan may change to include multiple series of bonds, it is likely that in order to fully fund costs of the CIP as described in *Section 3.2* in multiple financing transactions, the District would have to issue approximately \$40,755,000 in par amount of special assessment bonds (the "Bonds").

**Please note that the purpose of this Report is to allocate the benefit of the CIP to the various land uses in the District and based on such benefit allocation to apportion the maximum debt necessary to fund the CIP. The discussion of the structure and size of the indebtedness is based on various estimates and is subject to change.**

### 4.2 Types of Bonds Proposed

The proposed financing plan for the District provides for the issuance of the Bonds in the approximate principal amount of \$40,755,000 to finance approximately \$31,834,683 in CIP costs. The Bonds as projected under this financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would be made every May 1 and November 1, and principal payments on the Bonds would be made either on May 1 or on November 1.

In order to finance the improvement and other costs, the District would need to borrow more funds and incur indebtedness in the total amount of approximately \$40,755,000. The difference is comprised of debt service reserve, capitalized interest, underwriter's discount and costs of issuance. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

**Please note that the structure of the Bonds as presented in this Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary.**

## **5.0 Assessment Methodology**

### **5.1 Overview**

The issuance of the Bonds provides the District with funds necessary to construct/acquire the infrastructure improvements which are part of the CIP outlined in *Section 3.2* and described in more detail by the District Engineer in the Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to the assessable properties within the boundaries of the District and general benefits accruing to areas outside the District but being only incidental in nature. The debt incurred in financing the public infrastructure will be secured by assessing properties that derive special and peculiar benefits from the CIP. All properties that receive special benefits from the CIP will be assessed for their fair share of the debt issued in order to finance all or a portion of the CIP.

### **5.2 Benefit Allocation**

The most current development plan envisions the development of 825 single-family residential dwelling units, although unit numbers and land use types may change throughout the development period.

The public infrastructure improvements that comprise the CIP will serve and provide benefit to all land uses in the District and will comprise an interrelated system of improvements, which means all of improvements will serve the entire District and improvements will be interrelated such that they will reinforce one another.

By allowing for the land in the District to be developable, both the public infrastructure improvements that comprise the CIP and their combined benefit will be greater than the sum of their individual benefits. All of the land uses within the District will benefit from each infrastructure improvement category, as the improvements provide basic infrastructure to all land within the District and benefit all land within the District as an integrated system of improvements.

As stated previously, the public infrastructure improvements included in the CIP have a logical connection to the special and peculiar benefits received by the land within the District, as without such improvements, the development of the properties within the District would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land within the District, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the land receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The benefit associated with the CIP of the District is proposed to be allocated to the different unit types within the District in proportion to the density of development and intensity of use of the infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the unit types contemplated to be developed within the District based on the relative density of development and the intensity of use of master infrastructure, the total ERU counts for each unit type, and the share of the benefit received by each unit type.

The rationale behind different ERU weights is supported by the fact that generally and on average smaller units will use and benefit from the District's improvements less than larger units, as for instance, generally and on average smaller units or units produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than larger units. Additionally, the value of the larger units is likely to appreciate by more in terms of dollars than that of the smaller units as a result of the implementation of the CIP. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received by the different unit types from the District's improvements.

Table 5 in the *Appendix* presents the apportionment of the assessment associated with funding the District's CIP (the "Bond Assessments") in accordance with the ERU benefit allocation method presented in Table 4. Table 5 also presents the annual levels of the CIP annual debt service assessments per unit.



### **5.3 Assigning Debt**

The Bond Assessments associated with repayment of the Bonds will initially be levied on all of the gross acres of land in the District. Consequently, the Bond Assessments will be levied on approximately 289.07 +/- gross acres on an equal pro-rata gross acre basis and thus the total bonded debt in the amount of \$40,755,000 will be preliminarily levied on approximately 289.07 +/- gross acres at a rate of \$140,986.61 per acre.

As the land is platted, the Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 5 in the *Appendix*. Such allocation of Bond Assessments to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the District.

Further, to the extent that any residential land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

### **5.4 Lienability Test: Special and Peculiar Benefit to the Property**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, public infrastructure improvements undertaken by the District create special and peculiar benefits to certain properties within the District. The District's improvements benefit assessable properties within the District and accrue to all such assessable properties on an ERU basis.

Public infrastructure improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement include, but are not limited to:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums;
- d. increased marketability and value of the property.

The public infrastructure improvements which are part of the CIP make the land in the District developable and saleable and when

implemented jointly as parts of the CIP, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

### **5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the District according to reasonable estimates of the special and peculiar benefits derived from the CIP by different unit types.

### **5.6 True-Up Mechanism**

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs it is possible that the number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessments on a per ERU basis never exceed the initially allocated amounts as contemplated in the adopted assessment methodology. The Bond Assessments per ERU equal \$59,323.14 (\$40,755,000 in Bond Assessments divided by 687.00 ERUs). If any changes occur, the methodology described herein is applied to the land based on the number of and product types within each and every parcel as signified by the number of ERUs.

As the land is platted, the Bond Assessments are assigned to platted parcels based on the figures in Table 5 in the *Appendix*. If as a result of platting and apportionment of the Bond Assessments to the platted parcel of land, the Bond Assessments per ERU for land that remains unplatted within the District remain equal to \$59,323.14, then no true-up adjustment will be necessary.

If as a result of platting and apportionment of the Bond Assessments to the platted land, the Bond Assessments per ERU for land that remain unplatted within the District equal less than \$59,323.14 (either as a result of a larger number of units, different units or both), then the per ERU Bond Assessments for all parcels within the District will be lowered if that state persists at the conclusion of platting of all land within the District.

If, in contrast, a result of platting and apportionment of the Bond Assessments to the platted land, the Bond Assessments per ERU for land that remains unplatted within the District equals more than \$59,323.14<sup>1</sup> (either as a result of a smaller number of units, different units or both), then the difference in Bond Assessments plus accrued interest will be collected from the owner of the property which platting caused the increase of assessment per ERU to occur, in accordance with a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessments per ERU and \$59,323.14 multiplied by the actual number of ERUs plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date.

In addition to platting of property within the District, any planned sale of an unplatted land to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessments per ERU for land that remains unplatted remains equal to \$59,323.14. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

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<sup>1</sup> For example, if the first platting includes 234 SF 40' lots, 307 SF 50' lots, 84 SF 60' lots, and 180 20' Townhome lots, which equates to a total allocation of \$39,568,537.12 in Bond Assessments, then the remaining unplatted land would be required to absorb 20 SF 50' lots or \$1,186,462.88 in Bond Assessments. If the remaining unplatted land would only be able to absorb 10 SF 50' lots or \$593,231.44 in Bond Assessments, then a true-up, payable by the owner of the unplatted land, would be due in the amount of \$593,231.44 in Bond Assessments plus applicable accrued interest to the extent described in this Section.

## **5.7 Assessment Roll**

The Bond Assessments of \$40,755,000 are proposed to be levied over the area described in Exhibit "A". Excluding any capitalized interest period, debt service assessments shall be paid in thirty (30) annual principal installments.

## **6.0 Additional Stipulations**

### **6.1 Overview**

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's CIP. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation Methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

**Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.**

## 7.0 Appendix

Table 1

### Hawthorne Mill North

#### Community Development District

##### Proposed Development Plan

Product Type	Number of Units in 2022 Project (Phases 1-3)	Number of Units in Future Projects (Phase 4)	Total Number of Units
SF 40'	170	64	234
SF 50'	286	41	327
SF 60'	84		84
20' Townhomes	180		180
<b>Total</b>	<b>720</b>	<b>105</b>	<b>825</b>

Table 2

### Hawthorne Mill North

#### Community Development District

##### Capital Improvement Plan Costs

Improvement	2022 Project Costs (Phases 1-3)	Future Projects Costs (Phase 4)	Total Project Costs
Stormwater System	\$6,558,000	\$1,260,000	\$7,818,000
Sanitary Sewer	\$4,446,750	\$1,092,500	\$5,539,250
Water Distribution	\$2,086,750	\$554,500	\$2,641,250
Undergrounding of Electric Conduit	\$1,447,125	\$573,750	\$2,020,875
Conservation/ Mitigation	\$498,702	\$72,727	\$571,429
Landscape/ Hardscape/ Irrigation	\$1,986,288	\$289,667	\$2,275,955
On-Site Roadways	\$4,062,250	\$688,650	\$4,750,900
Off-Site Roadways	\$480,000	\$70,000	\$550,000
Contingency	\$3,234,880	\$690,269	\$3,925,149
Professional Fees	\$1,520,182	\$221,693	\$1,741,875
<b>Total</b>	<b>\$26,320,927</b>	<b>\$5,513,756</b>	<b>\$31,834,683</b>

Table 3

### Hawthorne Mill North

#### Community Development District

##### Preliminary Sources and Uses of Funds

###### Sources

Bond Proceeds:	
Par Amount	\$40,755,000.00
<b>Total Sources</b>	<b>\$40,755,000.00</b>

###### Uses

Project Fund Deposits:	
Project Fund	\$31,834,683.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$2,960,806.39
Capitalized Interest Fund	\$4,890,600.00
Delivery Date Expenses:	
Costs of Issuance	\$1,065,100.00
Rounding	\$3,810.61
<b>Total Uses</b>	<b>\$40,755,000.00</b>

Table 4

## Hawthorne Mill North

### Community Development District

Benefit Allocation

Product Type	Total Number of Units	ERU Weight	Total ERU
SF 40'	234	0.80	187.20
SF 50'	327	1.00	327.00
SF 60'	84	1.20	100.80
20' Townhomes	180	0.40	72.00
<b>Total</b>	<b>825</b>		<b>687.00</b>

Table 5

## Hawthorne Mill North

### Community Development District

Bond Assessments Apportionment

Product Type	Total Number of Units	Total Cost Allocation*	Maximum Total Bond Assessments Apportionment	Maximum Bond Assessments Apportionment per Unit	Maximum Annual Principal and Interest Payment per Unit on the Bonds	Maximum Annual Bond Assessments Payment**
SF 40'	234	\$8,674,603.58	\$11,105,292.58	\$47,458.52	\$3,447.81	\$3,707.32
SF 50'	327	\$15,152,753.04	\$19,398,668.12	\$59,323.14	\$4,309.76	\$4,634.15
SF 60'	84	\$4,670,940.39	\$5,979,772.93	\$71,187.77	\$5,171.71	\$5,560.98
20' Townhomes	180	\$3,336,385.99	\$4,271,266.38	\$23,729.26	\$1,723.90	\$1,853.66
<b>Total</b>	<b>825</b>	<b>\$31,834,683.00</b>	<b>\$40,755,000.00</b>			

\* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4

\*\* Includes county cost of collection at 3% (subject to change) plus early payment discount allowance at 4% (subject to change)

## EXHIBIT "A"

### LEGAL DESCRIPTION:

LEGAL DESCRIPTION: (HAWTHORNE MILL CDD)

A PARCEL OF LAND LYING IN SECTIONS 7, 8 AND 18, TOWNSHIP 29 SOUTH, RANGE 23 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF THE AFORESAID SECTION 18; THENCE RUN SOUTH 00°18'05" EAST ALONG THE EAST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 18, A DISTANCE OF 2491.06 FEET; THENCE DEPARTING SAID EAST LINE RUN NORTH 80°54'38" WEST, A DISTANCE OF 779.68 FEET; THENCE RUN NORTH 10°10'42" WEST, A DISTANCE OF 327.37 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 1488.45 FEET, A CENTRAL ANGLE OF 04°39'45", A CHORD BEARING NORTH 07°50'50" EAST AND A CHORD DISTANCE OF 121.08 FEET; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE, A DISTANCE OF 122.12 FEET TO THE END OF SAID CURVE; THENCE RUN SOUTH 90°00'00" WEST, A DISTANCE OF 403.12 FEET; THENCE RUN NORTH 70°01'01" WEST, A DISTANCE OF 76.77 FEET; THENCE RUN SOUTH 54°34'30" WEST, A DISTANCE OF 506.41 FEET; THENCE RUN NORTH 69°38'59" WEST, A DISTANCE OF 872.09 FEET; THENCE RUN SOUTH 90°00'00" WEST, A DISTANCE OF 270.47 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 18; THENCE RUN NORTH 00°14'25" WEST ALONG THE WEST LINE OF THE NORTHEAST 1/4 OF SECTION 18, A DISTANCE OF 1889.96 FEET TO THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE AFORESAID SECTION 7; THENCE RUN NORTH 00°12'21" WEST ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 7, A DISTANCE OF 1303.41 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF WEST PIPKIN ROAD, AS RECORDED IN OFFICIAL RECORDS BOOK 4374, PAGE 911, OF THE PUBLIC RECORDS OF POLK COUNTY, FLORIDA; SAID POINT LYING ON A NON-TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 7090.00 FEET, A CENTRAL ANGLE OF 01°58'47", A CHORD BEARING NORTH 78°21'11" EAST AND A CHORD DISTANCE OF 244.95 FEET; THENCE RUN NORTHEASTERLY ALONG SAID SOUTH RIGHT OF WAY LINE AND THE ARC OF SAID CURVE, A DISTANCE OF 244.96 FEET TO THE POINT OF TANGENCY; THENCE CONTINUE EASTERLY ALONG SAID SOUTH RIGHT OF WAY LINE THE FOLLOWING TEN (10) COURSES AND DISTANCES: 77°21'48" EAST, 991.75 FEET; THENCE NORTH 80°13'33" EAST, 200.25 FEET; NORTH 77°21'48" EAST, 300.00 FEET; NORTH 74°30'03" EAST, 200.25 FEET; NORTH 77°21'48" EAST, 300.00 FEET; NORTH 88°40'24" EAST, 50.99 FEET; NORTH 77°21'48" EAST, 600.00 FEET; NORTH 66°03'12" EAST, 50.99 FEET; NORTH 77°21'48" EAST, 900.00 FEET; NORTH 82°21'50" EAST, 243.58 FEET TO A POINT ON THE EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF AFORESAID SECTION 8; THENCE RUN SOUTH 00°15'34" EAST ALONG SAID EAST LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 8, A DISTANCE OF 2168.03 FEET TO THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 8; THENCE RUN SOUTH 89°51'39" WEST ALONG THE SOUTH LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 8, A DISTANCE OF 1324.84 FEET TO THE POINT OF BEGINNING.

CONTAINING: 12591763.36 SQUARE FEET OR 289.07 ACRES MORE OR LESS.

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**6C**



## RESOLUTION 2022-25

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT DECLARING SPECIAL ASSESSMENTS; DESIGNATING THE NATURE AND LOCATION OF THE PROPOSED IMPROVEMENTS; DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID; DESIGNATING THE LANDS UPON WHICH THE ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT AND A PRELIMINARY ASSESSMENT ROLL; ADDRESSING THE SETTING OF PUBLIC HEARINGS; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; AND ADDRESSING CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS**, the Hawthorne Mill North Community Development District (“**District**”) is a local unit of special-purpose government organized and existing under and pursuant to Chapter 190, *Florida Statutes*; and

**WHEREAS**, the District is authorized by Chapter 190, *Florida Statutes*, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, sewer and water distribution systems, stormwater management/earthwork improvements, landscape, irrigation and entry features, conservation and mitigation, street lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within, the District; and

**WHEREAS**, the District hereby determines to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, acquire, operate, and/or maintain the District’s overall capital improvement plan (“**Project**”) for all lands within the District (“**Assessment Area**”), as described in the *Engineer’s Report*, dated March 3, 2022, which is attached hereto as **Exhibit A** and incorporated herein by reference; and

**WHEREAS**, it is in the best interest of the District to pay for all or a portion of the cost of the Project by the levy of special assessments (“**Assessments**”) on the Assessment Area, using the methodology set forth in that *Master Special Assessment Methodology Report*, dated March 9, 2022, which is attached hereto as **Exhibit B**, incorporated herein by reference, and on file with the District Manager at c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District Records Office**”);

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT:**

1. **AUTHORITY FOR THIS RESOLUTION; INCORPORATION OF RECITALS.** This Resolution is adopted pursuant to the provisions of Florida law, including without limitation Chapters 170, 190 and 197, *Florida Statutes*. The recitals stated above are incorporated herein and are adopted by the Board as true and correct statements.

2. **DECLARATION OF ASSESSMENTS.** The Board hereby declares that it has determined to make the Project and to defray all or a portion of the cost thereof by the Assessments.

3. **DESIGNATING THE NATURE AND LOCATION OF IMPROVEMENTS.** The nature and general location of, and plans and specifications for, the Project are described in **Exhibit A**, which is on file at the District Records Office. **Exhibit B** is also on file and available for public inspection at the same location.

4. **DECLARING THE TOTAL ESTIMATED COST OF THE IMPROVEMENTS, THE PORTION TO BE PAID BY ASSESSMENTS, AND THE MANNER AND TIMING IN WHICH THE ASSESSMENTS ARE TO BE PAID.**

- A. The total estimated cost of the Project is \$31,834,683 (“**Estimated Cost**”).
- B. The Assessments will defray approximately \$40,755,000, which is the anticipated maximum par value of any bonds and which includes all or a portion of the Estimated Cost, as well as other financing-related costs, as set forth in **Exhibit B**, and which is in addition to interest and collection costs. On an annual basis, the Assessments will defray no more than \$2,960,806 per year, again as set forth in **Exhibit B**.
- C. The manner in which the Assessments shall be apportioned and paid is set forth in **Exhibit B**, as may be modified by supplemental assessment resolutions. The Assessments will constitute a “master” lien, which may be imposed without further public hearing in one or more separate liens each securing a series of bonds, and each as determined by supplemental assessment resolution. With respect to each lien securing a series of bonds, the special assessments shall be paid in not more than (30) thirty yearly installments. The special assessments may be payable at the same time and in the same manner as are ad-valorem taxes and collected pursuant to Chapter 197, *Florida Statutes*; provided, however, that in the event the uniform non ad-valorem assessment method of collecting the Assessments is not available to the District in any year, or if determined by the District to be in its best interest, the Assessments may be collected as is otherwise permitted by law, including but not limited to by direct bill. The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

5. **DESIGNATING THE LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED.** The Assessments securing the Project shall be levied on the Assessment Area, as described in **Exhibit B**, and as further designated by the assessment plat hereinafter provided for.

6. **ASSESSMENT PLAT.** Pursuant to Section 170.04, *Florida Statutes*, there is on file, at the District Records Office, an assessment plat showing the area to be assessed (i.e., Assessment Area), with certain plans and specifications describing the Project and the estimated cost of the Project, all of which shall be open to inspection by the public.

7. **PRELIMINARY ASSESSMENT ROLL.** Pursuant to Section 170.06, *Florida Statutes*, the District Manager has caused to be made a preliminary assessment roll, in accordance with the method

of assessment described in **Exhibit B** hereto, which shows the lots and lands assessed, the amount of benefit to and the assessment against each lot or parcel of land and the number of annual installments into which the assessment may be divided, which assessment roll is hereby adopted and approved as the District's preliminary assessment roll.

**8. PUBLIC HEARINGS DECLARED; DIRECTION TO PROVIDE NOTICE OF THE HEARINGS.**

Pursuant to Sections 170.07 and 197.3632(4)(b), *Florida Statutes*, among other provisions of Florida law, there are hereby declared two public hearings to be held as follows:

**NOTICE OF PUBLIC HEARINGS**

---

DATE: \_\_\_\_\_, \_\_\_\_\_, 20\_\_  
TIME: \_\_\_\_\_  
LOCATION: \_\_\_\_\_

The purpose of the public hearings is to hear comment and objections to the proposed special assessment program for District improvements as identified in the preliminary assessment roll, a copy of which is on file and as set forth in **Exhibit B**. Interested parties may appear at that hearing or submit their comments in writing prior to the hearings at the District Records Office.

Notice of said hearings shall be advertised in accordance with Chapters 170, 190 and 197, *Florida Statutes*, and the District Manager is hereby authorized and directed to place said notice in a newspaper of general circulation within Polk County (by two publications one week apart with the first publication at least twenty (20) days prior to the date of the hearing established herein). The District Manager shall file a publisher's affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give thirty (30) days written notice by mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the District Records Office. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

**9. PUBLICATION OF RESOLUTION.** Pursuant to Section 170.05, *Florida Statutes*, the District Manager is hereby directed to cause this Resolution to be published twice (once a week for two (2) weeks) in a newspaper of general circulation within Polk County and to provide such other notice as may be required by law or desired in the best interests of the District.

**10. CONFLICTS.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

**11. SEVERABILITY.** If any section or part of a section of this resolution be declared invalid or unconstitutional, the validity, force, and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

**12. EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

**PASSED AND ADOPTED** this 9<sup>th</sup> day of March, 2022.

ATTEST:

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chair/Vice Chair, Assistant Secretary

**Exhibit A:**     *Engineer's Report*, dated March 3, 2022

**Exhibit B:**     *Master Special Assessment Methodology Report*, dated March 9, 2022

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**7**

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL STATEMENTS  
UNAUDITED  
JANUARY 31, 2022**

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JANUARY 31, 2022**

	<u>General Fund</u>
<b>ASSETS</b>	
Due from Developer	<u>\$ 11,264</u>
Total assets	<u><u>\$ 11,264</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	\$ 5,264
Landowner advance	<u>6,000</u>
Total liabilities	<u>11,264</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred receipts	<u>5,264</u>
Total deferred inflows of resources	<u>5,264</u>
 Fund balances:	
Unassigned	<u>(5,264)</u>
Total fund balances	<u>(5,264)</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u><u>\$ 11,264</u></u>

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE PERIOD ENDED JANUARY 31, 2022**

	Current Month	Year To Date	Budget	% of Budget
<b>REVENUES</b>				
Landowner contribution	\$ -	\$ -	\$ 75,265	0%
Total revenues	<u>-</u>	<u>-</u>	<u>75,265</u>	0%
<b>EXPENDITURES</b>				
<b>Professional &amp; administrative</b>				
Management/accounting/recording**	2,000	4,000	32,000	13%
Legal	1,124	1,124	25,000	4%
Engineering	-	-	2,000	0%
Dissemination agent*	-	-	500	0%
Telephone	20	40	200	20%
Postage	-	-	500	0%
Printing & binding	50	100	500	20%
Legal advertising	-	-	6,500	0%
Annual special district fee	-	-	175	0%
Insurance	-	-	5,500	0%
Contingencies/bank charges	-	-	500	0%
Website hosting & maintenance	-	-	1,680	0%
Website ADA compliance	-	-	210	0%
Total professional & administrative	<u>3,194</u>	<u>5,264</u>	<u>75,265</u>	7%
Excess/(deficiency) of revenues over/(under) expenditures	(3,194)	(5,264)	-	
Fund balances - beginning	(2,070)	-	-	
Fund balances - ending	<u>\$ (5,264)</u>	<u>\$ (5,264)</u>	<u>\$ -</u>	

\*These items will be realized when bonds are issued

\*\*WHA will charge a reduced management fee of \$2,000 per month until bonds are issued.



**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**8**

**DRAFT**

**MINUTES OF MEETING  
HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Hawthorne Mill North Community Development District held Multiple Public Hearings and a Regular Meeting on February 9, 2022, at 9:30 A.M., at the Ramada by Wyndham Davenport Orlando South, 43824 Highway 27, Davenport, Florida 33837-6808.

**Present at the meeting were:**

William (Bill) Fife	Chair
Mary Moulton	Vice Chair
Courtney Potter	Assistant Secretary
John (JC) Nowotny	Assistant Secretary

**Also present were:**

Cindy Cerbone	District Manager
Andrew Kantarzhi	Wrathell, Hunt and Associates, LLC (WHA)
Jere Earlywine (via telephone)	District Counsel
Nicole Stadler (via telephone)	District Engineer

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Cerbone called the meeting to order at 10:17 a.m. Supervisors Fife, Moulton, Potter and Nowotny were present in person. Mr. Tyree was not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

**GENERAL DISTRICT ITEMS**

**THIRD ORDER OF BUSINESS**

**Administration of Oath of Office to Supervisor, Chris Tyree *(the following will be provided in a separate package)***

Ms. Cerbone would coordinate with Mr. Tyree to have the Oath of Office administered to him in advance of the next meeting or at the next meeting

**A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**

- 41 **B. Membership, Obligations and Responsibilities**
- 42 **C. Chapter 190, Florida Statutes**
- 43 **D. Financial Disclosure Forms**
  - 44 **I. Form 1: Statement of Financial Interests**
  - 45 **II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
  - 46 **III. Form 1F: Final Statement of Financial Interests**
- 47 **E. Form 8B: Memorandum of Voting Conflict**

48

49 **FOURTH ORDER OF BUSINESS**

**Public Hearing Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-Ad Valorem Assessments as Authorized and Permitted by Section 197.3632, Florida Statutes; Expressing the Need for the Levy of Non-Ad Valorem Assessments and Setting Forth the Legal Description of the Real Property Within the District’s Jurisdictional Boundaries that May or Shall Be Subject to the Levy of District Non-Ad Valorem Assessments; Providing for Severability; Providing for Conflict and Providing for an Effective Date**

62

63 Ms. Cerbone stated this is like the item presented at the Harmony on Lake Eloise CDD  
 64 meeting that just adjourned. She would briefly explain items that are the same and that were  
 65 discussed at the Fox Branch Ranch CDD or Harmony on Lake Eloise CDD meetings.

66 **A. Affidavit/Proof of Publication**

67 The affidavit of publication was included for informational purposes.

68 **B. Consideration of Resolution 2022-27, Expressing its Intent to Utilize the Uniform**  
 69 **Method of Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which**  
 70 **May Be Levied by the Hawthorne Mill North Community Development District in**  
 71 **Accordance with Section 197.3632, Florida Statutes; Providing a Severability Clause;**  
 72 **and Providing an Effective Date**

73

<p>74 <b>On MOTION by Mr. Fife and seconded by Ms. Potter, with all in favor, the</b>          75 <b>Public Hearing was opened.</b></p>
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77

78 No members of the public spoke.

79

80 **On MOTION by Ms. Moulton and seconded by Mr. Nowotny, with all in favor,**  
81 **the Public Hearing was closed.**

82

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84 Ms. Cerbone presented Resolution 2022-27.

85

86 **On MOTION by Mr. Fife and seconded by Ms. Potter, with all in favor,**  
87 **Resolution 2022-27, Expressing its Intent to Utilize the Uniform Method of**  
88 **Levying, Collecting, and Enforcing Non-Ad Valorem Assessments Which May Be**  
89 **Levied by the Hawthorne Mill North Community Development District in**  
90 **Accordance with Section 197.3632, Florida Statutes; Providing a Severability**  
91 **Clause; and Providing an Effective Date, was adopted.**

92

93

94 **FIFTH ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year  
2021/2022 Budget**

95

96

97 **A. Affidavit/Proof of Publication**

98 The affidavit of publication was included for informational purposes.

99 **B. Consideration of Resolution 2022-28, Relating to the Annual Appropriations and**  
100 **Adopting the Budgets for the Fiscal Year Beginning October 1, 2021, and Ending**  
101 **September 30, 2022; Authorizing Budget Amendments; and Providing an Effective**  
102 **Date**

103 Ms. Cerbone presented the proposed Fiscal Year 2022 budget, which was the same as  
104 the version presented at the last meeting, at which the Board also approved the Budget  
105 Funding Agreement.

106 Budget funding requests would be submitted to the Developer only for expenses  
107 incurred.

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109 **On MOTION by Ms. Moulton and seconded by Mr. Fife, with all in favor, the**  
110 **Public Hearing was opened.**

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113 No members of the public spoke.

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**On MOTION by Mr. Fife and seconded by Ms. Potter, with all in favor, the Public Hearing was closed.**

Ms. Cerbone presented Resolution 2022-28.

**On MOTION by Ms. Potter and seconded by Mr. Fife, with all in favor, Resolution 2022-28, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

**SIXTH ORDER OF BUSINESS**

**Public Hearing to Hear Public Comments and Objections to the Adoption of the Rules of Procedure, Pursuant to Sections 120.54 and 190.035, Florida Statutes**

**A. Affidavits of Publication**

The affidavit of publication was included for informational purposes.

**B. Consideration of Resolution 2022-29, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective**

Ms. Cerbone stated that these Rules of Procedure are identical to the ones discussed in the Harmony on Lake Eloise CDD meeting.

**On MOTION by Mr. Nowotny and seconded by Ms. Potter, with all in favor, the Public Hearing was opened.**

No members of the public spoke.

**On MOTION by Mr. Fife and seconded by Ms. Potter, with all in favor, the Public Hearing was closed.**

Ms. Cerbone presented Resolution 2022-29.

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**On MOTION by Mr. Fife and seconded by Ms. Potter, with all in favor, Resolution 2022-29, Adopting Rules of Procedure; Providing a Severability Clause; and Providing an Effective, was adopted.**

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-30, Granting the Chair and Vice Chair the Authority to Execute Real and Personal Property Conveyance and Dedication Documents, Plats and Other Documents Related to the Development of the District’s Improvements; Approving the Scope and Terms of Such Authorization; Providing a Severability Clause; and Providing an Effective Date**

Ms. Cerbone stated that this Resolution authorizes the Chair and the Vice Chair or Secretary, in the Chair’s absence, to execute construction related documents outside of a meeting; it also clarifies which documents can be executed. The purpose of this is to prevent any construction delays. The executed documents would then be presented for ratification at the next meeting. The District Engineer and District Counsel would be actively involved in the approval process so Supervisors are comfortable executing those documents. This Resolution was similarly discussed at the two other CDD meetings.

Ms. Cerbone presented Resolution 2022-30.

**On MOTION by Ms. Potter and seconded by Mr. Nowotny, with all in favor, Resolution 2022-30, Granting the Chair and Vice Chair the Authority to Execute Real and Personal Property Conveyance and Dedication Documents, Plats and Other Documents Related to the Development of the District’s Improvements; Approving the Scope and Terms of Such Authorization; Providing a Severability Clause; and Providing an Effective Date, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-31, Adopting Amended and Restated Prompt Payment Policies and Procedures Pursuant to Chapter 218, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date**

Ms. Cerbone presented Resolution 2022-31.

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**On MOTION by Ms. Potter and seconded by Mr. Nowotny, with all in favor, Resolution 2022-31, Adopting Amended and Restated Prompt Payment Policies and Procedures Pursuant to Chapter 218, Florida Statutes; Providing a Severability Clause; and Providing an Effective Date, was adopted.**

**NINTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-07, Designating the Primary Administrative Office and Principal Headquarters of the District and Providing an Effective Date**

This item was deferred to the next meeting.

**TENTH ORDER OF BUSINESS**

**Update: Bond Financing**

Mr. Earlywine presented the following timelines:

- The bond validation hearing is scheduled for June 2022.
- The assessment process should commence in order to be ready for presentation at the March meeting and everything should be finalized for presentation at a public hearing in April.

**ELEVENTH ORDER OF BUSINESS**

**Update: Stormwater Management Needs Analysis Proposal**

Ms. Stadler will provide an update at the next meeting.

**TWELFTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial Statements as of December 31, 2021**

Ms. Cerbone presented the Unaudited Financial Statements as of December 31, 2021. She noted that the CDD is Landowner-funded, meaning funding requests will be submitted and expenses will only be paid when incurred.

**On MOTION by Ms. Potter and seconded by Mr. Nowotny, with all in favor, the Unaudited Financial Statements as of December 31, 2021, were accepted.**

**THIRTEENTH ORDER OF BUSINESS**

**Approval of Minutes**

Ms. Cerbone presented the following:

232 A. December 8, 2021 Landowners’ Meeting

233 B. December 8, 2021 Organizational Meeting

234

235 On MOTION by Ms. Moulton and seconded by Ms. Potter, with all in favor, the  
236 December 8, 2021 Landowners’ Meeting and the December 8, 2021  
237 Organizational Meeting Minutes, as presented, were approved.

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240 FOURTEENTH ORDER OF BUSINESS

Staff Reports

241

242 A. District Counsel: *KE Law Group, PLLC*

243 There was no report.

244 B. District Engineer (Interim): *Dewberry Engineers, Inc.*

245 There was no report.

246 C. District Manager: *Wrathell, Hunt and Associates, LLC*

- 247 • NEXT MEETING DATE: March 9, 2022 at 9:30 A.M.

- 248 ○ QUORUM CHECK

249 The next meeting would be held on March 9, 2022. Ms. Cerbone state that, in addition  
250 to the bond related items, the responses to the Request for Qualifications (RFQ) for District  
251 Engineer Services and the Requests for Proposals (RFP) for Audit Services will be presented at  
252 the next meeting, with the expectation of awarding the contracts.

253

254 FIFTEENTH ORDER OF BUSINESS

Board Members’ Comments/Requests

255

256 There were no Board Members’ comments or requests.

257

258 SIXTEENTH ORDER OF BUSINESS

Public Comments

259

260 There were no public comments.

261

262 SEVENTEENTH ORDER OF BUSINESS

Adjournment

263

264 There being nothing further to discuss, the meeting adjourned.

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266 On MOTION by Ms. Potter and seconded by Mr. Fife, with all in favor, the  
267 meeting adjourned at 10:28 a.m.



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Secretary/Assistant Secretary

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Chair/Vice Chair

**HAWTHORNE MILL NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**9C**

## HAWTHORNE MILL NORTH COMMUNITY DEVELOPMENT DISTRICT

### BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

#### LOCATION

*Ramada by Wyndham Davenport Orlando South, 43824 Highway 27  
Davenport, Florida 33837-6808*

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
February 9, 2022	Regular Meeting	9:30 AM*
March 9, 2022	Regular Meeting	9:30 AM*
April 13, 2022	Regular Meeting <i>(presentation of FY2023 proposed budget)</i>	9:30 AM*
May 11, 2022	Regular Meeting	9:30 AM*
June 8, 2022	Regular Meeting	9:30 AM*
July 13, 2022	Regular Meeting	9:30 AM*
August 10, 2022	Public Hearing and Regular Meeting <i>(adoption of FY2023 budget)</i>	9:30 AM*
September 14, 2022	Regular Meeting	9:30 AM*

*\* Meetings will convene immediately following the adjournment of the Fox Branch Ranch CDD meetings and Harmony on Lake Eloise CDD meetings, scheduled to commence at 9:30 a.m., respectively.*

**CALL-IN NUMBER: 1-888-354-0094**  
**PARTICIPANT PASSCODE: 801 901 3513**