

IN RE: PETITION TO ESTABLISH THE
HICKS DITCH COMMUNITY
DEVELOPMENT DISTRICT

STATE OF FLORIDA
COUNTY OF Orange

7. No corrections 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 3rd day of October 2022.

Anthony Iorio
Anthony Iorio

SWORN TO and SUBSCRIBED before me by means of ☒ physical presence or ☐ online notarization, this 3 day of October 2022 by the Affiant.



PAUL DANIEL
Notary Public
State of Florida
Comm# HH243140
Expires 4/4/2026

[notary seal]

Paul Daniel
(Official Notary Signature)

Name: Paul Daniel
Personally Known _____
OR Produced Identification _____
Type of Identification _____

**TESTIMONY OF ANTHONY IORIO FOR ESTABLISHMENT OF
HICKS DITCH COMMUNITY DEVELOPMENT DISTRICT**

1. Please state your name and business address.

My name is Anthony Iorio. My business address is 605 Commonwealth Avenue,
Orlando, Florida 32803.

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

I am the Vice President of Development for Hanover Land Company, LLC.

3. Briefly summarize your duties and responsibilities.

I am responsible for overseeing the planning, permitting, engineering, and construction of
residential and commercial communities for Hanover Land Company.

4. Who is the Petitioner in this proceeding?

The Petitioner is TLC Pine Meadows, LLC ("Petitioner").

**5. Are you familiar with the Petition filed by the Petitioner seeking the establishment
of a community development district?**

Yes. I assisted in the preparation of the Petition to Establish the Hicks Ditch Community
Development District and accompanying exhibits ("Petition"), filed on August 12, 2022,
with the City of Eustis ("City"), and worked with members of the consultant team to
prepare the filing. I reviewed the Petition and exhibits prior to its filing.

6. What is the proposed name of the District?

The proposed name is the Hicks Ditch Community Development District ("District").

7. Have you reviewed the contents of the Petition and approved its findings?

Yes, I have.

8. Are there any changes or corrections to the Petition at this time?

No.

**9. Are there any changes or corrections to any of the exhibits submitted to the City at
this time?**

No.

1 **10. Please generally describe each of the exhibits attached to the Petition.**

2
3 Exhibit 1 is a map showing the general location of the proposed District.

4
5 Exhibit 2 is the metes and bounds description of the external boundary of the proposed
6 District.

7
8 Exhibit 3 is the Consent of Landowner to CDD Establishment, executed by TLC Pine
9 Meadows, LLC, which represents the consent of one hundred percent (100%) of the owners
10 of the lands to be included within the District.

11
12 Exhibit 4 contains a map depicting the future general distribution, location, and extent of
13 the public and private land uses within the proposed District by the land use plan element.

14
15 Exhibit 5 contains a map identifying existing and proposed major trunk water mains and
16 sewer interceptors and outfalls within and around the proposed District.

17
18 Exhibit 6 contains a list of the facilities and services the proposed District is expected to
19 finance, fund, construct, acquire and/or install, as well as the anticipated entity responsible
20 for the ownership and maintenance thereof.

21
22 Exhibit 7 contains the estimated costs and timetable of construction the infrastructure
23 serving the land within the proposed District.

24
25 Exhibit 8 is the Statement of Estimated Regulatory Costs ("SERC"), required by statute.

26
27 Exhibit 9 is the authorization of agents form, which authorizes Sarah R. Sandy and
28 Michelle K. Rigoni to act as agents for the Petitioner.

29
30 Exhibit 10 contains deeds conveying title to the lands within the proposed District to the
31 Petitioner.

32
33 **11. Were these exhibits prepared by you or under your supervision?**

34
35 Yes, I engaged a consultant team and directed the preparation of the exhibits to the Petition.

36
37 **12. To the best of your knowledge, is the general location map identified as Exhibit 1 a**
38 **true and accurate depiction of the general location of the proposed District?**

39
40 Yes, it is.

41
42 **13. To the best of your knowledge, is the metes and bounds description of the external**
43 **boundary of the District included in Exhibit 2, a true and accurate recitation of the**
44 **land area to be included within the proposed District?**

45
46 Yes, it is.

1
2 **14. To the best of your knowledge, is Exhibit 3 a true and accurate copy of the consent**
3 **obtained from the owner of one hundred percent (100%) of the lands to be included**
4 **within the proposed District?**

5
6 Yes, it is.
7

8 **15. To the best of your knowledge, is the map included in Exhibit 4 a true and accurate**
9 **depiction of the future general distribution, location and extent of public and private**
10 **land uses within the proposed District?**

11
12 Yes, they are.
13

14 **16. To the best of your knowledge, is Exhibit 5 a true and accurate depiction of the**
15 **existing and proposed major trunk water mains and sewer interceptors and outfalls**
16 **within and around the proposed District?**

17
18 Yes, they are.
19

20 **17. To the best of your knowledge, does Exhibit 6 truly and accurately list the facilities**
21 **and services that the proposed District is expected to finance, fund, construct, acquire**
22 **and/or install, as well as the anticipated owner and entity responsible for operation**
23 **and maintenance thereof?**

24
25 Yes, it does.
26

27 **18. To the best of your knowledge, does Exhibit 7 truly and accurately list the estimated**
28 **costs and timetable of constructing the infrastructure serving land within the**
29 **proposed District?**

30
31 Yes, it does.
32

33 **19. To the best of your knowledge, is Exhibit 8 a true and accurate copy of the**
34 **Statement of Estimated Regulatory Costs?**

35
36 Yes, it is.
37

38 **20. To the best of your knowledge, is Exhibit 9 a true and accurate copy of the**
39 **Authorization of Agents form?**

40
41 Yes, it is.
42

43 **21. To the best of your knowledge, is Exhibit 10 a true and accurate copy of the deeds**
44 **conveying title to the lands within the proposed District to the Petitioner?**

45
46 Yes, it is.

1
2 **22. Are the contents of the Petition and the exhibits attached to it, as described herein,**
3 **true and correct to the best of your knowledge?**

4
5 Yes, they are.
6

7 **23. Are you familiar with the area that is proposed to be included within the District?**

8
9 Yes, I am familiar with the general area and the site specifically.
10

11 **24. Approximately how large is the proposed District in acres?**

12
13 The proposed District is located entirely within the City of Eustis and covers approximately
14 244.043 acres of land.
15

16 **25. What steps were taken with respect to filing the Petition with the City?**

17
18 On August 12, 2022, the Petitioner filed the original Petition with the City. In addition, an
19 \$15,000 filing fee was provided upon the request of the City.
20

21 **26. Has notice of the hearing been provided in accordance with Section 190.005, Florida**
22 **Statutes?**

23
24 Yes. A notice of hearing is being published in the Daily Commercial, a newspaper of
25 general circulation in the City and of general interest and readership in the community, as
26 a display ad for four (4) consecutive weeks immediately preceding the hearing. Proof of
27 publication has been requested and will be available by the time of the establishment
28 hearing.
29

30 **27. Who are the five persons designated in the Petition to serve as the initial Board of**
31 **Supervisors?**

32
33 The five persons include Jason Lonas, Doug Beasley, Duane "Rocky" Owen, Thomas
34 Franklin, Sr., and myself.
35

36 **28. Do you know each of these persons personally?**

37
38 Yes, I do.
39

40 **29. Are each of the persons designated to serve as the initial Board of Supervisors**
41 **residents of the State of Florida and citizens of the United States?**

42
43 Yes, they are.
44

45 **30. Are there residential units planned for development within the proposed District?**
46

1 Yes. There are approximately 549 residential units planned for development within the
2 proposed District.
3

4 **31. Are there residents currently living within the areas to be included within the District,**
5 **and, if so, have they been notified about the creation of the District?**
6

7 No, there are no residents currently living within the areas to be included within the
8 District.
9

10 **32. What steps will be taken to ensure that prospective purchasers of the District receive**
11 **notice of the existence of the District and its assessments?**
12

13 There are certain state law disclosure requirements that all community development
14 districts ("CDDs") must meet. Among the numerous requirements that a CDD must meet,
15 below are a few examples:
16

17 First, within thirty (30) days of the establishment of the District, a Notice of Establishment
18 is required to be recorded in the property records. The notice contains a legal description
19 of the boundaries of the District and discloses, as required by Section 190.0485, *Florida*
20 *Statutes*, through inclusion of the bold-faced language set forth in the paragraph
21 immediately below, that the District may levy assessments. The document also provides
22 contact information for members of the public to obtain more information about the
23 District. This document should appear on a title search typically prepared when someone
24 intends to purchase a home after a District has been established.
25

26 Second, Section 190.048, *Florida Statutes*, requires certain contractual language to appear
27 in bold-faced and conspicuous type immediately prior to the signature line on every initial
28 purchase contract. The following language will be required: **The Hicks Ditch**
29 **Community Development District may impose and levy taxes or assessments, or both**
30 **taxes and assessments, on this property. These taxes and assessments pay the**
31 **construction, operation, and maintenance costs of certain public facilities and services**
32 **of the District and are set annually by the governing board of the District. These taxes**
33 **and assessments are in addition to county and other local governmental taxes and**
34 **assessments and all other taxes and assessments provided for by law.**
35

36 Third, when assessments are levied for the first time or when previously levied assessments
37 are raised, notice of a public hearing is required to be given by publication in a local
38 newspaper and by mail to all property owners within the District. The assessments are then
39 considered at a public hearing.
40

41 Fourth, the District will be required to adopt and record in the Lake County Public Records
42 a Disclosure of Public Financing and Maintenance of Public Improvements. This
43 Disclosure summarizes the financing plan the District has undertaken, the existence, if any,
44 of capital and operation and maintenance assessments, and the facilities and services that
45 the District provides and maintains. This Disclosure is then provided by the District to the

1 developer to satisfy the requirements of Section 190.009, *Florida Statutes*, and is also
2 available for inspection by residents and prospective residents.

3
4 **33. Would you please describe the proposed timetable for development of land within the**
5 **proposed District?**

6
7 It is anticipated that the District improvements will be made, acquired, constructed and/or
8 installed from 2022 to 2027.

9
10 **34. Has all of the developable land within the proposed District been planned as a single**
11 **community?**

12
13 Yes, the developable land, along with certain master infrastructure is to be maintained by
14 the proposed District that will service the developable land, although anticipated to be
15 constructed in multiple phases, is planned as a single community.

16
17 **35. Would you generally describe the services and facilities you currently expect the**
18 **proposed District to provide?**

19
20 The Petitioner presently intends for the District to be involved in providing the following
21 services and facilities: on-site and off-site public roadway improvements, water
22 distribution system, sanitary sewer and reuse water systems, stormwater management
23 improvements, electrical service improvements, conservation and mitigation
24 improvements, and related improvements. The facilities are outlined in Exhibit 6 of the
25 Petition.

26
27 Petitioner's good faith expectation of the costs associated with such facilities and services
28 is itemized in Exhibit 7 to the Petition.

29
30 **36. Did you cause the cost estimates identified in Exhibit 7 to be prepared?**

31
32 Yes, the cost estimates were prepared under my supervision and direction.

33
34 **37. What methods were used to estimate these costs?**

35
36 The estimates are based on research regarding historical costs of constructing similar
37 infrastructure and current market conditions.

38
39 **38. In your opinion, are the cost estimates for the facilities for the proposed District**
40 **reasonable?**

41
42 Yes, to the best of my knowledge and based on the information available.

43
44 **39. In general, what financing methods does the Petitioner propose the District may use**
45 **to pay for the anticipated facilities and services?**
46

Petitioner presently expects that the District will finance facilities and services through the issuance of tax-exempt bonds, special assessments and through other available financing mechanisms. The debt issued by the proposed District is expected to be retired by non-ad valorem assessments (also known as “special assessments”) on benefitted property within the proposed District. Ongoing maintenance and operation of the District and its facilities and services are expected to be funded by non-ad valorem special assessments. Any facilities not financed with a bond issue may be funded by the developer using conventional financing options.

40. Who will be responsible for paying the proposed District’s assessments?

Only current property owners and those who choose to acquire property within the proposed District will be responsible for paying District assessments.

41. Will these proposed District debts be an obligation of the City, Lake County, or the State of Florida?

No. The debts will be solely the District’s obligation and secured by non-ad valorem assessments levied against property owners. Florida law provides that CDD debt cannot become the obligation of a county, a city, or the state without the consent of that government.

42. Why is the Petitioner seeking to have a CDD established for this area?

There are hundreds of CDDs throughout the State of Florida. CDDs are an efficient, effective way to provide infrastructure and have become accepted in the marketplace to homebuyers. CDDs have the ability to assist in the streamlined and efficient maintenance and operation of infrastructure and services to developing communities.

From our perspective, the establishment of a CDD is logical for this project. It provides a long-term, stable, financially secure entity. The proposed District is a structured, formal entity with the legal ability to respond to future changes in the circumstances and desires of its residents. Under Florida law, the proposed District has access to Lake County’s tax collection mechanisms, which helps ensure that the facilities will be maintained. In that sense, it is preferable over control by a property owners association.

Additionally, a CDD has the ability to enter into interlocal agreements with other government entities. These allow a CDD to work with other government entities to complete projects that benefit residents within the CDD boundaries while also assisting local governments in completing infrastructure necessary to serve growth.

A CDD has the financial capability to assist in the provision of necessary capital improvements sooner than may otherwise be the case. The City, developers, builders and residents will all benefit from these improvements in terms of access, traffic flow, safety and general property enhancement. Additionally, a CDD is the entity preferred by many regulatory agencies, including many water management districts, to operate and maintain

1 the stormwater management and other similar systems. This is because the CDD is a
2 perpetual entity, operating in open meetings, with the financial ability to ensure that the
3 maintenance of these important environmental facilities and amenities is accomplished.
4 Given the nature of this project, in my opinion, a CDD is a logical, prudent, and desirable
5 way to ensure this needed infrastructure is maintained.
6

7 **43. Does this conclude your testimony?**

8
9 Yes.