

Community Development Districts (CDDs)

A CDD is a governmental unit created to serve the long-term specific needs of its community. Created pursuant to chapter 190 of the Florida Statutes, a CDD's main powers are to plan, finance, construct, operate, and maintain community-wide infrastructure and services specifically for the benefit of its residents.

What will the CDD Do?

Through a CDD, the community can offer its residents a broad range of community-related services and infrastructure to help ensure the highest quality of life possible.

How CDD's Operate

A CDD is governed by its Board of Supervisors which is elected initially by the landowners, then begins transitioning to residents of the CDD after six years of operation. Like all municipal, county, state, and national elections, the Office of the Supervisor of Elections oversees the vote, and CDD Supervisors are subject to state ethics and financial disclosure laws.

The CDD's business is conducted in the "Sunshine," which means all meetings and records are open to the public. Public hearings are held on CDD assessments and the CDD's budget is subject to annual independent audit.

Relationship with Home Owner's Associations

The CDD complements the responsibilities of community home owner's associations (HOAs). However, the associations have other responsibilities such as operating and maintenance for the various amenities and

ensuring that deed restrictions and other quality standards are enforced. The CDD may contract with the Master Home Owners Association to perform maintenance functions.

Benefits to Residents

Residents within a community with a CDD may expect to receive three major classes of benefits. First, the CDD provides landowners consistently high levels of public facilities and services managed and financed through self-imposed fees and assessments. Second, the CDD ensures that these community development facilities and services will be completed concurrently with other parts of the development. Third, CDD landowners and electors choose the Board of Supervisors, which is able to determine the type, quality, and expense of CDD facilities and services.

Other savings are realized because a CDD is subject to the same laws and regulations that apply to other government entities. The CDD is able to borrow money to finance its facilities at lower, tax-exempt, interest rates – the same as cities and counties. Many contracts for goods and services, such as annually negotiated maintenance contracts, are subject to publicly advertised competitive bidding.

Residents and property owners in a CDD set the standards of quality, which are then managed by the CDD. The CDD provides perpetual maintenance of the environmental conservation areas. This consistent and quality-controlled method of management helps protect the long term property values in a community.

The Cost of a CDD

The cost to operate a CDD is borne by those who benefit from its services. Property owners in the CDD are subject to a non-ad valorem assessment, which appears on their annual property tax bill from the county tax collector and may consist of two parts: an annual assessment for operations and maintenance, which can fluctuate up and down from year to year based on the budget adopted for that fiscal year, and an annual capital assessment to repay bonds sold by the CDD to finance community infrastructure and facilities, which annual assessments are generally fixed for the term of the bonds. Because costs and services vary depending upon the individual CDD, specific fee information is available for each community.

Lasting Value

The CDD makes it possible for our community to offer the most desirable elements of a master-planned community. Residents enjoy high quality infrastructure facilities and services with the comfort and assurance of knowing that the standards of the community will be maintained long after the developer is gone. With a CDD in place, residents are assured of the ability to control quality and value for years to come.

The Community Development District

Q. What can the Community Development District in our community be responsible for?

A. Under current legislation, the CDD may plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain the following basic infrastructure:

- Water management; main line irrigation, and lake and water control structures
- Water supply
- Sewer and wastewater management
- Bridges and culverts
- District roads, signs, and street lights
- Parks and recreational facilities
- Fire prevention and control
- Security (including guardhouses, fences, gates, and electronic intrusion-detection devices)
- Control and elimination of mosquitoes
- Waste collection and disposal
- Conservation areas

Q. What are the ongoing responsibilities of the CDD?

A. The ongoing responsibilities of the CDD are to administer the CDD bonds and operate its community facilities and services for the benefit of the property owners. These include the following systems and facilities of the CDD:

Q. Who governs the CDD?

A. The CDD is governed by a five-member Board of Supervisors elected initially by the property owners. Eventually, the Board will be elected by majority vote of the resident electors in the community. A professional manager implements the policies of the Board.

Q. What do I pay for the services?

A. The CDD issues Special Assessment Revenue Bonds to finance community infrastructure. Generally, Community Development Districts assess

each property owner a yearly capital debt service assessment to pay back those bonds. In the case of the CDD a significant portion of this capital assessment will be prepaid by the developer at the time of closing.

In addition, to maintain the facilities of the community and administer the CDD, the CDD conducts a public hearing each year at which it adopts an Operating and Maintenance budget. The finding of this budget is levied as an Operating and Maintenance assessment on your property by the Board of Supervisors. All residents pay for a share of the maintenance of the CDD through this annual assessment.

Annual Assessments: The annual operating and maintenance assessment amount will be set annually by the Board of Supervisors.

FY 2009 Assessments					
Lot Size	Debt Service Assmt	O&M w/ DS	O&M w/o DS	FY09 Assmt w/ DS	FY09 Assmt w/o DS
SF 60'	\$677	\$180	\$138	\$857	\$815
SF 70'	\$790	\$180	\$138	\$970	\$928
SF 75'	\$846	\$180	\$138	\$1,026	\$984
SF 80'	\$903	\$180	\$138	\$1,083	\$1,041
SF 85'	\$959	\$180	\$138	\$1,139	\$1,097
SF 90'	\$1,016	\$180	\$138	\$1,196	\$1,154
SF 95'	\$1,072	\$180	\$138	\$1,252	\$1,210
SF 100'	\$1,128	\$180	\$138	\$1,308	\$1,266
SF 110'	\$1,241	\$180	\$138	\$1,421	\$1,379
Comm	\$1,354	\$180	\$138	\$1,534	\$1,492

What You Should Know About HAMMOCK BAY Community Development District



If you would like more information about the Hammock Bay Community Development District, please contact the District Manager's Office at the following address:

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