



MEMORANDUM

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA

Agenda Item No. 4(O)

(Public Hearing 1-20-04)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: June 17, 2003

FROM: George M. Burgess
County Manager

SUBJECT: Ordinance Creating the
Cutler Cay Community
Development District

04 15

RECOMMENDATION

It is recommended that the Board adopt the attached ordinance creating the Cutler Cay Community Development District (CDD) in unincorporated Miami-Dade County, pursuant to the authority granted by the Miami-Dade County Home Rule Charter for the purposes set forth in Chapter 190 of the Florida Statutes, subject to acceptance of the declaration of restrictive covenants running with the lands within the jurisdiction of the CDD.

BACKGROUND

Shoma Development Corporation, owner of the Cutler Cay Development, has filed an application to create the Cutler Cay CDD in connection with said development. Cutler Cay is a 215.336-acre residential development lying wholly within unincorporated Miami-Dade County, in the area bounded by theoretical SW 73rd Place on the east, Old Cutler Road on the west, SW 196 Street on the south and theoretical SW 185 Terrace on the north. The CDD is designed to provide a financing mechanism for community infrastructure, services and facilities, along with certain ongoing operations and maintenance for the Cutler Cay Development. The development plans for the lands within the proposed CDD include construction of a maximum 525 residential lots with associated roadway, storm drainage and water and sewer facilities estimated to cost approximately \$16.5 million. Approval of this CDD does not constitute a development order. A detailed summary of CDD elements, as well as their cost and anticipated lack of fiscal impacts to government agencies, is presented in the attached application submitted by Shoma Development Corporation. In accordance with Florida Statute 190, Shoma Development Corporation has paid a filing fee of \$15,000 to the County.

A declaration of restrictive covenants will be proffered at public hearing by the owner of the lands within the CDD jurisdiction, providing for notice in the public records of the projected taxes and assessments to be levied by the CDD, and providing for individual prior notice to the initial purchaser of a residential lot or unit within the development. The document shall also include provisions for remedial options to property owners whose contract for sale did not include timely notice of the existence and extent of CDD liens and special assessments.

This Board is authorized by the Florida Constitution and the Miami-Dade County Home Rule Charter to establish governmental units such as the CDD within Miami-Dade County and to prescribe such government's jurisdiction and powers.

The roads within this development are all private and are to be maintained by the CDD. A special taxing district has been created to maintain the development's infrastructure such as roadways, storm drainage, water, sewer and landscape should the CDD be dissolved or fail to fulfill its maintenance obligations. This district will remain dormant until such time as Miami-Dade County determines that the CDD is not performing.

FISCAL IMPACT

The creation of the Cutler Cay Community Development District will have no fiscal impact on Miami-Dade County.



MEMORANDUM

(Revised)

04 15

TO: Hon. Chairperson Barbara Carey-Shuler, Ed.D.
and Members, Board of County Commissioners

DATE: January 20, 2004

FROM: Robert A. Ginsburg
County Attorney

SUBJECT: Agenda Item No. 4(O)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bld waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☒ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved _____ Mayor

Agenda Item No. 4 (O)

Veto _____

1-20-04

Override _____

ORDINANCE NO. 04 15

ORDINANCE GRANTING PETITION OF SHOMA DEVELOPMENT CORPORATION ("SHOMA" OR "PETITIONER") FOR ESTABLISHMENT OF A COMMUNITY DEVELOPMENT DISTRICT; CREATING AND ESTABLISHING CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT ("DISTRICT"); PROVIDING FOR NAME, POWERS AND DUTIES; PROVIDING DESCRIPTION AND BOUNDARIES; PROVIDING INITIAL MEMBERS OF BOARD OF SUPERVISORS; PROVIDING SEVERABILITY, EXCLUSION FROM THE CODE AND AN EFFECTIVE DATE

WHEREAS, the Florida Legislature created and amended Chapter 190, Florida Statutes, to provide an alternative method to finance and manage basic services for community development; and

WHEREAS, Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter grants the Miami-Dade County Board of County Commissioners the authority to exercise all powers and privileges granted to municipalities and counties by the laws of this State; and

WHEREAS, Article VIII, section 6(1) of the Florida Constitution provides for exclusive County Charter authority to establish all governmental units within Miami-Dade County and to provide for their government and prescribe their jurisdiction and powers; and

WHEREAS, Shoma Development Corporation ("Shoma" or "Petitioner") has petitioned for the establishment of the Cutler Cay Community Development District (the "District"); and

WHEREAS, a public hearing has been conducted by the Miami-Dade County Board of County Commissioners in accordance with the requirements and procedures of Section 190.005(2)(b), Florida Statutes, and the applicable requirements and procedures of the Miami-Dade County Home Rule Charter and Code; and

WHEREAS, the District will constitute a timely, efficient, effective, responsive and economic way to deliver community development services in the area, thereby providing a solution to the County's planning, management and financing needs for delivery of capital infrastructure therein without overburdening the County and its taxpayers; and

WHEREAS, the Board of County Commissioners finds that the statements contained in the Petition are true and correct; and

WHEREAS, the creation of the District is not inconsistent with any applicable element or portion of the State comprehensive plan or the Miami-Dade County Comprehensive Development Master Plan; and

WHEREAS, the area of land within the District is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be developable as one functional interrelated community; and

WHEREAS, the creation of the District is the best alternative available for delivering the community development services and facilities to the area that will be served by the District; and

WHEREAS, the proposed services and facilities to be provided by the District will be compatible with the capacity and uses of existing local and regional community development services and facilities; and

WHEREAS, the area that will be served by the District is amenable to separate special-district government; and

WHEREAS, the owner of the property that is to be developed and served by the community development services and facilities to be provided by the District has submitted an executed declaration of restrictive covenants pledging among other things to provide initial purchasers of individual residential parcels with notice of liens and assessments applicable to

such parcels, with certain remedial rights vesting in the purchasers of such parcels if such notice is not provided in a timely and accurate manner; and

WHEREAS, having made the foregoing findings, after a public hearing, the Miami-Dade County Board of County Commissioners wishes to exercise the powers bestowed upon it by Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter in the manner provided by Chapter 190, Florida Statutes; and

WHEREAS, the Miami-Dade County Board of County Commissioners finds that the District shall have those general and special powers authorized by Sections 190.011 and 190.012, Florida Statutes, and set forth herein, and that it is in the public interest of all of the citizens of Miami-Dade County that the District have such powers,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. The foregoing findings, which are expressly set forth herein, are hereby adopted and made a part hereof.

Section 2. The Petition to establish the Cutler Cay Community Development District over the real property described in Exhibit A attached hereto, which was filed by Shoma Development Corporation, on January 16, 2003 and which Petition is on file at the Office of the Clerk of the Board, is hereby granted. A copy of the Petition is attached and incorporated herein (Exhibit B).

Section 3. The external boundaries of the District shall be as depicted on the location map attached hereto and incorporated herein as Exhibit C.

Section 4. The initial members of the Board of Supervisors shall be as follows:

Masoud Shojaee
David Flinn
Christina DeZayas
Marta Cruz
Mike Tarhini

Section 5. The name of the District shall be the "Cutler Cay Community Development District."

Section 6. The Cutler Cay Community Development District is created for the purposes set forth in Chapter 190, Florida Statutes, pursuant to the authority granted by Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter.

Section 7. Pursuant to Section 190.005 (2) (d), Florida Statutes, the charter for the Cutler Cay Community Development District shall be Sections 190.006 through 190.041, Florida Statutes.

Section 8. The Miami-Dade County Board of County Commissioners hereby grants to the Cutler Cay Community Development District all general powers authorized pursuant to Section 190.011, Florida Statutes, and hereby finds that it is in the public interest of all citizens of Miami-Dade County to grant such general powers.

Section 9. The Miami-Dade County Board of County Commissioners hereby grants to the Cutler Cay Community Development District the special powers authorized pursuant to Section 190.012 (1), Florida Statutes and Sections 190.012 (2)(d) and (f), (except for powers regarding waste disposal), Florida Statutes and Section 190.012 (3), Florida Statutes, and hereby finds that it is in the public interest of all citizens of Miami-Dade County to grant such special powers; provided that the District's exercise of power under Section 190.012(1)(b), Florida

Statutes, pertaining to water, waste water and reuse water services shall be pursuant to that Declaration of Restrictive Covenants dated _____, 2003, and submitted to the Board of County Commissioners in connection with the petition.

Section 10. All bonds issued by the Cutler Cay Community Development District pursuant to the powers granted by this ordinance shall be validated pursuant to Chapter 75, Florida Statutes.

Section 11. No bond, debt or other obligation of the Cutler Cay Community Development District, nor any default thereon, shall constitute a debt or obligation of Miami-Dade County, except upon the express approval and agreement of the Miami-Dade Board of County Commissioners.

Section 12. Notwithstanding any power granted to the Cutler Cay Community Development District pursuant to this Ordinance, neither the District nor any real or personal property or revenue in the district shall, solely by reason of the District's creation and existence, be exempted from any requirement for the payment of any and all rates, fees, charges, permitting fees, impact fees, connection fees, or similar County rates, fees or charges, special taxing districts special assessments which are required by law, ordinance or County rule or regulation to be imposed within or upon any local government within the County.

Section 13. Notwithstanding any power granted to the Cutler Cay Community Development District pursuant to this Ordinance, the District may exercise the power of eminent domain outside the District's existing boundaries only with the prior specific and express approval of the Board of County Commissioners of Miami-Dade County.

Section 14. This Board hereby accepts that Declaration of Restrictive Covenants dated _____, 2003 as proffered by the owners of the lands within the jurisdiction of the

Cutler Cay Community Development District, in connection with the petition submitted by Shoma Development Corporation and approved herein.

Section 15. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 16. It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance shall be excluded from the Code of Miami-Dade County.

Section 17. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED: JAN 20 2004

Approved by County Attorney as
to form and legal sufficiency:

RAG

Prepared by:

JAC

Joni Armstrong Coffey

EXHIBIT A
LEGAL DESCRIPTION
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

LEGAL DESCRIPTION:
COMMENCING AT THE CENTER OF SECTION 3 TOWNSHIP 56 SOUTH, RANGE, 40 EAST, AS SHOWN ON THE PLAT OF "OLD CUTLER MEADOW", AS RECORDED IN PLAT BOOK 139, AT PAGE 8 OF THE PUBLIC RECORDS OF MIAMI - DADE COUNTY, FLORIDA. THENCE SOUTH 00° 53' 34" EAST, ON THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 3, FOR 369.69 FEET TO THE POINT OF BEGINNING ON THE EASTERLY RIGHT-OF-WAY LINE OF OLD CUTLER ROAD (INGRAHAM HIGHWAY), AS SHOWN ON THE PLAT OF "JENNINGS CUTLER ESTATES SECTION ONE", AS RECORDED IN PLAT BOOK 122, AT PAGE 49 OF SAID PUBLIC RECORDS; THENCE NORTHEASTERLY, ON SAID EASTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR COURSES: (1) NORTH 36° 34' 41" EAST, FOR 49.87 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 7685.95 FEET AND A CENTRAL ANGLE OF 05° 47' 16"; (2) NORTHEASTERLY, ALONG SAID CURVE, FOR 776.39 FEET; (3) NORTH 30° 47' 26" EAST, FOR 2481.29 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST; SAID CURVE HAVING A RADIUS OF 11406.67 FEET; (4) NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 01° 00' 22", FOR 200.28 FEET TO THE NORTH LINE OF LOT 7, IN THE NORTHEAST QUARTER (NE 1/4) OF THE PERRINE GRANT SUBDIVISION OF SECTION 3, TOWNSHIP 56 SOUTH, RANGE 40 EAST; THENCE NORTH 88° 42' 14" EAST, ALONG THE NORTH LINE OF SAID LOT 7, FOR 145.38 FEET TO THE NORTHEAST CORNER OF SAID LOT 7; THENCE SOUTH 00° 52' 17" EAST, ON THE EAST LINE OF SAID LOT 7, FOR 1279.60 FEET TO THE NORTHWEST CORNER OF LOT 9; THENCE NORTH 89° 14' 52" EAST, ON THE NORTH LINE OF SAID LOT 9, FOR 674.96 FEET TO THE SOUTHWEST CORNER OF LOT 5; THENCE NORTH 00° 53' 02" WEST, ALONG THE WEST LINE OF SAID LOT 5, FOR 643.04 FEET TO THE NORTH LINE OF THE SOUTH HALF (S 1/2) OF SAID LOT 5; THENCE NORTH 89° 14' 52" EAST, FOR 674.96 FEET; THENCE NORTH 00° 53' 02" WEST, FOR 634.04 FEET; THENCE NORTH 89° 06' 36" EAST, ON SAID NORTH LINE AND ITS EXTENSION, FOR 1130.28 FEET; THE FOLLOWING 8 COURSES RUN ALONG THE MITIGATION LINE; (1) THENCE, SOUTH 00° 53' 24" EAST, FOR 640.00 FEET, (2) THENCE, NORTH 89° 06' 36" EAST, FOR 300.00 FEET; (3) THENCE, SOUTH 00° 53' 24" EAST, FOR 625.00 FEET; (4) THENCE, SOUTH 89° 06' 36" WEST, FOR 40.00 FEET; (5) THENCE, SOUTH 45° 00' 00" WEST, FOR 1164.44 FEET; (6) THENCE, SOUTH 52° 00' 00" WEST, FOR 865.45 FEET; (7) THENCE, SOUTH 89° 10' 55" WEST, FOR 383.09 FEET; (8) THENCE, SOUTH 00° 49' 05" EAST, FOR 709.58 FEET TO THE NORTHERLY RIGHT - OF WAY OF SW 1/4TH STREET; THENCE RUN ALONG THE NORTHERLY RIGHT - OF WAY OF SW 1/4TH STREET, SOUTH 89° 10' 19" WEST, FOR 2406.72 FEET; THENCE NORTH 00° 49' 05" WEST A DISTANCE OF 120.49 FEET; THENCE NORTH 31° 57' 36" EAST A DISTANCE OF 57.45 FEET TO A POINT ON THE ARC OF A NON - TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 270.00 FEET (A RADIAL LINE OF SAID CURVE THROUGH SAID POINT HAVING A BEARING OF NORTH 31° 57' 36" EAST); THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 13° 08' 08" FOR AN ARC DISTANCE OF 61.90 FEET TO THE POINT OF TANGENCY; THENCE NORTH 41° 25' 19" WEST A DISTANCE OF 43.49 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 102° 00' 34" FOR AN ARC DISTANCE OF 44.51 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 36° 34' 41" WEST, A DISTANCE OF 8.98 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65° 19' 43" FOR AN ARC DISTANCE OF 57.01 FEET TO A POINT OF COMPOUND CURVATURE OF A TANGENT CURVE, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 225.00 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 34° 07' 31" FOR AN ARC DISTANCE OF 134.01 FEET; THENCE, NORTH 53° 34' 41" WEST, FOR 20.00 FEET TO THE SAID EASTERLY RIGHT LINE OF OLD CUTLER ROAD; THENCE, NORTH 36° 34' 41" EAST, FOR 922.71 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND BEING IN MIAMI DADE COUNTY, FLORIDA AND CONTAINING 215.366 ACRES (9,381,343 SQUARE FEET) MORE OR LESS

EXHIBIT "B"

PETITION FOR ESTABLISHMENT OF

**CUTLER CAY
COMMUNITY DEVELOPMENT DISTRICT**

January 16, 2003

Prepared by

Special District Services, Inc.
11000 Prosperity Farms Road # 104
Palm Beach Gardens, Florida 33410
Tele: 561-630-4922
Toll Free: 877-737-4922

IN RE: ESTABLISHMENT OF THE
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

PETITION

Petitioner, Shoma Development Corporation, a Florida Corporation, ("Petitioner"), hereby petitions the Miami-Dade County Commission to establish a Community Development District ("District") with respect to the land described herein and in support of the Petition, Petitioner states:

1. The proposed District is located completely within the unincorporated area of Miami-Dade County and is not contiguous to the boundaries of any municipality. Exhibit 1 depicts the general location of the project. The proposed District covers approximately 215.336 acres of land. The metes and bounds description of the external boundaries of the District is set forth in Exhibit 2. There is no real property within the internal boundaries of the proposed District which is to be excluded from the District.

2. Attached to this Petition as Exhibit 3 and made a part hereof is the written consent to the establishment of the District by the owners of 100% of the real property to be included in the District.

3. The five persons designated to serve as initial members of the Board of Supervisors of the proposed District are as follows:

Masoud Shojaee	7111 Lago Drive East	Coral Gables, FL 33143
David Flinn	1717 N. Bayshore Drive, #1231	Miami, FL 33132
Cristina DeZayas	8445 S.W. 40 Terrace	Miami, FL 33155
Marta Cruz	13615 SW 119 th Street	Miami, FL 33186
Mike Tarhini	3805 SW 167th	Miramar, FL 33027

4. The proposed name of the District to be established is Cutler Cay Community Development District ("CDD").

5. There are no existing major trunk water mains, sewer interceptors or outfalls.

6. The proposed timetable for the construction of District services and the estimated cost of constructing the services, based on available data, are shown on Exhibits 4A and 4B. These are good faith estimates but are not binding on the Petitioner and the District and are subject to change.

7. Petitioner is in the process of developing the project as a residential community. The proposed uses for the land within the District are 525 residential units. The proposed uses for the land included within the proposed District are consistent with the Miami-Dade County Comprehensive Development Master Plan and the Miami-Dade County Future Land Use Element. The County Master Plan and Future Land Use Element designate the land contained within the proposed District for low density residential. The future general distribution, location and extent of public and private uses of land proposed for the area within the District are shown on Exhibit 5.
8. Exhibit 6 is a Statement of Estimated Regulatory Costs prepared in accordance with the requirements of Section 120.541, Florida Statutes.
9. The District is seeking and hereby requests the right to exercise all powers provided for in Section 190.06 through 190.041, Florida Statutes (except for powers regarding waste disposal or collection of any waste other than commercial or industrial), Florida Statutes, including the special powers provided by Section 190.012, (2)Florida Statutes.
10. The Petitioner is Shoma Development Corporation, whose address is 8550 N.W. 33rd Street, Suite 100, Miami, FL 33166.
11. The property within the proposed District is amenable to operating as an independent special district for the following reasons:
- a. Establishment of the District and all land uses and services planned within the proposed District are not inconsistent with applicable elements or portions of the effective Miami-Dade County Comprehensive Development Master Plan, as amended.
 - b. The area of land within the proposed District is part of a unified plan of development for which a development plan has been or will be approved by Miami-Dade County. The land encompassing the proposed District is of sufficient size and is sufficiently compact and contiguous to be developed as one functional inter-related community.
 - c. The community development services of the District will be compatible with the capacity and use of existing local and regional community development services and facilities.
 - d. The proposed District will be the best alternative available for delivering community development services to the area to be served because the District provides a governmental entity for delivering those services and facilities in a manner that does not financially impact persons residing outside the District and provides a responsible perpetual entity capable of making reasonable provisions for the operation and maintenance of the District services and facilities in the future.

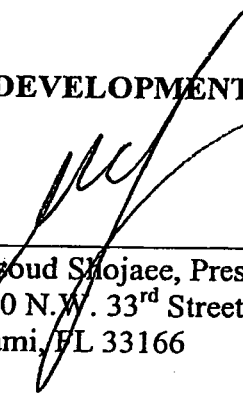
WHEREFORE, Petitioner respectfully requests the Miami-Dade County Commission to:

1. Hold a public hearing as required by Section 190.005(2)(b), Florida Statutes to consider the establishment of the Cutler Cay Community Development District and;

a) Adopt an ordinance pursuant to Chapter 190, Florida Statutes, granting this Petition and establishing the Cutler Cay Community Development District.

Respectfully submitted this 16TH day of January, 2003.

SHOMA DEVELOPMENT CORPORATION



By: Masoud Shojaee, President
8550 N.W. 33rd Street, Suite 100
Miami, FL 33166

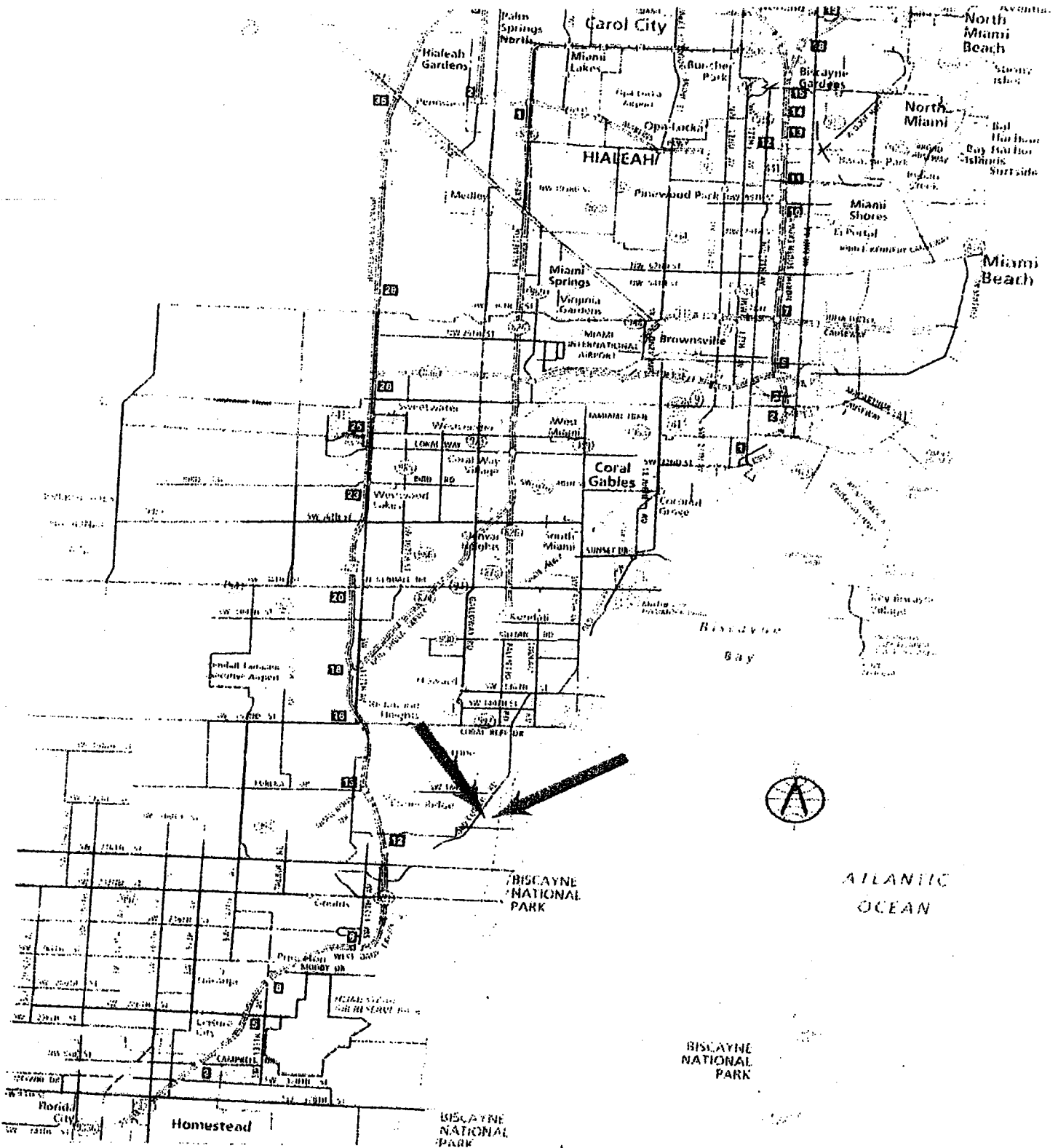
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

EXHIBITS

Exhibit 1	Location Map
Exhibit 2	Legal Description
Exhibit 3	Consent & Joinder – Shoma Development Corporation
Exhibit 4A	Estimated Infrastructure Construction Time Table
Exhibit 4B	Construction Costs Estimates
Exhibit 5	Map of District
Exhibit 6	Statement of Estimated Regulatory Costs

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EXHIBIT 1 **LOCATION MAP** **CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**



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EXHIBIT 2
LEGAL DESCRIPTION
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

LEGAL DESCRIPTION:
COMMENCING AT THE CENTER OF SECTION 3 TOWNSHIP 56 SOUTH, RANGE, 40 EAST, AS SHOWN ON THE PLAT OF "OLD CUTLER MEADOW", AS RECORDED IN PLAT BOOK 139, AT PAGE 8 OF THE PUBLIC RECORDS OF MIAMI - DADE COUNTY, FLORIDA. THENCE SOUTH $00^{\circ} 53' 34''$ EAST, ON THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 3, FOR 369.69 FEET TO THE POINT OF BEGINNING ON THE EASTERLY RIGHT-OF-WAY LINE OF OLD CUTLER ROAD (INGRAHAM HIGHWAY), AS SHOWN ON THE PLAT OF "JENNINGS CUTLER ESTATES SECTION ONE", AS RECORDED IN PLAT BOOK 122, AT PAGE 49 OF SAID PUBLIC RECORDS; THENCE NORTHEASTERLY, ON SAID EASTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR COURSES: (1) NORTH $36^{\circ} 34' 41''$ EAST, FOR 49.87 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 7685.95 FEET AND A CENTRAL ANGLE OF $05^{\circ} 47' 16''$; (2) NORTHEASTERLY, ALONG SAID CURVE, FOR 776.39 FEET; (3) NORTH $30^{\circ} 47' 26''$ EAST, FOR 2481.29 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST; SAID CURVE HAVING A RADIUS OF 11406.67 FEET; (4) NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $01^{\circ} 00' 22''$, FOR 200.28 FEET TO THE NORTH LINE OF LOT 7, IN THE NORTHEAST QUARTER (NE 1/4) OF THE PERRINE GRANT SUBDIVISION OF SECTION 3, TOWNSHIP 56 SOUTH, RANGE 40 EAST; THENCE NORTH $88^{\circ} 42' 14''$ EAST, ALONG THE NORTH LINE OF SAID LOT 7, FOR 145.38 FEET TO THE NORTHEAST CORNER OF SAID LOT 7; THENCE SOUTH $00^{\circ} 52' 17''$ EAST, ON THE EAST LINE OF SAID LOT 7, FOR 1279.60 FEET TO THE NORTHWEST CORNER OF LOT 9; THENCE NORTH $89^{\circ} 14' 52''$ EAST, ON THE NORTH LINE OF SAID LOT 9, FOR 674.96 FEET TO THE SOUTHWEST CORNER OF LOT 5; THENCE NORTH $00^{\circ} 53' 02''$ WEST, ALONG THE WEST LINE OF SAID LOT 5, FOR 643.04 FEET TO THE NORTH LINE OF THE SOUTH HALF (S 1/2) OF SAID LOT 5; THENCE NORTH $89^{\circ} 14' 52''$ EAST, FOR 674.96 FEET; THENCE NORTH $00^{\circ} 53' 02''$ WEST, FOR 634.04 FEET; THENCE NORTH $89^{\circ} 06' 36''$ EAST, ON SAID NORTH LINE AND ITS EXTENSION, FOR 1130.28 FEET; THE FOLLOWING 8 COURSES RUN ALONG THE MITIGATION LINE; (1) THENCE, SOUTH $00^{\circ} 53' 24''$ EAST, FOR 640.00 FEET; (2) THENCE, NORTH $89^{\circ} 06' 36''$ EAST, FOR 300.00 FEET; (3) THENCE, SOUTH $00^{\circ} 53' 24''$ EAST, FOR 625.00 FEET; (4) THENCE, SOUTH $89^{\circ} 06' 36''$ WEST, FOR 40.00 FEET; (5) THENCE, SOUTH $45^{\circ} 00' 00''$ WEST, FOR 1164.44 FEET; (6) THENCE, SOUTH $52^{\circ} 00' 00''$ WEST, FOR 865.45 FEET; (7) THENCE, SOUTH $89^{\circ} 10' 55''$ WEST, FOR 383.09 FEET; (8) THENCE, SOUTH $00^{\circ} 49' 05''$ EAST, FOR 709.58 FEET TO THE NORTHERLY RIGHT-OF-WAY OF SW 196TH STREET; THENCE RUN ALONG THE NORTHERLY RIGHT-OF-WAY OF SW 196TH STREET, SOUTH $89^{\circ} 10' 19''$ WEST, FOR 2406.72 FEET; THENCE NORTH $00^{\circ} 49' 05''$ WEST A DISTANCE OF 120.49 FEET; THENCE NORTH $31^{\circ} 57' 36''$ EAST A DISTANCE OF 57.45 FEET TO A POINT ON THE ARC OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 270.00 FEET (A RADIAL LINE OF SAID CURVE THROUGH SAID POINT HAVING A BEARING OF NORTH $31^{\circ} 57' 36''$ EAST); THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF $13^{\circ} 08' 08''$ FOR AN ARC DISTANCE OF 61.90 FEET TO THE POINT OF TANGENCY; THENCE NORTH $41^{\circ} 25' 19''$ WEST A DISTANCE OF 43.49 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF $102^{\circ} 00' 34''$ FOR AN ARC DISTANCE OF 44.51 FEET TO THE POINT OF TANGENCY; THENCE SOUTH $36^{\circ} 34' 41''$ WEST, A DISTANCE OF 8.98 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF $65^{\circ} 19' 43''$ FOR AN ARC DISTANCE OF 57.01 FEET TO A POINT OF COMPOUND CURVATURE OF A TANGENT CURVE, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 225.00 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF $34^{\circ} 07' 31''$ FOR AN ARC DISTANCE OF 134.01 FEET; THENCE, NORTH $53^{\circ} 34' 41''$ WEST, FOR 20.00 FEET TO THE SAID EASTERLY RIGHT LINE OF OLD CUTLER ROAD; THENCE, NORTH $36^{\circ} 34' 41''$ EAST, FOR 922.71 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND BEING IN MIAMI DADE COUNTY, FLORIDA AND CONTAINING 215.366 ACRES (9,381,343 SQUARE FEET) MORE OR LESS

EXHIBIT 3
CONSENT AND JOINDER
TO CREATION OF A COMMUNITY DEVELOPMENT DISTRICT

THE UNDERSIGNED is the owner of certain lands located in Miami-Dade County, Florida, and more fully described as follows:

See Exhibit "A" attached hereto and incorporated herein.

The above-described land is hereinafter referred to as the "Property."

The undersigned understands and acknowledges that Shoma Development Corp., a Florida limited liability company ("Petitioner") intend to submit an application to create a Community Development District in accordance with the provisions of Chapter 190 of the Florida Statutes.

As an owner of lands which are intended to constitute a part of the Community Development District, the undersigned understands and acknowledges that pursuant to the provisions of Section 190.005(1)(a)(2), Florida Statutes, the Petitioner is required to include the written consent to the establishment of the Community Development District of one hundred percent (100%) of the Owners of the lands to be included within the Community Development District.

The undersigned hereby consents to the creation of a Community Development District which will include the Property within the lands to be part of the Community Development District and agrees to further execute any documentation necessary or convenient to evidence this consent and joinder during the application process for the creation of the Community Development District.

The undersigned hereby acknowledges and agrees that the foregoing consent and obligation to execute additional documentation is and shall be a covenant running with the land which shall bind the undersigned's heirs, personal representatives, administrators, successors-in-title and assigns and shall remain in full force and effect three (3) years from the date hereof.

Executed this 16th day of January, 2002³

SHOMA DEVELOPMENT CORPORATION

By: _____

Printed Name: Masoud Shojae

Title: President

EXHIBIT A
LEGAL DESCRIPTION
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

LEGAL DESCRIPTION:

COMMENCING AT THE CENTER OF SECTION 3 TOWNSHIP 56 SOUTH, RANGE, 40 EAST, AS SHOWN ON THE PLAT OF "OLD CUTLER MEADOW", AS RECORDED IN PLAT BOOK 139, AT PAGE 8 OF THE PUBLIC RECORDS OF MIAMI - DADE COUNTY, FLORIDA. THENCE SOUTH 00° 53' 34" EAST, ON THE WEST LINE OF THE SOUTHEAST QUARTER (SE 1/4) OF SAID SECTION 3, FOR 369.69 FEET TO THE POINT OF BEGINNING ON THE EASTERLY RIGHT-OF-WAY LINE OF OLD CUTLER ROAD (INGRAHAM HIGHWAY), AS SHOWN ON THE PLAT OF "JENNINGS CUTLER ESTATES SECTION ONE", AS RECORDED IN PLAT BOOK 122, AT PAGE 49 OF SAID PUBLIC RECORDS; THENCE NORTHEASTERLY, ON SAID EASTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR COURSES: (1) NORTH 36° 34' 41" EAST, FOR 49.87 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 7685.95 FEET AND A CENTRAL ANGLE OF 05° 47' 16"; (2) NORTHEASTERLY, ALONG SAID CURVE, FOR 776.39 FEET; (3) NORTH 30° 47' 26" EAST, FOR 2481.29 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST; SAID CURVE HAVING A RADIUS OF 11406.67 FEET; (4) NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 01° 00' 22", FOR 200.28 FEET TO THE NORTH LINE OF LOT 7, IN THE NORTHEAST QUARTER (NE 1/4) OF THE PERRINE GRANT SUBDIVISION OF SECTION 3, TOWNSHIP 56 SOUTH, RANGE 40 EAST; THENCE NORTH 88° 42' 14" EAST, ALONG THE NORTH LINE OF SAID LOT 7, FOR 145.38 FEET TO THE NORTHEAST CORNER OF SAID LOT 7; THENCE SOUTH 00° 52' 17" EAST, ON THE EAST LINE OF SAID LOT 7, FOR 1279.60 FEET TO THE NORTHWEST CORNER OF LOT 9; THENCE NORTH 89° 14' 52" EAST, ON THE NORTH LINE OF SAID LOT 9, FOR 674.96 FEET TO THE SOUTHWEST CORNER OF LOT 5; THENCE NORTH 00° 53' 02" WEST, ALONG THE WEST LINE OF SAID LOT 5, FOR 643.04 FEET TO THE NORTH LINE OF THE SOUTH HALF (S 1/2) OF SAID LOT 5; THENCE NORTH 89° 14' 52" EAST, FOR 674.96 FEET; THENCE NORTH 00° 53' 02" WEST, FOR 634.04 FEET; THENCE NORTH 89° 06' 36" EAST, ON SAID NORTH LINE AND ITS EXTENSION, FOR 1130.28 FEET; THE FOLLOWING 8 COURSES RUN ALONG THE MITIGATION LINE; (1) THENCE, SOUTH 00° 53' 24" EAST, FOR 640.00 FEET, (2) THENCE, NORTH 89° 06' 36" EAST, FOR 300.00 FEET; (3) THENCE, SOUTH 00° 53' 24" EAST, FOR 625.00 FEET; (4) THENCE, SOUTH 89° 06' 36" WEST, FOR 40.00 FEET; (5) THENCE, SOUTH 45° 00' 00" WEST, FOR 1164.44 FEET; (6) THENCE, SOUTH 52° 00' 00" WEST, FOR 865.45 FEET; (7) THENCE, SOUTH 89° 10' 55" WEST, FOR 383.09 FEET; (8) THENCE, SOUTH 00° 49' 05" EAST, FOR 709.58 FEET TO THE NORTHERLY RIGHT - OF WAY OF SW 196TH STREET; THENCE RUN ALONG THE NORTHERLY RIGHT - OF WAY OF SW 196TH STREET, SOUTH 89° 10' 19" WEST, FOR 2406.72 FEET; THENCE NORTH 00° 49' 05" WEST A DISTANCE OF 120.49 FEET; THENCE NORTH 31° 57' 36" EAST A DISTANCE OF 57.45 FEET TO A POINT ON THE ARC OF A NON - TANGENT CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 270.00 FEET (A RADIAL LINE OF SAID CURVE THROUGH SAID POINT HAVING A BEARING OF NORTH 31° 57' 36" EAST); THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 13° 08' 08" FOR AN ARC DISTANCE OF 61.90 FEET TO THE POINT OF TANGENCY; THENCE NORTH 41° 25' 19" WEST A DISTANCE OF 43.49 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHWESTERLY, WESTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 102° 00' 34" FOR AN ARC DISTANCE OF 44.51 FEET TO THE POINT OF TANGENCY; THENCE SOUTH 36° 34' 41" WEST, A DISTANCE OF 8.98 FEET TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65° 19' 43" FOR AN ARC DISTANCE OF 57.01 FEET TO A POINT OF COMPOUND CURVATURE OF A TANGENT CURVE, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 225.00 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 34° 07' 31" FOR AN ARC DISTANCE OF 134.01 FEET; THENCE, NORTH 53° 34' 41" WEST, FOR 20.00 FEET TO THE SAID EASTERLY RIGHT LINE OF OLD CUTLER ROAD; THENCE, NORTH 36° 34' 41" EAST, FOR 922.71 FEET TO THE POINT OF BEGINNING.

SAID LANDS LYING AND BEING IN MIAMI DADE COUNTY, FLORIDA AND CONTAINING 215.366 ACRES (9,381,343 SQUARE FEET) MORE OR LESS

EXHIBIT 4A
ESTIMATED INFRASTRUCTURE CONSTRUCTION TIME TABLE
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

IMPROVEMENT	START DATE	COMPLETION DATE
MITIGATION	12--02	1-03
WATER	2-03	12-03
SEWER including Force Main & Lift Station	2-03	12-03
WATER MANAGEMENT	3-03	12-03
EARTHWORK	6-03	12-03
STORM DRAINAGE	3-03	12-03
LANDSCAPING	5-03	12-03
ENTRANCE FEATURES & GUARDHOUSE	5-03	9-03

EXHIBIT 4B
CONSTRUCTION COSTS ESTIMATES
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

LAND		\$500,000
MITIGATION		\$400,000
WATER		\$1,107,707
SEWER including Force Main & Lift Station		\$1,826,166
WATER MANAGEMENT		\$3,900,000
EARTHWORK		\$3,659,097
STORM DRAINAGE		\$1,433,967
LANDSCAPING		\$1,400,000
ENTRANCE FEATURES & GUARDHOUSE		\$250,000
MISCELLANEOUS		\$256,000
	SUBTOTAL	\$14,732,937
CONTINGENCIES	.12	\$1,767,952
TOTAL CONSTRUCTION COST		\$16,500,889

EXHIBIT 5
MAP OF DISTRICT
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

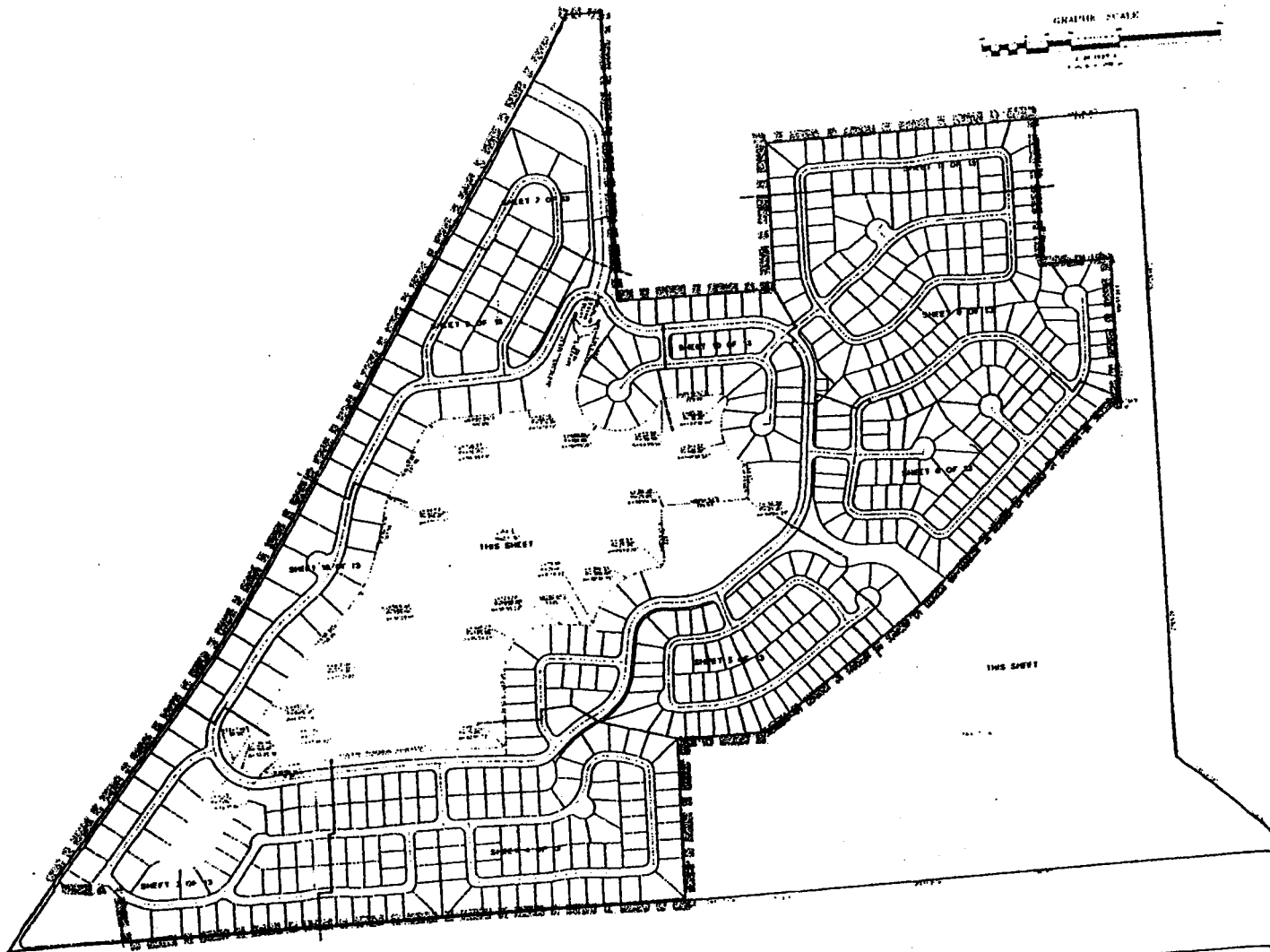


EXHIBIT 6

**CUTLER CAY COMMUNITY DEVELOPMENT
DISTRICT**

STATEMENT OF ESTIMATED REGULATORY COSTS

January, 16, 2003

Prepared by
Special District Services, Inc.
11000 Prosperity Farms Road, Suite 104
Palm Beach Gardens, Florida 33410
Tele: 561-630-4922
Toll Free: 877-737-4922

1.0 INTRODUCTION

1.1 Purpose and Scope

This statement of estimated regulatory costs supports the y, ("Petitioner") petition to establish a community development district to be known as Cutler Cay Community Development District (the "CDD"). The CDD will own, operate and maintain a portion of the community infrastructure for a development to be known as Shoma Homes at Cutler Cay located in the unincorporated area of Miami-Dade County, Florida.

A community development district is an independent special taxing district authorized by Chapter 190, F.S. (the "Act") to plan, finance, construct, operate and maintain community infrastructure in planned community developments. As stated in the Act, a CDD provides:

"...a solution to the state's planning, management, and financing needs for delivery of capital infrastructure in order to service projected growth without overburdening other governments and their taxpayers". Section 190.002 (1) (a), F.S.

The CDD is not a substitute for Miami-Dade County, which is the local general purpose governmental unit having jurisdiction over the CDD. The reason is the CDD does not have the planning, zoning and regulatory powers granted to Miami-Dade County. As a result, all development undertaken within the CDD must be consistent with all requirements of Miami-Dade County.

A CDD's powers are strictly limited to planning, financing, constructing, operating and maintaining community infrastructure.

The scope of this statement of estimated regulatory costs is statutorily limited to evaluating the consequences of creating the CDD. The policy of the State regarding the scope of the CDD establishment process is explicitly set out in Section 190.002 (2) (d), F.S. as follows:

"That the process of establishing such a district pursuant to uniform general law be fair and based only on factors material to managing and financing the service-delivery function of the district, so that any matter concerning permitting or planning of the development shall not be material or relevant."

Therefore, the only relevant concern is whether the CDD will be a financially viable entity.

1.2 Cutler Cay Community Development District-Location

The proposed Cutler Cay Community Development District is located within Miami-Dade County, Florida. The developer ("Developer") is Shoma Development Corporation, a Florida Corporation. The proposed Development is designed as a master planned residential development containing 525 dwelling units serving south Florida markets.

Cutler Cay Community Development District is located in the unincorporated area of Miami-Dade County, Florida east of Old Cutler Road and north of SW 196th Street. Projected build-out of the project is 3 to 5 years.

1.3 Cutler Cay Community Development District (CDD)-Infrastructure

The Petitioner proposes to establish the CDD to acquire, construct, operate and/or maintain some of the infrastructure and community facilities in the CDD Table 1 outlines the proposed development plan timetable and the schedule for completion of the various projects.

Table 2 shows the infrastructure that is proposed to be constructed by the CDD and the estimated costs.

The financial design of CDD was carefully formulated to help assure that the CDD will be strong, stable, and able to stand alone throughout its lifetime. A detailed cash-flow analysis has been developed for the proposed range of potential future economic conditions in which the proposed district might have to operate. In all cases, the proposed financial structure allowed the CDD to remain financially strong and capable of carrying out its obligations. The important features of the financial design for proposed CDD are discussed below.

As outlined in Table 2, CDD is projected to finance the construction of the surface water management system. The bonds used to finance the surface water management system will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The CDD will own, operate and maintain the surface water management system in the CDD. To defray the costs of operating and maintaining the infrastructure, the CDD will make use of non-ad valorem maintenance assessments levied on all assessable property in the district.

The CDD is projected to finance the construction of the water distribution system and the wastewater collection and transmission facilities. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

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The water distribution system and the wastewater collection and transmission facilities will be conveyed to Miami-Dade County Water and Sewer Department. Thus, the operation and maintenance of these facilities will be the responsibility of the Utilities' Department.

The CDD is projected to finance the construction of the internal roadway system. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The CDD is projected to own, operate and maintain the internal roadway system in the make use of non-ad valorem maintenance assessments levied on all assessable property in the CDD. To defray the costs of operating and maintaining the infrastructure, the CDD will make use of non ad-valorem assessments on all property owners in the district.

The CDD is projected to finance the construction a certain portion of the offsite roadway system. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

The CDD will convey the offsite roadway system to Miami-Dade County or another governmental agency for ownership, operation and maintenance. The bonds used to finance such infrastructure will be retired through the use of non-ad valorem assessments levied on all property owners in the district.

Finally, the Petitioner has no plans for the CDD to issue general obligation debt or to levy ad valorem taxes. The financial structure of the District is such that there is no need to use ad valorem taxation.

2.0 COSTS AND BENEFITS OF ESTABLISHING THE CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

2.1 Costs to Miami-Dade County to Implement the Proposed Community Development District

Chapter 190.005 (2), F.S. mandates that the exclusive and uniform method for the establishment of a community development district of less than 1000 acres in size shall be by an ordinance adopted by the county commission of the county having jurisdiction over the majority of land in the area in which the district is to be located.

The one-time cost of reviewing the CDD petition is minimal. The County has its own in-house staff to process petitions filed for other reasons. Therefore, the marginal addition of one more petition to review results in little, if any, additional cost. Review of the proposed development will not be necessary since the project was previously approved through the PUD process. Considerable fees were paid by the Petitioner for that review.

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Beyond the minimal administrative costs outlined above, there will be only inconsequential costs to Miami-Dade County and the general citizenry because of the establishment of the Cutler Cay Community Development District CDD. The CDD is designed to serve the needs of its property owners by financing, constructing, operating and maintaining the infrastructure and other services needed by district residents. The CDD will not require subsidies from Miami-Dade County.

Finally, the CDD will pay its own election costs and will pay substantial fees for other urban services, such as tax assessment and collection. Thus, the net costs to Miami-Dade County and its citizens due to establishment of the Cutler Cay Community Development District CDD are negligible.

Concern that district obligations, particularly debt payments, could become state or county obligations is without foundation. This point was made explicitly clear by the Legislature when it adopted Section 190.002 (3) F. S.

"...It is further the purpose and intent of the Legislature that no debt or obligations of a district constitute a burden on any local general purpose government without its consent." Section 190.002 (3) F. S.

2.2 Benefits to Miami-Dade County and Its Citizens

There are several types of benefits (both indirect and direct) which will flow to Miami-Dade County and its citizens if the CDD is established. First, with regard to the indirect benefits, approval of the CDD satisfies the intent of the Act by providing a solution to the planning, management and financing of capital infrastructure to service projected growth without overburdening Miami-Dade County and its taxpayers. Section 190.002 of the Act is quoted as follows:

"(1) The Legislature finds that: (a) there is a need for uniform, focused and fair procedures in state law to provide a reasonable alternative for the establishment, power, operation and duration of independent districts to manage and finance basic community development services; and that, based upon a proper and fair determination of applicable facts, an efficient, effective, responsive, and economic way to deliver these basic services, thereby providing a solution to the state's planning, management, and financing needs for delivery of capital infrastructure in order to service projected growth without overburdening other governments and their taxpayers." Section 190.002, F. S.

A second indirect benefit which Miami-Dade County and its citizens receive is the improved level of planning and coordination which the CDD will provide. This benefit will minimize any potential negative impacts to other citizens and jurisdictions.

"It is in the public interest that long range planning, management, and financing and long-term maintenance, upkeep, and operation of basic

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services for community development districts be under one coordinated entity." Section 190.002-(1) (c), F. S.

By enacting the Act, the Legislature recognized that substantial public benefits accrue from well-planned community developments in Florida. The CDD is just the type of planned development envisioned in Chapter 190, F. S.

It is most difficult to place a dollar value on these indirect benefits; however, they are certainly substantial. Furthermore, given the minimal costs incurred by Miami-Dade County if the CDD is approved, the benefits clearly overwhelm any such costs, yielding significant net benefits to Miami-Dade County and its citizens.

Cutler Cay Community Development District CDD will provide a number of direct economic benefits to Miami-Dade County and its citizens. First, the CDD is the best means of assuring that CDD residents receive the services they need, while at the same time restricting the cost to only those who receive the services. This financial structure binds those who receive the CDD services to the obligation to pay for those services. At the same time, this structure also allows future CDD residents to control the entity which provides the services and levies the assessments to pay for those services. Miami-Dade County and its citizens are not involved in any way in the financial obligations, operation or maintenance of the district.

A second economic benefit which accrues to Miami-Dade County and its citizens is that establishment of the CDD frees the County of responsibilities and costs of the management and administrative burden of the CDD. Thus, it will be possible for the County Commission to continue to focus on those areas of the county that require more immediate attention.

Conversely, residents of the CDD will be able to address their concerns about infrastructure to the Board of Supervisors of the CDD. This focus will lighten the burden on the County Commission compared with what would likely occur without the CDD.

The CDD is an independent governmental unit, it has its own independent board and budget, and it must see to its own administration. This arrangement for governing and administering the district means a considerable cost saving to the County over other types of arrangements. Any other form of government or financial structure would result in the County being at least partially responsible for the community's services.

Third, approval of the proposed CDD would minimize some increases in the cost of County funded services. As new development occurs in any community, residents of the new area demand increased levels of services over and above those provided before development. The costs of providing these services are spread to the remaining taxpayers in the jurisdiction of the local government(s) providing the services. If this were to happen, taxing and spending levels would increase, and costs would be passed on, at least in part, to surrounding residents. The result would further strain the County budget. Without the CDD, development of Shoma Homes at Cutler Cay could possibly increase

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the demands on Miami-Dade County to extend and improve services to the community.

Fourth, the CDD proposes to construct the water distribution system and the wastewater collection and transmission facilities and to deed same to Miami-Dade County at no cost. The estimated cost to the CDD to construct these facilities is expected to exceed \$16,500,000. In addition to this donation, Miami-Dade County Water and Sewer Department's customer base will increase by approximately 525 households.

The proposed CDD will serve the needs of its residents. The board of supervisors of the CDD will determine the level and quality of the community services the residents want and are willing to pay for. The CDD will provide the residents of Cutler Cay Community Development District CDD with a mechanism for satisfying these needs without recourse to the County Commission.

All of these benefits have substantial value. The financial benefits to the County and its citizens include the avoided costs of administering public services for the community. In addition, there are significant, if only intangible, benefits which result from having a district to ensure that CDD residents get the services they need. The CDD also ensures that its property owners, and only its property owners, pay for the services they receive.

2.3 Costs to the Petitioner

The petitioner will incur substantial costs if the CDD is approved. These costs can be grouped into four categories: (1) planning and applying for the CDD; (2) contributions for management and technical assistance; (3) payment of CDD assessments; and (4) donation of capital facilities.

It is costly and time consuming to plan and apply for a CDD of the size and complexity proposed for the CDD. First, the Petitioner has secured a team of professionals including attorneys, engineers, planners, and special district experts to insure that the CDD will perform as provided by the Act.

Second, the CDD will need financial support from the Petitioner to secure managerial and technical assistance, especially in the early years of its operation.

Third, the Petitioner will pay substantial CDD assessments and fees over the life of the project. During the first several years of the project, the Petitioner will be the CDD's largest taxpayer.

Fourth, the Petitioner assumes considerable risk in establishing the CDD and allowing the advance funding of the infrastructure. As the developer in the initial stages of development, the Petitioner assumes the sole liability for all the debt incurred by the CDD until the land is developed and sold to individual homeowners.

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2.4 Benefits to the Petitioner

The CDD will also provide the Petitioner with several benefits. First, the CDD will provide access to financing for a portion of the community's infrastructure. While this particular benefit to the petitioner is obvious, it is not the most significant one. In fact, the importance of this benefit, while significant, would not be enough by itself to entice the Petitioner to establish the CDD.

The value to the Petitioner of financing a portion of the infrastructure through the CDD amounts to an annual financing cost difference in today's market which results in a cost saving. As a result, the potential gross savings will accrue to the future homeowners in the CDD and does not represent a net cost saving to the Petitioner. As noted above, with the establishment of the CDD, the Petitioner will be obligated to pay substantial assessments and fees to the CDD.

Other benefits for the Petitioner in establishing the CDD exist beyond the financing of a portion of the community's infrastructure. Most important among these is that the proposed CDD is a mechanism for providing long term, on-going maintenance and operation of CDD facilities. Ultimately, the CDD will be controlled and operated by the CDD homeowners for their own benefit. This helps assure that the high standard which the Petitioner has set for the CDD will be preserved throughout the life of the project.

2.5 Costs to the Consumers

Consumers are people who will purchase land and residences in the CDD. Should the CDD be established, district homeowners will be required to pay CDD assessments over and above their County taxes. CDD assessments do not affect or offset County taxes. It is this increment of expenses which is the cost of the CDD to the consumers.

As noted above, the CDD plans to finance, construct, operate and maintain a variety of infrastructure and community services for the benefit of its homeowners. Currently, homeowners in unincorporated Miami-Dade County are subject to a number of different ad valorem and non-ad valorem taxes. All of these taxes will continue to exist regardless of whether the CDD is approved. Homeowners of the CDD will continue to pay County taxes notwithstanding the existence of the CDD. Thus, these costs cannot properly be viewed as taxes that arise from the CDD itself, even though district homeowners would pay such taxes. The point is that homeowners will pay these costs in any event. If the CDD is not created, the cost of the infrastructure will be included in the price of the property sold to future homeowners rather than paid over time as a special assessment on the tax bill.

All prospective purchasers will be informed of the existence of the CDD. Chapter 190.048, F. S. requires each contract for the sale of real estate within a CDD include a specific disclosure statement in boldfaced type immediately prior to the space reserved in the contract for the signature of the purchases.

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2.6 Benefits to the Consumers

CDD residents will receive three major classes of benefits. First, CDD residents will receive a higher level of public services and amenities than would otherwise be the case. Shoma Homes at Cutler Cay is designed as a single-family residential project with high service demands. To be successful, the Petitioner feels that a mechanism is needed to help ensure a high level of public services consistent with the project goals. The CDD is the best vehicle for this purpose.

Second, the CDD is a mechanism for assuring that the community services and amenities are maintained at a high level throughout the life of the project. This mechanism protects the substantial investment purchasers will make in their homes at Shoma Homes at Cutler Cay. Finally, the CDD is the sole form of governance that allows district property owners to totally control the type, quality and expense of services provided by the CDD.

It is clear that the formation and operation of the CDD will benefit its homeowners. The CDD will be controlled by CDD property owners, and will be operated for their benefit. Finally, the CDD will help ensure that the high standards the Petitioner has set for the development will be maintained for the benefit of CDD property owners.

3.0 COMPETITIVE EFFECTS

Approval of the CDD will have an effect on competition in the market for housing in Miami-Dade County and in those areas where there are projects similar to Shoma Homes at Cutler Cay. To understand the nature of these competitive effects, it is important to recognize the type of project envisioned at Shoma Homes at Cutler Cay. The development is designed as a residential community consisting of 525 residential units. As such, it competes with other developments serving this same market niche. In addition, the granting of a community development district for Shoma Homes at Cutler Cay does not provide a competitive advantage which others could not obtain.

4.0 IMPACT OF SMALL BUSINESS

Approval of the CDD will have a positive impact on small business as defined in Chapter 288.703 (1), F. S. Many types of neighborhood services will be required by the residents of the CDD. These services can be provided by the small businesses that currently serve the general area. Additional opportunities will also be created for new businesses to be formed or relocate to the area. No negative impacts have been identified for small businesses as defined.

5.0 DATA AND METHODOLOGY

The data used in this analysis, in particular the build-out schedule and average home values, were developed and submitted with the initial application for the Shoma Homes at Cutler Cay and updated for the petition for the CDD. Table 2 outlines the capital infrastructure proposed to be constructed by or for the CDD and reflects the best estimates of costs and timing at this juncture.

6.0 PROBABILITY OF A GOOD FAITH WRITTEN PROPOSAL CHAPTER 120.541 (1) (A), F. S.

Since the Petitioner represents the landowners of the property encompassing the proposed CDD, Petitioner is the only substantially affected party who could have standing to submit a good faith written proposal for a lower regulatory cost alternative to the creation of the CDD as provided for in Chapter 120.541 (1) (a), F. S. Petitioner has already explored all feasible alternatives to lower costs, including the alternative of not forming the CDD, and has concluded that creation of the CDD is the best alternative.

7.0 CONCLUSION

The question is whether having a CDD provide the community services is more financially viable, efficient and responsive to the needs of the homeowners than any other form of service provider. After careful review and analysis, the process of elimination suggests that the CDD is, in fact, the most financially viable, efficient and responsive way to provide the community services required for this project.

The estimated budget for the CDD indicates that the various charges to prospective home buyers will be moderate, and well within the ranges typical for Florida communities with strong tax bases. As noted in Table 2, the estimated cost to provide the CDD infrastructure is \$2,933,873.

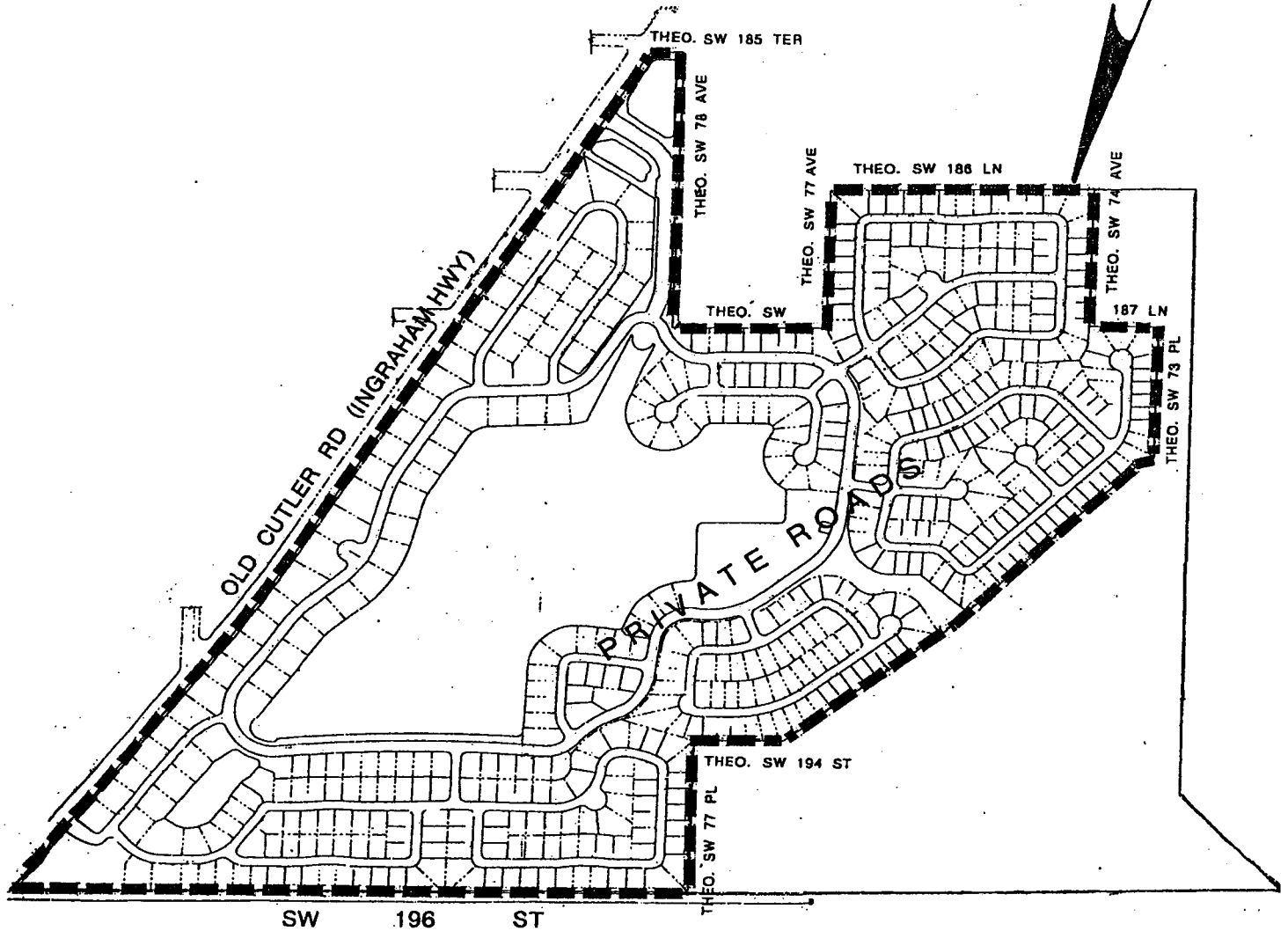
Finally, it is emphasized that the CDD is the only governmental agency responsible for the financial obligations of the district. Florida State law (Section 190.002 (3), F. S.) protects the State of Florida, Miami-Dade County and all other governmental agencies from all obligations of the CDD, whether they are financial, administrative or operational.

TABLE 1
ESTIMATED INFRASTRUCTURE CONSTRUCTION TIME TABLE
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT

IMPROVEMENT	START DATE	COMPLETION DATE
MITIGATION	12-02	1-03
WATER	2-03	12-03
SEWER including Force Main & Lift Station	2-03	12-03
WATER MANAGEMENT	3-03	12-03
EARTHWORK	6-03	12-03
STORM DRAINAGE	3-03	12-03
LANDSCAPING	5-03	12-03
ENTRANCE FEATURES & GUARDHOUSE	5-03	9-03

LAND		\$500,000
MITIGATION		\$400,000
WATER		\$1,107,707
SEWER including Force Main & Lift Station		\$1,826,166
WATER MANAGEMENT		\$3,900,000
EARTHWORK		\$3,659,097
STORM DRAINAGE		\$1,433,967
LANDSCAPING		\$1,400,000
ENTRANCE FEATURES & GUARDHOUSE		\$250,000
MISCELLANEOUS		\$256,000
	SUBTOTAL	\$-14,732,937
CONTINGENCIES	.12	\$1,767,952
TOTAL CONSTRUCTION COST		\$16,500,889

DISTRICT BOUNDARIES



CUTLER CAY

COMMUNITY DEVELOPMENT DISTRICT

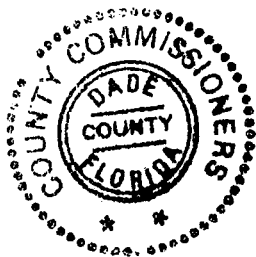


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STATE OF FLORIDA)
)
COUNTY OF MIAMI-DADE) SS:

I, **HARVEY RUVIN**, Clerk of the Circuit Court in and for Miami-Dade County,
Florida and Ex-Officio Clerk of the Board of County Commissioners of Said County,
Do Hereby Certify that the above and foregoing is a true and correct copy of
Ordinance No. 04-15, adopted by said board of County Commissioners
at its meeting held on January 20, 2004.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on
this 3rd day of February A.D. 2004.



HARVEY RUVIN, Clerk
Board of County Commissioners
Dade County, Florida

By *Felicia Rust*
Deputy Clerk

SEAL

Board of County Commissioners
Miami-Dade County, Florida