

**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, February 19, 2013 at 1:00 p.m.**, at **The Renaissance Center, 28121 Palmira Blvd., Bonita Springs, Florida 34135.**

**Present and constituting a quorum were:**

Russell Rupp	Chair
Robert Schwartz	Assistant Secretary
Emmett Potter	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Steve Hagenbuckle	TerraCap Management Corp & Palmira Village, LLC
Peter Corio	Association President

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 1:06 p.m., and noted, for the record, that Supervisors Rupp, Schwartz and Potter were present, in person. Supervisor Gainey was not present. Seat 3 remains vacant.

**SECOND ORDER OF BUSINESS**

**Discussion/Consideration: Letter of Intent-Offer from TerraCap Management Corp to Purchase a Portion of Benecia Future Road Right-of-Way**

Mr. Adams recalled that, at the prior meeting, the Board authorized the Chair and District Manager to meet with Mr. Steve Hagenbuckle, of TerraCap Management Corp (TerraCap), to negotiate a price for the sale of the future road right-of-way (ROW) that bisects Parcel 14, which was always intended to facilitate an additional entry off of Bonita Beach Road into that parcel.

Mr. Adams reported that he and Mr. Rupp met with Mr. Hagenbuckle. As Mr. Rupp has prior real estate experience, he reviewed the information and performed calculations. Through the discussions and negotiations, a price of \$100,000 was agreed upon for the parcel.

Mr. Adams advised that, subsequent to the meeting, the District received a letter of intent from TerraCap, offering to purchase the parcel for \$100,000.

Mr. Rupp requested that the Board entertain audience comments before discussing the offer.

<b>THIRD ORDER OF BUSINESS</b>	<b>Audience Requests</b>	<b>Comments/Supervisors'</b>
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Mr. Peter Parker, a resident, noted a rumor that, if the District sells the parcel for \$80,000, there will be a guarantee that the secondary entrance of Sorrento will be an emergency exit only and asked if this was a true statement. Mr. Adams noted that this topic was not discussed during the meeting with Mr. Hagenbuckle.

Mr. Hagenbuckle indicated that under the existing development order D.R. Horton has the rights to two (2) entries. It was made very clear by the community that only one (1) entry is desirable; residents prefer that the other be utilized as an emergency exit only. Mr. Hagenbuckle advised that, during the last three (3) weeks, he met with D.R. Horton, city management and engineers to reach a consensus on whether this request is feasible, as well as to ascertain the process for this to occur.

In return for the time and the effort, Mr. Hagenbuckle would like to modify the letter of intent to match the appraised value of \$80,000. D.R. Horton has agreed to make the second entrance an emergency exit only to sod it with grass and not pave it. The only access will be by emergency vehicles or used for emergency evacuation. In response to a Board Member's question, Mr. Hagenbuckle advised that the entrance will be gated and can only be opened by the fire department.

Mr. Parker asked if the curbing will be removed. Mr. Hagenbuckle indicated that he does not know the specifics; however, he was advised that there will be curbing at that location. If not, there will be grass in the front and it will not be paved. In response to Mr. Parker's comment, Mr. Hagenbuckle confirmed that no one will mistake it for an entrance and noted that entry will not be possible since remote or key access will not be available.

On behalf of the homeowners, Mr. Corio urged Mr. Hagenbuckle to move in that direction. He noted that the second entrance gives homeowners a lot of grief. He believes that a written proposal of TerraCap's intentions for the second entrance and an agreement from all parties involved, will give the community relief.

Mr. Hagenbuckle confirmed that the main entrance will be by Matteotti. A Board Member asked if D.R. Horton advised Mr. Hagenbuckle of their intentions for the Matteotti entrance. Mr. Hagenbuckle stated that he is not a representative of D.R. Horton; he advised that the project is an approved development order and the plans should be available. Mr. Hagenbuckle reiterated that the plan for the second entrance is for an emergency exit only.

Mr. Hagenbuckle stated that a process must take place and the current plans are subject to the process. An agreed purchase price must first be attained. Second, on February 25, TerraCap is attending a hearing where it must provide other components to the easement, ROW and land usage. Currently, the land is zoned for residential or commercial use; however, because of the amount of commercial use originally planned for the development, the amount of commercial use must be reduced by approximately 13,000 to 15,000 square feet. This was unanimously approved by the city's planning committee. The final approval will be on February 25 and Mr. Hagenbuckle indicated that it would be favorable to have the community's support by advocating residential usage over commercial.

Mr. Hagenbuckle stated that D.R. Horton will wall off the bottom of Benecia and not have access or entry, preserving the current parking and paving. The only entry will be through the main body of the community. In response to an inquiry, Mr. Hagenbuckle advised that the wall that will be constructed, in the rear of the park, will be consistent with the rest of the development. Mr. Hagenbuckle reiterated that he is not employed by D.R. Horton; however, it is his understanding that the wall will be solid block.

Mr. Potter indicated that he received information that an aluminum fence will be erected, not a wall, from the corner of Benecia and Matteotti, across Benecio. Discussion ensued regarding the wall/fence. Mr. Potter stated that he is inquiring about the fencing because of the park and asked who is constructing the fence. Mr. Hagenbuckle affirmed that D.R. Horton is constructing the fence and advised that D.R. Horton has a work order for Phase 1 and not for Phase 2; therefore, the Board may influence the decisions made when D.R. Horton is ready to move forward with Phase 2, which is at least one (1) year from now.

Mr. Corio asked if the pedestrian entrance, on the original plans, will remain in place. Mr. Hagenbuckle stated that he does not know. Mr. Rupp stated that those issues may be discussed with D.R. Horton, at the moment, the Board has to make a decision on the property.

Mr. Hagenbuckle indicated that there is a third process; first is the purchase price, second is receiving the community's support on what has already been approved by the planning

committee and third, is the closing of the acquisition. In response to a question, Mr. Hagenbuckle advised that the hearing will be held at 9:00 a.m., on February 25, and indicated that busloads of protesting residents will not assist the process. Mr. Corio indicated that he is not aware of anyone with objections to the rezoning. Mr. Hagenbuckle expressed his gratitude to the homeowners that attended the meeting with the planning committee to show their support.

Mr. Potter indicated that he wants assurance that whatever designation is decided for the emergency exit, the decision will be 'locked'. Mr. Adams indicated that it is best to leave the negotiations to the attorneys.

Mr. Hagenbuckle asked the Board for their opinions regarding the \$80,000 purchase price and the provision that the ROW will be an exit with a gate accessible by the fire department only. Mr. Potter indicated that another provision was that the second entry on the south end of Benecia Boulevard becomes restricted as no access; everyone will win from this deal.

Discussion ensued regarding alternate exits and walkways for the community.

Mr. Rupp stated that, if an agreement is reached on the \$80,000, as well as the provisions discussed, he would like the decision to be subject to the Board's review of the plans.

In response to Mr. Adams' question, Mr. Hagenbuckle indicated that D.R. Horton has an approved development plan and, at this point, they may proceed. Mr. Rupp asked if the plans include Benecio or if the development end there. Mr. Hagenbuckle advised that, if a Phase 2 is not built, D.R. Horton will erect a wall on the eastern side of Benecio, down to Bonita Beach Road. Whoever purchases Benecio will be able to utilize the parcel for commercial or residential use.

In response to a question, Mr. Hagenbuckle clarified that the meeting on February 25 is to relieve the minimum requirement for commercial use. It is not a rezoning issue; it is a language change for the DRI.

A Board Member asked, if the parcel is sold to another developer, could they utilize Benecio road. Mr. Hagenbuckle replied affirmatively and stated that it makes sense that TerraCap purchases the property. Mr. Hagenbuckle advised that TerraCap is in contract with D.R. Horton to purchase the parcel, subject to the Board's decision regarding the provisions discussed earlier in today's meeting. He noted that TerraCap's intentions are sincere. Responding to a Board Member's inquiry, Mr. Hagenbuckle indicated that he has worked with D.R. Horton before and they stand behind their word. The Board contended that they wish to view the plans to confirm that there will be a pedestrian walkway installed.

Discussion ensued regarding the restricted access of the second entry. Mr. Adams stated that there is a reasonable amount of trust with the provision. Restrictive access removes the division of the parcel and makes it more amenable to the existing builder with the amended DRI. In response to a question regarding construction plans for the parcel, Mr. Hagenbackle stated approximately 30 to 42 townhome units. He noted there will be significantly less intensity, density and traffic than commercial usage.

Responding to an inquiry, Mr. Hagenbackle indicated that Benecia is a public road; every landowner has access rights to it. If nothing changes, whoever develops that parcel may use and pave the road without any discussion or approval from anyone; therefore, in his opinion, D.R. Horton's proposal is a win win situation for everyone. Mr. Hagenbackle noted that D.R. Horton is giving up value and marketability by closing of the Benecia road exit.

**On MOTION by Mr. Potter and seconded by Mr. Rupp, with all in favor, authorizing the sale of the Benecia future road right-of-way to TerraCap Management Corp for the appraised value of \$80,000, with the stipulation that the second entrance to the parcel will be for emergency vehicles only and authorizing Staff and Chair to take all necessary steps to close the transaction, including the creation and filing of a legal instrument regarding the restriction of the second entry, pending final review and approval by the Chair of the development plans and the intent on the remaining 3.8 acre parcel, was approved.**

Mr. Adams advised Mr. Hagenbackle that the amended letter of intent will be executed upon receipt. In response to Mr. Hagenbackle's question Mr. Adams agreed that the contract should be submitted with the letter of intent for District Counsel review.

Discussion ensued regarding plans for the Phase 1 and Phase 2 walls.

Mr. Adams summarized that the first step will be the meeting on February 25, where D.R. Horton will petition for the DRI language revision amending the minimum requirement for commercial use. There is a certain due diligence period and, after the DRI is finalized, D.R. Horton may receive the preliminary approval from the city, which will give the Board a certain level of comfort. Mr. Adams does not recommend rushing to close the sale of the property.

Mr. Corio recalled the maintenance and easement agreement with Parklands West CDD and asked that he be advised when the agreement is renewed. Mr. Adams clarified that the

agreement is a continuing agreement and may be terminated by either party. Because of the financial implications for either party, it has a lengthy termination notice. Mr. Corio asked that Mr. Adams send them a termination notice the following week. Mr. Adams indicated that he assumes the termination is due to the ROW maintenance and the District's ability to assess the subject parcel and the association's inability to assess. Mr. Adams asked that the Board to have the termination date coincide with the budget fiscal year, beginning on October 1, 2013; this will eliminate unexpected expenses in the current fiscal year. In response to a question, Mr. Adams indicated that the amount will fall under the District's existing methodology. The number of units that are built, or permitted to be built, will become subject to the annual assessment levied by the District.

Mr. Corio asked if the District will assess the amount of homes D.R. Horton is planning to build. Mr. Adams clarified that it will be the amount that they are permitted to build, which is lower than the amount in the current parcel. A Board Member stated that there are 152 units. Mr. Adams indicated that the District is assessing for 182 units, which is the amount originally planned.

Responding to an inquiry, Mr. Adams explained that Palmira is assessed, on a residential basis, per door front or per lot. The parcel that houses the golf course clubhouse pays into the assessment, as well. Mr. Corio asked if the Palmira count includes only Parklands Lee homes. Mr. Adams indicated that Parklands Lee and Parklands West are governed by two (2) distinct governments; only the door fronts within the boundaries of their respective Districts are counted. Mr. Adams suggested having a door count for Parklands West, as well. In response to an inquiry as to why a count is necessary, Mr. Adams advised that the Parklands West CDD will have access to the Benecio exit, as well. Mr. Corio asked Mr. Adams to cancel both agreements on October 1, 2013. Mr. Adams clarified that the agreements will be cancelled effective October 1, 2013; however, the notices must be sent March 1 or April 1, at the latest. Mr. Adams stated that Management begins the budget process in May and the early notice will provide enough time to plan accordingly. A Board Member pointed out that Mr. Adams will need the number of units.

Seeking clarification, Mr. Corio asked if Parklands Lee may assess for the units in Parklands West. Mr. Adams explained that there is a joint operating budget indicating that there is one (1) system that benefits everyone. Under the interlocal agreement, the Parklands West CDD will be assessed. Mr. Corio indicated that Parklands Lee can take back the master contractor so that the District may maintain the parcel. Mr. Adams clarified that public funds

from the District may not be transferred to a private entity. The District will have to assume that responsibility directly and consider engaging the Associations contractor as their contractor; they may bid for the job. Discussion ensued regarding managing and contracting the parcel.

Mr. Corio asked for clarification regarding the District's ownership in the ROW. Mr. Adams indicated that, based upon his previous research, it is everything in the ROW that the CDD paid for and acquired through the bond requisition process.

Acknowledging his lack of experience as a Board Member, Mr. Schwartz asked if the landscaping invoice would be paid by the homeowners, via the tax bill. Mr. Adams replied affirmatively and indicated that the community will benefit from the assessments paid by the additional 152 units planned by D.R. Horton, as they are not part of the association.

Mr. Potter indicated that D.R. Horton will provide a revised letter of intent, which will need to be executed by February 25. He asked if the Board will have the opportunity to review the plans for Phase 2 before the parcel closing. Mr. Rupp indicated that D.R. Horton will probably not have final plans until after their meeting with the planning committee on February 25.

Mr. Adams summarized the timeline for the parcel closing.

A homeowner asked if D.R. Horton will street sweep each entry road periodically. Mr. Adams indicated that street sweeping should be performed as part of the National Pollutant Discharge Elimination System (NPDES) requirements of development and suggested raising the issue with the city. Mr. Adams stated that the city is very strong on the NPDES program and does not tolerate any standing soil or erosion for fear of infiltration into the storm system.

There being no Supervisors' requests, the next item followed.

**FOURTH ORDER OF BUSINESS**

**NEXT MEETING: May 9, 2013 at 1:15 P.M.**

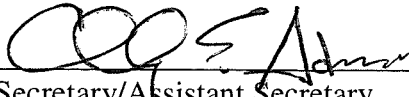
The next meeting is scheduled for May 9, 2013 at 1:15 p.m.

**FIFTH ORDER OF BUSINESS**

**Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Rupp and seconded by Mr. Schwartz,  
with all in favor, the meeting adjourned at 1:45 p.m.**

  
Secretary/Assistant Secretary

  
Chair/Vice Chair