TERN BAY
Community Development District

District Manager: James P. Ward
2301 NE 37 Street
Fort Lauderdale, Florida 33308
954.658.4900

NOTICE OF PUBLIC HEARINGS ON THE ADOPTION OF THE DISTRICT'S BUDGET AND CONSIDERATION OF ASSESSMENT RATES FOR FISCAL YEAR 2027 WHICH COVERS THE PERIOD OCTOBER 1, 2026, THROUGH SEPTEMBER 30, 2027

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 17, 2026**
Parcel Identification Number:	**[Specific to Owner]**
Property Owner:	**[Specific to Owner]**

OPERATION AND MAINTENANCE ASSESSMENT RATE

Fiscal Year 2027 – Proposed Rate per ERU	**$1,356.09**
CAP Rate per ERU	**$1,750.00**
Equivalent Residential Units (ERU)	**1**

This NOTICE is to provide you information about the Tern Bay 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 Charlotte 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 **Wednesday, July 22, 2026**, consecutively starting at **10:00 A.M.** at the **Heritage Landing Clubhouse, 14571 Heritage Landing Blvd, Punta Gorda, Florida 33955**. 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 assessments 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 and 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 and 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 Operation and Maintenance Assessment exceeds 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 2027 – Proposed Budget

This past year brought many challenges and opportunities as we began our first year of operations. We have continued to make meaningful progress on infrastructure, safety, and beautification initiatives throughout the past several months. Below is a summary of the completed improvements and ongoing projects that support the long-term health, safety, and appearance of our community.

Strengthening Infrastructure & Storm Resilience

The CDD completed a **full cleanout of the stormwater system**, including **167 inlets** across the community. This major effort has already delivered results: residents have reported that **street flooding during heavy rains and storm events has been fully resolved**. Maintaining a healthy drainage system remains a top priority for long-term storm preparedness.

Sidewalk safety also received focused attention this spring, and **all Phase 1 repairs are now complete**. Approximately **110 cracks** were addressed, resolving damage that developed after the final lift was completed more than a year ago. **Lennar has also completed their remaining sidewalk repairs in Phase 2**, and the District will now assume ongoing maintenance of all sidewalks moving forward.

Enhanced Lighting & Entrance Improvements

Both community entrances underwent electrical upgrades to replace aging conduit and receptacles that were causing recurring outages. These improvements have stabilized the lighting system and reduced service interruptions.

Holiday rope lighting on the royal palms—originally installed for the winter season—received overwhelmingly positive resident feedback. With Board approval, these lights now operate **dusk to dawn year-round**, adding a warm, welcoming glow to the community.

Upgraded holiday decorations were also installed at both entrances from November through early January, creating a festive and inviting atmosphere for residents and guests.

Community Welcome Center, Gatehouse & Technology

Following a competitive RFP process and three public board meetings with resident input, **Entrance IQ and Allied Security** were selected in Fall 2025 to modernize the community's access control operations.

In December 2025, the District implemented a new entrance access software platform designed to improve speed, accuracy, and overall security. The upgraded system now provides:

- Faster entry processing
- QR codes for visitors that scan in under one minute
- Detailed vehicle entry logs
- Video capture of all entries
- License plate recognition
- Enhanced reporting analytics to better understand access patterns

The transition also included a new staffing company to strengthen resident service and ensure smooth operation of the upgraded system. Together, these changes improved efficiency and reliability while generating **$125,000 in budget savings** for the District.

Landscape Maintenance & Corridor Appearance

The CDD continues to maintain 1.5 miles along Burnt Store Road and Heritage Landing Blvd. Following a competitive RFP process, **Sunnygrove was selected as the landscape provider**. Residents have shared positive feedback about the appearance of the Burnt Store corridor, noting its standout condition compared to surrounding communities.

Due to SWFWMD water restrictions, spring replacement plantings was temporarily postponed and is currently being evaluated for replacement schedule.

Environmental Stewardship

New **littoral plantings were added in Fall 2025 to the seven original ponds included in the Phase 1** Area. These ponds have established littoral shelves and were planted following Southwest Florida Water Management District "Healthy Ponds" guidance. The additions support water quality, shoreline stability, and long-term ecological health.

The remaining lakes in Phase 2 are not required to have littoral plantings; however, the Board of Supervisor's is evaluating in Fiscal Year 2027 future plans for littoral plantings in Phase 2.

Wild hog trapping and Cane Toad removal efforts continue as part of the District's commitment to protecting landscaping, common areas, ponds, and resident/pet safety.

Safety & Signage Enhancements

To improve roadway safety, the **CDD installed additional 25 mph and pedestrian signs** throughout the community. New signage was also added at the Kayak Launch entrance to ensure proper use and visibility.

Streetlight reliability has significantly improved. Of the **31 lights** reported since November 2025, **all have been repaired** by FPL. In addition, the CDD continues to work with Lennar and FPL to install the final remaining streetlights not yet in place.

Projects Currently Underway

Golf Cart Community Designation

Work continues toward formal designation, including required signage, mapping, and coordination with county ordinance updates.

Bridges & Walkway Lighting

Construction on the pedestrian bridges began the week of **April 24** and is expected to last approximately **19 weeks**. Residents received the construction map and schedule on March 30 and April 8. The bridges will feature **dusk-to-dawn walkway lighting** to enhance evening safety and visibility..

Fiscal Year 2027 - Budget Summary

Under the proposed budget, **all properties pay the same Operation and Maintenance Assessment amount as noted above**. The District expects to collect and arrange to collect no more than $2,081,927.32 in gross revenue for Fiscal Year 2027's Operation and Maintenance Assessment including any applicable discounts and applicable fees as a result of the Operation 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 $2,498,309.66 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 2027 and subsequent years**.

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 NE 37th Street, Fort Lauderdale, Florida 33308 or by e-mail to the District Manager, James P. Ward at wardj@pfm.com ("District Manager's Office").

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 hearings and meetings may be continued to a date, time, and place to be specified on the record. There may be occasions when staff or board members may participate by speaker telephone or other means of telecommunications. Any person requiring special accommodation because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.