

Winding Cypress Community Development District

CDD 101

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Special District Services, Inc.

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Overview of CDDs

What is a Community Development District?

“Local unit of special purpose government”

Established under the Uniform Community Development Act of 1980 (Ch.190, F.S.)

Provides a mechanism to finance, construct and maintain high quality improvements and amenities

Separate from, and NOT an arm of, the County or City

What Does a CDD Do? And Not Do?

Allowed by Ch.190, F.S.

- Construct and maintain public infrastructure
- Issue long-term bonds
- Levy and collect non-ad valorem assessments for operations and maintenance & bond debt service
- Contract for services

Not Allowed by Ch.190, F.S.

- Issue building permits
- Regulate land use/zoning
- Issue development orders
- Provide police services
- Enforce code compliance
- Architectural review

Winding Cypress Community Development District

- 358.06 acres
- Entirely within unincorporated Collier County
- CDD improvements consist of:
 - Stormwater management and control facilities
 - Landscaping in public rights-of-way including entrance features
- Since the CDD is a government entity, most construction and maintenance contracts are subject to the public procurement statutes (Ch. 255 and 287, F.S.)

District Governance

How are CDDs Governed?

- Governed by a 5-member Board of Supervisors
- Elections:
 - Initially, held within 90 days of establishment
 - Thereafter, every 2 years (2-year to 4-year terms) in November
 - Landowner Elections v. General Elections

Landowner Elections v. General Elections

- **Landowner Elections**

- Conducted by District Staff
- Supervisors are elected by the landowners within the CDD
 - One vote per landowner (does not include renters)
- Supervisors are not required to be residents

- **General Elections**

- Held after the CDD has been established for 6 years **and** has \geq 250 qualified electors
- Conducted by the County Supervisor of Elections
- Supervisors are elected by “qualified electors”- i.e. 1) citizen of the US, 2) resident of the CDD, and 3) registered to vote in Collier County
 - One vote per qualified elector (includes renters)
- Supervisors must also be qualified electors

Board Member Roles

- Receive input from constituents
- Sets public policies implemented by CDD staff
- Makes material business decisions for the CDD
- Action taken by the CDD shall be by majority vote of the Board, *but* the Chairman is generally delegated broader latitude in making day-to-day decisions (in conjunction with CDD staff) in between Board meetings

Your Day-to-Day Administrative Team

District Manager	District Counsel	District Engineer
<p>Administrator of the CDD</p> <p>Oversees the CDD's operations</p> <p>Prepares budget and administers accounting and finance functions</p>	<p>Legal counsel to the CDD</p> <p>Ensures that the CDD conducts its business in accordance with Florida law</p>	<p>Engineer of the CDD</p> <p>Provides support services regarding planning, designing, permitting, construction, and operation and maintenance of the CDD's infrastructure</p>
<p>Michelle Krizen Special District Services, Inc.</p>	<p>Alyssa Willson Kutak Rock LLP</p>	<p>Josh Evans, P.E. J.R. Evans Engineering, P.A.</p>

CDD Operations:

Governing Documents

- Florida Statutes- Chs. 112, 170, 189, 190, 197, F.S.
- Establishment Ordinance No. 2015-48
- Adopted Resolutions
- Adopted Rules of Procedure

CDD Operations:

Administration

- CDD Records- all physical records are kept at the District Office
- CDD Website- contains CDD agendas, minutes, financial documents, etc.
- CDD Emails- provided to each Supervisor for use in their official CDD business and to correspondence with staff and constituents

Board Meeting Agendas and Protocol

- District Business:
 - Most policy is adopted by Resolution (versus by an “Ordinance” like the City or County)
 - Some items require public hearings- i.e. rules, rates, assessments, etc.
- Public Notice of Meetings- at least 7 days prior to meeting
 - Newspaper advertisement
 - Agenda package is distributed by email to distribution list
 - Agenda package is placed on CDD website (www.windingcypresscdd.org)
- Meetings are open to the public
- Members of the public are able to provide comments on agenda items
 - During “Audience Comments” portion of agenda only
 - 3-minute limit
 - Not a Q&A session

Budgets and Assessments

Annual Budget Process

- **By June 15th** – the District Manager presents the proposed budget at a CDD Board meeting
 - **If assessments increase above the previously noticed amount, the CDD mails a notice to residents**
- **By October 1st** – the District Manager presents updates to proposed budget (if any) at the Board meeting
 - The Board receives comments and/or objections to the budget during budget hearing
 - The Board may adjust and/or decrease budget based on comments received, but may not increase the assessments higher than the noticed amount
- **The CDD will hold its budget hearing no sooner than 60 days after approving the proposed budget**

CDD Assessments

- **There are 2 components of Special Assessments:**
 1. Debt Service Assessments (“Debt Assessments”)
 2. Operations & Maintenance Assessments (“O&M Assessments”)
- **Special Assessments**
 - Annual assessments on platted lots placed on the Collier County property tax bill
 - Liens are co-equal with taxes
 - Different from quarterly or “one-time” special assessments imposed by the HOA

CDD Assessments

O&M Assessments

- Based on the operating budget approved at the annual public hearing
- May change from year to year
- Directly tied to the operating expenses of the CDD
- Includes administrative costs and field maintenance expenses
- Cannot be paid off

Debt Assessments

- Established at bond issuance
- Does not change from year to year
- Repays the debt service on the bonds used to pay for public infrastructure
- Can be paid off

CDD v. HOA

How Are CDD's Different from HOA's?

- Governmental entity
- Oversees public v. private infrastructure
- Compliance with ethics and open government laws
- Sovereign Immunity
- Ability to issue tax exempt bonds
- Revenue collection and enforcement- i.e. on the tax roll!
- Public procurement
- Typically no architectural review ability