

**MINUTES OF MEETING
PARKLANDS LEE
COMMUNITY DEVELOPMENT DISTRICT**

A Special Meeting of the Parklands Lee Community Development District's Board of Supervisors was held on **Tuesday, October 30, 2012 at 1:00 p.m.**, at **The Renaissance Center, 28121 Palmira Blvd., Bonita Springs, Florida 34135.**

Present and constituting a quorum were:

Francis Percuoco	Vice Chair
Emmet Potter	Assistant Secretary
John Gainey	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Steve Hagenbuckle	Terra Cap Management Corp. & Palmira Village, LLC

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 1:16 p.m., and noted, for the record, that Supervisors Potter and Gainey were present in person. Supervisor Percuoco was en route and was attending via telephone during roll call. Supervisors Reinders and Rupp were not present.

SECOND ORDER OF BUSINESS

Discussion: Roadway Vacation in the Multi-Family Parcel

Mr. Adams indicated that the primary purpose of today's meeting is to receive an update from Mr. Steve Hagenbuckle, of Terra Cap Management Corporation and Palmira Village, LLC. (Terra/Palmira). He recalled that during the March 21, 2012 meeting, Mr. Hagenbuckle provided a presentation and a request for the District to consider vacating a future road right-of-way and an existing paved stub that would serve the future road connection to Bonita Beach Road, which was anticipated in the original development order. As the new owner of Parcel 14, Terra/Palmira desires to adjust the development order to remove that road requirement and be able to utilize the inner loop road.

Mr. Hagenbuckle reported that his company had initial discussions with land use attorneys to understand the access options for the subject parcel. Without any acquisition of the easement or the right-of-way both parcels, Parcel A being the property acquired by D.R. Horton and the subject parcel, Parcel B, have legal access rights through Benicia. Because both the easement and right-of-way, are government owned, the parcel owners have rights to build a road over the easement and right-of-way to gain access. The company Mr. Hagenbuckle represents is trying to acquire the easement and right-of-way to have a seamless connectivity to Parcel A, and/or the independence to build a smaller residential subdivision. As the law defines it, they will have the rights to access the property and build a road on it. They are preparing to have the land surveyed, appraised and acquire it at the appraised value, which would give them the flexibility to interconnect more freely. Mr. Hagenbuckle mentioned that there is an option to move the right-of-way or place it at an angle, instead of leaving it in the middle.

In response to a Board Member's question, Mr. Adams indicated that the CDD owns the right-of-way and, because the CDD is a government entity, the right-of-way is a public access.

Mr. Hagenbuckle stated that his company may have access to the properties either way; they may build a road over the land or they can offer the CDD a fair amount to purchase. He is trying to be a good neighbor and buy it to ensure more flexibility as to how the interconnectivity would work.

A Board Member inquired if the appraisal has been completed. Mr. Hagenbuckle replied that it has not.

Mr. Adams indicated that if the Board approves the sale, the property is sold through a process called a surplus sale. An appraisal is required, which will set the minimum pricing threshold, and the property is not undersold as a public asset. He recalled that at the March meeting, the Board approved moving forward with a funding agreement in which Terra/Palmira would fund the process of the District ordering the appraisal. The appraisal will be utilized as a negotiation tool and eventual sale of the property. The Board also approved legal review of the appraisal, which would be funded by Terra/Palmira. A funding agreement, along with a \$5,000 initial deposit requirement, would fund the appraisal. District Counsel will review the appraisal and the master indenture to confirm that the CDD is able to sell the property.

In response to Mr. Percuoco's inquiry, Mr. Hagenbuckle assured him that the CDD's prospect of retaining the paved portion of the parcel, for parking, is 100%. Mr. Hagenbuckle

clarified that his company's interest is flexibility within the area that is not paved. He expressed his understanding that it is beneficial that the CDD keep the paved area and parking; therefore, Terra/Palmira would not develop that area; they would go north, where the grass is.

Mr. Percuoco inquired about D.R. Horton's access to the right-of-way leading into their community. Mr. Hagenbuckle explained that one option is to sell to them or develop a small villa community, separate from D.R. Horton. If the land was sold to D.R. Horton, they would continue their perimeter wall all the way around and their connectivity would be from within the D.R. Horton. Mr. Hagenbuckle does not believe they would intend to connect through Benicia and mentioned he has not had any detailed discussions with D.R. Horton. Prior site plans depict D.R. Horton connecting from the middle of Parcel A over to Parcel B. It is Mr. Hagenbuckle's belief that D.R. Horton is not attempting to run traffic down Benicia; they are trying to maintain the park feel with the side parking, keeping the atmosphere the CDD currently has.

In response to Mr. Percuoco's comment, Mr. Hagenbuckle reiterated that he has not had any detailed discussion with D.R. Horton. Mr. Hagenbuckle pointed out that it is important to recognize that, legally, both parcels have legal access through Benicia and this cannot be changed. Mr. Hagenbuckle recommended using a soft-sell approach with D.R. Horton by using 'let's be good neighbors' and proceed with the inner connectivity, which will eliminate utilizing Benicia. At the end of the day, D.R. Horton is allowed use Benicia. Mr. Hagenbuckle confirmed this with four (4) state and local land use attorneys.

Mr. Adams confirmed that the road right-of-way is owned by the CDD. He recalled the land was purchased with tax-exempt bond proceeds; therefore, public access is allowed and D.R. Horton has the right to utilize it.

Mr. Percuoco stated that the Board agreed to move forward, on a conditional basis, depending on how D.R. Horton will proceed. Mr. Potter was in agreement with Mr. Percuoco's statement. Conversation followed regarding the site plan and D.R. Horton's options.

*****Mr. Percuoco joined the meeting, in person.*****

Mr. Hagenbuckle noted that there is a drainage overflow/water retention issue. He explained that all developments are slanted to stream in a certain direction. For the CDD, the water follows the culvert system to Bonita Beach Road and, ultimately, reaching the gulf. Referring to a map, Mr. Hagenbuckle indicated that a glitch in the current plan is how to get the water to flow from one area to another. It is his understanding that something has to be moved

from San Reno in order for the flow to occur in the drainage easement. If this is not changed, D.R. Horton would have to leave a hole in the wall for it to occur. D.R. Horton's position is that it is more aesthetically appealing to move the easement; otherwise, they will have an opening in the wall.

Engineers representing San Reno and D.R. Horton reviewed the plans and both concurred that D.R. Horton's proposal makes sense and would relieve the potential of overflow for San Reno. Conversation ensued regarding the current water flow system and D.R. Horton's motives for purchasing the parcel.

Mr. Adams asked the Board to consider reaffirming the funding agreement that will allow proceeding forward with ordering the MAI certified appraisal for the property. The process will commence with a survey of the parcel. The Board would like to keep the existing pavement; therefore, a legal description has to be created for the property that will be appraised.

Mr. Percuoco indicated that input is needed from D.R. Horton regarding their plans and expressed his concern regarding the questions that will be received from the District's residents once this goes public. He advised that he made an inquiry with the city and he discovered that D.R. Horton applied for a development order.

Mr. Potter restated Mr. Hagenbuckle's statement, D.R. Horton already has the right to utilize Benicia; the CDD cannot control this.

Mr. Percuoco advised that, during his inquiry with the city, he met with Mr. John Dolmer, City Manager, and Ms. Audrey Vant, City Council. Mr. Percuoco showed them a plan originally proposed by the previous developer, which showed access off of Bonita Beach Road. It was the first time these city officials reviewed these plans. In his opinion, he received assurance from Ms. Vant that the CDD, being a governmental agency, is in control of access to the road.

Mr. Adams expressed his disagreement with that statement and clarified that the CDD owns the road. It is a public asset financed with tax-exempt bonds. The CDD does not have the ability to restrict access. Usage of the road and ensuring conformity with the road's ability to carry the load, for that parcel, falls under land use and is the responsibility of the City of Bonita Springs. Review and assurance that the road does not exceed development capacity as it relates to the supporting infrastructure, such as the road, is the City of Bonita Springs' responsibility. The CDD does not have the ability to deny the access use of that road.

In response to Mr. Percuoco’s statement, Mr. Hagenbuckle indicated that there is more commercial land usage on the parcel than absorption. Currently, the size is listed at 50,000 square feet, including what is already built. What is being sought is a language modification, changing it from 50,000 minimum to 37,000 minimum. Once that is accomplished, the parcel may developed as either residential or commercial.

Mr. Potter was in agreement that, at this point, the District should proceed with the survey and the appraisal.

On MOTION by Mr. Percuoco and seconded by Mr. Potter, with all in favor, reaffirming the authorization to proceed with due diligence, including ordering an appraisal, legal review and involvement and subject to a commitment from the petitioner to pay upfront costs, in the form of a deposit, was approved.

THIRD ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors’

There being no audience comments, the next item followed.

In response to a comment made regarding the paved and unpaved section of the parcel and the Board’s desire to retain the paved section, Mr. Potter advised that this should be kept in mind when D.R. Horton makes their offer. Mr. Hagenbuckle indicated that the entire easement will be surveyed and the CDD should pro rata determine how much of the paved area to retain. Mr. Percuoco stated he would like to retain until the end of the park, up to the fire hydrant.

Mr. Adams will coordinate with the District Engineer and the surveyor to determine the boundaries of the parcel that will be the subject of the surplus sale. In response to a question of payment for the services, Mr. Adams indicated it will be paid through the funding agreement.

FOURTH ORDER OF BUSINESS

**LANDOWNERS’ MEETING: November
8, 2012 @ 1:15 PM**

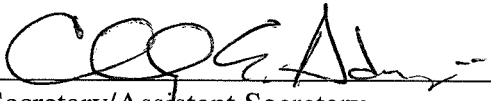
Mr. Adams indicated that the Landowner’s Meeting will be held November 8, 2012 at 1:15 p.m., at this location.

FIFTH ORDER OF BUSINESS


Adjournment

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Percuoco and seconded by Mr. Gainey,
with all in favor, the meeting adjourned at 1:42 p.m.**



Secretary/Assistant Secretary



Chair/Vice Chair