



# **MASTER SPECIAL ASSESSMENT METHODOLOGY REPORT FOR THE 2024 PROJECT**

**PREPARED FOR THE  
CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT  
BOARD OF SUPERVISORS**

May 15, 2023  
Revised November 13, 2023

**SPECIAL DISTRICT SERVICES, INC**  
2501A Burns Road  
Palm Beach Gardens, Florida 33410  
561-630-4922

Contents

1.0 INTRODUCTION ..... 2

2.0 PROJECTS TO BE FUNDED BY THE DISTRICT ..... 2

3.0 FUNDING OF IMPROVEMENTS ..... 3

4.0 ALLOCATION OF BENEFIT AND ASSESSMENTS ..... 3

5.0 COLLECTION OF SPECIAL ASSESSMENTS ..... 4

6.0 FINANCING STRUCTURE ..... 4

7.0 BOND SIZE..... 4

8.0 PRELIMINARY ASSESSMENT ROLL..... 4

9.0 ADDITIONAL STIPULATIONS ..... 5

EXHIBIT A – LEGAL DESCRIPTION ..... 7

TABLE A..... 8

TABLE B ..... 9

TABLE C ..... 10

TABLE D..... 11

TABLE E ..... 12

TABLE F..... 13

## 1.0 INTRODUCTION

The Cutler Cay Community Development District (the “District”) was established pursuant to Chapter 190, Florida Statutes, to provide for the construction and/or acquisition financing, long-term administration and management of certain public infrastructure relating to Cutler Cay (the “Development”), a 215.34 gross acre, consisting of 505 single-family residential units. The District has been established within the Development pursuant to Chapter 190, Florida Statutes, to provide for the construction, financing, long-term administration and management of certain infrastructure of the community.

<b>Residential Type</b>	<b>Number of Units</b>
Single Family (60’ Relative Front Foot Lot)	180
Single Family (75’ Relative Front Foot Lot)	258
Single Family (125’ Relative Front Foot Lot)	67
<b>Total Units</b>	<b>505</b>

This Master Report will provide the allocation of special assessments as it relates to the sale and issuance of Special Assessment Bonds in one series (the “2024 Bonds”) for the financing of public infrastructure improvements in the Development located in the District, including, but not limited to, lake banks erosion controls, drainage repairs, the surface water management and drainage system, and other related public improvements (collectively, the “2024 Project”)

This Master Report equitably allocates the costs to be incurred by the District to provide the benefits of the 2024 Project to the developable lands within the Development as identified herein on **Exhibit A**. The improvements comprising the 2024 Project are in detail in the First Supplemental Engineer’s Report dated May 15, 2023 (the “Engineer’s Report”), as may be revised and prepared by Alvarez Engineers, Inc. (the “District’s Engineer”).

## 2.0 PROJECTS TO BE FUNDED BY THE DISTRICT

The District anticipates issuing Bonds to finance all or portion of the acquisition and/or construction of the 2024 Project. The total cost of the Project is estimated to be approximately \$1,390,000. A detail of the 2024 Project costs is included herein on **Table A**. The Bonds will be repaid through the levy of non-ad valorem special assessments on all assessable property within the District. The 2024 Project has been designed to be functional and confer special benefits to the landowners within the District which special benefits equal or exceed the costs of the project. Any portion of the 2024 Project not financed through the issuance of Bonds will be paid for by the District.

The acquisition and maintenance obligations for the District’s proposed infrastructure improvements constituting the 2024 Project are described in detail in the Engineer’s Report. The construction costs identified in this report were provided by the District Engineer. Special District Services, Inc., as District Manager, makes no representation regarding the accuracy or validity of those costs and did not undertake any analysis or verification regarding such costs.

### 3.0 FUNDING OF IMPROVEMENTS

To defray the costs of construction and/or acquisition of all or a portion of the 2024 Project, the District will impose non-ad valorem special assessments on benefited real property within the District. These assessments are based on the special and peculiar benefits accruing to such property from the improvements comprising the 2024 Project. The use of non-ad valorem special assessments has an advantage in that the properties that receive the special benefits from the 2024 Project are the only properties that are obligated to pay for those facilities and services. The capital facilities which will be funded through these special assessments include only facilities which may be undertaken by a community development district under Chapter 190, F.S. This Master Report is designed to meet the requirements of Chapters 170, 190 and 197, F.S. and will describe the expected terms and conditions of the Bonds.

In summary, special assessments may be made only: (1) for facilities which provide special benefits to property as distinct from general benefits, (2) only against property which receives that special benefit, (3) in proportion to the benefits received by such properties, and (4) according to fair and reasonable methods that the governing body of the jurisdiction determines. The special assessments (both capital special assessments and operation and maintenance special assessments) placed upon various benefited properties within the District must be sufficient to cover the debt service of the Bonds that will be issued for financing all or a portion of the Project and to pay the costs to maintain those portions of the infrastructure that remain under the ownership of the District. The assessments must be fairly and reasonably allocated to the properties being assessed.

### 4.0 ALLOCATION OF BENEFIT AND ASSESSMENTS

In developing the methodology used for special assessments for the Development in the District, two (2) interrelated factors were used:

- A. Allocation of Benefit: Each parcel of assessable land within the District benefits from the proposed improvements.
- B. Cost/Benefit: The special assessments imposed on each assessable parcel of land within the District cannot exceed the value of the benefits provided to such parcel.

The planned improvements comprising the 2024 Project is an integrated system of facilities designed to provide benefits to the assessable property within the District as a whole. The 2024 Project is intended to work as a total system which will provide special benefits for each unit type. The fair and reasonable method of allocating the benefit to each planned residential unit has been accomplished by assigning an *equivalent residential unit* (“ERU”) to each unit. Therefore, for the purpose of this Master Report each single family residential unit will be assigned one (1) ERU. The land uses will be assigned as follows in **Table 2**.

**Table 2 – Equivalent Residential Unit (ERU)**

<b><u>Product Type</u></b>	<b><u># of Units</u></b>	<b><u>ERU</u></b>
Single Family (60' Relative Front Foot Lot)	180	1.000
Single Family (75' Relative Front Foot Lot)	258	1.000
Single Family (125' Relative Front Foot Lot)	67	1.000
<b>Total Units</b>	<b>505</b>	

The Assessments will be levied across all the residential units in the District as all platting is complete. The amount of the assessments to platted lots is based on the schedule in **Table F**.

Given the District’s land use plan and the type of infrastructure to be funded by the special assessments, this method will result in a fair allocation of benefits and services and an equitable allocation of costs for the proposed Bonds.

**5.0 COLLECTION OF SPECIAL ASSESSMENTS**

The proposed special assessments relating to the 2024 Project will be collected through the Uniform Method of Collection described in Chapter 197, Section 197.3632; F.S. or any other legal means available to the District.

Since there are costs associated with the collection of the special assessments (whether by uniform method of collection as authorized under Chapter 197.3632, F.S. or other methods allowed by Florida law), these costs must also be included in the special assessment levy. These costs generally include the 1% collection fee of the County Tax Collector, a 1% service fee of the County Property Appraiser and a 4% discount for early payment of taxes. These additional costs may be reflected by dividing the annual debt service and operation and maintenance assessment amounts by 0.94.

**6.0 FINANCING STRUCTURE**

The estimated cost of the 2024 Project is approximately \$1,390,000. The construction program and the costs associated therewith are identified herein on **Table A**.

All or a portion of the capital improvements comprising the 2024 Project is to be financed by the Bonds and when issued which will be payable from and secured by special assessments levied annually on all assessable properties in the District. Subject to sufficient validation capacity, the total aggregate principal amount of the Bonds that may be issued by the District for the 2024 Project is approximately \$1,750,000. The proceeds of the Bonds will provide approximately \$1,390,000 for construction related costs. The sizing of the Bonds includes capitalized interest and issuance costs as shown on **Table B**. Please note the above referenced Bond sizing is a maximum amount used for this Master Report and the Developer may request the District to issue a lesser amount of Bonds that are less than those presented. The Bond debt allocations are shown on **Table D**.

**7.0 BOND SIZE**

Allocation of costs and benefits, shown herein on **Table C**, for the 2024 Project financed by the District is based on the number of dwelling units benefited by the infrastructure improvements comprising the 2024 Project. Based on a Bond size of \$1,750,000, at an assumed interest rate of 6.50%, the maximum annual debt service for the Bonds as shown herein on **Table E**, will be approximately \$158,824 which has not been grossed up to include the 1% County Tax Collector fee, 1% County Property Appraiser fee, and 4% discount for early payment of taxes.

**8.0 PRELIMINARY ASSESSMENT ROLL**

The current site plan for the District includes the land uses in **Table 2**.

## 9.0 ADDITIONAL STIPULATIONS

Certain financing, development, and engineering data was provided by members of District staff, Consultants and/or the Landowner. The allocation methodology described herein was based on information provided by those professionals. Special District Services, Inc. makes no representations regarding said information beyond restatement of the factual information necessary for compilation of this report.

Special District Services, Inc. does not represent the Cutler Cay Community Development District as a Municipal Advisor or Securities Broker nor is Special District Services, Inc. registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Special District Services, Inc. does not provide the Cutler Cay Community Development District with financial advisory services or offer investment advice in any form.

\*\*\*\*\*

**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 1/4<sup>TH</sup> STREET; THENCE RUN ALONG THE NORTHERLY RIGHT - OF WAY OF SW 1/4<sup>TH</sup> 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

**TABLE A**

**PROJECT COST ESTIMATES**

**CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

	<b>TOTAL</b>
<u>LAKE BANKS EROSION CONTROLS</u>	<u>\$ 720,000</u>
<u>DRAINAGE REPAIRS PHASE II</u>	<u>\$ 150,000</u>
<u>STORMWATER QUALITY</u>	<u>\$ 120,000</u>
<u>ADDITIONAL DRAINAGE IMPROVEMENTS</u>	<u>\$ 400,000</u>
<u><b>TOTAL</b></u>	<u><b>\$ 1,390,000</b></u>



**TABLE B**

**BOND SIZING**

**CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

	<b>BOND SIZING</b>
<b>Par Amount*</b>	<b>\$ 1,750,000 *</b>
Debt Service Reserve Fund (DSRF)	\$ -
Capitalized Interest	\$ (113,750)
Issuance Costs	\$ (246,250)
<b>Construction Funds</b>	<b>\$ 1,390,000</b>
Bond Interest Rate	6.50%
Principal Amortization Period (Years)	30

\*Subject to change at final bond pricing

**TABLE C**

**ALLOCATION OF PROJECT COSTS**

**CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

<b>Product</b>	<b>Number of Units by Type</b>	<b>ERU Factor</b>	<b>Total ERUs</b>	<b>Project Cost Allocation Per Type</b>	<b>Project Cost Allocation Per Unit*</b>
Single Family (60' Relative Front Foot Lot)	180	1.000	180.00	\$ 495,446	\$ 2,752
Single Family (75' Relative Front Foot Lot)	258	1.000	258.00	\$ 710,139	\$ 2,752
Single Family (125' Relative Front Foot Lot)	67	1.000	67.00	\$ 184,416	\$ 2,752
<b>TOTAL</b>	<b>505</b>	<b>N/A</b>	<b>505.00</b>	<b>\$ 1,390,000</b>	<b>N/A</b>

\*Rounded

**TABLE D****ALLOCATION OF BOND DEBT****CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

<b>Product</b>	<b>Number of Units by Type</b>	<b>ERU Factor</b>	<b>Total ERUs</b>	<b>Bond Debt Allocation Per Unit Type*</b>	<b>Bond Debt Allocation Per Unit*</b>
Single Family (60' Relative Front Foot Lot)	180	1.000	180.00	\$ 623,762	\$ 3,465
Single Family (75' Relative Front Foot Lot)	258	1.000	258.00	\$ 894,059	\$ 3,465
Single Family (125' Relative Front Foot Lot)	67	1.000	67.00	\$ 232,178	\$ 3,465
<b>TOTAL</b>	<b>505</b>	<b>N/A</b>	<b>505.00</b>	<b>\$ 1,750,000</b>	<b>N/A</b>

\*Preliminary, subject to change

**TABLE E**

**CALCULATION OF ANNUAL DEBT SERVICE**

**CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

		<b>2024 Series Bond Debt</b>
1	Maximum Annual Debt Service	\$ 146,438.83
2	Maximum Annual Debt Service Assessment to be Collected	\$ 155,785.99 *
3	Total Number of Residential Units Planned	<b>505</b>
4	Maximum Annual Debt Service per Unit Type	<b>See Table F</b>

\*Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes.

**TABLE F****ALLOCATION OF DEBT SERVICE ASSESSMENTS****CUTLER CAY COMMUNITY DEVELOPMENT DISTRICT**

<b>Product</b>	<b>Number of Units by Type</b>	<b>ERU Factor</b>	<b>Total ERUs</b>	<b>**Maximum Annual Debt Assessment Per Unit Type*</b>	<b>**Maximum Annual Debt Assessment Per Unit*</b>
Single Family (60' Relative Front Foot Lot)	180	1.000	180.00	\$ 55,528	\$ 308
Single Family (75' Relative Front Foot Lot)	258	1.000	258.00	\$ 79,590	\$ 308
Single Family (125' Relative Front Foot Lot)	67	1.000	67.00	\$ 20,669	\$ 308
<b>TOTAL</b>	<b>N/A</b>	<b>N/A</b>	<b>505.00</b>	<b>\$ 155,786</b>	<b>N/A</b>

\*Rounded

\*\*Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes.