

**BEFORE THE CITY COMMISSION
CITY OF EUSTIS, FLORIDA**

IN RE: Petition to Establish Hicks Ditch)
 Community Development District)
_____)

AFFIDAVIT ADOPTING WRITTEN, PRE-FILED TESTIMONY

STATE OF FLORIDA
COUNTY OF Orange

I, George Flint (“Affiant”), being first duly sworn, do hereby state for my affidavit as follows:

1. I have personal knowledge of the matters set forth in this affidavit.
2. My name is George Flint and I am a Vice-President with Governmental Management Services – Central Florida, LLC.
3. The prepared written, pre-filed testimony consisting of twelve (12) pages submitted under my name to the City Commission of City of Eustis, Florida, relating to the Petition to Establish (“Petition”) the Hicks Ditch Community Development District (“District”) and attached hereto, is true and correct.
4. If I were asked the questions contained in the pre-filed testimony orally at the District establishment hearing, my oral answers would be the same as the written answers presented in my pre-filed testimony.
5. My credentials, experience and qualifications concerning my work are accurately set forth in my pre-filed testimony.
6. My pre-filed testimony addresses the various managerial, operational and financial aspects related to the Petition.
7. No corrections or amendments to my pre-filed testimony are required.

Under penalties of perjury, I declare that I have read the foregoing and the facts alleged are true and correct to the best of my knowledge and belief.

Executed this 11 day of October 2022.


George Flint

SWORN TO and SUBSCRIBED before me by means of physical presence or online notarization, this 11th day of October 2022 by the Affiant.



[notary seal]


(Official Notary Signature)
Name: George S. Flint
Personally Known
OR Produced Identification _____
Type of Identification _____

1 **TESTIMONY OF GEORGE FLINT FOR ESTABLISHMENT OF**
2 **HICKS DITCH COMMUNITY DEVELOPMENT DISTRICT**
3

4 **1. Please state your name and business address.**
5

6 My name is George S. Flint. My business address is 219 East Livingston Street, Orlando,
7 Florida 32801.
8

9 **2. By whom are you employed and in what capacity?**
10

11 I am a Vice-President with Governmental Management Services – Central Florida, LLC
12 (GMS) and serve as District Manager and assessment administrator for community
13 development districts.
14

15 **3. Please briefly summarize your duties and responsibilities.**
16

17 GMS provides management consulting services to community development districts and
18 the real estate industry, including general management, accounting, recording, secretarial
19 services, field services and assessment administration. GMS currently serves as the district
20 manager for over two hundred twenty eighty (220) community development districts
21 (“CDDs”) in the State of Florida.
22

23 **4. Do you work with both public and private sector clients?**
24

25 GMS primarily works for public entities providing district management services.
26 However, we are retained, from time to time, by private entities to consult on the creation
27 of special districts as well as the viability of certain proposed developments.
28

29 **5. Prior to your current employment, by whom were you employed and what were your**
30 **responsibilities in those positions?**
31

32 I have twenty-eight (28) years of experience in the public and private sectors providing
33 general management, budgeting, and consulting services. I served as the Budget Officer
34 and Assistant County Administrator for St. Johns County, Florida, and as the Assistant
35 County Manager/Performance Manager for Alachua County, Florida. In addition, I served
36 as a Senior Management Consultant and Regional Manager for TetraTech, Inc., an
37 environmental engineering firm, and as the Executive Director of the St. Johns County
38 Utility Authority. I have extensive knowledge of special districts, governmental budgeting
39 and finance issues, the development process, and water and wastewater utilities.
40

41 **6. Are you familiar with the Petition (“Petition”) filed by TLC Pine Meadows, LLC**
42 **(“Petitioner”) on August 12, 2022, seeking the establishment of the proposed District?**
43

44 Yes, I serve as an assessment, economic, and management consultant relating to the
45 establishment of the proposed District. Specifically, I assisted the Petitioner with the

1 preparation of Petition Exhibit 8, the Statement of Estimated Regulatory Costs (“SERC”).

2
3 **7. Please describe your educational background.**

4
5 I have a Bachelor of Arts degree from Princeton University in Politics with a focus in
6 economics and a Master of Public Administration from Florida State University with a
7 specialization in public budgeting and finance.

8
9 **8. Please describe your work with community development districts (“CDDs”) in**
10 **Florida.**

11
12 Through GMS, the clients I serve are both resident-elected and landowner-elected CDDs,
13 depending on the stage in the life of the development. I assist the various Boards of
14 Supervisors and residents by managing the accounting, official recordkeeping, and
15 operations and management of the assets acquired or constructed by the CDD. I have
16 provided management and assessment administration services to over fifty (50) active
17 CDDs across Florida.

18
19 **9. Are any of these community development districts that you have worked with about**
20 **the same size as the proposed Hicks Ditch Community Development District in the**
21 **City of Eustis, Florida (the “City”)?**

22
23 Yes.

24
25 **DISTRICT MANAGEMENT**

26
27 **10. At this point, I will ask you to address certain matters that are related to community**
28 **development district management. Please describe the general manner in which a**
29 **community development district actually operates.**

30
31 Community development districts are governed by a five-member board of supervisors.
32 These board members are initially appointed by the establishment entity in its ordinance.
33 Within 90 days of the establishment of the district, a new board is elected by the landowners
34 in the district. The Board is the governing body of the district. The Board employs a district
35 manager, who supervises the district’s services, facilities, and administrative functions. The
36 Board annually considers and, after public notice and hearing, adopts a budget. The district
37 submits a copy of the proposed budget to the applicable local general-purpose government
38 for review and for optional comment prior to its adoption each year.

39
40 **11. Are there requirements, such as the open meetings and public records laws, imposed**
41 **upon community development districts in order to safeguard the public that are**
42 **similar to those imposed upon other general-purpose local governments?**

43
44 Yes, there are.

1 **12. Please describe these requirements and safeguards.**
2

3 First, it is important to note that the establishment of a CDD does not change any
4 requirements for local general-purpose governmental approval of construction within the
5 district. Any land development requirements and all state and local development
6 regulations still apply.
7

8 Second, members of the CDD Board of Supervisors must be residents of Florida and citizens
9 of the United States. After the Board shifts to being elected by the resident electors of the
10 district the supervisors must also be residents and electors of the district. Board members
11 must annually file the same financial disclosure forms required by other local officials. All
12 meetings of the CDD Board of Supervisors are open to the public and are subject to the
13 government in the sunshine requirements of Chapter 286, *Florida Statutes*. Furthermore,
14 the District's records must be open for public inspection in accordance with the Florida law
15 governing public records.
16

17 Next, the district must provide financial reports to the state in the same form and manner as
18 is required of all other political subdivisions. The CDD is annually audited by an
19 independent certified public accountant. As I said before, the CDD budget is adopted
20 annually by the board after a public hearing. All rates, fees, and charges imposed by the
21 district must be adopted pursuant to Chapter 120, *Florida Statutes*.
22

23 Finally, to impose special or non-ad valorem assessments under Chapter 170, 190 and 197,
24 a CDD must provide published and mailed notice to those who are assessed providing them
25 opportunity to appear before the Board of Supervisors and have an opportunity to comment
26 on the advisability of the assessments. That assessment process entails preparation of an
27 assessment methodology that fairly and equitably allocates the cost of the district's projects.
28

29 **13. Please describe in general terms how a CDD operates financially, both on a day-to-day
30 and a long-term basis.**
31

32 In the early stages, particularly when a CDD is first formed, the CDD's operating funds may
33 be funded by a "Funding Agreement" between the CDD and the landowner/developer in
34 lieu of assessments that the CDD might have imposed on property within the CDD.
35

36 In order to provide long term financing of capital projects, CDDs often issue bonds. All
37 bonds issued by CDDs must be secured by a trust agreement, and any bond maturing over
38 a period of more than five years must be validated and confirmed by court decree pursuant
39 to Chapter 75, *Florida Statutes*. The CDD also may borrow funds on a long or short-term
40 basis.
41

42 Debt may be retired by the District through non ad valorem or special assessments imposed
43 on benefited properties, or rates, fees, and charges imposed on users of district facilities and
44 services. By law, debt of the District cannot become debt of any other government (city,
45 county or state), without that government's consent.

1
2 **14. What alternatives, other than community development districts, are you familiar with**
3 **that might be available to provide community infrastructure for the lands within the**
4 **proposed District?**
5

6 In my opinion there are two alternatives that might provide community infrastructure such
7 as the roads, utilities, drainage, recreation and other improvements contemplated for the
8 proposed district. First, the general-purpose local government could finance the
9 improvements utilizing special assessments and/or general funds. Alternatively, the
10 developer could provide infrastructure through private means, including private financing
11 if available. As discussed later in my testimony, neither of these alternatives is preferable
12 to use of the CDD concept.
13

14 **15. What has been your role with respect to the Petition to Establish the Hicks Ditch**
15 **Community Development District (the “Petition”)?**
16

17 I have worked closely with TLC Pine Meadows, LLC (the “Petitioner”) and its consultants
18 in determining if a CDD is appropriate for this project. I also supervised the preparation of
19 Exhibit 8 of the Petition, the SERC.
20

21 **16. Do you have an opinion, as someone experienced in district management and**
22 **operations, as to whether the proposed District is the best available alternative for**
23 **delivering community services and facilities to the areas that will be served by the**
24 **District?**
25

26 Yes. For this project, the proposed District is the best alternative available for delivering
27 the proposed services and facilities to the area that will be served. These improvements
28 include, but are not limited to, sanitary sewer collection, water distribution, reuse water,
29 stormwater management system, conservation and mitigation, roadway improvements, and
30 landscaping and hardscaping.
31

32 **17. What is the basis for your opinion?**
33

34 Looking at the alternatives, the City could finance and manage the improvements utilizing
35 special assessments or general funds. The developer and/or a property owner’s association
36 (“POA”) could provide these facilities as well through private financing.
37

38 In evaluating the alternatives, it is important to consider whether the alternative can provide
39 the best focus, can effectively and efficiently manage and maintain the facilities, and
40 whether the alternative can secure low cost, long term public financing. The City clearly
41 provides the long-term perspective and is a stable and relatively low-cost source of
42 financing and provider of services at sustained levels. However, the City has substantial
43 demands over a broad geographical area that places a heavy management delivery load on
44 its staff. In addition, if dependent district financing were used, the City would be
45 responsible for all administrative aspects of the dependent district. The City would have to

1 make time and meetings available for the monthly matters pertaining to the dependent
2 district. By using a dependent district mechanism, the City would be increasing its
3 responsibility and hence liability for the variety of actions that will take place in the Lake
4 Harris development. The City, through the dependent district, would also be the contracting
5 party for all construction contracts, would have to deal with bid issues, enforce performance
6 bonds, and participate in construction arbitration or litigation if necessary. They would deal
7 with delay claims and budget management and all the other challenges that come with being
8 the owner in a public construction project. A district can be created to provide focused
9 attention to a specific area in a cost-effective manner. It also allows the City to focus staff
10 time, finances, and other resources elsewhere and does not burden the general body of
11 taxpayers in the City with the debt associated with this growth.

12
13 The other alternative is the use of private means either through a POA or through the
14 developer, or both in combination. This combination can clearly satisfy the high demand
15 for focused service and facilities and managed delivery. However, only a public entity can
16 assure a long-term perspective, act as a stable provider of services and facilities, qualify as
17 a lower cost source of financing, and pay for services at sustained levels. POAs lack the
18 ability to effectively finance the improvements. Their ability to assure adequate funds for
19 sustained high levels of maintenance is less than with a CDD.

20
21 Furthermore, neither the developer nor a POA would be required to conduct all actions
22 relating to the provision of these improvements in the “sunshine” as a CDD must or abide
23 by other public access requirements that are incumbent upon a CDD and its Board of
24 Supervisors. Also, provision and long-term operation and maintenance of these
25 improvements, particularly the drainage activities, by a CDD ensures that residents have
26 guaranteed access to the body or entity making decisions about these facilities, and in fact
27 will one day sit as the five-member board making the decisions that impact their community
28 directly.

29
30 A CDD is an independent special purpose unit of local government designed to focus its
31 attention on providing the best long-term service to its specifically benefited properties and
32 residents. It has limited power and a limited area of jurisdiction. The CDD will be governed
33 by its own board and managed by those whose sole purpose is to provide the district long
34 term planning, management, and financing of these services and facilities. This long-term
35 management capability extends to the operation and maintenance of the facilities owned by
36 the CDD. Further, the sources for funding and manner of collection of funds will assure
37 that the CDD facilities will be managed at the sustained levels of quality desired by residents
38 well into the future.

- 39
40 **18. Do you have an opinion, as someone experienced in district management and**
41 **operations, as to whether the area of land to be included within the proposed District**
42 **is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be**
43 **developable as one functional interrelated community?**
44

45 Yes.

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19. What is your opinion?

The proposed CDD has sufficient land area, and is sufficiently compact and contiguous to be developed, with the roadway, drainage, water and sewer, and other infrastructure systems, facilities and services contemplated. The District will operate as one functionally interrelated community.

20. What is the basis for your opinion?

The size of the proposed District is approximately 244.043 acres. Based on my previous experience, the proposed District is of sufficient size, compactness, and contiguity to be developed as a functional interrelated community.

The qualities of compactness, contiguity, and size relate directly to whether an area can become one functional interrelated community. From the standpoint of the provision, management and operation of the community infrastructure expected to be provided by the District, the acres contemplated for inclusion within the District is sufficiently compact, contiguous and of sufficient size to maximize the successful delivery of these infrastructure improvements to these lands. The delivery of services and facilities to the lands within the District will not be hampered by insurmountable barriers or spatial problems. The area within the District is suitably configured to maximize the benefits available from the District services and facilities to be provided.

21. Do you have an opinion, as someone experienced in district management and operations, as to whether the area that will be served by the proposed District is amenable to separate special district government?

Yes.

22. What is your opinion?

The District is of sufficient size, compactness, and contiguity. Therefore, the area to be served by the proposed District is clearly amenable to separate special district governance. The configuration of the District is not unlike other CDDs with which I have worked over time.

23. What is the basis for your opinion?

Two criteria are needed to evaluate if a land area is amenable to separate special district government. One, does the land area have need for the facilities and services and will its owners and residents benefit from facilities that the special district could provide? Two, is the land area of sufficient size, sufficient compactness, and sufficiently contiguous to be the basis for a functional interrelated community?

1 Under both criteria, the proposed District is a planned community of sufficient size with a
2 need for the facilities and improvements that are presently expected to be provided by the
3 proposed District. As described in the petition, the proposed District will construct and
4 maintain certain identified needed facilities and services. Other facilities and improvements
5 will be constructed by the proposed District and ultimately owned and maintained by the
6 City. Based on my experience, CDDs of this size are large enough to effectively provide
7 and manage services. From a management and operations perspective, the land area is well
8 suited to the provision of the proposed services and facilities. Ultimately, of course, if later
9 circumstances would cause the City to re-evaluate whether these lands should continue as
10 separate special district government, the City has the option under Section 190.046(4),
11 *Florida Statutes*, to effectively take over the functions of any CDD.
12

- 13 **24. Do you have an opinion, as someone experienced in district management and**
14 **operations, as to whether the community development services and facilities of the**
15 **proposed District will be incompatible with the capacity and use of existing local and**
16 **regional community development services and facilities?**

17
18 Yes.

- 19
20 **25. What is your opinion?**

21
22 The proposed services and facilities of the proposed District are not incompatible with the
23 capacity and uses of existing local or regional community development services and
24 facilities.
25

- 26 **26. What is the basis for your opinion?**

27
28 Petitioner presently expects the proposed District to finance and construct certain sanitary
29 sewer collection systems, water distribution systems, reuse water systems, stormwater
30 management systems, conservation and mitigation improvements, roadway improvements,
31 and landscape and hardscape improvements. None of the facilities expected to be provided
32 by the District presently exist. Ultimately, a district may own and maintain certain of those
33 improvements and the City, or other governmental entities, may own and maintain others.
34 There will be no overlap or incompatibility because the facilities and improvements
35 expected to be provided by the proposed District do not exist today.
36
37

38 ECONOMICS AND FINANCING

- 39
40 **27. You stated earlier that you are you familiar with the Petition, and its Exhibits, filed by**
41 **the Petitioner, to establish the proposed Hicks Ditch Community Development**
42 **District. Are you particularly familiar with Exhibit 8 to the Petition?**

43
44 Yes, Exhibit 8 is the SERC, a requirement of Chapter 190, *Florida Statutes*.
45

1 **28. What exactly is a "SERC"?**

2
3 The Statement of Estimated Regulatory Costs is actually a requirement under Sections
4 190.05 and/ 120.541(2), *Florida Statutes*, which has been incorporated into the law on
5 establishment of community development districts.
6

7 **29. In general terms, please summarize the economic analyses presented in the SERC.**

8
9 An understanding of the SERC requires the recognition of the scope of review and
10 evaluation for the establishment of a community development district as set out in Chapter
11 190. Section 190.002(2)(d), *Florida Statutes*, states “[t]hat the process of establishing such
12 a district pursuant to uniform general law [must] be fair and based only on factors material
13 to managing and financing the service-delivery function of the district, so that any matter
14 concerning permitting or planning of the development is not material or relevant.” Thus,
15 the scope of the economic analysis included in the SERC addresses only the establishment
16 of the proposed District, and not the planning or development of the property itself.
17

18 The economic analysis sets out the assumptions about the development within the proposed
19 district and the anticipated infrastructure to be provided by it. The analysis addresses each
20 of the potentially affected parties defined in Chapter 120, *Florida Statutes*, and evaluates
21 the impact of the proposed district on each such group.
22

23 The proposed Hicks Ditch Community Development District is a specialized unit of local
24 government. It is a special purpose unit of local government with a single objective: the
25 provision of infrastructure and services for a planned new community. Its economic
26 benefits exceed its economic cost to the Petitioner, the City, and to all subsequent purchasers
27 and landowners of the community - in short, to all affected parties.
28

29 Once the proposed District is established, there are no direct costs to the City. While the
30 proposed District will provide certain reports and budgets to the City for its discretionary
31 review, there are no requirements that either incur any obligations or expense associated
32 with its review. In addition, to the extent the proposed District utilizes the services of the
33 Property Appraiser or Tax Collector under the provisions of Chapter 197, *Florida Statutes*,
34 to collect its assessments, the proposed District must pay the costs associated with those
35 services.
36

37 It is important to note that under Chapter 190, the debt of the proposed District cannot
38 become the debt of the City or the State of Florida. Since the proposed District will be an
39 independent unit of government and issue its own bonds, the proposed District will not have
40 any effect on the bonding capacity of the City or the State of Florida.
41

42 **30. Please describe briefly the data and methodology used in preparing the SERC and**
43 **related analyses.**

44
45 The data for the analysis came from the landowner, other experts working on the Petition,

1 and from the Petition itself. The methodology utilized is the standard economic impact
2 assessment.

3
4 **31. From an economic and financial perspective, do you have an opinion regarding the**
5 **financial viability and feasibility of the proposed District?**

6
7 Yes, I do.

8
9 **32. What is that opinion?**

10
11 In my opinion, based on my experience with other districts, the proposed Hicks Ditch
12 Community Development District is expected to be financially viable and feasible.

13
14 **33. Are you familiar with the State Comprehensive Plan found in Chapter 187, *Florida***
15 ***Statutes*?**

16
17 Yes.

18
19 **34. From an economic and financial perspective, do you have an opinion as to whether the**
20 **proposed District is inconsistent with the State Comprehensive Plan from an economic**
21 **perspective?**

22
23 Yes.

24
25 **35. What is that opinion?**

26
27 It is my opinion the proposed Hicks Ditch Community Development District is not
28 inconsistent with any applicable element or portion of the state comprehensive plan.

29
30 **36. What is the basis for your opinion?**

31
32 I have reviewed, from an economic and financial perspective, the State Comprehensive
33 Plan, particularly those portions that relate to community development districts. The State
34 of Florida Comprehensive Plan (Chapter 187, *Florida Statutes*) “provides long-range policy
35 guidance for the orderly social, economic, and physical growth of the state.” From an
36 economic and financial perspective, four subjects, subjects 15, 17, 20, and 25 of the State
37 Comprehensive Plan are relevant to the establishment of a CDD.

38
39 Subject 15, titled Land Use, recognizes the importance of locating development in areas that
40 have the fiscal abilities and service capacity to accommodate growth. It is relevant because
41 CDDs are designed to provide infrastructure services and facilities in a fiscally responsible
42 manner to the areas that can accommodate development. The establishment of the District
43 will not be inconsistent with this goal because the District will have the fiscal capability to
44 provide the specified services and facilities within its boundaries.

1 Subject 17, titled Public Facilities, relates to (i) protecting investments in existing public
2 facilities; (ii) providing financing for new facilities, (iii) allocating the costs of new public
3 facilities on the basis of the benefits received by future residents; (iv) implementing
4 innovative but fiscally sound techniques for financing public facilities; and (v) identifying
5 and using stable revenue sources for financing public facilities. The establishment of the
6 District will further these State Comprehensive Plan Goals and Policies.

7
8 Subject 20, titled Governmental Efficiency, provides that governments shall economically
9 and efficiently provide the amount and quality of services required by the public. The
10 proposed District will be consistent with this element because the proposed District will
11 continue to:

- 12
- 13 (i) cooperate with other levels of Florida government;
- 14
- 15 (ii) be established under uniform general law standards as specified in Chapter
16 190, *Florida Statutes*;
- 17
- 18 (iii) be professionally managed, financed, and governed by those whose property
19 directly receives the benefits;
- 20
- 21 (iv) not burden the general taxpayer with costs for services or facilities inside the
22 Hicks Ditch Community Development District; and
- 23
- 24 (v) plan and implement cost efficient solutions for the required public
25 infrastructure and assure delivery of selected services to residents.
- 26

27 Subject 25, titled Plan Implementation, calls for systematic planning capabilities to be
28 integrated into all levels of government throughout the state, with particular emphasis on
29 improving intergovernmental coordination and maximizing citizen involvement. The
30 proposed District is consistent with this element of the State Comprehensive Plan.

31
32 **37. Based on your work with districts and from an economic and financial perspective, do**
33 **you have an opinion as to whether the area of land that is proposed to be included**
34 **within the proposed District is of sufficient size, sufficient compactness, and sufficient**
35 **contiguity to be developable as one functional interrelated community?**

36
37 Yes.

38
39 **38. What is your opinion?**

40
41 Based on my previous experience, the proposed District is of sufficient size, compactness,
42 and contiguity to be developed as a functional interrelated community.

43
44 **39. What is the basis for your opinion?**

45
46 The project is compact with land use typical of a planned community. The development of

1 the land has been planned to be a functional interrelated community making the most
2 efficient use of public funds available
3

4 **40. From a financial perspective, do you have an opinion as to whether the proposed Hicks
5 Ditch Community Development District is the best alternative available for providing
6 the proposed community development services and facilities to the area to be served?**

7
8 Yes.

9
10 **41. What is your opinion?**

11
12 The proposed District is the best alternative to provide community development facilities to
13 the area to be served. This is true for the landowners and the governmental entities for the
14 following reasons.

15
16 From the perspective of current and future property owners within the District, the District
17 is the best alternative for providing community facilities, infrastructure, and services. The
18 land development envisioned for the area within the District boundaries will require
19 substantial provision of infrastructure, facilities and services. The CDD is an alternative
20 method to provide these necessary services. The CDD can access the tax-exempt public
21 capital markets and thereby fund these facilities and services at a lower cost than the
22 alternative of developer funding. Furthermore, unlike a property owners association
23 (“POA”), the CDD has the power to assess property and collect those assessments along
24 with other property taxes. Therefore, a CDD can fund large capital improvement programs
25 that a POA cannot.

26
27 With regard to the operations and maintenance of community facilities and services the
28 CDD is also the best alternative. The CDD is preferable to a POA to future landowners for
29 the following reasons. First, unlike a POA, the CDD collects funds for operations and
30 maintenance directly from assessments collected along with all other property taxes, which
31 is a more assured income stream. Unlike a POA, a CDD is a unit of local government, and
32 it must hold its meetings in the sunshine and bid out its contracts where required by law. A
33 CDD provides control to the landowners much sooner in time than a POA. A CDD is
34 focused on providing the community with services, facilities, and their maintenance in a
35 way the general-purpose government, with its competing interests and broad
36 responsibilities, is not. This level of local control serves the best interests of property
37 owners in the CDD.

38
39 From the perspective of the State of Florida, the City, and the Water Management District,
40 a CDD is the best alternative for providing community facilities and their operations and
41 maintenance for a variety of reasons. First, as noted above, compared to a POA the CDD
42 is a more powerful and more responsive organization for providing and maintaining
43 infrastructure and services. Second, without a CDD the City may have to assume greater
44 responsibility for construction, operations, and maintenance of community facilities and
45 services. Even if the City formed a dependent district to provide community facilities and

1 services to the area to be served by the CDD, and charged appropriately for these services,
2 the City would be enmeshed in the responsibilities and in the management of those facilities.
3 Furthermore, without a CDD the City cannot be assured that only residents of the area to be
4 served by the CDD would bear the full costs of the needed facilities and services.
5

6 **42. From an economic and financial perspective, do you have an opinion as to whether the**
7 **services and facilities to be provided by the proposed Hicks Ditch Community**
8 **Development District will be incompatible with the uses and existing local and regional**
9 **facilities and services?**

10 Yes.

11
12
13 **43. What is your opinion?**

14
15 The proposed Hicks Ditch Community Development District covers approximately 244.043
16 acres of land. The configuration of the land is sufficiently compact and contiguous. As
17 such, it will not create any economic disincentives to the provision of the infrastructure
18 facilities contemplated in this case.
19

20 Given the scope and expected cost of facilities to be provided, 244.043 acres for a residential
21 development provides a sufficient economic base to absorb the debt costs and annual
22 operating costs for district administration and to efficiently apportion the cost of
23 improvements.
24

25 **44. From an economic and financial perspective, do you have an opinion as to whether the**
26 **area that will be served by the proposed Hicks Ditch Community Development District**
27 **is amenable to separate special district government?**

28
29 Yes.

30
31 **45. What is your opinion and its basis?**

32
33 It is my opinion that the area within the boundaries of the proposed District is amendable to
34 a separate special district government. The lands within the proposed District's boundaries
35 have the need for basic infrastructure.
36

37 The land is of sufficient size, compactness, and contiguity and meets those tests. Therefore,
38 from an economic and financial perspective, the area to be served by the proposed District
39 is clearly amendable to separate special district governance.
40

41 **46. Does this conclude your testimony?**

42
43 Yes, it does.
44
45