



Lake Hills  
Community Development District

# Process to Date

- **July 2023: Neighborhood Meeting**
  - Met informally with residents to present initial concept, CDD, and listen to feedback
- **August 2023 – November 2023: Site Plan Preparation & Submittals**
  - Worked with staff to create an optimal plan based on existing approvals and town input
- **December 2023 & January 2024: Development Review Committee**
  - Made slight tweaks to address full staff review
- **February 2024 & March 2024: Planning & Zoning Board**
  - Obtained unanimous approval
- **April 2024: Town Council**
  - Obtained preliminary subdivision plan approval (active adult concept)
- **May 2024: Town Council**
  - Seeking approval to form a Community Development District (CDD)

# Next Step



## City Council – Consideration of CDD

- First Reading May 13<sup>th</sup>
- Second Reading May 28<sup>th</sup>

# CDD Background

- CDD's are very common (there are over 600 in Florida).
- CDD's are more effective in operations and maintenance of infrastructure than a HOA (on the tax role allows higher collection %).
- A CDD will only cover the Lake Hills residential property (not Publix)
- There are rigorous CDD disclosure requirements for residents who choose to purchase homes within the community.
- There is no liability or financial risk to the Town of Howey.
- A CDD allows for enhanced amenities and property values with less units.
- CDD's are good for developer, the community residents, and the Town (Win/Win/Win).

# Good for the Developer and Residents?

- CDD's allow developers a cost-effective way to fund and construct community infrastructure allowing for high-quality amenities. The enhanced amenities are the trade off to attract higher value home buyers.
- A CDD can best maintain infrastructure and amenities to preserve high home values for its residents.
- CDD assessments are collected on the tax roll which has proven more reliable collections (99%) compared to an HOA for its residents.
- A CDD requires an orderly transition to its residents who will be elected to oversee the long-term maintenance of the community.
- CDD's are transparent (subject to FL Sunshine Laws).
- Residents benefit from a professional CDD team (manager, attorney, engineer) to help handle the day-to-day operations.



# Good for the Town?

- A CDD provides a high-level perpetual maintenance protecting the appearance and value for the Town with better more secure outcomes than a HOA.
- After formation there are no ongoing Town requirements or financial recourse.
- A CDD allows developer to serve the active adult buyer with a lower unit count (200+ less) creating more value with less traffic.
- The Town will see over ~\$2M in annual property tax revenue at buildout.
- Provides financing for sewer improvements made between Lake Hills and Mission Inn delivering a sewer connection to Publix and proximate to parcels the Town may serve in the future.
- A CDD allows Lake Hills to invest ~\$10,000,000 towards amenities, construct and maintain a 4-acre public park and make other value creation enhancements.

# What if the CDD is not an option?

If a CDD is not an option, the developer will need to consider a more affordable family market with more units allowed under zoning and creating more traffic.

# Current Approved Plan - Age Restricted

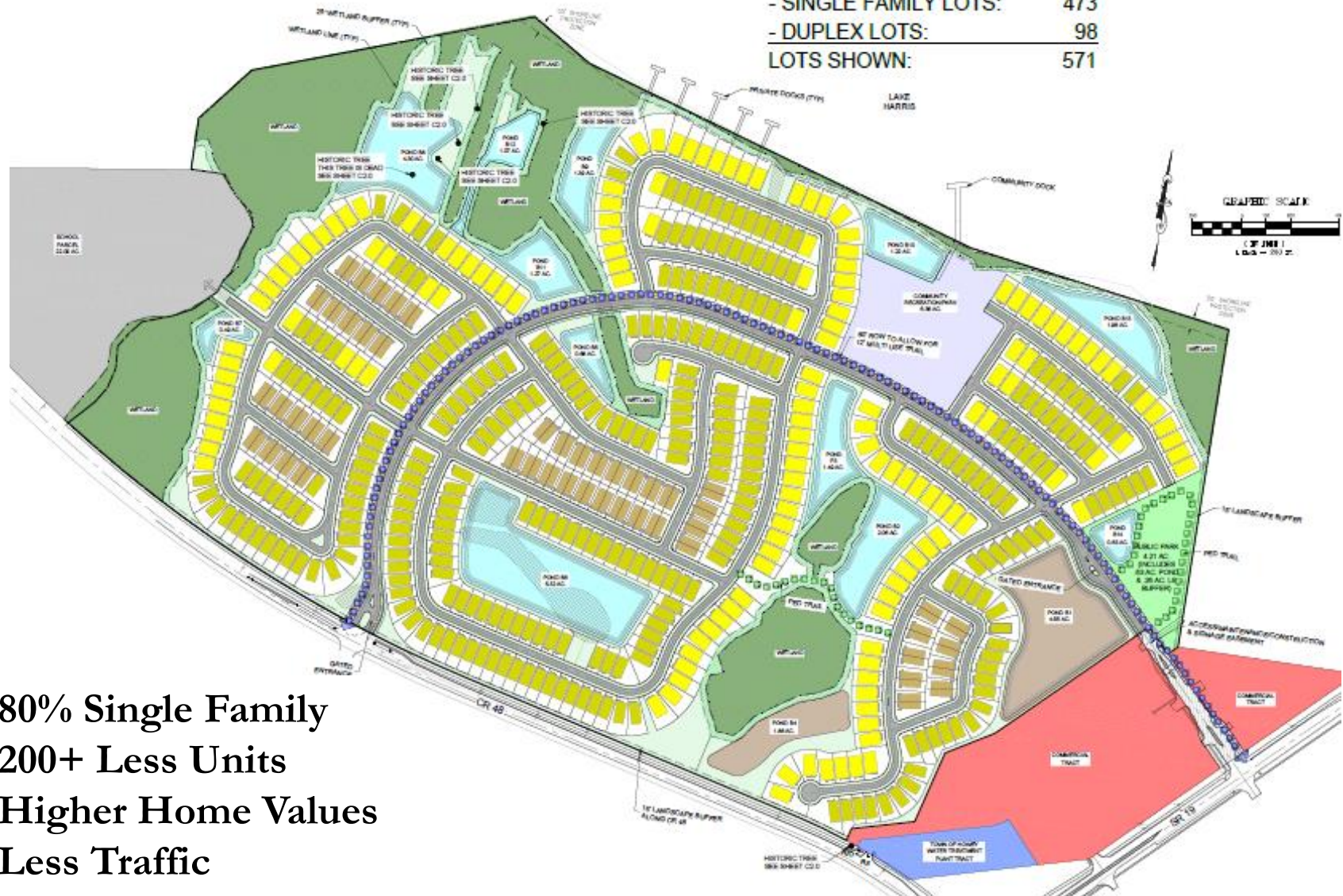
- 571 Units (~1,000 residents)
- ~\$10,000,000 Clubhouse and Amenities
- ~\$650,000+ Average Home Value
- Less Traffic (over 50% less than a primary homebuyer)

**Requires a CDD to support investment in  
community and enhanced amenities**



# Current Approved Plan (Needs CDD)

- SINGLE FAMILY LOTS:	473
- DUPLEX LOTS:	98
LOTS SHOWN:	571



- 80% Single Family
- 200+ Less Units
- Higher Home Values
- Less Traffic

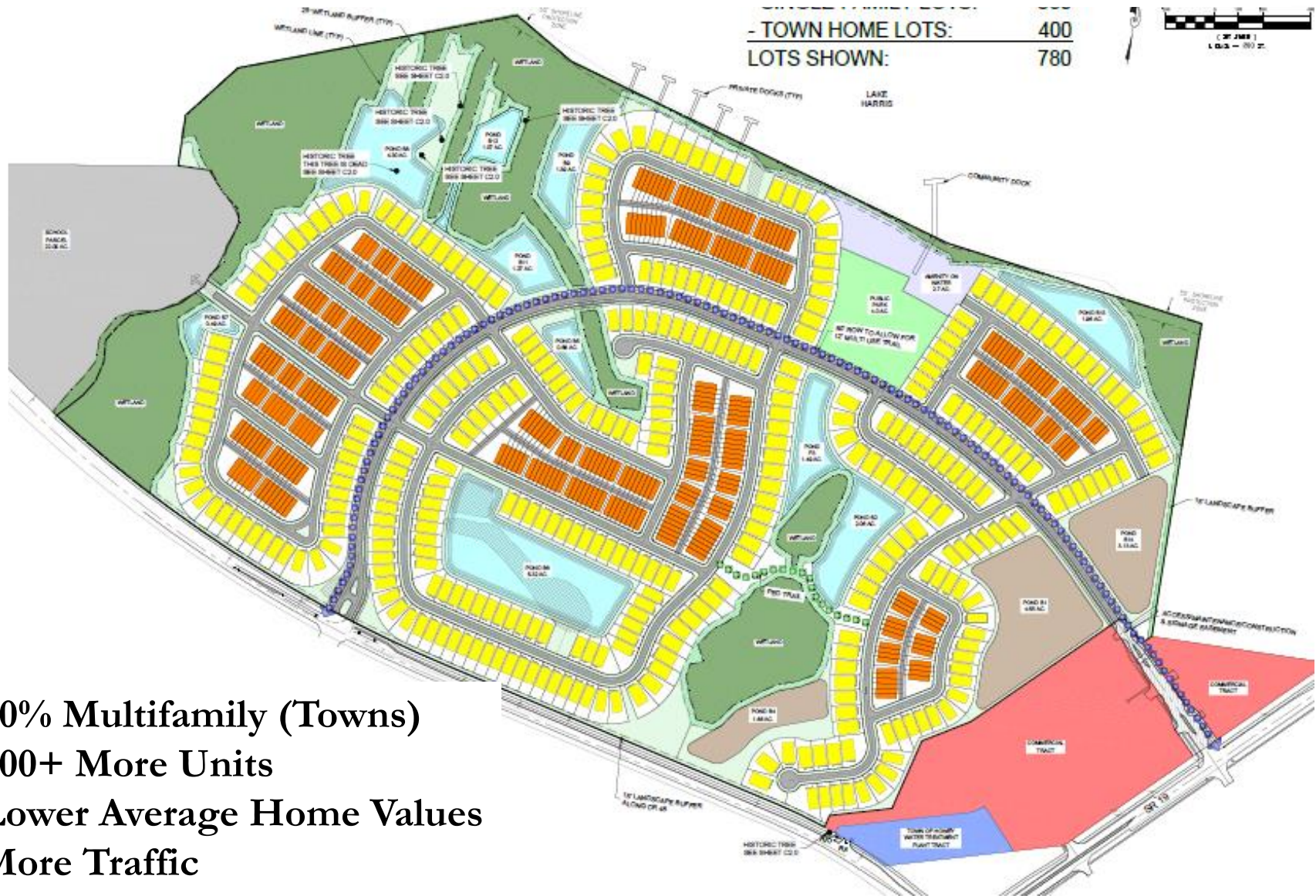
# Alternate Plan – Affordable Family Housing

- 780 Units (~2,000+ residents)
- ~\$1,500,000 Pool & Cabana (optional)
- ~\$450,000 Average Home Value
- More Peak Hour Traffic (commuters)

**If No CDD, a reduced amenity investment is necessary to keep affordable for family buyers**

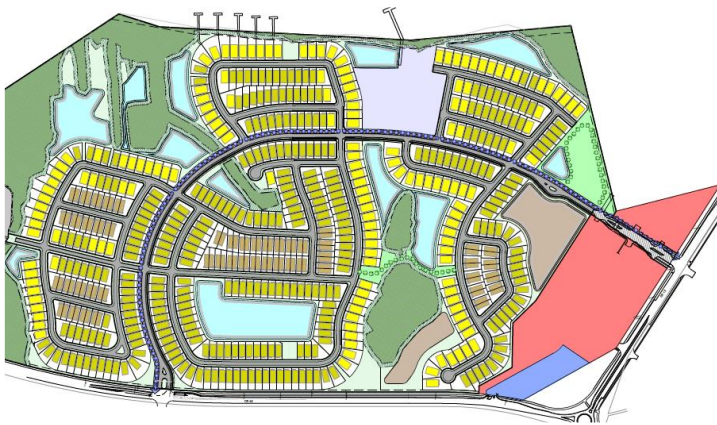


# Alternate Plan



- 50% Multifamily (Towns)
- 200+ More Units
- Lower Average Home Values
- More Traffic

# Approved Plan v Alternate Plan



- 200+ less units (~1,000 less residents)
- Higher annual tax base (~\$2.2M at buildout)
- \$200,000 higher average home values
- Over 50% less traffic (not commuter)
- **Requires Town to approve a CDD**

# Why Lake Hills?

- Reader Communities is a locally-owned company with a proven track record. The Town is dealing directly with the owners. We care about creating a successful project.
- We desire to bring a unique and upscale community to the Town serving an active adult buyer. This is different from recent town projects.
- Approving a CDD allows the Town to see higher home values using less services and generating less traffic than a more conventional community.
- The alternate option is for an affordable family-focused community with up to 780 units, 200 more units than our currently proposed plan. This would comprise more multifamily townhomes and an overall lower home and tax value. This meets a needed workforce housing buyer segment though we understood a plan of this nature to be less-favorable to the current residents of Howey.



# Our Request

Help us make Lake Hills a premium community for Howey in the Hills by approving the CDD formation?



City Council – Approval of CDD

- First Reading May 13<sup>th</sup>
- Second Reading May 28<sup>th</sup>