

**MINUTES OF MEETING
HERITAGE HARBOUR MARKET PLACE
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Heritage Harbour Market Place Community Development District's Board of Supervisors was held on Thursday, **October 5, 2017**, at **2:15 p.m.**, at the **River Strand Golf & Country Club (Clubhouse)**, **7155 Grand Estuary Trail, Bradenton, Florida 34212**.

Present and constituting a quorum were:

Terry Kirschner	Chairman
William Riley	Vice Chairman
Russell Smith	Assistant Secretary

Absent were:

David Negip	Assistant Secretary
Matthew Morris	Assistant Secretary

Also present were:

James P. Ward	District Manager
Jere Earlywine	District Counsel
Shane Cooper	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:30 p.m., and roll call determined that all members of the Board were present with the exception of Supervisors Negip and Morris.

SECOND ORDER OF BUSINESS

Approval of Minutes for August 3, 2017

Mr. Ward asked for any additions, corrections or deletions to the minutes of the August 3, 2017 meeting. Hearing none, he asked for a motion for their approval.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve the minutes of the August 3, 2017 meeting, and with all in favor, the motion was approved.

THIRD ORDER OF BUSINESS**Consideration of Resolution 2018-1**

Mr. Ward directed the Board to the consideration of Resolution 2018-1 making certain findings, authorizing and/or ratifying the cancellation of a portion of a tax certificate relative to Parcels 19 and 20, which were the parcels that were in default. He stated the issue was somewhat complicated and asked Mr. Earlywine to explain the resolution and its attachments.

Mr. Earlywine said there was a tax certificate on a defaulted parcel in the amount of approximately \$937,000, and each year it increased due to interest of 18 percent. He said there was an opportunity to cancel a portion of the certificate that related to the District's special assessments, which was the bulk of the \$937,000, about 99 percent of it. He said there were a couple reasons the District would want to cancel this. One was that the certificate process could interfere with foreclosure. He said it was not 100 percent certain that the cancellation would go through, but the appropriate form had been submitted, and they were awaiting a response.

Mr. Earlywine continued that what was important in terms of protecting the District was to make sure that both bondholders were consenting to the cancellation. He said in fact confirmation had been given by both bondholders, the majority bondholder and the minority bondholder; both had agreed.

Mr. Earlywine continued that the Resolution outlined what he had talked about including the outstanding certificate and the delinquent debt assessments. He said it would be in the best interest of the District to cancel the debt, and the bondholders have consented to move forward. He said the Resolution set forth authorization and ratified Mr. Ward's actions. He said it would waive the District's right to collect the interest of 18 percent.

He added that Section 3 of the Resolution further stated that as soon as word was received that the tax certificate was canceled, then the District would re-invoice the underlying special assessments and could include those in the foreclosure suit.

Mr. Earlywine stated there were a number of exhibits attached to the Resolution. The first was a direction letter from the majority bondholder which directed the District to cancel the tax certificate. In this letter, they also make a commitment that the landowner will pay the balance of the certificate plus any accounting costs. He said that would effectively cancel the entire certificate.

Mr. Earlywine added there was a tolling agreement attached to the direction letter, which buttoned up any statute of limitations issues that might exist with respect to the tax certificate, took it off the tax roll and then foreclosed it directly.

Mr. Earlywine stated the last document was an indemnification from the majority bondholder where it was agreed to indemnify the District for all liability including attorneys' fees.

Mr. Earlywine concluded he thought they were well protected and approval of the Resolution would be in the best interest of the District.

Mr. Ward added the majority bondholder was now also the owner of Parcels 19 and 20.

Mr. Smith verified that Mr. Earlywine recommended the adoption of the Resolution.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve Resolution 2018-1, and with all in favor, the motion was approved.

FOURTH ORDER OF BUSINESS

Staff Reports

a) Attorney –

Mr. Earlywine reported there was a Landowners' election due which had been scheduled for February 1, 2018, 2:15 p.m., at the River Strand Golf & Country Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212. He said the statutes required that this election be announced at a public meeting along with the presentation of relevant documents.

Mr. Ward called for a motion to adopt the date, time and location for the Landowners' election.

MOTION was made by Mr. Riley and seconded by Mr. Smith to set the date, time and location for the Landowners' meeting as described above, and with all in favor, motion was approved.

b) Engineer – No report was given.

c) Manager - No report was given.

FIFTH ORDER OF BUSINESS

Adjournment

Mr. Ward called for a motion to adjourn the meeting.


MOTION was made by Mr. Riley and seconded by Mr. Smith, and with all in favor, motion to adjourn the meeting was approved.

The meeting was adjourned at 2:41 p.m.

Heritage Harbour Market Place
Community Development District



James P. Ward, Secretary



Terry Kirschner, Chairperson