

JPWard and Associates, LLC

**ARTISAN LAKES EAST
COMMUNITY DEVELOPMENT DISTRICT**

**REGULAR MEETING
AGENDA**

DECEMBER 18, 2018



James P. Ward
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Prepared by:
JPWard and Associates, LLC
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ARTISAN LAKES EAST COMMUNITY DEVELOPMENT DISTRICT

December 11, 2018

Board of Supervisors
Artisan Lakes East Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Artisan Lakes East Community Development District will be held on **Tuesday, December 18, 2018 at 3:15 P.M.**, at the **Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221**. The agenda is as follows:

1. Call to Order & Roll Call
2. Consideration of Minutes
 - I. November 29, 2018
3. Consideration of Resolution 2019-8
4. Staff Reports
 - I. Attorney
 - II. Engineer
 - III. Manager
8. Audience Comments and Supervisor's Requests
9. Adjournment

The second order of business is the consideration of the minutes of the November 29, 2018 regular meeting.

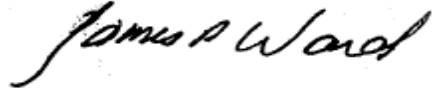
The third order of business is the consideration of resolution 2019-8 setting forth the specific terms of the district's capital improvement revenue bonds, series 2018; making certain additional findings and confirming and/or adopting a supplemental engineer's report and a supplemental assessment report; confirming the maximum assessment lien securing the 2018 bonds; addressing the allocation and collection of the assessments securing the 2018 bonds; addressing impact fee credits; addressing prepayments; addressing true-up payments; providing for the supplementation of the improvement lien book; and providing for conflicts, severability and an effective date

Artisan Lakes East Community Development District

The remainder of the Agenda is standard in nature, and in the meantime, if you have any questions or comments; please do not hesitate to contact me directly at (954) 658-4900.

Yours sincerely,

Artisan Lakes East Community Development District



James P. Ward
District Manager

Enclosures

**MINUTES OF MEETING
ARTINSAN LAKES EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Artisan Lakes East Community Development District was held on Saturday November 29, 2018 at 10:00 A.M., at the Artisan Lakes Clubhouse, 4725 Los Robles Court, Palmetto, Florida 34221.

Present and constituting a quorum:

Scott Himelhoch	Chairperson
Tracy Briones	Vice Chairperson
Travis Stagnita	Assistant Secretary
JD Humpherys	Assistant Secretary
Cheri Bass	Assistant Secretary

Also present were:

James P. Ward	District Manager
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Audience:

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

District Manager James P. Ward called the meeting to order at approximately 10:35 a.m. and all Members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Resignation and Appointment

Consideration of acceptance of the resignation of Mr. Michael Bachman from Seat 3 effective November 19, 2018, and the appointment to fill the vacancy in seat 3.

I. Acceptance of Resignation of Mr. Michael Bachman.

On MOTION made by Mr. Scott Himelhoch, seconded by Ms. Tracy Briones, and with all in favor, the Resignation of Mr. Michael Bachman was accepted effective November 19, 2018.

II. Consideration of appointment to fill the unexpired term of office for seat 3.

Mr. Ward stated Statute permitted the board to fill the unexpired term of office for seat 3 by simple motion and second. Ms. Tracy Briones nominated Ms. Cheri Bass.

On MOTION made by Ms. Tracy Briones, seconded by Mr. Scott Himelhoch, and with all in favor, the Appointment of Ms. Cheri Bass to seat 3 was approved.

III. Oath of Office.

Mr. Ward administered the Oath of Office to Ms. Cheri Bass.

IV. Guide to the Sunshine Law and Code of Ethics for Public Employees.

Mr. Ward presented the Guide to the Sunshine Law and Code of Ethics for Public Employees. He instructed Ms. Bass to complete the indicated forms and file them with the Supervisor of Elections in the County where Ms. Bass resided within 30 days. He explained if she did not file the forms the Supervisor had the authority to fine Ms. Bass a late fee of \$50 dollars per day. He reviewed the Sunshine Law which stated Ms. Bass or members of her staff were not permitted to communicate with another Member of the Board regarding any matter which might possibly appear before the Board. He explained violations of the Sunshine Laws were considered Ethics Violations and would reflect on Ms. Bass individually, not as a Member of the Board, which meant Ms. Bass would be individually responsible to defend herself if she were charged with an Ethics Violation; the Board’s liability policy would not cover Ms. Bass. He explained the Public Records Law indicated all Artisan Lakes East related paperwork was public record and any information sent to Ms. Bass should be forwarded to the Board Attorney or himself to be published as public record. He stated it was important for any public record law requests to be forwarded to the Board Attorney and/or himself. He stated emails sent to Board Member’s email addresses published on the Board’s website would be filtered through his email.

V. Form 1 – Statement of Financial Interests

THIRD ORDER OF BUSINESS

Resolution 2019-6

Consideration of Resolution 2019-6 re-designating the offices of the Artisan Lakes East Community Development District.

Mr. Ward stated as Mr. Bachman had been the Chairperson it was appropriate to replace the Chair. Mr. Scott Himelhoch volunteered to be the Chairperson.

On MOTION made by Mr. Travis Stagnita, seconded by Ms. Tracy Briones, and with all in favor, Mr. Scott Himelhoch was appointed as Chairperson and Ms. Cheri Bass was appointed as Assistant Secretary.

FORTH ORDER OF BUSINESS

Staff Reports

There were no Staff Reports.

FIFTH ORDER OF BUSINESS

Audience Comments and Supervisor's Requests

There were no Audience Comments or Supervisor's Requests

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the Meeting at approximately 10:43 a.m.

On MOTION made by Mr. Scott Himelhoch, seconded by Ms. Tracy Briones, and with all in favor, the meeting was adjourned.

Artisan Lakes East Community Development District

James P. Ward, Secretary

Scott Himelhoch, Chairperson

RESOLUTION 2019-8

A RESOLUTION SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT’S CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2018; MAKING CERTAIN ADDITIONAL FINDINGS AND CONFIRMING AND/OR ADOPTING A SUPPLEMENTAL ENGINEER’S REPORT AND A SUPPLEMENTAL ASSESSMENT REPORT; CONFIRMING THE MAXIMUM ASSESSMENT LIEN SECURING THE 2018 BONDS; ADDRESSING THE ALLOCATION AND COLLECTION OF THE ASSESSMENTS SECURING THE 2018 BONDS; ADDRESSING IMPACT FEE CREDITS; ADDRESSING PREPAYMENTS; ADDRESSING TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; AND PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Artisan Lakes East Community Development District (“**District**”) has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the imposition of special assessments on benefited property within the District and the issuance of bonds; and

WHEREAS, on October 10, 2018, the District’s Board of Supervisors (“**Board**”) adopted, after notice and public hearing, Resolution 2019-1, relating to the imposition, levy, collection and enforcement of debt service special assessments to secure the repayment of future bonds, including but not limited to the 2018 Bonds (defined herein); and

WHEREAS, on September 6, 2018, and in order to finance the “**2018 Project**” (which is described in the Engineer’s Report (defined herein)), the District entered into that certain *Bond Purchase Agreement* with MBS Capital Markets, LLC, whereby the District agreed to sell its Capital Improvement Revenue Bonds, Series 2018 (“**2018 Bonds**”) in the par amount of \$29,880,000; and

WHEREAS, pursuant to and consistent with Resolution 2019-1, the District desires to set forth the particular terms of the sale of the 2018 Bonds and confirm the lien for special assessments securing the 2018 Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE ARTISAN LAKES EAST COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

1. **INCORPORATION OF RECITALS.** All of the above representations, findings and determinations contained above are recognized as true and accurate and are expressly incorporated into this Resolution.
2. **AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and Resolution 2019-1.
3. **ADDITIONAL FINDINGS; ADOPTION OF ENGINEER’S REPORT AND SUPPLEMENTAL ASSESSMENT REPORT.** The Board hereby finds and determines as follows:
 - a. On October 10, 2018, the District, after due notice and public hearing, adopted Resolution 2019-1 which, among other things, equalized, approved, confirmed and levied special assessments on property benefiting from the improvements authorized by the District. That Resolution provided that as each series of bonds is issued – including

but not limited to the 2018 Bonds – to fund all or any portion of the District’s capital improvement plan, a supplemental resolution would be adopted to set forth the specific terms of the bonds and certify the amount of the lien of the special assessments – including but not limited to the special assessments (“**2018 Assessments**”) pledged to secure the 2018 Bonds – securing any portion of the bonds, including interest, costs of issuance, the number of payments due, and the application of receipt of any true-up proceeds.

- b. *The Supplemental Report of the District Engineer*, dated November 9, 2018, and attached to this Resolution as **Exhibit A (“Engineer’s Report”)**, identifies and describes, among other things, the presently expected components of the 2018 Project. The Engineer’s Report sets forth the estimated costs of the 2018 Project. The District hereby confirms that the 2018 Project serves a proper, essential and valid public purpose. The Engineer’s Report is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the 2018 Bonds.
- c. *The _____*, dated _____, 2018, and attached to this Resolution as **Exhibit B (“Assessment Report”)**, applies the District’s master assessment methodology (as set forth in the *Master Special Assessment Methodology*, dated September 6, 2018) to the 2018 Project and the actual terms of the 2018 Bonds. The Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the 2018 Bonds.
- d. Generally speaking, and subject to the terms of **Exhibit A** and **Exhibit B**, the 2018 Project specially benefits developable property within the District, as further described in **Exhibit B** attached hereto. Moreover, the benefits from the 2018 Project funded by the 2018 Bonds to the properties (“**Assessment Area 1**”) subject to the 2018 Assessments equal or exceed the amount of the 2018 Assessments, as described in **Exhibit B**, and such 2018 Assessments are fairly and reasonably allocated across Assessment Area 1. It is reasonable, proper, just and right to assess the portion of the costs of the 2018 Project to be financed with the 2018 Bonds to the specially benefited properties within Assessment Area 1 as set forth in Resolution 2019-1 and this Resolution.

4. **CONFIRMATION OF MAXIMUM ASSESSMENT LIEN SECURING THE 2018 BONDS.** As provided in Resolution 2019-1, this Resolution is intended to set forth the terms of the 2018 Bonds and the final amount of the lien of the 2018 Assessments. **Composite Exhibit C** shows: (i) the rates of interest and maturity on the 2018 Bonds, (ii) the estimated sources and uses of funds of the 2018 Bonds, and (iii) the debt service due on the 2018 Bonds. The lien of the 2018 Assessments shall be the principal amount due on the 2018 Bonds, together with interest and collection costs.

5. **ALLOCATION AND COLLECTION OF 2018 ASSESSMENTS.**

- a. The 2018 Assessments shall be allocated in accordance with **Exhibit B**. The Assessment Report, considered herein, reflects the actual terms of the issuance of the 2018 Bonds.
- b. Section 8 of Resolution 2019-1 sets forth the terms for collection of the 2018 Assessments. The District hereby certifies the 2018 Assessments for collection to ensure payment of debt service as set forth in **Exhibit B** and **Composite Exhibit C**. The

District Manager is directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law and the applicable trust indenture in order to provide for the timely payment of debt service (and after taking into account any capitalized interest period, if any). Among other things, the District Manager shall prepare or cause to be prepared each year an assessment roll for purposes of effecting the collection of the 2018 Assessments and present same to the Board as required by law.

6. **IMPACT FEE CREDITS.** Any impact fee credits arising from the development of the 2018 Project shall be addressed as set forth in that *Interlocal Agreement Regarding Artisan Lakes Parkway and Certain Eaves Bend Infrastructure* and the related *Developer Parkway Agreement*, both as authorized by the District's Resolution 2018-21.

7. **PREPAYMENT OF 2018 ASSESSMENTS.** Section 8(b) of Resolution 2019-1 addresses prepayments for the 2018 Assessments.

8. **APPLICATION OF TRUE-UP PAYMENTS.** Assessment Area 1 is fully platted, and accordingly, this Section 8 will only apply in the event that Assessment Area 1 is re-platted or otherwise similarly modified. In such case, the Assessment Report shall govern the true-up process as it relates to the 2018 Assessments and 2018 Bonds. As noted in the Assessment Report, the District has allocated the 2018 Assessments to platted lands, and caused the 2018 Assessments to be recorded in the District's Improvement Lien Book.

If a change in development due to a re-plat or similar modification results in a net decrease in the overall principal amount of 2018 Assessments able to be assigned to the developable lands within Assessment Area 1 – as determined by the District Manager in his sole and absolute discretion and without respect to any third party rights if any that may exist, and based on the Assessment Report the terms of which are incorporated herein, the applicable landowner will be required to make a density reduction payment ("**True-Up Payment**") equal to the shortfall in 2018 Assessments resulting from the reduction of planned units. Any True-Up Payment shall become due and payable that tax year by the applicable landowner, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the applicable property until paid. A True-Up Payment shall include accrued interest on the 2018 Bonds to the next applicable interest payment date, as provided for in the applicable trust indenture. All 2018 Assessments levied run with the land, and such 2018 Assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until provision for such payment has been satisfactorily made.

9. **IMPROVEMENT LIEN BOOK.** Immediately following the adoption of this Resolution, the 2018 Assessments as reflected herein shall be recorded by the Secretary of the Board in the District's Improvement Lien Book. The 2018 Assessments shall be and shall remain a legal, valid and binding first lien against all benefitted property as described in **Exhibit B** until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

10. **CONFLICTS.** This Resolution is intended to supplement Resolution 2019-1, which remains in full force and effect and is applicable to the 2018 Bonds except as modified herein. This Resolution and Resolution 2019-1 shall be construed to the maximum extent possible to give full force

and effect to the provisions of each resolution, provided however that to the extent of any conflict, this Resolution shall control. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

11. **SEVERABILITY.** If any section or part of a section of this Resolution is 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.

APPROVED and **ADOPTED** this 18th day of December, 2018.

ATTEST:

**ARTISAN LAKES EAST COMMUNITY DEVELOPMENT
DISTRICT**

James P. Ward, Secretary

Scott Himelhoch, Chairperson

Exhibit A: *Supplemental Report of the District Engineer, dated November 9, 2018*

Exhibit B: *Supplemental Special Assessment Methodology, dated _____, 2018*

Comp. Ex. C: *Maturities and Coupon of 2018 Bonds, Sources and Uses of Funds for 2018 Bonds, and Annual Debt Service Payment Due on 2018 Bonds*

EXHIBIT A

EXHIBIT B

COMP. EXHIBIT C