

**MINUTES OF MEETING
SHADOWLAWN COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Shadowlawn Community Development District held a Regular Meeting on November 9, 2022 12:00 p.m., at Reinhold Corporation, 1845 Town Center Blvd, Suite 105, Fleming Island, Florida 32003.

Present at the meeting were:

George Egan	Chair
Jeff Bryan	Vice Chair
Cooper Murphy	Assistant Secretary
Ann Bryan (via telephone)	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Ernesto Torres	Wrathell, Hunt and Associates, LLC
Jonathan Johnson	District Counsel
Kyle Magee	Kutak Rock, LLP
Doug Miller (via telephone)	District Engineer
Daniel Welch (via telephone)	England-Thims & Miller, Inc. (ETM)
Misty Taylor	Bond Counsel
Kelly Fitzpatrick-Powell	Reinhold Corporation

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 12:00 p.m. Supervisors Egan, Jeff Bryan and Murphy were present. Supervisor Ann Bryan attended via telephone. Supervisor Williams was not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

Presentation of Capital Improvement Plan

Mr. Welch presented the Master Off-site and Master On-Site and Adjacent Infrastructure costs and Appendixes in Version 2 of the Capital Improvement Plan (CIP) dated October 2, 2022.

Mr. Wrathell listed the cost estimates in Tables 3A through 3C and asked if the summarized Master Off-Site/On-Site/Adjacent Neighborhood Infrastructure cost amounts total \$91,895,349. Mr. Welch replied affirmatively. He responded to questions about the bond issue amount and described the funding sources for each improvement, which will be discussed further, later in the meeting. The CIP and Methodology Report are Exhibits to Resolution 2023-01 and will be approved in substantial form.

FOURTH ORDER OF BUSINESS

Presentation of Master Special Assessment Methodology Report

Mr. Wrathell presented the Master Special Assessment Methodology Report dated November 9, 2022. He reported the following:

- The Methodology Report is a catalyst to the CIP outlined by the District Engineer.
- Property owners in the CDD will receive special and peculiar benefits related to the CIP, which will allow levying a special assessment on those benefits properties.
- The CDD consists of approximately 268.82 +/- acres in Clay County, Florida.
- The Developer is Dream Finders Homes, LLC or an affiliated entity.
- 725 residential dwelling units are anticipated over a multi-year period.
- The Methodology sets the maximum par amount of bonds for the purpose of validating bonds in Circuit Court, and sets the max par amount of bond debt and max annual debt assessment per unit.
- As outlined in the District Engineer’s Report, the Neighborhood Infrastructure overall estimated costs total \$91,895.348, allocated as follows:

Table 2A: \$33,309,188 to the Master Off-Site Infrastructure

Table 2B: \$28,612,560 to the Master On-Site Infrastructure

Table 2C: \$29,973,600 to the Neighborhood Infrastructure

- The overall max par amount of bonds is \$126,030,000, comprised of the costs in Tables 2A, 2B and 2C, financing costs, capitalized interest and debt service reserve, broken down in Table 3A.
- The interest rate assumption is 7% to 7.5%.
- The Master Association Lien in Table 3B totals \$80,475,000, comprised of Tables 2B and 2C costs totaling \$58,586,160, financing costs, capitalized interest and debt service reserve.
- The intent is to place the assessment lien over \$80,475,000 and assign debt over the entire 268.82 +/- acres in the CDD.

Mr. Wrathell and Mr. Johnson explained the advantages of proceeding with the Inchoate Lien and including it in the bond validation, as it prevents challenges to the Master Lien.

Mr. Egan asked about Exhibit A, which is the Legal Description. Mr. Welch stated the survey is of Parcel 61, which is all 725 units. He must verify if it excluded the corner off the northeast.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2023-01, Declaring Special Assessments; Indicating the Location, Nature and Estimated Cost of Those Infrastructure Improvements Whose Cost is to Be Defrayed by the Special Assessments; Providing the Portion of the Estimated Cost of the Improvements to Be Defrayed by the Special Assessments; Providing the Manner in Which Such Special Assessments Shall Be Made; Providing When Such Special Assessments Shall Be Paid; Designating Lands Upon Which the Special Assessments Shall Be Levied; Providing for an Assessment Plat; Adopting a Preliminary Assessment Roll; Providing for Publication of this Resolution

Mr. Wrathell presented Resolution 2023-01 and read the title. Mr. Johnson stated that the Exhibits are being adopted for the purposes of setting the public hearing; revisions might be made prior to or at the public hearing, as necessary. He noted a correction in Section 3 and

discussed sections of the Resolution and the bond validation hearing process. The following change was made to Resolution 2023-01:

Page 2, Section 3: Change "\$91,895,349" to "\$58,586,160"

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, Resolution 2023-01, as amended, Declaring Special Assessments; Indicating the Location, Nature and Estimated Cost of Those Infrastructure Improvements Whose Cost is to Be Defrayed by the Special Assessments; Providing the Portion of the Estimated Cost of the Improvements to Be Defrayed by the Special Assessments; Providing the Manner in Which Such Special Assessments Shall Be Made; Providing When Such Special Assessments Shall Be Paid; Designating Lands Upon Which the Special Assessments Shall Be Levied; Providing for an Assessment Plat; Adopting a Preliminary Assessment Roll; Providing for Publication of this Resolution, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-02, Setting a Public Hearing for the Purpose of Hearing Public Comment on Imposing Special Assessments on Certain Property Within the District Generally Described as the Shadowlawn Community Development District in Accordance with Chapters 170, 190 and 197, Florida Statutes

Mr. Wrathell presented Resolution 2023-02.

On MOTION by Mr. Murphy and seconded by Mr. Bryan, with all in favor, Resolution 2023-02, Setting a Public Hearing on December 20, 2022 at 12:00 p.m., at Reinhold Corporation, 1845 Town Center Blvd, Suite 105, Fleming Island, Florida 32003 for the Purpose of Hearing Public Comment on Imposing Special Assessments on Certain Property Within the District Generally Described as the Shadowlawn Community Development District in Accordance with Chapters 170, 190 and 197, Florida Statutes, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2023-03, Authorizing the Issuance of Not Exceeding \$126,030,000 Principal Amount Of Shadowlawn Community Development

District Bonds in One or More Series, for the Purpose of Financing the Construction and/or Acquisition by the District of the Public Improvements and Community Facilities Permitted by the Provisions of Chapter 190, Florida Statutes, as Amended, and the Ordinance Creating the District; Approving a Form of a Master Trust Indenture; Approving and Appointing a Trustee; Authorizing the Commencement of Validation Proceedings Relating to the Foregoing Bonds; Authorizing and Approving Other Matters Relating to the Foregoing Bonds; and Providing an Effective Date

Ms. Taylor presented Resolution 2023-03, which accomplishes the following:

- Authorizes the issuance of bonds in one or more series.
- Authorizes issuance of a principal amount of bonds not exceeding \$126,030,000.
- Authorizes District Counsel to file for bond validation.
- Authorizes and approves execution and delivery of the Master Trust Indenture.
- Appoints U.S. Bank Trust Company, N.A., as Trustee, Paying Agent and Registrar.
- Section 9 states that subsequent Resolutions are required to issue bonds.

Ms. Taylor stated that a revised Resolution that corrected the scrivener’s error in Section 7, on Page 4, changing “St. Lucie County” to “Clay County” was provided to Mr. Eagan to execute.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, Resolution 2023-03, as amended, Authorizing the Issuance of Not Exceeding \$126,030,000 Principal Amount Of Shadowlawn Community Development District Bonds in One or More Series, for the Purpose of Financing the Construction and/or Acquisition by the District of the Public Improvements and Community Facilities Permitted by the Provisions of Chapter 190, Florida Statutes, as Amended, and the Ordinance Creating the District; Approving a Form of a Master Trust Indenture; Approving and Appointing a Trustee; Authorizing the Commencement of Validation Proceedings Relating to the Foregoing Bonds; Authorizing and Approving Other Matters Relating to the Foregoing Bonds; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2023-04, Designating a Date, Time, and Location of a Public Hearing Regarding the District's Intent to Use the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section 197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing; and Providing an Effective Date

Mr. Wrathell presented Resolution 2023-04.

Mr. Egan asked if the Master Trust Indenture Exhibit to Resolution 2023-03 will be used when bonds are issued 12 to 18 months from now. Ms. Taylor stated the Master Trust Indenture is just in form at this point; Supplemental Trust Indentures will be prepared for each series of bonds when they are issued.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, Resolution 2023-04, Designating December 20, 2022 at 12:00 p.m., at Reinhold Corporation, 1845 Town Center Blvd, Suite 105, Fleming Island, Florida 32003, as the Date, Time, and Location of a Public Hearing Regarding the District's Intent to Use the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Special Assessments as Authorized by Section 197.3632, Florida Statutes; Authorizing the Publication of the Notice of Such Hearing; and Providing an Effective Date, was adopted.

NINTH ORDER OF BUSINESS

Consider Engagement of Trustee, Paying Agent and Registrar

This item was deferred to the next meeting.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2023-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year

2022/2023 and Providing for an Effective Date

This item was deferred.

ELEVENTH ORDER OF BUSINESS

Consideration of ETM Proposals

Mr. Wrathell presented the following:

- A. CR218 Extension Roadway (Bidding Assistance and Post Design Services)**
- B. Cathedral Oak Parkway Plat Surveying Services**
- C. Improvement Plan Preparation**

Mr. Welch discussed the scope of work for each proposal. Mr. Welch was asked to differentiate which invoices or acquisitions of work product are related to the Master Off-site improvements and the Master On-site improvements when submitting them to Accounting.

Mr. Welch stated that the first two of the three proposals are specifically for the Master Off-site improvements. It was noted that the Improvement Plan Preparation proposal is for costs for both the Master Off-site and Master On-site projects. Mr. Welch was asked to provide a breakdown of costs to ensure they are classified properly, so that advance funding of certain expenses is reimbursed out of the bond proceeds and the promissory note.

Mr. Egan introduced Ms. Kelly Fitzpatrick-Powell, Reinhold’s Controller.

Mr. Johnson stated these proposals will be transferred into Work Authorizations under the District Engineer’s Continuing Services Agreement.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, authorizing Work Authorizations under ETM’s Continuing Services Agreement for the ETM fee proposals for CR218 Extension Roadway for bidding assistance and post design services, the Cathedral Oak Parkway plat surveying services and Improvement Plan Preparation, were approved.

TWELFTH ORDER OF BUSINESS

Consideration of Interlocal Agreement Between Clay County and Shadowlawn CDD for Assignment of the Funding Agreement and the Roadway Construction

Impact Fee Credit Agreement Between Clay County, Florida and Reinhold Corporation for the Construction of the County Road 218 Extension and for Extension of Commencement Date

Mr. Johnson presented the Interlocal Agreement. The County Attorney reviewed and approved the Agreement, subject to final comments from the meeting tonight. He noted a change in Section 4 of the Funding Agreement, in which the commencement date for physical construction of the County Road 218 Extension changed from December 31, 2022 to April 30, 2023.

On MOTION by Mr. Egan and seconded by Mr. Murphy, with all in favor, the Interlocal Agreement Between Clay County and Shadowlawn CDD for Assignment of the Funding Agreement and the Roadway Construction Impact Fee Credit Agreement Between Clay County, Florida and Reinhold Corporation for the Construction of the County Road 218 Extension and for Extension of Commencement Date, in substantial form, and authorizing the Chair to execute, was approved.

THIRTEENTH ORDER OF BUSINESS

Consideration of Construction Funding and Acquisition Agreement for the CR218

Mr. Johnson presented the Construction Funding and Acquisition Agreement. He reviewed the provisions in Sections 2 and 5, in which Reinhold Corporation agrees to provide funds to the CDD to undertake the project and the CDD has an obligation to reimburse them.

Mr. Miller stated a separate funding agreement with the Clay County Utility Authority (CCUA) will need to be prepared for water/sewer and reuse mains, which they agreed to fund. As this will be constructed simultaneously with the road extension and stormwater facilities, by the same contractor, Mr. Johnson stated he will present this before construction commences, sometime in March 2023. The mechanics of funding this through the CDD still needs to be defined but it will be similar to the River Town Agreement.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the Construction Funding and Acquisition Agreement for the CR218 Connector Roadway and Associated Stormwater Management Facilities, in substantial form, and authorizing the Chair to execute, was approved.

Mr. Egan stated that Reinhold will need to do an appraisal to determine the value of the land.

FOURTEENTH ORDER OF BUSINESS

Consideration of Promissory Note (CR 218 Connector Roadway Project)

Mr. Johnson presented the Promissory Note. The interest rate will be inserted into the document.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the Promissory Note for the CR 218 Connector Roadway Project, in substantial form, subject to Landowner final review and approval, and authorizing the Chair to execute, was approved.

FIFTEENTH ORDER OF BUSINESS

Consideration of Temporary Construction and Access Easement Agreement

Mr. Johnson presented the Temporary Construction and Access Easement Agreement.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the Temporary Construction and Access Easement Agreement, in substantial form, subject to Landowner final review and approval, and authorizing the Chair to execute, was approved.

SIXTEENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of September 30, 2022

Mr. Wrathell presented the Unaudited Financial Statements as of September 30, 2022.

The following modifications/changes will be made:

Page 1, Title: Insert "Capital Projects/Master Off-site" column and activity page

Page 4, Title: Delete "Series 2018"

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the Unaudited Financial Statements as of September 30, 2022, as amended, were accepted.

SEVENTEENTH ORDER OF BUSINESS

Approval of August 16, 2022 Public Hearing and Regular Meeting Minutes

Mr. Wrathell presented the August 16, 2022 Public Hearing and Regular Meeting Minutes.

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the August 16, 2022 Public Hearing and Regular Meeting Minutes, as presented, were approved.

EIGHTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Kutak Rock LLP*

There was no report.

B. District Engineer: *England-Thims & Miller, Inc.*

There was no report.

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

- **NEXT MEETING DATE: TBD**
 - **QUORUM CHECK**

The next meeting will be on December 20, 2022.

NINETEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

There were no Board Members' comments or requests.

TWENTIETH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

TWENTY-FIRST ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Bryan and seconded by Mr. Murphy, with all in favor, the meeting adjourned at 1:19 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair