

**Official Minutes of
MARION COUNTY
BOARD OF COUNTY COMMISSIONERS**

December 13, 2023

CALL TO ORDER:

The Marion County Board of County Commissioners (BCC) met in a special session in Commission Chambers at 2:25 p.m. on Wednesday, December 13, 2023 at the Marion County Governmental Complex located in Ocala, Florida.

INTRODUCTION BY CHAIRMAN MICHELLE STONE:

Chairman Stone advised that the public hearing was scheduled this afternoon to consider approval of a Petition to Establish the Pioneer Ranch Community Development District (CDD) and adoption of an Ordinance to establish the Pioneer Ranch CDD.

PLEDGE OF ALLEGIANCE:

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

ROLL CALL:

Upon roll call the following members were present: Chairman Michelle Stone, District 5; Vice-Chairman Kathy Bryant, District 2; Commissioner Craig Curry, District 1; Commissioner Matthew McClain, District 3; and Commissioner Carl Zalak, III, District 4. Also present were County Attorney Matthew G. Minter and County Administrator Mounir Bouyounes.

PRESENT PROOF OF PUBLICATION

Deputy Clerk Ketner presented Proof of Publication of a display ad entitled, "Notice of Public Hearing" published in the Star Banner newspaper on November 17, November 24, December 1, and December 8, 2023. The Notice states the Board will consider an Ordinance to establish a Community Development District, which may be known as the Pioneer Ranch Community Development District (CDD).

The Deputy Clerk was in receipt of a 73 page Agenda packet.

STAFF PRESENTATION:

1. PUBLIC HEARING: Consider Approval of a Petition to Establish the Pioneer Ranch Community Development District and Adoption of an Ordinance Creating the Pioneer Ranch Community Development District

The Board considered the following recommendation as presented by Growth Services Director Chuck Varadin:

Description/Background: Gregory L. Urbanic of Coleman, Yovanovich & Koester, P.A. filed a petition on behalf of Freedom Commons Development, LLC, to establish a new community development district (CDD) for a development titled Pioneer Ranch (formerly portions of the JB Ranch development) pursuant to F.S. Section 190.005 and Marion County's Code of Ordinances (COO) Chapter 14.5, Article III, Division 1.

The draft petition was reviewed by the Marion County Property Appraiser and the County's key departments regarding infrastructure (e.g., central water, central sewer, roads, stormwater, etc.). Following receipt of staff comments, the applicant

December 13, 2023

submitted the final petition with the proposed Ordinance to establish the CDD. No objections were provided; however, the Utilities Department does note that water and sewer improvements, once construction is complete, must be conveyed to Marion County Utilities consistent with applicable County Ordinances, rather than being held by the resulting CDD.

Following Board authorization on October 17, 2023, the applicant has provided for the placement of the necessary public notice advertising (4 consecutive weekly ads) in a qualified newspaper of general circulation pursuant to Chapter 50, F.S., for this hearing.

Staff recommends the Board consider the applicant's Petition to Establish the Pioneer Ranch CDD, approve the petition and adopt the attached Ordinance to establish the Pioneer Ranch CDD as requested.

Budget/Impact: None.

Recommended Action: Motion to approve the Petition to Establish the Pioneer Ranch Community Development District, adopt the proposed Ordinance to establish the Pioneer Ranch Community Development District, and authorize the Chairman and Clerk to execute the Ordinance.

Senior Planner Chris Rison, Growth Services, presented a brief PowerPoint presentation and advised that the request is a proposal for the Pioneer Ranch CDD, noting the owner is 95th Street Holdings, LCC. The subject site is located on the north and south sides of SW 95th Street Road, between SW Highway 200 and SW 60th Avenue (west of the existing JB Ranch development). He advised that earlier this year the Board approved the final Master Plan, noting the original zoning for that Planned Unit Development (PUD) was approved in 2021. Mr. Rison noted CDD's are governed by Florida Statutes (FS) Chapters 189 and 190 and set forth the exclusive and uniform methods of establishing an independent CDD, which is a Special District that must conform to those Statute requirements. Due to the size of this project, it is created locally by the County government since it is less than 2,500 acres, anything larger would need to be created by the State of Florida. He noted a CDD is an independent operational entity over the geographic area it would serve, functions as a limited form of government and is granted independent powers, but more extensive than Municipal Service Benefit Units/Municipal Service Taxing Units (MSBU/MSTU). The proposed CDD is eligible for design and construction of improvements and services (i.e., street construction and maintenance, utilities construction and maintenance, stormwater systems, and other community services such as recreation facilities), and may function in addition to a Property Owners Association (PAO). Mr. Rison stated CDD's are a special purpose government, which is governed by a Board of Supervisors who are originally appointed with the creation of the CDD. As the original appointees' terms expire, the Board of Supervisors members are elected until each member is duly elected. The Board of Supervisors will employ a district manager, essentially responsible for overseeing day-to-day expenses and operations. He stated the project is divided into north and south halves with the first and second phases to the north and the third, fourth, and fifth phases to the south. He stated the development will have earthwork, roadways, water and sewer, stormwater, landscaping, etc., which will be initiated by the District for construction, and as ownership and maintenance goes in, some parts may be conveyed to and maintained by the County. The current estimated cost of the CDD is approximately \$34,000,000.00 and the estimated deadline for construction is in the year 2028.

Gregory L. Urbanic with the law firm of Coleman, Yovanovich & Koester, P.A., Tamiami Trail, Naples, Florida, stated he was present on behalf of the applicant to answer any questions. He stated the development contains 267.8 acres and stated the development will have earthwork, stormwater, utilities that will be conveyed to Marion County Utilities, roadway, and ancillary landscaping.

Commissioner Bryant advised that the CDD will have no adverse effect to the County, noting the advantage to creating a CDD for the developer is for the bonding capabilities to hopefully lower the cost of the development. She stated water and sewer will be conveyed to the County and built to County standards.

In response to Commissioner Curry, Mr. Urbanic advised that the CDD will have a Homeowners Association (HOA), noting there are some things the CDD does not perform, such as architectural review, etc.

Commissioner Bryant reiterated the advantage to creating the CDD is for bonding purposes at lower interest rates, which then helps with the cost effectiveness of the project.

Mr. Urbanic concurred and noted property owners would pay assessments as part of their tax bill going forward.

(Ed. Note: The Deputy Clerk did not receive a copy of the PowerPoint presentation.)

PUBLIC COMMENT

Chairman Stone opened the floor to public comment.

Mira Korber, SW 59th Street, advised that although the bond obligations do not belong to the County, they do belong to someone and questioned what happens if the investor demand is not there to purchase the bonds in the first place to get the financing to pay for the infrastructure. She advised that although there is an advantage to the developer of being able to create the housing at a lower cost by getting a better rate on the bond, what is the advantage to anyone else. Ms. Korber questioned if this is such a common thing to do, what rate does the developer expect to pay in order to service the debt. She advised that in any public bond issuance there would be an Offering Memorandum and projected cash flows shown that are required to service the interest on the bonds, noting she did not see any of that information in the documents that were submitted. Ms. Korber noted she would like to know what the interest rate is on this bond and what the default rates are on CDDs.

Chairman Stone advised that public comment is now closed.

Mr. Urbanic advised that the bonds are not general obligation bonds of the County, noting in terms of the bonds, they are secured by assessments on the property. He stated if there was a default there would be a reserve account that could be utilized, or investors could be brought into the CDD process. Mr. Urbanic advised that there is an Offering Memorandum, noting there is a tremendous amount of due diligence that goes into this process. He stated the District will engage professionals to market the bonds. Mr. Urbanic provided a brief overview of the process, which includes meetings, advertised notices in local newspapers, etc.

BOARD DISCUSSION

A motion was made by Commissioner Bryant, seconded by Commissioner Curry, to approve the Petition to Establish the Pioneer Ranch CDD to adopt Ordinance 23-34 creating the Pioneer Ranch CDD. The motion was unanimously approved by the Board (5-0).

December 13, 2023

Ordinance 23-34 is entitled:

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, ESTABLISHING PIONEER RANCH COMMUNITY DEVELOPMENT DISTRICT PURSUANT TO CHAPTER 190, FLORIDA STATUTES; PROVIDING FOR THE ESTABLISHMENT AND NAME OF THE DISTRICT, TO BE KNOWN AS PIONEER RANCH COMMUNITY DEVELOPMENT DISTRICT; PROVIDING FOR THE LEGAL DESCRIPTION; PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR THE INITIAL MEMBERS OF THE BOARD OF SUPERVISORS; PROVIDING FOR POWERS; PROVIDING FOR APPLICABILITY OF CHAPTER 190, FLORIDA STATUTES, AND ALL OTHER APPLICABLE STATUTES, ORDINANCES, RULES AND REGULATIONS; PROVIDING FOR NO MARION COUNTY OBLIGATIONS; PROVIDING FOR NO LIMITATION ON MARION COUNTY POWERS; PROVIDING FOR DISCLOSURE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; AND PROVIDING FOR AN EFFECTIVE DATE.

CLOSING COMMENTS:

There being no further business to come before the Board, the meeting thereupon adjourned at 2:37 p.m.

Michelle Stone, Chairman

Attest:

Gregory C. Harrell, Clerk