

MINUTES OF MEETING

**HARBOR BAY
COMMUNITY DEVELOPMENT DISTRICT**

The regular September 17, 2002 meeting of the Harbor Bay Community Development District Board of Supervisors was continued until **Thursday, September 26, 2002 at 9:00 a.m.** at the office of Terrabrook, located at 3505 Frontage Road, Suite 145, Tampa, Florida 33607.

Present and constituting a quorum were:

Steve Gamm	Board Supervisor, Assistant Secretary
Susie Green	Board Supervisor, Assistant Secretary
Kathy Jacobs	Board Supervisor, Vice Chairman
Brenda Kunkel	Board Supervisor, Assistant Secretary

Also present were:

William Rizzetta	for District Manager, Rizzetta & Company, Inc.
John McKay	Financial Advisor, Rizzetta & Company, Inc.
Jonathan Johnson	District Counsel, Hopping Green & Sams, P.A.

FIRST ORDER OF BUSINESS

Call to Order

Mr. Rizzetta called the meeting to order.

SECOND ORDER OF BUSINESS

**Consideration of District Engineer's
Report**

Mr. Rizzetta stated that the first order of business is to consider the District Engineer's Report on Special Assessment Revenue Bonds, Series 2001 and 2002. Mr. Hall handed out a report which has been reviewed by the Board and District Staff. Mr. Hall reviewed the report for the Board. The report contains a map which shows the area the bond issue will cover. The report also contains a sheet which shows the associated costs. Mr. Johnson stated that the improvements that are anticipated to be funded by the 2002 project are consistent with the District's adopted improvement plan which was validated by the Circuit Court. He asked Mr. Hall if the cost estimates in the report are reasonable and appropriate, and Mr. Hall stated yes. Mr. Johnson stated that this document will be used in the marketing of the bonds. A brief discussion ensued regarding the Penske parcel and that the figures in the report may go up or down based on the final bond sale.

On a MOTION by Ms. Jacobs, seconded by Ms. Kunkel, with all in favor, the Board approved the District Engineer's Report on Special Assessment Revenue Bonds, Series 2001 and 2002 (Revised September 25, 2002), with the understanding that the Report may be revised, for Harbor Bay Community Development District.

THIRD ORDER OF BUSINESS

Preliminary Special Assessment Presentation

Mr. Rizzetta stated that the next item on the agenda is Mr. McKay's presentation. Mr. McKay stated that he had passed out the Preliminary Special Assessment Allocation Report for the Series 2002 bonds. This report relates to the financing of the portion of the total improvements which are called the 2002 Improvements. These improvements will benefit Phase 2 of the development. The total costs are estimated to be \$9,665,175, which ties to the Engineer's Report. The improvements will be financed with the Series 2002 bond, which is a long term bond. It will have a par amount of \$13,150,000, including the construction fund, capitalized interest reserves and issuance cost. The annual debt service will be approximately \$1,049,086 (principal and interest). This is based on a par amount of \$13,150,000, November 1 dated date and a 6.9% coupon rate. The final principal payment is due May 1, 2034. There is also two years of capitalized interest. The principal and interest assessment will have the early payment discount and Property Appraiser's and Tax Collector fees (totaling 8%) added on for an annual assessment amount of \$1,140,311.

The assessments will be allocated using the same methodology that was adopted by the Board for the Series 2001. First is an allocation to each product type using the Equivalent Residential Unit (ERU) methodology. The ERU is the estimate of benefit received from the improvements and stratifies the assessments based on lot size. The second step is to arrive at a per unit assessment, which is total assessments allocated to the product type divided by the total number of lots in that product type. The Report calls for the standard true-up analysis which will be performed at certain platting intervals. This insures that the District is on track for collecting sufficient assessment revenue to repay the bonds.

Mr. McKay stated that the District is issuing debt as if the proposed acquisition parcels are in the District today. There is a second true-up piece to the methodology that, if the acquisition parcels are not annexed into the District at the threshold of when 75% of the platted lots are sold, then the debt that would have been allocated to that parcel will be spread out over the remaining unsold lots. That amount will be paid down with each lot sale. The annual assessments won't be affected.

Mr. McKay reviewed the exhibits for the Board. Page A1 shows the total lots and total acres in each parcel for the District land plus the subtotal for what is in the acquisition parcels. Page A2 shows the detail of the \$9,665,000 cost. Page A3 shows how the construction cost gets to the \$13,150,000 in bond par amount. Table 4 shows the allocation methodology and shows the annual assessment paid by each different lot size. They are as follows: apartments \$176 per unit, townhouses \$366, 50 foot lot \$733, 60 foot lot \$880, 70 foot lot \$1,026, 80 foot lot \$1,173, and the 100 foot lot \$1,466. The last page of the report shows the preliminary assessment roll. He asked if there were any questions. Mr. Johnson stated that this document would be used to set the public hearing and assessments are not being imposed on any property today. Mr. McKay confirmed that the ERU methodology used in this report is the same as is used by a number of local governments in the state of Florida and that the conversion factors are appropriate for allocating the benefit.

Mr. Rizzetta asked if there were any questions. Hearing and seeing none, he asked for a motion.

On a MOTION by Ms. Jacobs, seconded by Ms. Kunkel, with all in favor, the Board accepted the Special Assessment Allocation Report as the basis for setting the public hearing for Harbor Bay Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2002-07 Declaring Special Assessments

Mr. Rizzetta stated that the next item on the agenda is for the Board to consider a resolution to declare the special assessments. Mr. Johnson reviewed the resolution for the Board. He stated that it is a minimum 30-day process to declare to impose special assessments, set a public hearing and then conduct the public hearing. The resolution recites some of the actions required by Statute. He asked if there were any questions. Hearing and seeing none, Mr. Rizzetta asked for a motion.

On a MOTION by Ms. Kunkel, seconded by Mr. Gamm, with all in favor, the Board approved Resolution 2002-07 and authorized its execution by the Vice Chairman for Harbor Bay Community Development District.

Mr. Rizzetta stated that Resolution 2002-08 was handed out to the Board. Mr. Johnson stated that this resolution is required by Statute. The blanks will be filled in with the appropriate information. This resolution sets a public hearing and provides for notice of the hearing to be given. November 6, 2002 at 1:00 p.m. is the date and time that will be filled in as well as the location which is Terrabrook, at 3505 Frontage Road, Suite 145 in Tampa, FL. Mr. Johnson

asked if there were any questions. Hearing and seeing none, he asked for a motion.

On a MOTION by Ms. Jacobs, seconded by Mr. Gamm, with all in favor, the Board approved Resolution 2002-08 and authorized its execution by the Vice Chairman for Harbor Bay Community Development District.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2002-06
Adopting Meeting Schedule**

Mr. Rizzetta stated that the next item on the agenda is to consider the resolution to adopt the meeting time, dates and location schedule for the upcoming fiscal year. He reviewed the resolution for the Board. Exhibit A lists the dates, time and location for the monthly meetings. He asked if there were any questions. A comment was made that Terrabrook was moving their office on November 15, 2002 to MiraBay. The resolution will be revised so that the exhibit reflects the new address. Beginning with the January meeting, it will be held at the MiraBay site. There was no further discussion and he asked for a motion.

On a MOTION by Ms. Kunkel, seconded by Ms. Green, with all in favor, the Board adopted Resolution 2002-06 (as amended) for Harbor Bay Community Development District.

SIXTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
No further report.
- B. District Engineer
No further report.
- C. District Manager
No further report.

SEVENTH ORDER OF BUSINESS

**Supervisor Requests and
Audience Comments**

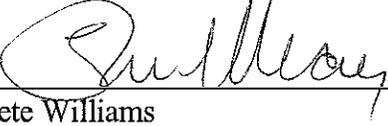
Mr. Rizzetta stated that the next item on the agenda is Supervisor Requests and Audience Comments. There were no audience members in attendance other than those noted at the beginning of the meeting. He asked if there were any Supervisor requests. There were none.

EIGHTH ORDER OF BUSINESS

Adjournment

Mr. Rizzetta stated that there were no further agenda items to come before the Board and asked for a motion to adjourn.

On a MOTION by Mr. Gamm, seconded by Ms. Jacobs, with all in favor, the Board adjourned the meeting for Harbor Bay Community Development District.



Pete Williams
Secretary



Kathy Jacobs
Vice Chairman