

PALERMO COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARINGS ON THE ADOPTION OF THE DISTRICT'S BUDGET AND CONSIDERATION OF ASSESSMENT RATES FOR FISCAL YEAR 2024 WHICH COVERS THE PERIOD OCTOBER 1, 2023, THROUGH SEPTEMBER 30, 2024, AND CONSIDERATION OF THE ADOPTION OF A CAP RATE FOR NOTICE PURPOSES ONLY

THIS IS NOT A BILL – DO NOT PAY

Date of Mailing: June 16, 2023
Parcel Identification Number: Specific to Letter
Property Owner Name and Mailing Address: Specific to PropertyOwner

O&M ASSESSMENT RATES

Fiscal Year 2024 – Proposed Rate per ERU	\$189.02
CAP Rate per ERU	\$226.82
Equivalent Residential Units (ERU)	1

The assessment rate covers a full fiscal year of the District from October 1st through September 30th of the following year.

This NOTICE is to provide you information about the Palermo Community Development District (“District”), its services and upcoming events. As you may know, the District is a local unit of special and single purpose government located in Lee County, Florida. The District’s purpose is to provide certain types of infrastructure for the lands within the District including your property. You are receiving this notice because the County Property Appraiser’s records indicate that you are a property owner within the District.

Upcoming Public Hearings

The District will hold two public hearings on **Friday, July 21, 2023, at 9:00 A.M.** at the offices of **Lennar Homes, 10461 Six Mile Cypress Parkway, Fort Myers, Florida 33966**. The purpose of the first public hearing will be to consider the adoption of the District’s budgets. The purpose of the

second public hearing will be to determine and levy assessments to defray operations and maintenance assessments and to consider use of collection methods.

In order to fund operations, the District imposes and levies non-ad valorem special assessment on your property on an annual basis, the purposes of which are: (i) to fund the District's general administrative and maintenance budget ("Operation and Maintenance Assessment"), and (ii) to provide the funds necessary to pay debt service on outstanding bonds as reflected in the District's debt service budget ("Debt Service Assessment"). The Operation & Maintenance Assessment is adopted each year after consideration by the Board of Supervisors of the District of a budget and after the holding of applicable public hearings. The Operation & Maintenance Assessment is not a new assessment, but the District is required by Florida law to notify each owner by mail of an intended increase in the Operation and Maintenance Assessment beyond previously adopted noticed levels or as otherwise required by Section 197.3632, Florida Statutes.

At this public hearing, the Board will also consider adopting an assessment cap for notice purposes. The effect of adopting such a cap for notice purposes only simply means that the District will not hold a public hearing on assessments or provide mailed notice to you in the future if the annual assessment amount provided is less than the cap adopted. If in the future the District's proposed assessments exceed the adopted cap, mailed notice will be provided to all landowners within the District prior to the public hearing. The purpose of adopting an assessment cap for notices purposes only is to reduce the costs to all landowners associated with providing mailed notice.

Fiscal Year 2024- Budget Summary

Under the proposed budget, all property pays the same operations and maintenance assessment amount, as noted above. The District expects to collect and arrange to collect no more than \$231,922.63 gross revenue for Fiscal Year 2024's Operations and Maintenance Assessment, including any applicable discounts and applicable fees as a result of the Operations and Maintenance Assessment. The total revenue the District would expect to collect, in future years for the Operation and Maintenance Assessment, if the assessment cap rate is used, would be not more than \$278,307.15 in gross revenue per year, including any applicable discounts and applicable fees. Note that the Operation and Maintenance Assessment does not include any Debt Service Assessments previously levied by the District and due to be collected for Fiscal Year 2023-24 and subsequent years.

The increase in the assessment is due to the establishment of a reserve for damage to District infrastructure from natural disasters and/or capital improvements in future years. Beginning in Fiscal Year 2024 the District will establish a reserve of \$50,000.0. This reserve amount is \$40.75 per year for your property. This is included in the amount shown above for the Fiscal Year 2024 Assessment Rate and is NOT an addition to the Fiscal Year 2024 Assessment Rate.

As you know Hurricane Ian did substantial damage and the reserve will establish over time, sufficient reserves to be able to fund repairs and restoration of damaged infrastructure.

Notices

By operation of law, the District's assessments each year constitute a lien against your property located within the District just as do each year's real property taxes. It is important to pay your assessment because failure to pay for platted lands will cause a tax certificate to be issued against the property, which may result in loss of title by subsequent tax deed, or for direct billed assessments, may result in a foreclosure action, which also may result in a loss of title. The District's decision to collect assessments on the tax roll or by direct billing does not preclude the District from later electing to collect those or other assessments in a different manner at a future time. The public hearings may be continued to a date and time certain that will be announced at the hearing.

You have the right to appear at these public hearings and express any objections, suggestions or comments you may have. You may also file written objections within twenty (20) days of the date of this letter to the District Manager, 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308 or by e-mail to the District Manager, James P. Ward at JimWard@JPWardAssociates.com.

If anyone chooses to appeal any decision of the Board with respect to any matter considered at the public hearing, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the testimony and evidence upon which such appeal is based. The public hearing(s) may be continued to a date and time certain that will be announced at the hearing.