

**INTERLOCAL AGREEMENT**

**BY AND BETWEEN**

**HERNANDO COUNTY, FLORIDA**

**AND**

**CABOT CITRUS FARMS COMMUNITY DEVELOPMENT DISTRICT**

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## INTERLOCAL AGREEMENT

**THIS INTERLOCAL AGREEMENT** (the "Agreement") is made and executed as of October 24, 2023, by and between Hernando County, a political subdivision of the State of Florida (the "County"), and the Cabot Citrus Farms Community Development District ("District"), a local unit of special-purpose government established and existing pursuant to Chapter 190, Florida Statutes (the "Act") and Ordinance No. 2023-14 enacted by the Board of County Commissioners of the County effective October 24, 2023 (the "Establishment Ordinance"):

### WITNESSETH:

**WHEREAS**, The County enacted the Establishment Ordinance establishing the District as a local unit of special-purpose government and granted to the District those general powers as well as certain special powers authorized pursuant to the Act to design, finance, construct and operate certain public infrastructure needed to support the development of the Cabot Citrus Farms community in the County; and

**WHEREAS**, the County and the citizens of the County will materially benefit from the development of Cabot Citrus Farms for numerous reasons, including but not limited to, the increased direct and indirect funds that will be received from ad valorem tax revenue, sales tax revenue, gross receipts tax revenue, and other fees and charges which may be realized as a result of the development of Cabot Citrus Farms and associated growth; and

**WHEREAS**, concurrently with the development of Cabot Citrus Farms, it will be necessary to construct certain public improvements which will, among others, benefit the residents of the District and which are identified on the District's capital improvement plan, as adopted from

time to time, including without limitation: public roads, stormwater management systems, drainage works, utilities, landscaping, and security facilities (collectively, the "Public Improvements"); and

**WHEREAS,** the Public Improvements will benefit the District and will also directly and materially benefit the County and the residents of the County by providing a more extensive network of public improvements and amenities; and

**WHEREAS,** by executing this Agreement, the parties hereto acknowledge and recognize the need for efficient and orderly planning and growth management by and among governmental entities as described in Part II of Chapter 163, Florida Statutes; and to meet the requirements of a future Cabot Citrus Farms Development Agreement; and

**WHEREAS,** construction of the Public Improvements will assist the County and the District in meeting the obligations contained in the Cabot Citrus Farms Development Agreement; and

**WHEREAS,** in consideration for the agreements and covenants in the Cabot Citrus Farms Development Agreement and those of the County as herein set forth, the District has agreed to plan, design, engineer, finance, construct, own (to the extent not conveyed to another governmental entity) and operate the Public Improvements; and

**WHEREAS,** in light of the material benefit to be received and enjoyed by the County and its residents as a result of the construction of the Public Improvements and the fiscal benefit anticipated to be received by the County as a result of the development of Cabot Citrus Farms, and in consideration of performance by the District of the obligations herein described, the County has agreed to participate in the development of the Public Improvements by reimbursing the District

for a portion of the costs attributable to the Public Improvements in accordance with the terms of this Agreement: and

**WHEREAS,** financing and construction of the Public Improvements for use by the public is a valid and important public purpose, and the County is authorized to expend County funds for the accomplishment of such purpose: and

**WHEREAS,** in light of the material benefits anticipated to flow to the County as a result of the development of Cabot Citrus Farms and the construction of the Public Improvements, the County has determined that it is in the best interests of the County to induce District to construct the Public Improvements as herein described, by entering into and performing the covenants set forth in this Agreement: and

**WHEREAS,** the Parties have agreed to execute this Agreement for the purpose of setting forth the involvement of the District in providing the Public Improvements: the conditions under which the County shall pay funds to the District: the procedures for determining the amounts to be paid by the County to the District from time to time: the sources from which the County may, and may not, pay such funds: and other specific provisions relating to the reimbursement of funds by the County to the District: and

**WHEREAS,** each of the Parties hereto has the authority to execute this Agreement and perform each of its obligations and duties hereunder, and each Party hereto has satisfied all conditions precedent to the execution of this Agreement so that this Agreement constitutes a legal and binding obligation of each of the Parties hereto.

**NOW, THEREFORE**, for and in consideration of the mutual premises set forth above and the covenants, obligations, duties and benefits herein set forth, the County and District agree as follows:

## **ARTICLE I**

### **DEFINITIONS AND CONSTRUCTION**

**SECTION 1.01. DEFINITIONS.** As used in this Agreement, the following terms shall have the following meanings, unless the context hereof otherwise requires.

**"Agreement"** means this Interlocal Agreement, including any amendments and supplements hereafter executed and delivered in accordance with the terms hereof.

**"Annual Budget"** means the annual budget of the County adopted pursuant to applicable law.

**"Annual Payment"** means the payments made to the District, for each Benefit Determination Year, calculated as a percentage of the Net County Benefit pursuant to Section 5.01 of this Agreement.

**"Authorized District Officer"** means the Chair or Vice Chair of the Board of Supervisors of the District or the Chair or Vice Chair's designee, and when used in reference to any act or document, also means any other person authorized by resolution of the Board of Supervisors of the District to perform such act or sign such document.

**"Benefit Determination Year"** means the Fiscal Year prior to the Fiscal Year for which the Annual Payment is to be computed, e.g., if the Annual Payment is to be computed on August 1, 2025, for the Fiscal Year beginning October 1, 2024 and ending September 30, 2025, the

"Benefit Determination Year" means the twelve months beginning on October 1, 2023 and ending on September 30, 2024.

**"Bonds"** means one or more series of debentures, notes, bonds, or other forms of indebtedness issued by District, all or any portion of the proceeds of which will be used for payment of the Construction Cost of the Public Improvements or to refund a series of debentures, notes, bonds, or other forms of indebtedness issued for such purpose.

**"Capitalized Interest"** means an amount designated upon issuance of any series of Bonds to be used for the purpose of paying a portion of the interest which shall thereafter become due on such series of Bonds.

**"Community Reinvestment Trust"** means a trust fund established by the County to receive and to administer the funds from the Annual Payment. The Trust will be administered by a three member board: two appointed by the County Administrator and one appointed by Cabot Citrus OpCo LLC and its affiliated and related entities, with the consent of the District. The funds will be used only to fund recreational facilities in the County. Cabot Citrus OpCo LLC and its affiliated and related entities will support in an advisory capacity in the deployment of those funds with support on general advisory services, land planning, consulting, etc.

**"Consolidated Fund"** means the aggregate of each of the following funds established by the County pursuant to the Uniform Accounting System Manual for Florida Local Governments as maintained and published by Florida's Department of Financial Services: General Fund (fund group 001); Special Revenue Fund (fund group 100); Permanent Fund (fund group 050); Internal

Service Fund (fund group 500); Pension Fund (fund group 650); and Component Funds (fund group 800).

**"Construction Cost"** means (A) the cost of physical construction, reconstruction or completion of the Public Improvements; (B) the cost of all lands and interests therein, property rights, easements and franchises of any nature whatsoever that are not donated to the County, the State, the District or other governmental entity, including costs associated with the acquisition thereof; (C) the cost of all labor, materials, machinery and equipment; (D) the cost of any indemnity or completion and/or surety bonds and premiums for insurance during construction; (E) the cost of construction plans and specifications, surveys and estimates of costs; (F) the cost of engineering, legal and other consultant services associated with design and construction; and (G) all other costs and expenses properly attributable to such acquisition or construction under generally accepted accounting principles and section 190.003(8), Florida Statutes; and including reimbursement to District for any moneys advanced for any costs incurred in connection with any of the foregoing items of Construction Cost.

**"County"** means Hernando County, a political subdivision of the State of Florida.

**"County Employee Population"** means the total number of persons employed within the County, according to the most recent estimate published for the Benefit Determination Year by the U.S. Census Bureau <https://onthemap.ces.census.gov>. If at any time the foregoing data source is no longer available, the parties shall mutually agree upon a comparable alternative method of computing "County Employee Population."

**"County Administrator"** means the chief executive officer of the County, or such chief executive officer's designee.

**"County Resident Population"** means the total number of persons residing within the County, according to the most recent estimate published for the Benefit Determination Year by the Bureau of Economic and Business Research, College of Business Administration, University of Florida. If at any time the foregoing data source is no longer available, the parties shall mutually agree upon a comparable alternative method of computing "County Resident Population."

**"County Visitor Population"** means the number of full-time equivalent visitors within the County, which includes hotels, Airbnb's and short-term rentals. This data shall be provided by the County, for each Benefit Determination Year.

**"Design Engineer"** means an engineer or firm of engineers of reputation for skill and experience with respect to the construction, operation, and maintenance of facilities similar to the Public Improvements, which is duly licensed under the laws of the State.

**"Development Property"** means the developable property within the District.

**"Development Property Employee Population"** means the total number of persons employed within the Development Property, computed as the sum of the number of employees calculated for each of the commercial use classifications set forth in the Institute Transportation Engineers (ITE) publication "Building Area Per employee By Business Type" as of the Benefit Determination Year. The number of employees for each of the commercial use classifications shall be calculated as the product of (A) the employment factor set forth in the above ITE publication, and (B) the number of units for such commercial use classification located within the Development Property that could be lawfully occupied or used as of December 31 of the Benefit Determination Year.

If the foregoing data source is no longer available, the parties shall mutually agree upon a comparable alternative method of computing "Development Property Employee Population."

**"Development Property Expenses"** means, for any Fiscal Year, the sum of (A) the County's expenses that are attributable to the Development Property, calculated in the manner set forth in Article VII hereof, and (B) the amount, if any, by which the Development Property Expenses exceeded the Development Property Revenue during the prior Fiscal Year.

**"Development Property Resident Population"** means the total number of persons residing within the District, computed as the product of (A) the number of dwelling units located within the District for which the County has issued certificates of occupancy as of December 31 of the Benefit Determination Year, and (B) the average household size for the County, according to the most recent estimate published for the Benefit Determination Year by the Bureau of Economic and Business Research, College of Business Administration, University of Florida. If the foregoing data source is no longer available, the parties shall mutually agree upon a comparable alternative method of computing "Development Property Resident Population." Notwithstanding the foregoing, the County may determine "Development Property Resident Population" by survey, at the County's sole election and expense.

**"Development Property Revenue"** means, for any Fiscal Year, the sum of the County's revenue that is attributable to the Development Property, calculated in the manner set forth in Article VI hereof.

**"Development Property Visitor Population"** means the number of full-time equivalent visitors within the Property, provided by the County for the Benefit Determination Year.

**"Disposition Event Adjustment"** means the sale of land in the future development area of the project (+/- 600 acres in phase 2 specifically excluding phase 1) to an entity not affiliated with the Landowner. In such an event the Annual Payment would be reduced by 5% for only the sold parcel. The Annual Payment would not change on all other parcels.

**"District"** means the Cabot Citrus Farms Community Development District, an independent a local unit of special district-purpose government established and existing pursuant to Chapter 189 of the Florida Statutes and a community development district pursuant to Chapter 190 of Act and the Florida Statutes.

**"District Property"** means the property within the boundaries of the District and described in Appendix A to this Agreement.

**"Excusable Delay"** means a delay in achieving the milestones outlined in Annual Payment provisions caused by a disruption to Florida's residential market. The delay period begins when one of the following market disruptions occurs. (A) Monthly building permits for new single-family homes in Florida drop by 20% measured on year-over-year basis. The delay period ends when those permits increase by 20% measured on year-over-year basis. (B) Monthly cost inflation rises by 10% measured on a year-over-year basis using data from Engineering News Record's "Building Cost Index History". The delay period ends when those costs increase by no more than 5% measured on year-over-year basis. (C) Force majeure events such as hurricanes or supply chain disruptions. During the delay periods outlined *supra*, the penalties for missing milestones will be suspended.

**"FDOT"** means the Florida Department of Transportation.

**"Fire Station Cost Impact"** means a reduction in the Annual Payment equal to 50% of the County's actual cost to construct the fire station servicing Cabot Citrus Farms, not to exceed \$5 million in total cost, divided into five equal annual installments. The District has the option to prepay the \$5 million.

**"Fiscal Impact Analysis Model"** means the fiscal impact analysis model ("FIAM") prepared and updated annually by District, and as may be revised from year to year and then approved each year by District and the County to quantify the Net County Benefit of the Development Property on the County's budget. As an example, Appendix C contains a fully calibrated FIAM and an explanatory report, reviewed and approved by the County to calculate Net County Benefit based on: (a) the current development plan for the Development Property and (b) the County's latest budget as reported to the Florida Department of Financial Services.

**"Fiscal Year"** means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County and District, or such other meanings as defined herein.

**"Landowner"** means Cabot Citrus OpCo LLC, its affiliated and related Cabot entities, and VICI Lendco LLC, its affiliates and subsidiaries, and each of their respective successors and assigns.

**"Minimum FDOT Standards"** means the uniform standards for design and construction of public roads adopted by FDOT and revised from time to time pursuant to Section 336.045, Florida Statutes, or its successor in function.

**"Net County Benefit"** means, for any Fiscal Year, an amount computed by subtracting the Development Property Expenses from the Development Property Revenue as calculated using FIAM.

**"Non-Ad Valorem Funds"** means all revenue of the County derived from any source whatsoever other than ad valorem taxation on real or personal property, which is legally available to make the payments required herein, but only after provision has been made by the County to pay for services and programs which are necessary for essential public purposes affecting the health, welfare and safety of the inhabitants of the County or which are legally mandated by applicable law.

**"Public Improvements"** means the Public Improvements described in the recitals hereto and listed in the attached Appendix B.

**"Reimbursement Amount"** means any amount received by District, either directly or through the County, or from any other source to reimburse the Construction Cost of the Public Improvements.

**"Reimbursable Cost"** means the Construction Cost for all Public Improvements shown in Appendix B.

**"State"** means the State of Florida.

**"Uniform Accounting System Manual"** means the uniform accounting system chart of accounts promulgated by the Florida Department of Financial Services.

#### **SECTION 1.02. CONSTRUCTION**

(A) Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms and corporations. The terms "herein,"

"hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date this Agreement is executed; and the term "hereafter" shall mean after the date this Agreement is executed.

(B) Each recital, covenant, agreement, representation and warranty made by a party herein shall be deemed to have been material and to have been relied on by the other parties to this Agreement. All parties have participated in the drafting and preparation of this Agreement, and the provisions hereof shall not be construed for or against any party by reason of authorship.

**SECTION 1.03. SECTION HEADINGS.** Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

## **ARTICLE II**

### **REPRESENTATIONS**

**SECTION 2.01. REPRESENTATIONS OF THE COUNTY.** The County makes the following representations as the basis for the undertakings on the part of District herein contained:

(A) The County is duly organized and validly existing as a political subdivision of the State.

(B) The County has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(C) The County is not in default under any provisions of the laws of the State material to the performance of its obligations under this Agreement.

(D) The County has duly authorized the execution and delivery of this Agreement and assuming the due authorization, execution and delivery by District, this Agreement constitutes a valid and legally binding obligation of the County, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

(E) To the County's knowledge, the authorization, execution and delivery of this Agreement and the compliance by the County with the provisions hereof will not conflict with or constitute a material breach of, or default under, any existing law, court or administrative regulation, decree, order or any provision of the Constitution or laws of the State relating to the County or its affairs, or any ordinance, resolution, agreement, mortgage, lease or other instrument to which the County is subject or by which it is bound.

(F) To the County's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best knowledge of the County, threatened against or affecting the County, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated hereby, or which, in any way, would materially adversely affect this Agreement or any agreement or instrument to which the County is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.

**SECTION 2.02. REPRESENTATIONS OF DISTRICT.** District makes the following representations as the basis for the undertakings on the part of the County herein contained:

(A) District is local unit of special-purpose government established and existing pursuant to the Act and the Establishment Ordinance, an independent special district pursuant to Chapter 189 of the Florida Statutes and a community development district pursuant to Chapter 190 of the Florida Statutes.

(B) District has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder and thereunder.

(C) District is not in default under any provisions of the laws of the State material to the performance of its obligations under this Agreement.

(D) District has duly authorized the execution and delivery of this Agreement and assuming the due authorization, execution and delivery by the County, this Agreement constitutes a valid and legally binding obligation of District, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity.

(E) To District's knowledge, the authorization, execution and delivery of this Agreement and the compliance by District with the provisions of this Agreement will not conflict with or constitute a material breach of, or default under, any existing law, court or administrative regulation, decree, order or any provision of the Constitution or laws of the State relating to District

or its affairs, or any ordinance, resolution, agreement, mortgage, lease or other instrument to which District is subject or by which it is bound.

(F) To District's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best knowledge of District, threatened against or affecting District, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated hereby or which in any way would materially adversely affect the validity of this Agreement or any agreement or instrument to which District is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.

### **ARTICLE III**

#### **CONSTRUCTION OF THE PUBLIC IMPROVEMENTS**

**SECTION 3.01. DESCRIPTION OF THE PUBLIC IMPROVEMENTS.** The parties agree that the Public Improvements shall be financed and constructed pursuant to this Agreement.

**SECTION 3.02. CONSTRUCTION BY STATE AGENCIES.** District may enter into agreements with the FDOT for the design and construction of all or any portion of the roadway improvements owned by FDOT. Notice and copies of each such agreement shall be provided to the County Administrator.

**SECTION 3.03. CONSTRUCTION BY DISTRICT.** Each Public Improvement that is not to be designed and constructed pursuant to an agreement with the FDOT shall be designed and constructed in accordance with this Section 3.03.

(A) District shall engage one or more Design Engineers in accordance with applicable law to design and supervise construction of the Public Improvements.

(B) The Design Engineer shall develop plans and specifications for each Public Improvement that are consistent with the description set forth in Section 3.01 hereof.

(C) District shall acquire or cause the acquisition of all of the lands and interests therein, property rights, easements and franchises of any nature whatsoever, necessary for construction of the Public Improvements, either by donation, dedication, purchase or otherwise.

(D) District shall be responsible for construction and equipping of the Public Improvements in accordance with the plans and specifications approved by its Board of Supervisors. To the extent that such Public Improvements are located within the jurisdictional limits of the County, the County hereby authorizes District to construct and equip the Public Improvements in accordance with such plans and specifications.

(E) In order to effectuate the purposes of this Agreement, District will make, execute, acknowledge and deliver, or cause the making, execution, acknowledgement and delivery of all contracts, orders, receipts, writings and instructions, in the name of District or otherwise, with or to other persons, and in general perform or cause the performance of all such other acts as may be requisite or proper for the acquisition, construction, installation and equipping of the Public Improvements and fulfillment of the obligations of District under this Agreement.

(F) District agrees to construct the Public Improvements at or prior to the earliest date required by either the Development Agreement for Cabot Citrus Farms, or the County's adopted comprehensive plan, or the transportation and capital improvement elements of County's adopted comprehensive plan, such elements and plans having been prepared and adopted pursuant to Part II of Chapter 163, Florida Statutes. District may elect to issue Bonds and construct the Public Improvements at any time earlier than that required by this Section 3.03(F). District shall diligently pursue all necessary approvals from any and all governmental agencies requisite to the acquisition, construction, installation and equipping of the Public Improvements and such Public Improvements shall be acquired, constructed, installed and equipped in compliance with all State, federal and local laws, ordinances and regulations applicable thereto.

(G) Absent a separate, written agreement, the County shall not be responsible for the installation, maintenance, repair or replacement of landscaping, hardscaping, signage, irrigation and lighting funded or installed by the District. Instead, the District shall arrange for the installation, maintenance, repair or replacement of landscaping, hardscaping, signage, irrigation and lighting funded or installed by the District in compliance with applicable laws, ordinances and regulations.

(H) *Recreation.* All recreation facilities built or financed by the District shall be open to the public, subject to the District's rights under Florida law to levy and collect special assessments and establish and collect user charges and fees. The District shall own and maintain all recreation facilities within the boundaries of the District which are built or financed by the District, unless and until the ownership and maintenance of such facilities are accepted by another unit of local government.

**ARTICLE IV**  
**DISTRICT BONDS**

**SECTION 4.01. ISSUANCE OF THE BONDS**

(A) District agrees to diligently obtain approval for and pursue the issuance of Bonds of one or more series in an aggregate principal amount sufficient to fund the Construction Cost of the Public Improvements. The proceeds of each series of Bonds shall also be sufficient to pay the Transaction Cost and Capitalized Interest associated with such series.

(B) Upon issuance of any series of Bonds, District shall prepare and deliver to the County, at the address specified for the County in Section 10.06 hereof, a report including the following information: (a) the principal amount of Bonds, (b) the Transaction Cost, (c) the amount of Capitalized Interest, (d) the amount of Bond proceeds allocated to the Construction Cost of each Public Improvement, (e) a schedule of the Debt Service Amount becoming due in each Fiscal Year following issuance of such series of Bonds if such Bonds bear interest at fixed rates, and (f) the maximum annual interest rate if such Bonds are Variable Rate Bonds. District may satisfy its obligation hereunder by delivering to the County a copy of the disclosure and other bond documents for the financing of such Public Improvements, so long as the information described above is contained in such document or documents. If for any reason the Debt Service Amount for any Fiscal Year is changed for Bonds bearing interest at fixed rates, District shall promptly prepare and deliver a revised schedule of Debt Service Amounts to the County.

**SECTION 4.02. APPLICATION OF BOND PROCEEDS.** The proceeds of each series of Bonds shall be applied as required by Chapter 190, Florida Statutes and each trust indenture applicable to any series of Bonds.

**SECTION 4.03. BOOKS AND RECORDS.** District shall keep or cause to be kept accurate books, records and accounts of the proceeds of each series of Bonds, which shall be kept separate and apart from all other books, records and accounts of District, and the County shall have the right at all reasonable times to inspect such books, records and accounts and any agreements entered into by District with respect to construction of the Public Improvements.

**ARTICLE V**  
**COUNTY FUNDING OBLIGATIONS**

**SECTION 5.01. ANNUAL PAYMENT.**

(A) The Annual Payment shall be calculated based on the following:

Milestone	Date	% Revenue Share	Penalty if Delay < 1 Year	% Share if Delay > 1 Year
<i>District Approval</i>	10/24/2023	50%	NA	NA
<i>Building Permit for Racquets &amp; Pool Issued</i>	3/1/2024	+5%	-1%	-2%
<i>Building Permit for Main Clubhouse Issued</i>	6/1/2024	+5%	-2%	-4%
<i>Building Permit for Marketplace Issued</i>	6/1/2025	+3%	-1%	-2%
<i>Construction permit for the infrastructure for phase 2 residential development is issued</i>	3/1/2029	+4%	-1%	-2%
<i>Cumulative Impact</i>		67%	-5%	-10%

There will be a 2-month grace period for any milestone. All milestones are calculated independently, but the penalties for delay are applied cumulatively. If the Landowner sells property in the District to an unrelated third party, the Annual Payment will be subject to adjustment based on the Disposition Event Adjustment. The Annual Payment will be reduced by 1% per year to fund the Community Reinvestment Trust. Annual Payments shall commence in the Fiscal Year that the Developer has cash payments with respect to any Public Improvement. Annual Payment will be made no later than January 1 in each Benefit Determination Year.

(B) On or prior to August 1 of each year, the County shall compute the Annual Payment for the next ensuing Fiscal Year and deliver copies of (1) the County's annual financial report to the Department of Financial Services for the Benefit Determination Year and (2) its computation

of the Annual Payment for the next ensuing Fiscal Year to District, at the address specified for District in Section 10.06 hereof.

(C) The County shall pay to District on January 1 of each Fiscal Year during the term of this Agreement, an amount equal to the Annual Payment. The Annual Payment shall be delivered in clearinghouse funds to the address specified for District in Section 10.06 hereof.

(D) The County's obligation to make Annual Payments shall terminate on the earlier of: 40-years from the date of this Agreement or when the Bonds are fully paid or defeased. If payment in full of any Annual Payment would result in payment of an amount in excess of the County's maximum obligation, such Annual Payment shall be reduced, as necessary, to avoid the overpayment.

(E) The Annual Payment can be used by District to pay (or to reimburse the Landowner) for Public Improvement costs directly, regardless of whether such costs were incurred in the current Fiscal Year or in prior Fiscal Years. Annual Payments may also be used by the District to pay debt service on any debt obligations of the District, the proceeds of which were used to finance the Public Improvements.

#### **SECTION 5.02. COVENANT TO BUDGET AND APPROPRIATE**

(A) The County will require the County Administrator to include an amount equal to the Annual Payment (which amount shall be specifically identified to this Agreement) in the tentative budget transmitted by the County Administrator to the Board of County Commissioners for each Fiscal Year during the term of this Agreement.

(B) The County covenants and agrees to appropriate in its Annual Budget, by amendment, if necessary, from Non-Ad Valorem Funds lawfully available in each Fiscal Year,

amounts required to fund the Annual Payment. The County's covenant and agreement to budget and appropriate such amounts of Non-Ad Valorem Funds shall be cumulative to the extent not paid and shall continue until such Non-Ad Valorem Funds or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Funds.

(C) The foregoing covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Funds, nor does it preclude the County from pledging its Non-Ad Valorem Funds in the future, nor does it require the County to levy and collect any particular Non-Ad Valorem Funds, nor does it give the District a prior claim on the Non-Ad Valorem Funds as opposed to claims of general creditors of the County. The covenant to appropriate Non-Ad Valorem Funds is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Funds heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate in its Annual Budget for the purposes and in the manner stated herein shall have the effect of making Non-Ad Valorem Funds available for the Annual Payment, in the manner described in this Agreement and placing on the County a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations hereunder; subject, however, in all respects to the restrictions of Section 129.07, Florida Statutes, which provides that the governing body of each County shall not make appropriations in a Fiscal Year which exceed the amount to be received from taxation or other revenue sources during such Fiscal Year; and subject, further, to the

payment for services and programs which are necessary for essential public purposes affecting the health, welfare and safety of the inhabitants of the County or which are legally mandated by applicable law.

(D) Notwithstanding any other provision hereof, the County's obligation to make the Annual Payment will be secured solely by its agreement to appropriate Non-Ad Valorem Funds in its annual budget pursuant to this Section 5.02.

**SECTION 5.03. COUNTY'S RIGHT OF PREPAYMENT.** At its sole option, the County may prepay its obligations hereunder after the conditions set forth in Section 5.01(C) are satisfied by depositing with District a sum sufficient to fully redeem or defease all outstanding Bonds, any accrued but unpaid interest thereon and any transaction fees and costs associated with such prepayment, redemption or defeasance.

**SECTION 5.04. STATUS OF COUNTY OBLIGATION.** Notwithstanding anything in this Agreement to the contrary, it is understood and agreed that the ad valorem taxing power and the full faith and credit of the County has not been pledged to secure the Annual Payment. District shall not have the right to compel the exercise of any ad valorem taxing power of the County to make the Annual Payment. The Annual Payment shall be payable solely from Non-Ad Valorem Funds budgeted and appropriated by the County pursuant to Section 5.02 hereof.

**SECTION 5.05. BOOKS AND RECORDS.** The County will prepare records of its calculation of the Development Property Revenue and Development Property Expenses and will maintain books and records of its revenues and expenses in accordance with generally accepted accounting principles and the Uniform Accounting System Manual. District shall have the right at all reasonable times to inspect the records, accounts and data of the County relating thereto.

## **ARTICLE VI**

### **DEVELOPMENT PROPERTY REVENUE**

**SECTION 6.01 ASSESSMENT DISCLOSURE.** The District will provide disclosure of the existence or imposition of assessments to potential and actual landowners within the District as required by Florida law.

**SECTION 6.02. CALCULATIONS USING THE FISCAL IMPACT ANALYSIS MODEL.** All calculations for Development Property Revenue will be made using FIAM. No later than April 1 of each year, District will prepare a Fiscal Impact Report and send it to the County. The Fiscal Impact Report will contain: (a) an updated calibration for FIAM based on the County's latest budget submitted to the Florida Department of Financial Services; (b) updated economic and demographic data for the County; (c) updated data for the volume, value, and

characteristics of development for the Development Property: (d) calculation of the Net County Benefit: (e) calculation of the Annual Payment: and (f) a schedule showing expenditures of bond funds describing what the funds were spent on. No later than May 1 of each year the County will send District a Fiscal Impact Reply Report that will either: (a) agree with the Fiscal Impact Report or (b) describe in detail any disagreements with the Fiscal Impact Report and specific questions concerning any of the data, calculations, or assumptions used in FIAM. If the County agrees with the Fiscal Impact Report, its calculations will be used to set the Annual Payment. If the County disagrees, then no later than May 15 of each year, District will reply to the County's Fiscal Impact Reply Report. No later than May 31 of each year the County will either: (a) agree with District's reply and the Annual Payment will be set accordingly or (b) trigger the Dispute Resolution Process.

**SECTION 6.03. AD VALOREM TAXES.** The amount of Ad Valorem Tax Revenue attributable to the Development Property shall be computed for each Benefit Determination Year by the amount of revenue actually received by the County from ad valorem taxes levied against the Development Property and deposited in or credited to the Consolidated Fund during the Benefit Determination Year (determined from the records of the County and the County Tax Collector).

**SECTION 6.04. TAX ON GROSS SALES OF RETAIL AND WHOLESALE MERCHANTS ("GR Tax").** The amount of GR Tax attributed to the Development Property shall be computed for each Benefit Determination Year by the County and determined by specific identification from the merchants that occupy space in the commercial facilities of the Development Property. The amount of GR Tax collected will be provided by the County and

deposited in or credited to the Consolidated Fund during the Benefit Determination Year (determined from the records of the County and the County Tax Collector).

**SECTION 6.05. ALL OTHER DEVELOPMENT PROPERTY REVENUE.**

All other Development Property Revenues will be calculated according to FIAM. These are calculated for each individual revenue account for the Consolidated Fund. FIAM uses a modified per capita approach to calculate the revenue contribution for each account based on the development in the Development Property. In general, the modified per capita amount for each account is the ratio of the revenue for that account divided by the County Resident Population plus the County Employee Population and County Visitor Population as appropriate.

**SECTION 6.06. REVENUE FROM NEW TAXES OR FEES.**

(A) If the Florida Legislature authorizes the County to impose any new taxes or fees, the fund or funds in which the revenue derived from such new taxes or fees and the expenses related to such new taxes or fees shall be included in the Consolidated Fund to the extent the County derives revenue from such new taxes that is attributable to the Development Property. (B) District will update the FIAM accordingly to incorporate the impact of new taxes.

**ARTICLE VII**

**DEVELOPMENT PROPERTY EXPENSES**

**SECTION 7.01. CALCULATIONS USING THE FISCAL IMPACT ANALYSIS MODEL.** As described in Section 7.02, all Development Property Expenses will be calculated using FIAM. The reports and the Dispute Resolution Process also apply to Development Property Expenses.

**SECTION 7.02. DEVELOPMENT PROPERTY EXPENSES.** All Development Property Expenses will be calculated according to FIAM. These are calculated for each individual expense account for the Consolidated Fund. FIAM uses a modified per capita approach to calculate the expense cost for each account based on the development in the Development Property. The denominator is specific to each revenue account always including County Population and then adding County Employment and County Visitors as appropriate.

## **ARTICLE VIII**

### **LAW ENFORCEMENT**

**SECTION 8.01. HERNANDO COUNTY TO PROVIDE LAW ENFORCEMENT.** To the extent provided for by law, Hernando County Sheriff's Office protection will be provided to the District Property at the level of service generally available throughout Hernando County. Should the District(s), or any property owner within the District once established, seek a higher level of law enforcement protection the District agrees that the District will not enter into any agreement with the Hernando County Sheriff's Office without submitting said Agreement between the District and the Hernando County Sheriff's Office to the County Commission for approval to assure that a fair and adequate allocation of the true cost of enhanced law enforcement protection is paid for by the District and not shifted to the County.

## **ARTICLE IX**

### **NATURAL DISASTERS**

In order to protect the citizens of Cabot Citrus Farms from immediate health and safety hazards in the event of a natural disaster, the District may provide disaster debris management services to the roadways and rights-of-way owned and maintained by the District or Hernando

County located within, or adjacent to, the District. In the event the President of the United States, or the Governor of the State of Florida, declares Hernando County a natural disaster area, making Hernando County and the District within Hernando County eligible for Federal or State disaster relief funds, the County authorizes the District to have the right of access and to enter all roadways as shown on Cabot Citrus Farms plats as recorded in the Plat Book of the Public Records of Hernando County, Florida for purposes of performing storm-related debris removal services ("Services").

**SECTION 9.01. DISTRICT RESPONSIBILITIES.** The District shall:

A. Coordinate and contract for the collection of disaster-related debris cleanup within, or adjacent to, the District's boundaries, and be entitled to any and all reimbursement funds received for providing the Services as determined by the State and Federal Agencies assigned for such review:

B. Comply with all applicable laws regarding the procurement of the Services; and

C. Keep records of all Services rendered as necessary for State or Federal reimbursement.

**SECTION 9.02. COUNTY RESPONSIBILITIES.** The County shall:

A. Delegate to the District the authority to bid and enter into a contract for debris management services, and the authority to direct the performance of the Contractor in the execution of disaster debris management services, within or adjacent to the District:

B. Provide all necessary documentation to the District for State or Federal reimbursement to be made to the District for all eligible Services rendered by the Contractor.

## **ARTICLE X**

### **GENERAL PROVISIONS**

**SECTION 10.01. INTERLOCAL AGREEMENT PROVISIONS.** To the extent any provision of this Agreement constitutes a joint exercise of power, privilege or authority by and between the County and District, such provision shall be deemed to be an "interlocal agreement" within the meaning of the Florida Interlocal Cooperation Act of 1969. This Agreement shall be filed with the Clerk of the Circuit Court in and for Hernando County.

**SECTION 10.02. TERM OF AGREEMENT.** The term of this Agreement shall commence on the date of this Agreement and shall expire upon the later to occur of the following events: (1) the fortieth (40th) anniversary of this Agreement, or (2) the date that construction of the last Public Improvement is completed and all obligations of the County under this Agreement have been fully satisfied.

**SECTION 10.03. DISPUTE RESOLUTION.** The parties agree to resolve any dispute related to the interpretation or performance of this Agreement pursuant to the Florida Governmental Conflict Resolution Act, Sections 164.101-164.1061 of the Florida Statutes.

**SECTION 10.04. ENTIRE AGREEMENT** This Agreement (including without limitation, the recitals, exhibits and appendices which are incorporated by reference into the body of this Agreement) constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.

**SECTION 10.05. AMENDMENTS AND WAIVERS** No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided. Each such amendment, supplement, modification or waiver of this Agreement shall be filed with the Clerk of the Circuit Court of Hernando County.

**SECTION 10.06. NOTICES.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

Hernando County:

County Administrator  
Hernando County  
15470 Flight Path Drive  
Brooksville, Florida 34604

With a copy to:

Hernando County Attorney's Office  
20 N. Main Street, Room 462  
Brooksville, Florida 34601

District:

Chairman  
Cabot Citrus Farms Community Development District  
3504 Lake Lynda Drive, Suite 107  
Orlando, Florida 32817

Either of the parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Any notice shall be deemed given on the date such notice is delivered by hand or facsimile transmission or three days after the date mailed.

**SECTION 10.07. BINDING EFFECT** To the extent provided herein, this Agreement shall be binding upon the parties, their respective successors and assigns and shall inure to the benefit of the parties, their respective successors and assigns. The District shall not assign this Agreement to any third party without the written consent of the County, which consent shall not be unreasonably withheld.

**SECTION 10.08. SEVERABILITY.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 10.09. EXECUTION IN COUNTERPARTS.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 10.10. APPLICABLE LAW AND VENUE.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any action or proceeding to construe or enforce the provisions of this Agreement shall be in the Circuit Court in and for Hernando County, Florida. Each party hereby waives its right to a jury trial of any claim or cause of action based upon or arising out of this Agreement.


**SECTION 10.11. LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Interlocal Agreement shall be deemed a waiver of immunity limits of liability of either the District or the County beyond any statutory limited waiver of immunity or limits of liability contained in Section 768.28, Florida Statutes, as amended, or any other statute. Nothing in this

Interlocal Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

**SECTION 10.12. NO THIRD PARTY BENEFICIARIES.** This Interlocal Agreement is by and between the County and the District(s) and establishes the relationship between these parties. The provisions of this Agreement do not create any rights in any third parties and no such rights should be implied; provided, however, if the District is dissolved by the County, steps will be taken to honor any contractual rights, if any, of all bond holders and other third parties affected by the repeal.


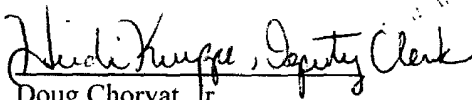
**IN WITNESS WHEREOF**, the Board of County Commissioners of Hernando County, Florida, has caused this Interlocal Agreement to be executed and delivered as of the day and year first above written.

**HERNANDO COUNTY, FLORIDA**

  
\_\_\_\_\_  
John Alocco  
Chairman, Hernando County Board of County Commissioners

ATTEST:

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

  
  
\_\_\_\_\_  
Doug Chorvat, Jr.  
Hernando County Clerk  
of Circuit Court & Comptroller

By:   
\_\_\_\_\_  
Assistant County Attorney

IN WITNESS WHEREOF, the Board Supervisors of the Cabot Citrus Farms Community Development District has caused this Interlocal Agreement to be executed and delivered as of the day and year first above written.

**CABOT CITRUS FARMS COMMUNITY DEVELOPMENT DISTRICT**

Witnesses:

[Signature]  
[Signature]

Marcus Motes  
District Chair  
Vice

STATE OF FLORIDA)  
COUNTY OF HERNANDO )

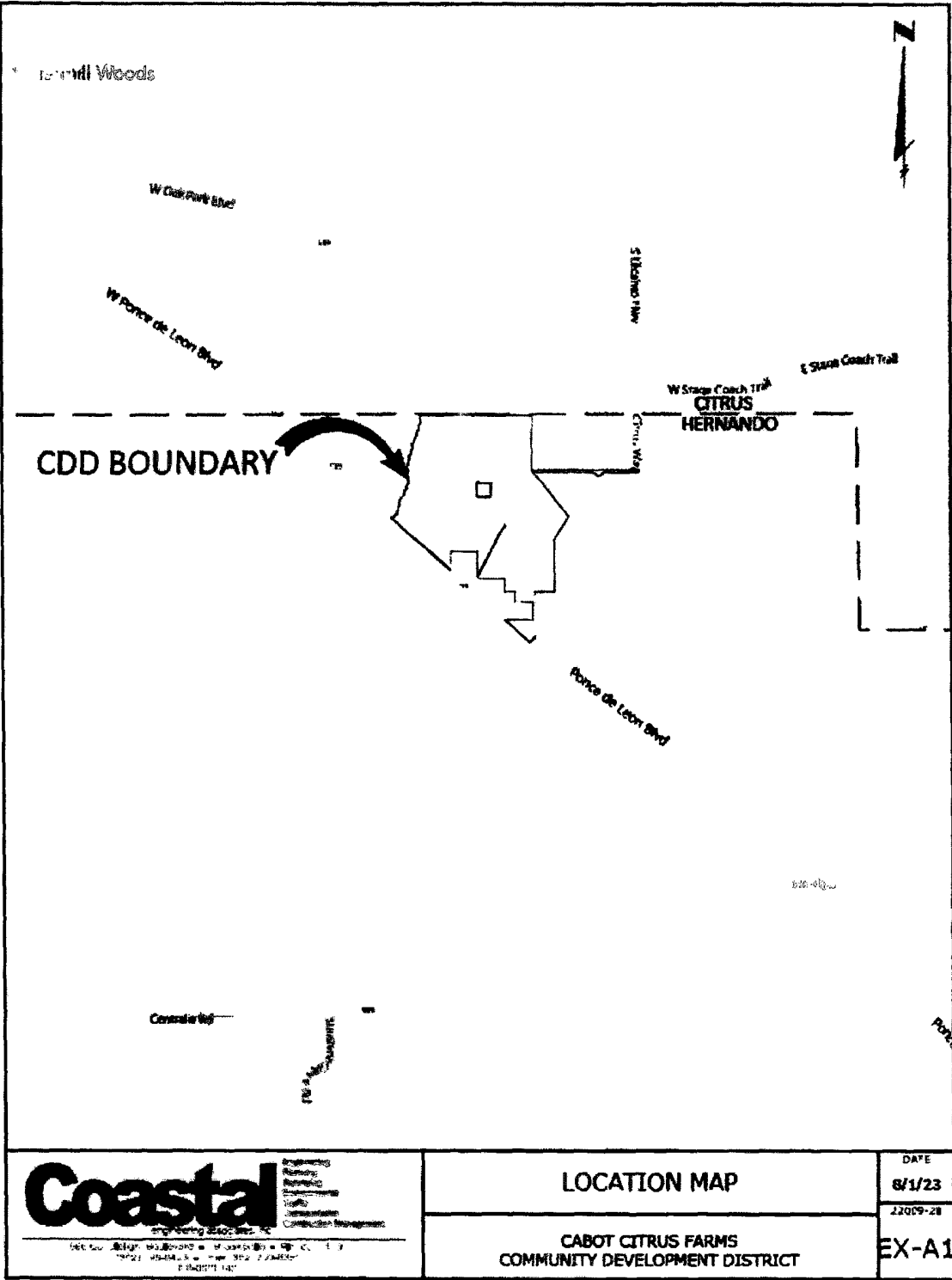
Before me the undersigned authority personally appeared Marcus Motes, as District <sup>Vice</sup> Chair of Cabot Citrus Farms Community Development District, by means of ☒ physical presence or ☐ online notarization, this 30<sup>th</sup> day of November, 2023, who first being duly sworn, stated that the above is true and correct to the best of his knowledge and belief and that he is signing for the purposes expressed therein, and who is personally known to me and who did take an oath, \_\_\_\_\_ WITNESS my hand and official seal, this 30<sup>th</sup> day of November 2023.

[Signature]  
Notary Public  
State of Florida

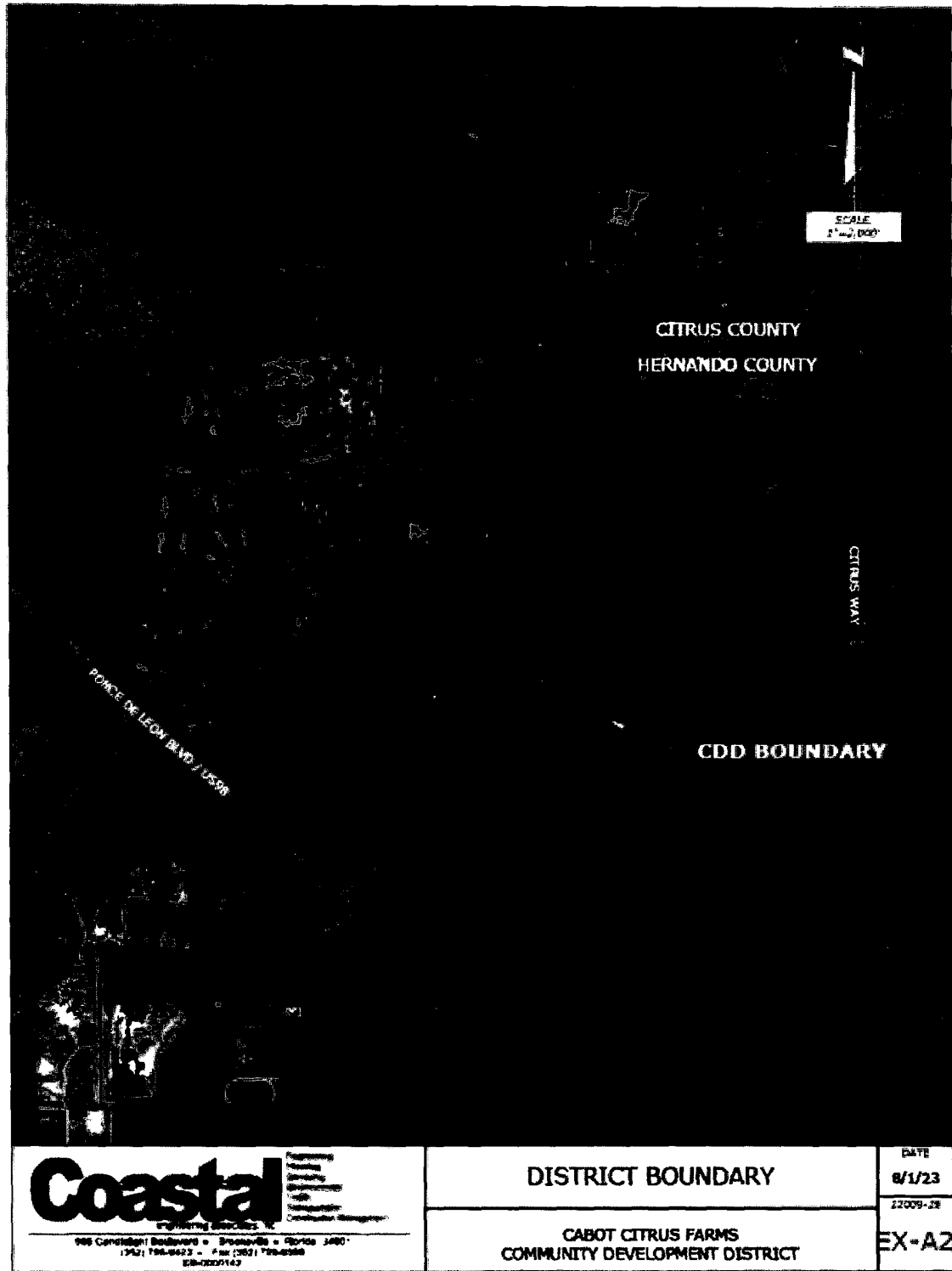
My commission expires \_\_\_\_\_

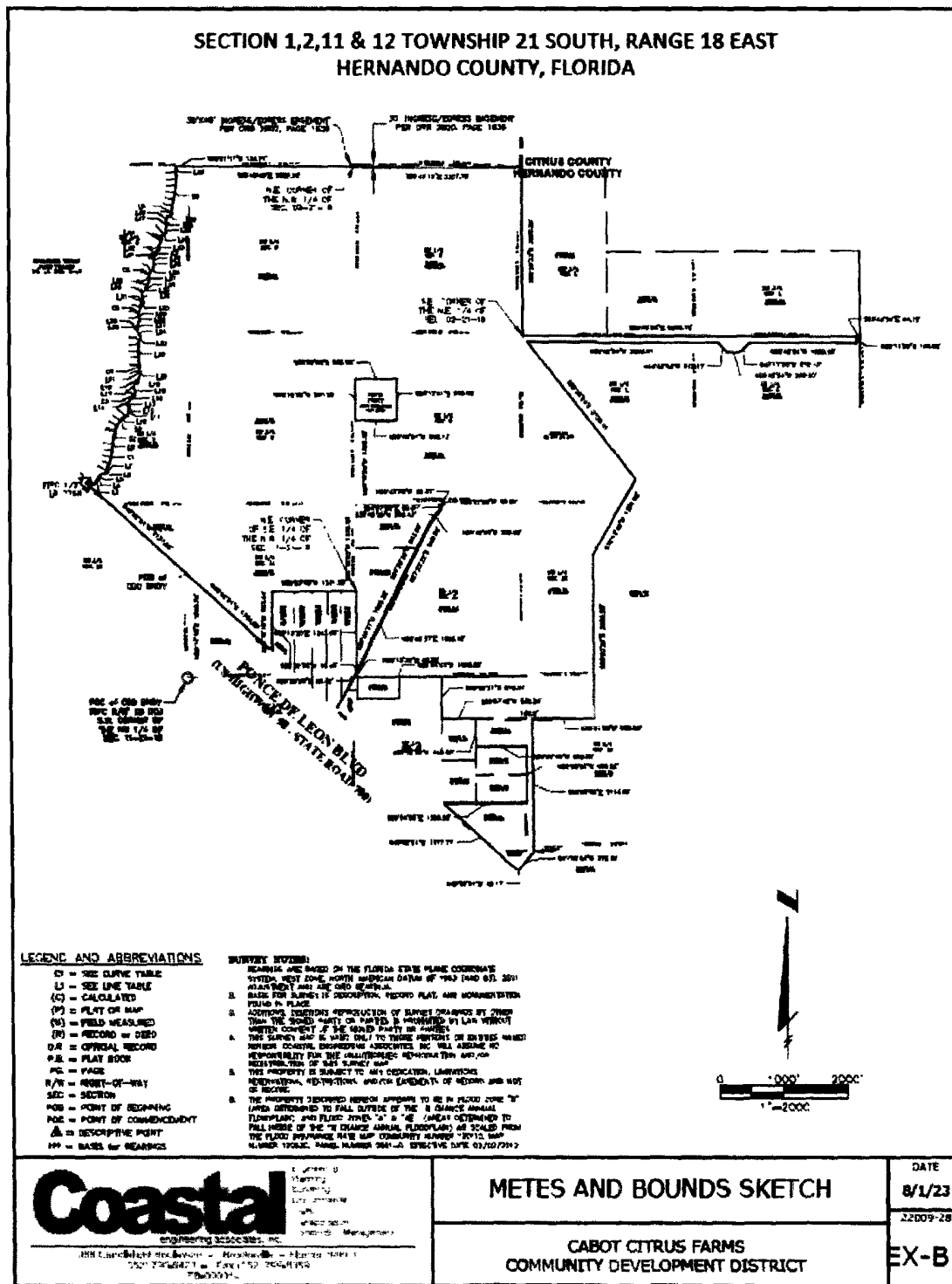


**MICHAEL ECKERT**  
Notary Public  
State of Florida  
Comm# HH281847  
Expires 6/28/2026



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**LEGAL DESCRIPTION**

COMMENCE AT THE SOUTHWEST CORNER OF THE NORTHWEST 1/4 OF SECTION 11, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA; THENCE ALONG THE WEST BOUNDARY LINE OF SAID SECTION 11, RUN N00°17'18"E, 1606.70 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF PONCE DE LEON BOULEVARD AND THE POINT OF BEGINNING; THENCE ALONG SAID RIGHT-OF-WAY, RUN N48°02'51"W, 2137.55 FEET TO THE EAST RIGHT-OF-WAY LINE OF PALM BOULEVARD SOUTH. SAID POINT ALSO BEING ON THE EAST BOUNDARY LINE OF SUGARMILL WOODS, PALM VILLAGE AS RECORDED IN PLAT BOOK 14, PAGES 3-15 OF THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA; THENCE ALONG SAID EAST BOUNDARY LINE, RUN N41°57'18"E, 40.37 FEET; THENCE S56°28'28"E, 117.51 FEET; THENCE N33°31'32"E, 150.00 FEET; THENCE N56°28'28"W, 7.33 FEET; THENCE N33°31'32"E, 30.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF OWATONNA DRIVE; THENCE N66°29'30"E, 143.03 FEET; THENCE N39°00'46"W, 40.00 FEET TO A NON-TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 1088.79 FEET, A CENTRAL ANGLE OF 20°06'36", AND A CHORD BEARING AND DISTANCE OF N14°54'51"E, 380.19 FEET; THENCE ALONG THE ARC OF SAID CURVE 382.15 FEET; THENCE N04°51'33"E, 110.00 FEET TO THE PC OF A CURVE TO THE RIGHT. SAID CURVE BEING CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 513.80 FEET, A CENTRAL ANGLE OF 31°35'04", AND A CHORD BEARING AND DISTANCE OF N20°39'05"E, 279.66 FEET; THENCE ALONG THE ARC OF SAID CURVE 283.23 FEET; THENCE N36°26'33"E, 116.12 FEET; THENCE N83°39'17"E, 61.40 FEET; THENCE N09°57'43"E, 126.49 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF HUPA ROAD; THENCE N28°23'49"E, 30.00 FEET TO THE CENTERLINE OF HUPA ROAD; THENCE ALONG SAID CENTERLINE, RUN N61°36'11"W, 48.70 FEET; THENCE N28°23'49"E, 115.00 FEET; THENCE N79°04'24"E, 55.23 FEET TO A NON TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 1321.78 FEET, A CENTRAL ANGLE OF 4°20'20", AND A CHORD BEARING AND DISTANCE OF N19°42'41"E, 100.07 FEET; THENCE ALONG THE ARC OF SAID CURVE 100.10 FEET; THENCE N40°37'11"W, 56.40 FEET; THENCE N11°01'33"E, 115.00 FEET TO THE CENTERLINE OF SHAWNIGAN CIRCLE; THENCE ALONG SAID CENTERLINE, RUN; THENCE S78°58'27"E, 52.43 FEET; THENCE N11°01'33"E, 110.00 FEET; THENCE N37°22'24"E, 44.64 FEET, THENCE N40°03'32"W, 40.00 FEET TO A NON-TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE WEST, HAVING A RADIUS OF 1321.78 FEET, A CENTRAL ANGLE OF 6°13'11", AND A CHORD BEARING AND DISTANCE OF N00°18'08"E, 143.41 FEET; THENCE ALONG THE ARC OF SAID CURVE 143.49 FEET; THENCE N02°48'28"W, 334.29 FEET; THENCE N39°21'37"E, 50.00 FEET; THENCE N24°30'39"W, 130.00 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SHAWNIGAN CIRCLE; THENCE N01°53'28"W, 30.00 FEET TO THE CENTERLINE OF SHAWNIGAN CIRCLE; THENCE ALONG SAID CENTERLINE, RUN N88°06'32"E, 10.00 FEET; THENCE N01°53'28"W, 30.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF SHAWNIGAN CIRCLE; THENCE N16°32'38"E, 126.49 FEET; THENCE N31°07'15"W, 40.00 FEET TO A NON-TANGENT CURVE TO THE RIGHT. SAID CURVE BEING CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 1056.83 FEET, A CENTRAL ANGLE OF 7°05'26", AND A CHORD BEARING AND DISTANCE OF N11°43'49"E, 130.70 FEET; THENCE ALONG THE ARC OF SAID CURVE 130.79 FEET; THENCE N15°16'32"E, 70.24 FEET; THENCE S88°04'10"E, 40.00 FEET; THENCE N08°39'47"W, 170.12 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF PONTIAC COURT; THENCE N15°56'32"E, 30.00 FEET TO THE CENTERLINE OF PONTIAC COURT; THENCE ALONG SAID CENTERLINE, RUN S74°03'28"E, 25.00 FEET; THENCE N15°56'32"E, 30.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF PONTIAC COURT;

-CONTINUED ON SHEET EX-B3

**METES AND BOUNDS DESCRIPTION**CABOT CITRUS FARMS  
COMMUNITY DEVELOPMENT DISTRICTDATE  
8/1/23

2009-28

EX-B2


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**LEGAL DESCRIPTION**

-CONTINUED FROM SHEET EX-B2

THENCE N29°58'33"E, 153.36 FEET; THENCE N31°37'30"W, 40.00 FEET TO A NON-TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 9321.56 FEET, A CENTRAL ANGLE OF 0°49'37", AND A CHORD BEARING AND DISTANCE OF N17°37'14"E, 134.54 FEET; THENCE ALONG THE ARC OF SAID CURVE 134.54 FEET; THENCE N66°45'08"E, 50.00 FEET; THENCE N03°45'54"E, 133.74 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF INGALIK ROAD; THENCE N27°06'32"E, 30.00 FEET TO THE CENTERLINE OF INGALIK ROAD AND A NON-TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE SOUTH, HAVING A RADIUS OF 654.36 FEET, A CENTRAL ANGLE OF 7°20'19", AND A CHORD BEARING AND DISTANCE OF N66°33'37"W, 83.76 FEET; THENCE ALONG THE CENTERLINE OF INGALIK ROAD, AND THE ARC OF SAID CURVE 83.81 FEET; THENCE N19°46'13"E, 30.00 FEET TO THE NORTH RIGHT-OF-WAY LINE OF INGALIK ROAD; THENCE N58°58'52"E, 147.84 FEET; THENCE N05°48'26"W, 40.00 FEET; THENCE N20°06'33"E, 229.10 FEET; THENCE N62°12'06"E, 54.92 FEET; THENCE N08°26'35"W, 67.10 FEET; THENCE N20°06'32"E, 90.00 FEET TO THE CENTERLINE OF PUMA ROAD; THENCE ALONG SAID CENTERLINE, RUN N69°53'28"W, 40.10 FEET; THENCE N20°06'32"E, 105.00 FEET; THENCE N70°18'17"E, 71.19 FEET; THENCE N11°51'36"W, 50.00 FEET TO A NON-TANGENT CURVE TO THE LEFT. SAID CURVE BEING CONCAVE TO THE NORTH, HAVING A RADIUS OF 2174.11 FEET, A CENTRAL ANGLE OF 15°27'54", AND A CHORD BEARING AND DISTANCE OF N07°44'02"E, 585.05 FEET; THENCE ALONG THE ARC OF SAID CURVE 586.83 FEET; THENCE N00°00'05"E, 130.28 FEET TO A POINT ON THE NORTH LINE OF SECTION 03, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA; THENCE ALONG SAID NORTH LINE, RUN S89°51'11"E, 134.77 FEET TO THE NORTHWEST CORNER OF SECTION 02, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA; THENCE ALONG THE NORTH LINE OF SAID SECTION 2, RUN S89°48'49"E, 2657.70 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 2; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 2, RUN S89°49'18"E, 2657.79 FEET TO THE NORTHEAST CORNER OF SAID SECTION 2; THENCE ALONG THE EAST LINE OF SAID SECTION 2, RUN S00°06'23"E, 2650.09 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 2; THENCE ALONG THE SOUTH LINE OF THE NORTH 1/2 OF SECTION 01, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA, RUN S89°42'54"E, 5265.76 FEET TO A POINT LYING 44.72 FEET WEST OF THE EAST LINE OF SAID SECTION 01; THENCE S00°11'59"E, 100.00 FEET; THENCE RUN 100.00 FEET SOUTH OF AND PARALLEL TO THE SOUTH LINE OF THE NORTH 1/2 OF SAID SECTION 01, N89°42'54"W, 1680.15 FEET; THENCE S45°17'06"W, 212.13 FEET; THENCE N89°42'54"W, 200.00 FEET; THENCE N44°42'54"W, 212.13 FEET TO A POINT LYING 100.00 FEET SOUTH OF THE SOUTH LINE OF THE NORTH 1/2 OF SAID SECTION 01; THENCE RUN 100.00 FEET SOUTH OF AND PARALLEL TO SAID SOUTH LINE, N89°42'54"W, 3006.51 FEET; THENCE S38°20'24"E, 2739.41 FEET; THENCE S30°13'40"W, 1351.86 FEET; THENCE S00°00'29"E, 2559.58 FEET; THENCE S89°51'58"W, 969.59 FEET TO A POINT LYING 100.00 FEET EAST OF THE EAST BOUNDARY LINE OF SECTION 11, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA; THENCE RUN 100.00 FEET EAST OF AND PARALLEL TO SAID EAST BOUNDARY LINE, S00°08'09"E, 2114.06 FEET; THENCE S41°55'54"W, 379.56 FEET TO THE NORTH RIGHT-OF-WAY LINE OF PONCE DE LEON BOULEVARD;

-CONTINUED ON SHEET EX-B4

 <small>Coastal Engineering Associates, Inc.          1101 S. Highway 1, Suite 100, Pompano Beach, FL 33062          Phone: (954) 781-1101 Fax: (954) 781-1102          www.coastaleng.com</small>	<b>METES AND BOUNDS DESCRIPTION</b>		DATE
	CABOT CITRUS FARMS COMMUNITY DEVELOPMENT DISTRICT		8/1/23 J2279-28 EX-B3

PRINTED: 08/01/2023 - 9:55am PRINTED BY: VBA PATH: L:\22009-28\CABOT CD\dwg\J22009-28-CD0.dwg

**LEGAL DESCRIPTION**

-CONTINUED FROM SHEET EX-B3


THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE, RUN N48°02'51"W, 1577.77 FEET TO THE NORTHWEST CORNER OF PARCEL 11.1 AS RECORDED IN OFFICIAL RECORDS BOOK 4100, PAGE 1505 OF THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA; THENCE ALONG THE NORTH BOUNDARY LINE OF SAID PARCEL 11.1, RUN S89°54'06"E, 1325.20 FEET TO THE EAST LINE OF SAID SECTION 11; THENCE ALONG SAID EAST LINE, RUN N00°08'09"W, 895.82 FEET TO THE SOUTHEAST CORNER OF PARCEL 4.3 AS RECORDED IN OFFICIAL RECORDS BOOK 4173, PAGE 1520 OF THE PUBLIC RECORDS OF HERNANDO COUNTY, FLORIDA; THENCE ALONG THE SOUTH BOUNDARY LINE OF SAID PARCEL 4.3, RUN S89°57'45"W, 802.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 4.3; THENCE ALONG THE WEST BOUNDARY LINE OF SAID PARCEL 4.3, RUN N00°08'09"W, 448.00 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 4.3; THENCE S89°57'45"W, 539.24 FEET; THENCE N00°02'21"E, 670.34 FEET TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 11; THENCE ALONG SAID SOUTH LINE, RUN S89°53'43"W, 1339.20 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 11; THENCE ALONG THE EAST LINE OF THE NORTHWEST 1/4 OF SAID SECTION 11, RUN N00°13'20"E, 48.59 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF HEBRON CHURCH ROAD; THENCE ALONG SAID EAST RIGHT-OF-WAY LINE, RUN N28°30'06"E, 48.42 FEET; THENCE CONTINUING ALONG SAID EAST RIGHT-OF-WAY, RUN N26°40'37"E, 1625.42 FEET; THENCE N27°22'22"E, 940.96 FEET; THENCE N38°42'08"E, 302.99 FEET; THENCE N24°57'56"W, 53.65 FEET TO THE NORTH LINE OF SAID SECTION 11; THENCE ALONG SAID NORTH LINE, RUN N89°45'32"W, 22.37 FEET TO THE WEST RIGHT-OF-WAY LINE OF HEBRON CHURCH ROAD; THENCE ALONG SAID WEST RIGHT-OF-WAY LINE, RUN S24°57'50"E, 50.61 FEET; THENCE S38°42'08"W, 292.43 FEET; THENCE S27°22'22"W, 943.09 FEET; THENCE S26°40'37"W, 1625.22 FEET; THENCE S28°30'06"W, 10.48 FEET TO THE EAST LINE OF THE NORTHWEST 1/4 OF SAID SECTION 11; THENCE ALONG SAID EAST LINE, RUN N00°13'20"E, 1243.05 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 11; THENCE ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 11, RUN S89°53'49"W, 1331.23 FEET TO THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 11; THENCE ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 11, RUN S00°18'10"W, 923.44 FEET TO THE NORTH RIGHT-OF-WAY LINE OF PONCE DE LEON BOULEVARD; THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE, RUN N48°02'51"W, 1784.59 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE PARCEL KNOWN AS THE PENTZ TRACT BEING FURTHER DESCRIBED AS FOLLOWS:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 2, TOWNSHIP 21 SOUTH, RANGE 18 EAST, HERNANDO COUNTY, FLORIDA. (10.07 AC MORE OR LESS)

TOTAL NET AREA OF PARCEL CONTAINING 1206.00 AC MORE OR LESS.

LEGAL DESCRIPTION AND SKETCH AS PROVIDED BY COASTAL ENGINEERING ASSOCIATES, DATED 3/26/23, BY: SCOTT OSBOURNE, PSM

 <p>Coastal Engineering Associates, Inc. 10000 Highway 19, Suite 100, Fort Myers, FL 33907 (813) 435-1100 www.coastaleng.com</p>	METES AND BOUNDS DESCRIPTION		DATE
	CABOT CITRUS FARMS COMMUNITY DEVELOPMENT DISTRICT		8/1/23 22009-28 EX-B4

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APPENDIX B

REIMBURSABLE COSTS

CCFCDD \$Millions 2023	2023-26	2027-30	Total
Roads	\$10	\$22	\$32
Drainage	\$15	\$12	\$27
Utilities	\$10	\$12	\$22
Landscape/Recreation	\$10	\$17	\$27
Other	\$10	\$12	\$22
	=====	=====	=====
		=	
Total	\$55	\$75	\$130

**APPENDIX C**

**FISCAL IMPACT ANALYSIS MODEL**

# **FISCAL IMPACT ANALYSIS CABOT CITRUS FARMS**

**August 21, 2023**

**Prepared for**

**Mr. Daniel Knight, Managing Director  
Cabot Citrus Farms  
17590 Ponce de Leon Boulevard  
Brooksville, FL 34614**

**Prepared by**

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## **Fiscal Impact Analysis Cabot Citrus Farms**

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### **Executive Summary**

Cabot is building a world class destination golf resort featuring a luxury amenity community which will be known as Cabot Citrus Farms ("Project"). The Project will encompass the following amenities: (a) two club houses, (b) marketplace, (c) fitness and pool club, (d) racket club, (e) health and fitness center, (f) central service facility. These facilities will total 181,275 square feet of buildings. The existing 57 holes of golf courses known as World Woods Golf Club will be renovated and in addition, 27 holes of golf courses will be constructed. The Project is designed to become included in the top ten rankings of the country. The residential component of the masterplan golf course community will incorporate the former World Woods property and an addition of 600 acres. The estimated property value that will be created from the construction of the 504 residential units is estimated at \$1.5 billion and the amenity facilities property value is estimated at \$143 million. In total the Project will have an estimated property value of \$1.6 billion when completed.

Cabot's infrastructure investment in this masterplan luxury golf community will be more than \$250 million. A public/private partnership ("P3 Program") with Hernando County is purposed to accelerate installation of the infrastructure, which will enable Cabot to accelerate and increase the number of amenities, thereby appealing to luxury homeowner buyers, providing venues for golf tournament play, and providing additional amenities to be enjoyed by the local surrounding community. The average selling point for a home greater than 2,000 square feet is estimated at more than \$3 million per home.

The development of Cabot Citrus Farms will generate significant net positive fiscal impact to Hernando County. The strong home pricing along with an all-encompassing amenities program generate annual net fiscal surpluses ranging from \$580,530 in 2025 to \$16 million in 2054. On a cumulative basis, the operating surplus is \$15 million by 2029, growing to \$347 million by 2054. By 2054, the present value at 5% interest of the net fiscal impact is estimated at \$162 million.

Money shared under the P3 Program to fund infrastructure will be channeled to the proposed community development district ("CDD") pursuant to Florida Statute Chapter 190 and not to Cabot. These funds will offset portions of the costs of the public infrastructure. The CDD and County will need to enter an interlocal

agreement to construct and to fund, through bonds issued by the CDD, the construction of the public infrastructure.

The CDD is 100% responsible for the construction and financing of the public infrastructure costs. The County's only obligation is to share a portion of the net fiscal revenues generated by Project. The County's share to contribute is estimated at 67% of the net revenues generated by the Project. Without the County's 67% share of the net fiscal revenue, Cabot will need to revise its development plans for the investment to provide a satisfactory return.

The revised development plan without a P3 Program would result in a diminution of Cabot's investment. This is accomplished by eliminating the following facilities: (a) health and fitness center, and (b) the future clubhouse along with 27-hole golf course. Without the foregoing amenity facilities, the product mix for the 350-unit future community would be customary to what is produced in the area today. These changes will result in a property valuation of \$606.9 million. In 2034, property values will be \$532 million and the net fiscal impact to the County will be \$4.3 million. On a cumulative basis, the operating surplus is \$11 million by 2029, growing to \$126 million by 2054. By 2054, the present value at 5% interest of the net fiscal impact is estimated at \$62 million.

The difference between net fiscal revenue from a P3 Program to a scenario without a P3 Program will research 67% of the net fiscal revenues generated by the development plan with the P3 Program.

## **1.0 Introduction and Summary of Results**

### **1.1 Background**

Redeveloping the World Woods Golf Club to ultimately become Cabot Citrus Farms ("Project"), which will include renovating the golf courses, constructing a destination resort clubhouse, and a 504-unit residential club development. Table 3 summarizes the development plan and the pricing based on the Master Plan Concept by Hart Howerton. The Project also includes resort amenities, tennis courts, pools, fitness center, restaurants, retail, and a spa.

### **1.2 Assignment**

Cabot Citrus Farms retained Fishkind Litigation Services, Inc. ("FLS") to analyze the economic impact of the proposed Project, and the fiscal impact (the cost and revenue effects) of the proposed change to Hernando County. This report focuses on the fiscal impacts of the proposed change to the County of Hernando.

### **1.3 Summary of Results - Tables 1 and 2**

The Project is economically feasible with the assumption that a Public, Private Partnership ("P3 Program") with Cabot Citrus Farms Community Development District ("CDD") and Hernando County is in place. As summarized in Section 4, the development of the Project will have significant, positive fiscal impacts on the County as shown in Table 1. The analysis is based on the development planned for 504 units. The strong product pricing generates annual net fiscal surpluses ranging from \$580,530 in 2025 to \$16 million 2054. As Table 2 shows on a cumulative basis, the operating surplus is \$15 million by 2029 growing to \$347 million by 2054. By 2054, the present value at 5% interest of the net fiscal impact is estimated at \$162 million.

### **1.4 Summary of Results - Consequences of Change from P3 Program to without P3 Program - Charts 1 and 2**

Chart 1 - Demonstrate the comparison of net fiscal revenues generated by the development plan with a P3 Program against net fiscal revenues generated by the revised development plan without the P3 Program.

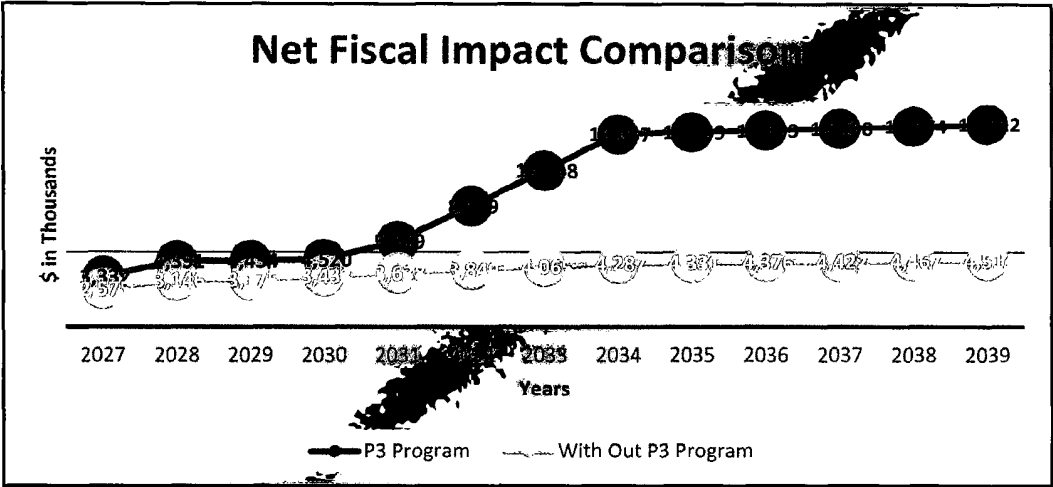
Chart 2 - Demonstrate the comparison of the net present value of the fiscal revenues generated by the development plan with a P3 Program against the net present value of the net fiscal revenues generated by the revised development plan without the P3 Program.

On a cumulative basis, net fiscal impact for the development of a P3 Program is estimated to be \$347 million by 2054 and the present value at 5% interest of the net fiscal impact is estimated at \$162 million. The development without a P3 Program on a cumulative basis net fiscal impact is estimated to be \$126.5 million by 2054 and the present value is estimated to be \$62 million.

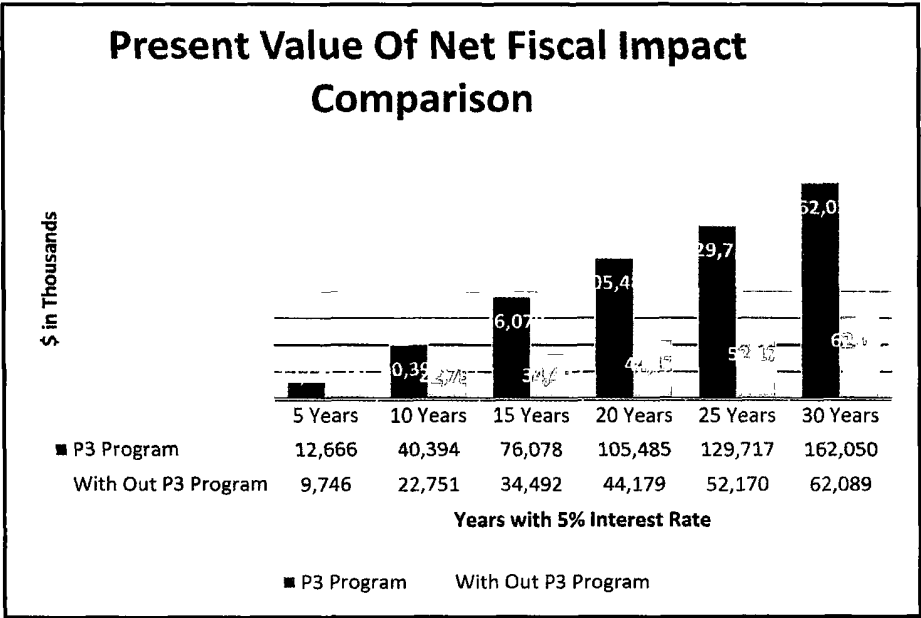
Table 1					
Summary of Fiscal Impacts					
Cabot Citrus Farms		\$ In Thousands			
Net Fiscal Impacts for Selected Years					
	\$69,587	\$621.7	\$639.5	\$59.0	\$580.5
	\$513,810	\$4,590.6	\$4,642.6	\$208.9	\$4,433.7
	\$1,514,555	\$13,531.6	\$13,674.7	\$638.0	\$13,036.6
	\$1,590,096	\$14,206.6	\$14,349.6	\$638.0	\$13,711.5
	\$1,669,490	\$14,915.9	\$15,058.9	\$638.0	\$14,420.9
	\$1,752,934	\$15,661.4	\$15,804.4	\$638.0	\$15,166.4
	\$1,840,634	\$16,445.0	\$16,588.0	\$638.0	\$15,949.9

Table 2					
Summary of Fiscal Impacts					
Cabot Citrus Farms			\$ In Thousands		
Cumulative Net Fiscal Impacts					
	\$	15,106	5%	5	\$ 12,666
	\$	57,038	5%	10	\$ 40,394
	\$	124,232	5%	15	\$ 76,078
	\$	194,903	5%	20	\$ 105,485
	\$	269,229	5%	25	\$ 129,717
	\$	347,396	5%	30	\$ 162,050

**Chart 1 Net Fiscal Impact Comparison**  
Between Development Plan with a P3 Program against  
Development Revised Plan without a P3 Program



**Chart 2 Present Value of the Net Fiscal Impact Comparison**  
Between Development Plan with a P3 Program against  
Development Revised Plan without a P3 Program



## 2.0 Methodology

### 2.1 Overview

The County of Hernando requested the submission of a fiscal impact report quantifying the costs and revenue impacts on the County's budget from the proposal to permit the Project and enter into a Public, Private Partnership ("P3 program") with Cabot Citrus Farms Community Development District ("CDD").

The fiscal impact study is a set of statistical data and information based on new development in a jurisdiction. Its purpose is to justify legally to the County of Hernando the ability to provide capital improvement, mill levy increases, as well as impact fees. The Fiscal Impact Analysis encompasses multiple methods to demonstrate that a development will pay the full costs of all public facilities and services that are required to support the development.

The County has requested a study as backing and support for any amendment or change to their subdivision regulations. Fiscal impact analysis seeks to connect planning and local economics by estimating the public costs and revenues that result from change in the land use. This type of analysis is required to meet the full costs of all public facilities and services that are required to support the development and that are required to meet the level of service standards adopted by the Hernando County.

To accomplish consistency in the analysis, FLS complies with the guide standards prepared for Sarasota County by AECOM (Architecture, Engineering, Construction, Operations, and Management) in support of permitting for Cabot Citrus Farms. Our analysis is conducted according to the 2015 report by AECOM. AECOM outlines several methodologies to conduct the fiscal impact analysis including the per capita approach.<sup>1</sup> AECOM notes that the per capita methodology is the most used type of analysis. The per capita approach estimates the cost of providing services on a per unit basis. The unit varies depending upon how the services are used and can include: per person, per employee, and per visitor. Similarly, most expenditures and revenues are appropriately estimated on a per capita basis, again depending upon the revenues generated.

FLS uses all these factors depending upon the expenditure or revenue category involved. For example, law enforcement and public safety are provided to all residents, visitors, and employees. FLS measures residents, visitors, and employees on a full-time equivalent ("FTE") basis. However, not all expenditures or all revenues are generated by residents, visitors, and employees. State revenue sharing funds are provided through a population-based formula, so for

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<sup>1</sup> AECOM (2015), page 2.

this revenue item FLS only uses population. FLS's application of the per capita method for both revenues and expenditures is consistent with AECOM.

FLS uses all categories of revenue and expenditures included in the County of Hernando budget (but not all fund types as discussed above). The FY2021 actual reported to the State includes 121 revenue line items and 148 expenditure categories. Not all revenues and expenditures relate to the fund types included in our analysis. As discussed above, except for ad valorem tax revenues, each category of revenue and expenditure is included and analyzed using the modified per capita approach. It is impractical to discuss each category, however, FLS has included our fiscal impact analysis model in excel with this report to provide a full and detailed submission of our calculations.

Ad valorem revenues are calculated directly based on the development program, product pricing, and estimates for homestead exemptions and assessment ratios. All other revenues are estimated via the per capita, unit, approach with the unit varying as required.

Capital impacts are measured by the formulae for impact fees. County of Hernando sets its impact fees.

## **2.2 Operating Revenues**

Except for ad valorem revenues, which are discussed in more detail below, operating revenues were calculated using the modified per capita method based on the County's actual for FY2021 as reported to the State of Florida, Division of Banking. Consistent with the AECOM parameters, FLS included the following fund types: (a) general fund; (b) special revenue fund; (c) debt service fund; (d) permanent fund; (e) internal service; (f) pension; and (g) component. FLS excluded the following fund types: (a) debt service; (b) capital projects; and (c) enterprise.

The debt service fund relates to prior commitments and is not directly impacted by future growth or the Project. While the Project will contribute to this fund, the impact is relatively small. The impact of the Project on capital funds is calculated separately, so this fund is excluded to avoid double counting. The enterprise fund is also excluded because enterprise funds are designed to be self-funding.

Ad valorem taxes generated by the Project are a function of: (a) the development program for the Project; (b) its projected valuation and absorption; and (c) the County's adopted millage rates for general revenue, transportation, health, EMS, and stormwater totaling 8.9344 mills. Concerning timing, FLS takes a stricter and more conservative approach than AECOM. FLS recognizes that there is a 2-year lag between the time residential units are permitted and consuming services, and the time that property is included in the tax roll and paying ad valorem taxes. Regarding amenities, there is a 1-year lag between the time amenities are

permitted and consuming services, and the time that property is included in the tax roll and paying ad valorem taxes.

### **2.3 Operating Expenses**

Operating expenses are correctly calculated by fund type using the modified per capita approach. As noted above, the per capita units are carefully tailored to the type of expenditure. We have included impacts from residents and employees measured on an FTE basis and included FTE visitors who also consume these services.

### **2.4 Capital Revenues**

The categories of capital revenues that are evaluated in a fiscal neutrality report include: roads, law enforcement, fire, EMS, parks, library, public building, jail, and education. These are all calculated based on the County's impact fee schedule.

### **2.5 Capital Expenses**

No separate analysis of the impact of the Project on the County's capital expenses is requested.

### **2.6 Fiscal Impact Analysis for the Hernando County School District**

Fiscal impact analysis includes both operating and capital budgets. In Florida, school district funding is tightly controlled by the State as summarized below based on information from Florida's Department of Education.<sup>2</sup> Essentially, the State controls the amount of spending per student based on the Florida Education Finance Program ("FEFP").

Article IX, section 1 of the Florida Constitution commits Florida to provide to fund kindergarten through grade 12 education, as follows: "The education of children is a fundamental value of the people of the State of Florida. It is, therefore, a paramount duty of the state to make adequate provision for the education of all children residing within its borders. Adequate provision shall be made by law for a uniform, efficient, safe, secure, and high-quality system of free public schools that allows students to obtain a high-quality education ... "

In 1973, the Florida Legislature enacted FEFP making State policy to equalize funding to guarantee to each student in the Florida public education system the availability of programs and services appropriate to his or her educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To equalize educational opportunities, the FEFP formula recognizes: (1) varying local

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<sup>2</sup> Florida Department of Education (FY2021-22), "Funding for Florida School Districts".

property tax bases; (2) varying education program costs; (3) varying costs of living; and (4) varying costs for equivalent educational programs due to sparsity and dispersion of the student population. As a result, there is little that a District or a Developer can do to augment or to detract from the operational funding for a school district.

The FEFP is the primary mechanism for funding the operating costs of Florida school districts. A key feature of the FEFP is that it bases financial support for education upon the individual student participating in a particular educational program rather than upon locally generated revenues, the number of teachers, or classrooms. FEFP funds are primarily generated by multiplying the number of full-time equivalent ("FTE") students in each of the funded education programs by cost factors to obtain weighted FTE students. Weighted FTE students are then multiplied by a base student allocation ("BSA") and by a district cost differential ("DCD") to determine the base funding from state and local FEFP funds. Program cost factors are determined by the Florida Legislature and represent relative cost differences among the FEFP programs.

In FY 2021-2022, school districts received 65% of their financial support from State sources (primarily through FEFP), 34% from local sources coming from the Required Local Effort ("RLE") portion of the FEFP, and 1% from federal sources. RLE is the State-prescribed amount of ad valorem taxes levied to fund the majority of FEFP funds. Each district's share of the state total required local effort is determined by a statutory procedure.

School district may set discretionary tax levies limited to the following types:

- (1) Current operation - The Florida Legislature set the maximum discretionary current operating millage for the 2021-22 fiscal year at 0.748 mills.
- (2) Capital outlay and maintenance - School boards may levy up to 1.5 mills as prescribed in s. 1011.71(2), F.S.

However, any violation of these expenditure provisions results in an equal dollar reduction of FEFP funds in the year following an audit citation.

Given these facts, FLS focused the fiscal impact assessment for the district on the capital budget. Operating revenues are strictly controlled, and districts manage their operating expenditures based on their budgets.

The school district reports that the State exerts substantial control over the district's capital improvement program by statute and rule. Facility requirements are specified in Chapter 1013, Florida Statutes, and Section 1013.35 sets forth that the state-mandated Plan must provide a "financially feasible district facilities work program" for the next five-year period. The district's current Educational Plant Survey was approved by Florida Department of Education ("FDOE") in June 2021

and verifies which of the District's intended capital projects are "survey approved" and therefore eligible to be funded by state revenues.<sup>3</sup>

Since 1997, the state of Florida has used the cost per student station unit of analysis to quantify construction costs related to traditional kindergarten through grade 12 school facilities. Maximum cost thresholds have been established to ensure equivalency of costs and standards related to construction for Florida's school population. Districts must adhere to these limits to qualify for State construction funding.

Florida's Department of Education estimates the costs per student station. Their 2020 report (the latest available) has the following estimates.<sup>4</sup>

**Summary of Average Cost Results**

	2019 Cost Per Student Station	Reported Average Cost Per Student Station from 2006-2019	Percentage Variance from Statute	Unaltered RSMMeans Average Cost per Student Station*	Percentage Variance from Statute	DOE RSMMeans Average Modeled Cost Per Student Station	Percentage Variance from Statute
Elementary School	\$ 20,939	\$ 23,922	14.25%	\$ 13,993	-33.17%	\$ 23,231	10.95%
Middle School	\$ 22,267	\$ 23,586	5.92%	\$ 16,294	-26.82%	\$ 25,049	12.49%
High School	\$ 28,733	\$ 25,673	-10.65%	\$ 17,327	-39.70%	\$ 31,142	8.39%

FLS used the DOE RSMMeans Average Modeled Cost Per Student Station as our base. Since these data were estimated as of 2019, FLS escalated them at 3% per year. As of 2023, FLS projects the following student station costs:

Elementary \$26,420  
 Middle \$28,487  
 High \$35,417

The State's cost estimates include: (a) the student station, (b) furniture and equipment, and (c) architectural and engineering fees. However, they exclude land costs. FLS estimates land costs at 20% of the student station cost.

FLS projected the students by grade level based on the school district's FY 2022 budget and the number of households in the County. School capital costs are the product of student generation from the Project and the cost per student station adjusted for land.

Capital revenues generated by the Project flow from three main sources: (a) school impact fees, (b) State funds under PECO ("Public Education Capital Outlay"); and (c) the District's 1.5 mill capital levy. Impact fees are one-time levies applied to each unit in the Project. PECO funds are estimated based on the projected

<sup>3</sup>Hernando County School District (2021), "2021-22 Capital Improvement Plan"

<sup>4</sup> Florida Department of Education (January 1, 2020), "Review and Adjustment for Florida's Cost per Student Station"

number of students from the Project. The 1.5 mill capital levy is imposed each year.

### 3.0 Development Program - Tables 3 and 4

The fiscal impact analysis is based exclusively on the projected development of Cabot Citrus Farms. The residential development plan, which includes the absorption of the residential units, is provided in detail in Table 4. The units are a combination of 435 single family units greater than 2,000 SF (86%), and 69 single family units less than 2,000 SF (14%). The building amenities program will comprise the following (a) resort clubhouse of 85,475 square feet ("SF") in total of which 70,000 SF are climate controlled, (b) fitness & pool club 14,067 SF, (c) future clubhouse - 10,000 SF (d) the marketplace -12,065 SF, (e) racket club - 2,158 SF, (f) central services - 32,510 SF, and (g) health and fitness- 25,000 SF. The existing 57-hole golf course will be renovated, and a new 27-hole golf course will be constructed. Core sports amenities will be comprised of tennis courts, pools, and fitness equipment.

Description	Product	Units	Square Ft	Average Value	
				Per Unit	Per Category
Cottage 2-Bedroom	Single Family	40	53,540	\$ 1,642,350	\$ 65,694,000
Cottage 4-Bedroom	Single Family	17	33,881	\$ 2,838,400	48,252,800
Iron Range 50' Lot	Single Family	16	42,800	\$ 2,808,750	44,940,000
Iron Range 60' Lot	Single Family	35	42,525	\$ 3,118,500	109,147,500
Iron Range 70' Lot	Single Family	11	41,195	\$ 4,082,050	44,902,550
Iron Range 80' Lot	Single Family	4	21,240	\$ 5,044,500	20,178,000
Village 50' Lot	Single Family	2	5,350	\$ 2,808,750	5,617,500
Village 60' Lot	Single Family	7	19,845	\$ 2,976,750	20,837,250
Village 70' Lot	Single Family	10	40,400	\$ 4,242,000	42,420,000
Clubhouse/Hotel	Single Family	12	8,076	\$ 900,900	10,810,800
Future Community	Single Family	350	875,000	\$ 2,950,000	1,032,500,000
<b>Total</b>		<b>504</b>	<b>1,183,852</b>		<b>\$ 1,445,300,400</b>

[The balance of this page left intentionally blank.]

Table 3 Cabot Citrus Farms Property Valuation			
Category	Units	Average Property	Average Property Value Per Category
<b>Residential Property</b>			
Cottage 2-Bedroom	40	1,642,350	65,694,000
Cottage 4-Bedroom	17	2,838,400	48,252,800
Iron Range 50' Lot	16	2,808,750	44,940,000
Iron Range 60' Lot	35	3,118,500	109,147,500
Iron Range 70' Lot	11	4,082,050	44,902,550
Iron Range 80' Lot	4	5,044,500	20,178,000
Village 50' Lot	2	2,808,750	5,617,500
Village 60' Lot	7	2,976,750	20,837,250
Village 70' Lot	10	4,242,000	42,420,000
Clubhouse/Hotel	12	900,900	10,810,800
Future Community	350	2,950,000	1,032,500,000
<b>Total Residential</b>	<b>504</b>		<b>\$ 1,445,300,400</b>
Category	Square Feet	Average Property	Average Property Value Per Category
<b>Building Amenities</b>			
Resort Clubhouse	85,475	382	\$ 32,668,763
Marketplace	12,065	970	11,707,725
Fitness & Pool Club	14,067	1,127	15,847,726
Racket Club	2,158	537	1,158,863
Central Services	32,510	218	7,095,453
Health & Wellness	25,000	533	13,322,253
Future Clubhouse	10,000	688	6,884,241
<b>Total Building Amenities</b>	<b>181,275</b>		<b>\$ 88,685,025</b>
<b>Sport Amenities</b>			
	<b>Number of Holes</b>	<b>Average Property Value Per</b>	<b>Average Property Value Per Category</b>
Additonal Golf Courses	27	916,780	\$ 24,753,067
Core Sport Amenities	-	-	1,500,000
Renovation Existing Golf Course	57	500,000	28,500,000
<b>Total Sport Amenities</b>	<b>84</b>		<b>\$ 54,753,067</b>
<b>Total Property Valuation</b>			<b>\$ 1,588,738,492</b>

Table 4 Cabot Citrus Farms Development Scenario														
Property on Tax Roll	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
<b>Residential Units</b>														
Cottage 2-Bedroom	27	3	8	2	-	-	-	-	-	-	-	-	-	40
Cottage 4-Bedroom	9	-	8	-	-	-	-	-	-	-	-	-	-	17
Iron Range 50' Lot	-	8	8	-	-	-	-	-	-	-	-	-	-	16
Iron Range 60' Lot	-	9	6	20	-	-	-	-	-	-	-	-	-	35
Iron Range 70' Lot	-	8	3	-	-	-	-	-	-	-	-	-	-	11
Iron Range 80' Lot	-	1	3	-	-	-	-	-	-	-	-	-	-	4
Village 50' Lot	-	-	-	2	-	-	-	-	-	-	-	-	-	2
Village 60' Lot	-	-	-	7	-	-	-	-	-	-	-	-	-	7
Village 70' Lot	-	-	-	10	-	-	-	-	-	-	-	-	-	10
Clubhouse/Hotel	-	12	-	-	-	-	-	-	-	-	-	-	-	12
Future Community	-	-	-	-	-	-	50	100	100	100	-	-	-	350
<b>Total Residential</b>	<b>36</b>	<b>41</b>	<b>36</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>504</b>
<b>Building Amenities-Square Feet</b>														
Resort Clubhouse	-	85,475	-	-	-	-	-	-	-	-	-	-	-	85,475
Marketplace	-	-	12,065	-	-	-	-	-	-	-	-	-	-	12,065
Fitness & Pool Club	-	14,067	-	-	-	-	-	-	-	-	-	-	-	14,067
Racket Club	2,158	-	-	-	-	-	-	-	-	-	-	-	-	2,158
Central Services	32,510	-	-	-	-	-	-	-	-	-	-	-	-	32,510
Central Services	-	-	25,000	-	-	-	-	-	-	-	-	-	-	25,000
Future Clubhouse	-	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000
<b>Total</b>	<b>34,668</b>	<b>99,542</b>	<b>47,065</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,275</b>
<b>Sport Amenities-Golf Holes</b>														
Additional Golf Courses	-	18	-	-	-	9	-	-	-	-	-	-	-	27
Renovation Existing Golf Course	-	57	-	-	-	-	-	-	-	-	-	-	-	57
<b>Total</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84</b>

#### 4.0 Fiscal Impact – Operating Revenues and Expenses – Tables 5,6,7,8, and 9

Using the methodology described in Section 2, the fiscal impacts of Cabot Citrus Farms on the County's operating budget are summarized on the next page in Table 5. The Project produces a fiscal surplus in its first year of \$580.530, 2025, when its value is included in the County's taxable value base determined by the property appraiser. By 2034, the net fiscal impact is estimated at \$13 million with a cumulative total of nearly \$57 million. In 30 years, 2054 the Project would have generated a cumulative net fiscal impact of \$347 million with a present value at 5% interest equal to \$162 million.

Table 5 Cabot Citrus Farms Fiscal Impact - Operating Revenue and Expenditures						
Year	Total Taxable Property Values	Ad Valorem	Total Operating Revenue	Total Operating Expenditure	Net Fiscal Impact	Cumulative Net Fiscal Impact
2025	69,586,538	621,714	639,526	58,995	580,530	580,530
2029	513,809,635	4,590,581	4,642,630	208,937	4,433,693	15,105,855
2034	1,514,555,196	13,531,642	13,674,656	638,048	13,036,608	57,037,509
2039	1,590,095,802	14,206,552	14,349,566	638,048	13,711,518	124,231,848
2044	1,669,489,739	14,915,889	15,058,903	638,048	14,420,855	194,903,334
2049	1,752,933,564	15,661,410	15,804,424	638,048	15,166,376	269,229,336
2054	1,840,633,863	16,444,959	16,587,973	638,048	15,949,925	347,396,270
Present Value of Net Fiscal Impact at 5% Interest	\$ 12,665,979	\$ 40,393,795	\$ 76,078,133	\$ 105,484,609	\$ 129,716,835	\$ 162,049,639
	5 Years	10 Years	15 Years	20 Years	25 Years	30 Years

The strong growth in net fiscal surpluses is driven by the gains in total taxable values. Table 6 displays the growth in taxable value generated by the Project. Taxable value rises from almost \$70 million in 2025 to more than \$1.5 billion by 2034.

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Table 6- Displays the growth in taxable value generated by the Project. All residential units and amenity assets are on the tax roll by 2034.

Table 6 Cabot Citrus Farms Taxable Property Values										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Residential Development</b>										
Cottage 2-Bedroom	37,582,220	42,175,602	53,956,654	57,364,443	57,938,087	58,517,468	59,102,643	59,693,669	60,290,606	60,893,512
Cottage 4-Bedroom	21,954,437	22,173,981	42,303,028	42,726,059	43,153,319	43,584,852	44,020,701	44,460,908	44,905,517	45,354,572
Iron Range 50' Lot	-	19,500,399	39,390,806	39,784,714	40,182,561	40,584,386	40,990,230	41,400,133	41,814,134	42,232,275
Iron Range 60' Lot	-	24,403,751	41,079,647	96,811,036	97,779,146	98,756,938	99,744,507	100,741,952	101,749,372	102,766,865
Iron Range 70' Lot	-	28,510,406	39,593,827	39,989,765	40,389,663	40,793,559	41,201,495	41,613,510	42,029,645	42,449,941
Iron Range 80' Lot	-	4,415,101	17,837,007	18,015,377	18,195,531	18,377,486	18,561,261	18,746,873	18,934,342	19,123,686
Village 50' Lot	-	-	-	4,973,083	5,022,820	5,073,048	5,123,779	5,175,017	5,226,767	5,279,034
Village 60' Lot	-	-	-	18,466,908	18,651,577	18,838,093	19,026,474	19,216,738	19,408,906	19,602,995
Village 70' Lot	-	-	-	37,797,548	38,175,523	38,557,279	38,942,852	39,332,280	39,725,603	40,122,859
Clubhouse/Hotel	-	9,000,371	9,090,375	9,181,279	9,273,092	9,365,823	9,459,481	9,554,076	9,649,616	9,746,113
Future Community	-	-	-	-	-	-	134,659,999	408,019,798	686,833,326	971,182,323
<b>Total Residential Taxable Values</b>	<b>59,536,657</b>	<b>150,179,612</b>	<b>243,251,344</b>	<b>365,110,217</b>	<b>368,761,319</b>	<b>372,448,932</b>	<b>510,833,421</b>	<b>787,954,953</b>	<b>1,070,567,833</b>	<b>1,358,754,175</b>
<b>Amenity Development</b>										
Resort Clubhouse	-	33,658,660	33,658,660	33,658,660	33,658,660	33,658,660	33,658,660	33,658,660	33,658,660	33,658,660
Marketplace	-	-	12,304,937	12,427,986	12,552,266	12,677,789	12,804,567	12,932,612	13,061,938	13,192,558
Fitness & Pool Club	-	16,491,208	16,656,120	16,822,681	16,990,908	17,160,817	17,332,425	17,505,749	17,680,807	17,857,615
Racket Club	1,193,978	1,205,918	1,217,977	1,230,157	1,242,458	1,254,883	1,267,432	1,280,106	1,292,907	1,305,836
Central Services	7,310,452	7,383,557	7,457,392	7,531,966	7,607,286	7,683,359	7,760,192	7,837,794	7,916,172	7,995,334
Future Clubhouse	-	-	5,600,729	5,656,736	5,713,303	5,770,437	5,828,141	5,886,422	5,945,287	6,004,739
Core Sport Amenities	1,545,452	1,560,906	1,576,515	1,592,280	1,608,203	1,624,285	1,640,528	1,656,933	1,673,503	1,690,238
Renovation Existing Golf Course	-	54,378,297	54,922,080	55,471,301	56,026,014	56,586,274	57,152,137	57,723,658	58,300,895	58,883,904
New Private Golf Course	-	9,365,436	9,459,090	9,553,681	9,649,218	14,618,566	14,764,751	14,912,399	15,061,523	15,212,138
<b>Total Commercial Taxable Values</b>	<b>10,049,882</b>	<b>124,043,981</b>	<b>142,853,500</b>	<b>143,945,448</b>	<b>145,048,316</b>	<b>151,035,068</b>	<b>152,208,832</b>	<b>153,394,334</b>	<b>154,591,690</b>	<b>155,801,021</b>
<b>Total Taxable Property Values</b>	<b>69,586,538</b>	<b>274,223,593</b>	<b>386,104,844</b>	<b>509,055,665</b>	<b>513,809,635</b>	<b>523,484,000</b>	<b>663,042,253</b>	<b>941,349,287</b>	<b>1,225,159,524</b>	<b>1,514,555,196</b>

Table 7 shown below, presents the key assumptions employed in calculating the taxable values shown previously. Our assumptions related to the assessment ratio and percentage of homes expected to take advantage of the homestead exemption are more conservative than those of AECOM making our analysis more conservative than if we had adopted the AECOM assumptions for these parameters.

**Table 7**  
**Cabot Citrus Farms**  
**Fiscal Impact Assumptions**

<b>Real Estate Taxes</b>			
Taxable values are shown in the year following Construction Completion			
Taxable Assessment Ratio	85%		
Homestead Exemption	50,000		
% Single-Family with Homestead	90%		
% Multifamily with Homestead	60%		
Occupancy Rate	0%		
Permanent Resident Percent	0%		
Taxable Assessment	Operating Revenues	School Revenues	
Description	Millage	Description	Millage
General Revenue	6.9912	Required	3.665
Transportation	0.8091	Discretionary	0.748
Health	0.1102	Capital	1.500
EMS	0.9100		
Stormwater	0.1139		
Total	8.9344		5.913
<b>Population &amp; Employment</b>			
	Amount	Equivalent Factor	Full-Time Equivalent
Population-Working Residents	55,498	76.26%	42,320
Population-Non-Working Residents	141,042	100.00%	141,042
Population- Seasonal	42,735	34.62%	14,793
Total Population (peak season)	239,275		198,155
Population (total)	196,540		
Employment (total)	37,913	23.74%	9,002
County Population (unincorporated)	196,540		183,362
Persons per Household - Single Family	2.25		
Persons per Household - Multifamily	2.23		
Total Households	76,708		
Total Housing Units	84,588		
<b>Employment Assumptions</b>			
	Project		
Resort Clubhouse	500	sq. ft. per employee	
Marketplace	500	sq. ft. per employee	
Fitness & Pool Club	500	sq. ft. per employee	
Racket Club	200	sq. ft. per employee	
Central Services	500	sq. ft. per employee	
Health & Wellness	500	sq. ft. per employee	
Future Clubhouse	500	sq. ft. per employee	
Private Clubhouse Golf Course	40	Per 18 Holes	
Renovation Existing Golf Course	40	Per 18 Holes	
Annual growth rate of Residential Properties	1.0%		
Annual growth rate of Non-Residential Properties	1.0%		
<b>Property Valuation</b>			
Residential	Average Value		
Cottage 2-Bedroom	\$ 1,642,350	Per unit	
Cottage 4-Bedroom	\$ 2,838,400	Per unit	
Iron Range 50' Lot	\$ 2,808,750	Per unit	
Iron Range 60' Lot	\$ 3,118,500	Per unit	
Iron Range 70' Lot	\$ 4,082,050	Per unit	
Iron Range 80' Lot	\$ 5,044,500	Per unit	
Village 50' Lot	\$ 2,808,750	Per unit	
Village 60' Lot	\$ 2,976,750	Per unit	
Village 70' Lot	\$ 4,242,000	Per unit	
Clubhouse/Hotel	\$ 900,900	Per unit	
Future Community	\$ 2,950,000	Per unit	
<b>Amenities</b>			
Resort Clubhouse	\$ 382	Per Square Foot	
Marketplace	\$ 970	Per Square Foot	
Fitness & Pool Club	\$ 1,127	Per Square Foot	
Racket Club	\$ 537	Per Square Foot	
Central Services	\$ 218	Per Square Foot	
Health & Wellness	\$ 533	Per Square Foot	
Future Clubhouse	\$ 688	Per Square Foot	
Core Sport Amenities	\$ 1,500,000	Per Complex	
New Private Golf Course	\$ 916,780	Per Hole	
Renovation Existing Golf Course	\$ 500,000	Per Hole	

Using data from Census On-the-Map, we determined that there were 86,210 County residents who also work in the County. Since we also included all employees, FLS weighted resident employees by 0.7619 to avoid double counting. Non-working residents are weighed at 1.0 FTE. Seasonal residents are at 34.6 % reflecting seasonal demands on County services.

Persons per household and total households are from Florida Population Studies.

Table 8 summarizes the results of the fiscal analysis for the County's operating budget and is presented through 2034 when all residential units and amenity assets are on the tax roll.

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Residential Units on Tax Roll</b>										
Single Family	36	77	113	154	154	154	204	304	404	504
Residential Units	36	77	113	154	154	154	204	304	404	504
Resident Households	29	61	90	123	123	123	163	242	322	402
<b>Population</b>										
Peak Population	65	138	203	276	276	276	366	545	724	904
Resident Population	81	173	254	347	347	347	459	684	909	1,134
Seasonal Population	2	5	7	10	10	10	13	20	27	33
<b>Employment</b>										
Resort Clubhouse		171	171	171	171	171	171	171	171	171
Marketplace	-	-	24	24	24	24	24	24	24	24
Fitness & Pool Club	-	28	28	28	28	28	28	28	28	28
Racket Club	11	11	11	11	11	11	11	11	11	11
Central Services	65	65	65	65	65	65	65	65	65	65
Health & Wellness	-	-	50	50	50	50	50	50	50	50
Future Clubhouse		-	20	20	20	20	20	20	20	20
Golf Courses		167	167	167	167	187	187	187	187	187
<b>Total Employees</b>	76	275	369	369	369	369	369	369	369	369

Table 9 shows detail analysis presented through 2034 when all residential units and amenity assets are on the tax roll. As instructed by the County (a) Special Revenue Fund – all revenues and expenditures except for account #312130 Tourist Development Taxes, (b) General Fund- account # 341100, Service Charges- Recording, and (c) Internal Service Fund- will be excluded from the net fiscal impact calculation.

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Revenues</b>											
311000 Ad Valorem Taxes	621,714	2,450,023	3,449,615	4,548,107	4,590,581	4,677,015	5,923,885	8,410,391	10,946,065	13,531,642	13,663,951
341300 Administrative Service Fees	2,125	4,546	6,671	9,091	9,091	9,091	12,043	17,946	23,850	29,753	29,753
341520 - Fees remitted to County from Sheriff	32	68	100	136	136	136	180	268	356	444	444
341800 - County Officer Commission and Fees	810	1,733	2,543	3,465	3,465	3,465	4,590	6,840	9,090	11,340	11,340
341900 Other General Government Charges and Fees	348	745	1,094	1,491	1,491	1,491	1,975	2,943	3,911	4,879	4,879
342100 Service Charge Law Enforcement Services	1,492	3,192	4,685	6,385	6,385	6,385	8,457	12,603	16,749	20,895	20,895
342300 Service Charge Housing for Prisoners	103	221	324	442	442	442	585	872	1,159	1,445	1,445
342500 Service Charge - Protective Inspection Fees	1	2	3	4	4	4	5	8	11	13	13
343900 - Service Charge - Other Physical Environment Charges	55	118	174	237	237	237	314	468	622	776	776
344300 - Service Charge Mass Transit	45	96	141	193	193	193	255	380	506	631	631
346400 - Service Charge - Animal Control and Shelter Fees	74	159	233	318	318	318	421	628	834	1,040	1,040
347100 Service Charge Libraries	8	17	25	34	34	34	45	67	89	111	111
347200 Service Charge Parks and Recreation	383	820	1,204	1,641	1,641	1,641	2,173	3,238	4,304	5,369	5,369
347400 Service Charge - Special Events	4	9	13	18	18	18	24	36	48	60	60
348230 Circuit Court Criminal - Court Costs	14	35	50	63	63	63	80	112	145	177	177
349000 Other Charges for Services	1	2	3	4	4	4	5	7	9	11	11
312130 Tourist Development Taxes	542	1,314	1,882	2,380	2,380	2,380	2,988	4,204	5,420	6,636	6,636
315200 Local Communications Services Taxes	680	1,648	2,359	2,984	2,984	2,984	3,747	5,271	6,796	8,321	8,321
331100 - Federal Grant - General Government	99	144	177	207	207	207	242	313	385	456	456
331200 Federal Grant Public Safety	10,993	16,020	19,712	22,957	22,957	22,957	26,914	34,829	42,743	50,658	50,658
331420 Federal Grant Mass Transit	5,290	7,710	9,486	11,048	11,048	11,048	12,952	16,761	20,570	24,379	24,379
331500 Federal Grant - Economic Environment	916	1,335	1,642	1,912	1,912	1,912	2,242	2,901	3,561	4,220	4,220
334200 State Grant Public Safety	166	242	298	347	347	347	407	527	646	766	766
334420 State Grant - Mass Transit	17	24	30	35	35	35	41	53	65	77	77
334700 State Grant - Culture/Recreation	734	1,069	1,315	1,532	1,532	1,532	1,796	2,324	2,852	3,380	3,380
335121 - County Revenue Sharing Program - Proceeds	8,060	11,745	14,452	16,831	16,831	16,831	19,732	25,535	31,337	37,140	37,140
335130 - State Revenue Sharing Insurance Agents County Licenses	97	141	173	202	202	202	237	306	376	445	445
335140 State Revenue Sharing Mobile Home Licenses	73	107	131	153	153	153	179	232	285	337	337
335150 - State Revenue Sharing Alcoholic Beverage Licenses	69	100	123	144	144	144	169	218	268	317	317
335160 - State Revenue Sharing - Distribution of Sales and Use Taxes to Counties (Section 212.20, F.S.)	333	486	598	696	696	696	816	1,056	1,296	1,536	1,536
335180 - State Revenue Sharing - Local Government Half-Cent Sales Tax	17,142	24,981	30,738	35,798	35,798	35,798	41,969	54,310	66,651	78,992	78,992
337300 Local Government Unit Grant Physical Environment	42	62	76	88	88	88	103	134	164	195	195
337900 Local Government Unit Grants Other	112	273	390	494	494	494	620	872	1,124	1,377	1,377
338000 Shared Revenue From Other Local Units	706	1,711	2,450	3,099	3,099	3,099	3,891	5,474	7,057	8,641	8,641
351100 Judgments and Fines - As Decided by County Court Criminal	1	1	2	2	2	2	3	4	5	7	7
354000 Fines Local Ordinance Violation	89	216	309	391	391	391	491	691	891	1,091	1,091
361100 Interest	205	497	712	901	901	901	1,131	1,591	2,051	2,511	2,511
361300 Net Increase (Decrease) in Fair Value of Investments	(133)	(285)	(418)	(570)	(570)	(570)	(755)	(1,126)	(1,496)	(1,866)	(1,866)
362000 Rents and Royalties	338	723	1,061	1,446	1,446	1,446	1,916	2,855	3,794	4,733	4,733
364000 Disposition of Fixed Assets	550	1,175	1,725	2,351	2,351	2,351	3,114	4,640	6,167	7,693	7,693
365000 Sale of Surplus Materials and Scrap	0	0	0	0	0	0	1	1	1	1	1
366000 Contributions and Donations from Private Sources	12	26	38	52	52	52	68	102	136	169	169
369900 Other Miscellaneous Revenues	148	316	463	631	631	631	836	1,246	1,655	2,065	2,065
381000 Inter-Fund Group Transfers In	136	292	428	584	584	584	773	1,153	1,532	1,911	1,911
372000 Building Permits	194	415	610	831	831	831	1,101	1,640	2,180	2,719	2,719
329500 Other Fees & Special Assessments	8	17	26	35	35	35	46	69	91	114	114
<b>Total Revenues</b>	<b>639,526</b>	<b>2,480,914</b>	<b>3,491,008</b>	<b>4,600,156</b>	<b>4,642,630</b>	<b>4,729,064</b>	<b>5,988,929</b>	<b>8,501,425</b>	<b>11,063,089</b>	<b>13,674,656</b>	<b>13,806,965</b>

Table 9 Continued-Expenditures.

Table 9 Cabot Citrus Farms Fiscal Impact Detail Operating Revenue and Expenses										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Expenditures</b>										
685.30 - Guardian ad Litem - Operating Expenses	1	4	5	7	7	7	8	12	15	18
571.10 Libraries - Personnel Services	684	1,463	2,147	2,925	2,925	2,925	3,875	5,775	7,675	9,574
571.30 Libraries - Operating Expenses	397	849	1,246	1,698	1,698	1,698	2,249	3,352	4,454	5,557
571.60 Libraries - Capital Outlay	229	489	718	978	978	978	1,295	1,931	2,566	3,201
572.10 Parks/Recreation - Personnel Services	616	1,317	1,933	2,634	2,634	2,634	3,490	5,201	6,911	8,622
572.30 Parks/Recreation - Operating Expenses	654	1,399	2,053	2,797	2,797	2,797	3,706	5,522	7,339	9,155
572.60 Parks/Recreation - Capital Outlay	89	191	280	382	382	382	505	753	1,001	1,249
573.30 Cultural Services - Operating Expenses	5	11	16	22	22	22	29	43	58	72
552.10 Industry Development - Personnel Services	46	99	146	198	198	198	263	391	520	649
552.30 Industry Development - Operating Expenses	62	132	194	264	264	264	350	522	693	865
552.80 Industry Development - Grants and Aids	1,290	2,759	4,049	5,518	5,518	5,518	7,309	10,892	14,475	18,057
553.10 Veterans Services - Personnel Services	64	136	200	272	272	272	361	538	714	891
553.30 Veterans Services - Operating Expenses	5	10	15	20	20	20	27	40	53	66
554.30 - Housing and Urban Development - Operating Expenses	115	246	362	493	493	493	653	973	1,293	1,613
554.80 Housing and Urban Development - Grants and Aids	102	218	320	436	436	436	578	861	1,144	1,427
559.30 - Other Economic Development - Operating Expenses	39	83	122	166	166	166	220	328	435	543
559.80 - Other Economic Development - Grants and Aids	157	337	494	674	674	674	892	1,330	1,767	2,205
602.30 - State Attorney Administration - Operating Expenses	4	9	13	16	16	16	20	29	37	45
603.30 - Public Defender Administration - Operating Expenses	1	2	2	3	3	3	4	6	7	9
605.30 Judicial Support - Operating Expenses	21	52	74	94	94	94	118	166	214	262
711.10 Courthouse Security - Personnel Services	556	1,348	1,929	2,440	2,440	2,440	3,064	4,310	5,557	6,804
711.30 Courthouse Security - Operating Expenses	121	293	420	531	531	531	666	937	1,209	1,480
511.10 Legislative - Personnel Services	238	508	746	1,016	1,016	1,016	1,346	2,006	2,665	3,325
511.30 Legislative - Operating Expenses	268	573	841	1,147	1,147	1,147	1,519	2,264	3,008	3,753
511.60 Legislative - Capital Outlay	959	2,050	3,009	4,101	4,101	4,101	5,432	8,095	10,758	13,421
511.80 Legislative - Grants and Aids	402	860	1,263	1,721	1,721	1,721	2,279	3,397	4,514	5,631
512.10 Executive - Personnel Services	447	955	1,402	1,910	1,910	1,910	2,530	3,771	5,011	6,251
512.30 Executive - Operating Expenses	41	87	128	175	175	175	231	345	458	571
513.10 Financial and Administrative - Personnel Services	2,955	6,320	9,274	12,639	12,639	12,639	16,743	24,950	33,157	41,365
513.30 Financial and Administrative - Operating Expenses	2,555	5,465	8,020	10,930	10,930	10,930	14,479	21,576	28,674	35,771
513.60 Financial and Administrative - Capital Outlay	68	145	212	289	289	289	383	571	759	947
513.80 Financial and Administrative - Grants and Aids	70	149	219	298	298	298	395	588	781	975
514.10 Legal Counsel - Personnel Services	372	797	1,169	1,593	1,593	1,593	2,110	3,145	4,179	5,214
514.30 Legal Counsel - Operating Expenses	18	38	55	75	75	75	100	148	197	246
515.10 Comprehensive Planning - Personnel Services	262	561	824	1,122	1,122	1,122	1,487	2,216	2,944	3,673
515.30 Comprehensive Planning - Operating Expenses	43	93	136	185	185	185	245	366	486	606
515.60 Comprehensive Planning - Capital Outlay	2	4	6	9	9	9	11	17	23	28
515.80 Comprehensive Planning - Grants and Aids	24	51	75	102	102	102	135	201	267	332
519.10 Other General Government - Personnel Services	948	2,029	2,977	4,057	4,057	4,057	5,374	8,009	10,644	13,278
519.30 Other General Government - Operating Expenses	1,435	3,070	4,505	6,139	6,139	6,139	8,133	12,119	16,106	20,092
519.60 Other General Government - Capital Outlay	23	50	73	99	99	99	132	196	261	326
519.70 Other General Government - Debt Service	185	395	579	790	790	790	1,046	1,559	2,072	2,584
562.10 Health - Personnel Services	259	554	813	1,108	1,108	1,108	1,468	2,188	2,908	3,627
562.30 Health - Operating Expenses	134	287	421	574	574	574	761	1,134	1,506	1,879
562.80 Health - Grants and Aids	1,173	2,508	3,681	5,017	5,017	5,017	6,646	9,903	13,161	16,419
563.80 Mental Health - Grants and Aids	200	428	628	856	856	856	1,135	1,691	2,247	2,803
564.10 Public Assistance - Personnel Services	92	196	287	392	392	392	519	773	1,027	1,282
564.30 Public Assistance - Operating Expenses	11	23	33	45	45	45	60	89	119	148
564.80 Public Assistance - Grants and Aids	384	822	1,206	1,644	1,644	1,644	2,177	3,245	4,312	5,380
569.80 Other Human Services - Operating Expenses	13	28	41	56	56	56	74	110	146	183
581.90 Interfund Transfers Out - Other Uses	2,309	4,939	7,248	9,878	9,878	9,878	13,086	19,500	25,915	32,329
537.10 Conservation/Resource Management - Personnel Services	28	60	89	121	121	121	160	239	317	396
537.30 Conservation/Resource Management - Operating Expenses	163	348	511	696	696	696	922	1,374	1,826	2,278
537.60 Conservation/Resource Management - Capital Outlay	22	47	69	94	94	94	125	186	247	309
537.80 Conservation/Resource Management - Grants and Aids	5	12	17	23	23	23	31	46	61	76
521.10 Law Enforcement - Personnel Services	17,758	37,982	55,739	75,963	75,963	75,963	100,627	149,953	199,280	248,607
521.30 Law Enforcement - Operating Expenses	10,531	15,346	18,883	21,991	21,991	21,991	25,782	33,364	40,945	48,527
521.60 Law Enforcement - Capital Outlay	3,410	4,969	6,114	7,121	7,121	7,121	8,348	10,803	13,258	15,713
521.70 Law Enforcement - Debt Service	568	827	1,018	1,186	1,186	1,186	1,390	1,799	2,207	2,616
523.30 Detention/Corrections - Operating Expenses	899	1,311	1,613	1,878	1,878	1,878	2,202	2,850	3,497	4,145
524.10 Protective Inspections - Personnel Services	1,234	1,798	2,213	2,577	2,577	2,577	3,021	3,910	4,798	5,686
524.30 Protective Inspections - Operating Expenses	481	701	863	1,005	1,005	1,005	1,178	1,525	1,871	2,218
525.10 Emergency and Disaster Relief - Personnel Services	364	531	654	761	761	761	892	1,155	1,417	1,680
525.30 Emergency and Disaster Relief - Operating Expenses	686	1,000	1,230	1,433	1,433	1,433	1,680	2,174	2,668	3,162
525.60 Emergency and Disaster Relief - Capital Outlay	106	154	190	221	221	221	259	335	412	488
526.30 Ambulance and Rescue Services - Operating Expenses	700	1,021	1,256	1,463	1,463	1,463	1,715	2,219	2,723	3,228
526.60 Ambulance and Rescue Services - Capital Outlay	206	301	370	431	431	431	505	654	802	951
527.30 Medical Examiners - Operating Expenses	686	1,000	1,231	1,433	1,433	1,433	1,680	2,175	2,669	3,163
541.30 Road/Street Facilities - Operating Expenses	1	2	2	2	2	2	3	4	5	5
542.30 Airports - Operating Expenses	114	166	205	238	238	238	279	361	444	526
542.70 Airports - Debt Service	7	11	13	16	16	16	18	24	29	34
543.10 Water - Personnel Services	56	81	100	116	116	116	136	176	216	256
543.30 Water - Operating Expenses	113	165	203	236	236	236	277	358	439	521
544.10 Mass Transit - Personnel Services	258	375	462	538	538	538	631	816	1,001	1,187
544.30 Mass Transit - Operating Expenses	3,510	5,115	6,294	7,331	7,331	7,331	8,594	11,121	13,648	16,176
544.60 Mass Transit - Capital Outlay	2,015	2,936	3,613	4,208	4,208	4,208	4,933	6,384	7,834	9,285
<b>Total Expenditures</b>	<b>58,995</b>	<b>112,840</b>	<b>158,669</b>	<b>208,937</b>	<b>208,937</b>	<b>208,937</b>	<b>270,238</b>	<b>392,842</b>	<b>515,445</b>	<b>638,048</b>
<b>Net Fiscal Impact</b>	<b>580,530</b>	<b>2,368,074</b>	<b>3,332,339</b>	<b>4,391,219</b>	<b>4,433,693</b>	<b>4,520,128</b>	<b>5,718,690</b>	<b>8,108,584</b>	<b>10,547,644</b>	<b>13,036,608</b>
<b>Cumulative - Net Fiscal Impact</b>	<b>580,530</b>	<b>2,948,604</b>	<b>6,280,942</b>	<b>10,672,162</b>	<b>15,105,855</b>	<b>19,625,983</b>	<b>25,344,673</b>	<b>33,453,256</b>	<b>44,000,901</b>	<b>57,037,509</b>

## 5.0 Fiscal Impact Capital Revenues and Capital Expenses – Tables 10 and 11

The categories of capital revenues/expenses that are evaluated include transportation, parks, fire, and police. The capital revenue sources are impact fees. The impact fee rates are applied 100% to each dwelling unit permitted in accordance with the rates determined by the Hernando County's Impact Fee Schedule effective November 9, 2020. The Project is contributing \$3,730,796 in impact revenues as follows: a) roads \$1,283,529; b) law enforcement \$65,278; c) fire \$155,231; d) EMS \$17,200; e) parks \$207,144; f) library 53,928; (g) public buildings \$342,601; (h) jail 5,178; and i) education \$1,600,704. All rates are applied 100% for determining impact fees.

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
<b>Capital Revenues</b>											
Roads	45,684	508,262	181,799	52,029	-	51,605	95,175	114,210	126,900	107,865	1,283,529
Law Enforcement	3,357	19,504	8,791	3,526	-	-	6,450	7,740	8,600	7,310	65,278
Fire	8,154	47,641	17,717	8,569	-	-	15,675	18,810	20,900	17,765	155,231
EMS	1,014	4,650	1,370	1,066	-	-	1,950	2,340	2,600	2,210	17,200
Parks	14,796	16,851	14,796	16,851	-	-	30,825	36,990	41,100	34,935	207,144
Library	3,852	4,387	3,852	4,387	-	-	8,025	9,630	10,700	9,095	53,928
Public Building	18,181	94,799	47,415	19,106	-	-	34,950	41,940	46,600	39,610	342,601
Jail	274	1,445	722	287	-	-	525	630	700	595	5,178
Education	114,336	130,216	114,336	130,216	-	-	238,200	285,840	317,600	269,960	1,600,704
<b>Total Capital Revenue</b>	<b>209,647</b>	<b>827,755</b>	<b>390,799</b>	<b>236,037</b>	<b>-</b>	<b>51,605</b>	<b>431,775</b>	<b>518,130</b>	<b>575,700</b>	<b>489,345</b>	<b>3,730,793</b>
<b>Source of Capital Revenues</b>											
Single Family Detached	207,252	236,037	207,252	236,037	-	-	431,775	518,130	575,700	489,345	2,901,528
Resort Clubhouse	-	427,802	-	-	-	-	-	-	-	-	427,802
Marketplace	-	-	13,392	-	-	-	-	-	-	-	13,392
Fitness & Pool Club	-	15,614	-	-	-	-	-	-	-	-	15,614
Racket Club	2,395	-	-	-	-	-	-	-	-	-	2,395
Central Services	-	45,091	-	-	-	-	-	-	-	-	45,091
Health & Wellness	-	-	120,525	-	-	-	-	-	-	-	120,525
Future Clubhouse	-	-	49,630	-	-	-	-	-	-	-	49,630
New Private Golf Course	-	103,209	-	-	-	51,605	-	-	-	-	154,814
<b>Total Capital Revenue</b>	<b>209,647</b>	<b>827,755</b>	<b>390,799</b>	<b>236,037</b>	<b>-</b>	<b>51,605</b>	<b>431,775</b>	<b>518,130</b>	<b>575,700</b>	<b>489,346</b>	<b>3,730,796</b>

Table 11

Cabot Citrus Farms  
Impact Fees

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
<b>Road Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	45,684	52,029	45,684	52,029	-	-	95,175	114,210	126,900	107,865	639,576
Resort Clubhouse	-	332,412	-	-	-	-	-	-	-	-	332,412
Central Services	-	20,611	-	-	-	-	-	-	-	-	20,611
Health & Wellness	-	-	97,225	-	-	-	-	-	-	-	97,225
Future Clubhouse	-	-	38,890	-	-	-	-	-	-	-	38,890
Additional Golf Courses	-	103,209	-	-	-	51,605	-	-	-	-	154,814
<b>Total Road Impact Fee Revenue</b>	<b>45,684</b>	<b>508,262</b>	<b>181,799</b>	<b>52,029</b>	<b>-</b>	<b>51,605</b>	<b>95,175</b>	<b>114,210</b>	<b>126,900</b>	<b>107,865</b>	<b>1,283,529</b>
<b>Law Enforcement Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	3,096	3,526	3,096	3,526	-	-	6,450	7,740	8,600	7,310	43,344
Resort Clubhouse	-	10,342	-	-	-	-	-	-	-	-	10,342
Marketplace	-	-	1,460	-	-	-	-	-	-	-	1,460
Fitness & Pool Club	-	1,702	-	-	-	-	-	-	-	-	1,702
Racket Club	261	-	-	-	-	-	-	-	-	-	261
Central Services	-	3,934	-	-	-	-	-	-	-	-	3,934
Health & Wellness	-	-	3,025	-	-	-	-	-	-	-	3,025
Future Clubhouse	-	-	1,210	-	-	-	-	-	-	-	1,210
<b>Total Law Enforcement Impact Fees</b>	<b>3,357</b>	<b>19,504</b>	<b>8,791</b>	<b>3,526</b>	<b>-</b>	<b>-</b>	<b>6,450</b>	<b>7,740</b>	<b>8,600</b>	<b>7,310</b>	<b>65,278</b>
<b>Fire Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	7,524	8,569	7,524	8,569	-	-	15,675	18,810	20,900	17,765	105,336
Resort Clubhouse	-	25,472	-	-	-	-	-	-	-	-	25,472
Marketplace	-	-	3,523	-	-	-	-	-	-	-	3,523
Fitness & Pool Club	-	4,108	-	-	-	-	-	-	-	-	4,108
Racket Club	630	-	-	-	-	-	-	-	-	-	630
Central Services	-	9,493	-	-	-	-	-	-	-	-	9,493
Health & Wellness	-	-	3,750	-	-	-	-	-	-	-	3,750
Future Clubhouse	-	-	2,920	-	-	-	-	-	-	-	2,920
<b>Total Fire Impact Fees</b>	<b>8,154</b>	<b>47,641</b>	<b>17,717</b>	<b>8,569</b>	<b>-</b>	<b>-</b>	<b>15,675</b>	<b>18,810</b>	<b>20,900</b>	<b>17,765</b>	<b>155,231</b>
<b>EMS Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	936	1,066	936	1,066	-	-	1,950	2,340	2,600	2,210	13,104
Resort Clubhouse	-	3,077	-	-	-	-	-	-	-	-	3,077
Marketplace	-	-	434	-	-	-	-	-	-	-	434
Fitness & Pool Club	-	506	-	-	-	-	-	-	-	-	506
Racket Club	78	-	-	-	-	-	-	-	-	-	78
<b>Total EMS Impact Fees</b>	<b>1,014</b>	<b>4,650</b>	<b>1,370</b>	<b>1,066</b>	<b>-</b>	<b>-</b>	<b>1,950</b>	<b>2,340</b>	<b>2,600</b>	<b>2,210</b>	<b>17,200</b>
<b>Parks Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	14,796	16,851	14,796	16,851	-	-	30,825	36,990	41,100	34,935	207,144
<b>Total Parks Impact Fees</b>	<b>14,796</b>	<b>16,851</b>	<b>14,796</b>	<b>16,851</b>	<b>-</b>	<b>-</b>	<b>30,825</b>	<b>36,990</b>	<b>41,100</b>	<b>34,935</b>	<b>207,144</b>
<b>Library Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	3,852	4,387	3,852	4,387	-	-	8,025	9,630	10,700	9,095	53,928
<b>Total Library Impact Fees</b>	<b>3,852</b>	<b>4,387</b>	<b>3,852</b>	<b>4,387</b>	<b>-</b>	<b>-</b>	<b>8,025</b>	<b>9,630</b>	<b>10,700</b>	<b>9,095</b>	<b>53,928</b>
<b>Public Building Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	16,776	19,106	16,776	19,106	-	-	34,950	41,940	46,600	39,610	234,864
Resort Clubhouse	-	55,644	-	-	-	-	-	-	-	-	55,644
Marketplace	-	-	7,854	-	-	-	-	-	-	-	7,854
Fitness & Pool Club	-	9,158	-	-	-	-	-	-	-	-	9,158
Racket Club	1,405	-	-	-	-	-	-	-	-	-	1,405
Central Services	-	10,891	-	-	-	-	-	-	-	-	10,891
Health & Wellness	-	-	16,275	-	-	-	-	-	-	-	16,275
Future Clubhouse	-	-	6,510	-	-	-	-	-	-	-	6,510
<b>Total Public Buildings Impact Fees</b>	<b>18,181</b>	<b>94,799</b>	<b>47,415</b>	<b>19,106</b>	<b>-</b>	<b>-</b>	<b>34,950</b>	<b>41,940</b>	<b>46,600</b>	<b>39,610</b>	<b>342,601</b>
<b>Jail Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	252	287	252	287	-	-	525	630	700	595	3,528
Resort Clubhouse	-	855	-	-	-	-	-	-	-	-	855
Marketplace	-	-	121	-	-	-	-	-	-	-	121
Fitness & Pool Club	-	141	-	-	-	-	-	-	-	-	141
Racket Club	22	-	-	-	-	-	-	-	-	-	22
Central Services	-	163	-	-	-	-	-	-	-	-	163
Health & Wellness	-	-	250	-	-	-	-	-	-	-	250
Future Clubhouse	-	-	100	-	-	-	-	-	-	-	100
<b>Total Jail Impact Fees</b>	<b>274</b>	<b>1,445</b>	<b>722</b>	<b>287</b>	<b>-</b>	<b>-</b>	<b>525</b>	<b>630</b>	<b>700</b>	<b>595</b>	<b>5,178</b>
<b>Education Impact Fee Revenue</b>											
Single Family Detached, 1-2 Stories: Fees Per Unit	114,336	130,216	114,336	130,216	-	-	238,200	285,840	317,600	269,960	1,600,704
<b>Total Education Impact Fees</b>	<b>114,336</b>	<b>130,216</b>	<b>114,336</b>	<b>130,216</b>	<b>-</b>	<b>-</b>	<b>238,200</b>	<b>285,840</b>	<b>317,600</b>	<b>269,960</b>	<b>1,600,704</b>
<b>Total Impact Fees</b>	<b>209,647</b>	<b>827,755</b>	<b>390,799</b>	<b>236,037</b>	<b>-</b>	<b>51,605</b>	<b>431,775</b>	<b>518,130</b>	<b>575,700</b>	<b>489,345</b>	<b>3,730,793</b>

## 6.0 Fiscal Impact School District – Table 12

Table 12 presents the fiscal impact on the Hernando district for elementary, middle, and high schools. This Project satisfies the fiscal impact neutrality standard. Revenues generated by the Project exceed the costs needed to provide the student stations required by the Project's school enrollment.

Table 12 Cabot Citrus Farms Fiscal Impact - School District	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
<b>Students Generated by Dwelling Unit Type (Cumulative)</b>												
Single-Family Homes Detached	11	23	34	47	47	47	62	93	123	154	154	
Single-Family Homes Attached	-	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>11</b>	<b>23</b>	<b>34</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>62</b>	<b>93</b>	<b>123</b>	<b>154</b>	<b>154</b>	
<b>Residential Units (Cumulative)</b>												
Single-Family Homes Detached	36	77	113	154	154	154	204	304	404	504	504	504
Single-Family Homes Attached	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>36</b>	<b>77</b>	<b>113</b>	<b>154</b>	<b>154</b>	<b>154</b>	<b>204</b>	<b>304</b>	<b>404</b>	<b>504</b>	<b>504</b>	<b>504</b>
<b>Students Per School (Cumulative)</b>												
Elementary School Students	5	11	16	21	21	21	28	42	56	70	70	70
Middle School Students	3	5	8	11	11	11	15	22	29	36	36	36
High School Students	3	7	11	15	15	15	19	29	38	48	48	48
<b>Total Students (FTE)</b>	<b>11</b>	<b>23</b>	<b>34</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>62</b>	<b>93</b>	<b>123</b>	<b>154</b>	<b>154</b>	<b>154</b>
<b>Cumulative Total Students</b>												
<b>Education Capital Revenues and Expenditures</b>												
<b>Capital Revenues</b>												
Ad Valorem-Education Capital Improvement	89,305	225,269	364,877	547,665	553,142	558,673	766,250	1,181,932	1,605,852	2,038,131	2,058,513	9,989,610
State Sources - Capital Projects	194	416	610	832	832	832	1,102	1,642	2,182	2,722	2,722	14,084
<b>Total Ad Valorem Capital Improvement &amp; State Source</b>	<b>89,499</b>	<b>225,685</b>	<b>365,487</b>	<b>548,497</b>	<b>553,974</b>	<b>559,505</b>	<b>767,352</b>	<b>1,183,574</b>	<b>1,608,034</b>	<b>2,040,853</b>	<b>2,061,234</b>	<b>10,003,695</b>
Developer Contribution	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Revenues</b>	<b>89,499</b>	<b>225,685</b>	<b>365,487</b>	<b>548,497</b>	<b>553,974</b>	<b>559,505</b>	<b>767,352</b>	<b>1,183,574</b>	<b>1,608,034</b>	<b>2,040,853</b>	<b>2,061,234</b>	<b>10,003,695</b>
<b>Capital Expenditures</b>												
<b>Land Cost Per Student</b>												
Elementary School Students	29,601	26,186	30,046	-	-	36,917	73,833	73,833	73,833	65,570	-	435,616
Middle School Students	16,337	14,452	16,583	-	-	20,374	40,749	40,749	40,749	36,189	-	240,419
High School Students	27,046	23,926	27,453	-	-	33,731	67,461	67,461	67,461	59,911	-	398,022
<b>Total Students (FTE)</b>	<b>72,983</b>	<b>64,563</b>	<b>74,082</b>			<b>91,022</b>	<b>182,043</b>	<b>182,043</b>	<b>182,043</b>	<b>161,670</b>	<b>-</b>	<b>1,074,056</b>
<b>Capital Cost Per Student Station *</b>												
Elementary School Students	148,003	130,928	150,231	-	-	184,583	369,165	369,165	369,165	327,851	-	2,178,078
Middle School Students	81,684	72,260	82,913	-	-	101,872	203,745	203,745	203,745	180,943	-	1,202,095
High School Students	135,230	119,629	137,256	-	-	168,653	337,306	337,306	337,306	299,557	-	1,990,109
<b>Total</b>	<b>364,916</b>	<b>322,817</b>	<b>370,411</b>	<b>-</b>	<b>-</b>	<b>455,108</b>	<b>910,216</b>	<b>910,216</b>	<b>910,216</b>	<b>808,351</b>	<b>-</b>	<b>5,370,281</b>
<b>Capital Transportation Per Student</b>												
Vehicle & School Bus	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>437,900</b>	<b>387,381</b>	<b>444,493</b>	<b>-</b>	<b>-</b>	<b>546,130</b>	<b>1,082,260</b>	<b>1,082,260</b>	<b>1,082,260</b>	<b>970,021</b>	<b>-</b>	<b>6,444,337</b>
<b>Excess Capital Revenues</b>	<b>(348,400)</b>	<b>(161,696)</b>	<b>(79,006)</b>	<b>548,497</b>	<b>553,974</b>	<b>13,375</b>	<b>(324,908)</b>	<b>91,315</b>	<b>515,774</b>	<b>1,070,832</b>	<b>2,061,234</b>	<b>3,559,357</b>
<b>Education Operating Revenues and Expenditures</b>												
<b>Operating Revenues</b>												
Ad Valorem-Education Local Required	255,035	1,006,029	1,415,074	1,865,689	1,883,112	1,918,569	2,430,050	3,450,045	4,490,210	5,550,845	5,605,120	29,868,778
Ad Valorem-Education Discretionary	52,051	205,119	288,806	380,774	384,330	391,566	495,956	704,129	916,419	1,132,887	1,143,964	6,096,002
<b>Total</b>	<b>307,086</b>	<b>1,210,149</b>	<b>1,703,881</b>	<b>2,246,463</b>	<b>2,267,442</b>	<b>2,310,135</b>	<b>2,926,005</b>	<b>4,154,174</b>	<b>5,406,629</b>	<b>6,683,732</b>	<b>6,749,084</b>	<b>35,964,779</b>
<b>Operating Expenses</b>												
Base Allocation per Student	30,138	65,107	96,502	132,831	134,159	135,501	181,290	272,859	366,241	461,464	466,079	2,342,171
<b>Excess Revenue over Expenses</b>	<b>276,947</b>	<b>1,145,042</b>	<b>1,607,379</b>	<b>2,113,632</b>	<b>2,133,282</b>	<b>2,174,634</b>	<b>2,744,715</b>	<b>3,881,315</b>	<b>5,040,388</b>	<b>6,222,268</b>	<b>6,283,005</b>	<b>33,622,608</b>

**7.0 Development Revised Plan without a P3 Program with Hernando County –  
Tables 13,14,15 and 16**

FLS conducted an analysis for the property based on its Developer's plan without the P3 program with Hernando County. The plan components are in Table 13, and the development scenario is presented in Table 14.

Table 13 Cabot Citrus Farms Without P3 Program Property Valuation			
Category	Units	Average Property	Average Property Value
<b>Residential Property</b>			
Cottage 2-Bedroom	40	1,642,350	65,694,000
Cottage 4-Bedroom	17	2,838,400	48,252,800
Iron Range 50' Lot	16	2,808,750	44,940,000
Iron Range 60' Lot	15	3,118,500	46,777,500
Iron Range 70' Lot	11	4,082,050	44,902,550
Iron Range 80' Lot	4	5,044,500	20,178,000
Village 50' Lot	2	2,808,750	5,617,500
Village 60' Lot	7	2,976,750	20,837,250
Village 70' Lot	10	4,242,000	42,420,000
Clubhouse/Hotel	12	900,900	10,810,800
Future Community	350	450,000	157,500,000
<b>Total Residential</b>	<b>484</b>		<b>\$ 507,930,400</b>
Category	Square Feet	Average Property	Average Property Value
<b>Building Amenities</b>			
Resort Clubhouse	85,475	386	\$ 32,969,397
Marketplace	12,065	979	11,807,062
Fitness & Pool Club	14,067	1,129	15,885,212
Racket Club	2,158	546	1,177,606
Central Services	32,510	221	7,170,424
Health & Wellness	-	-	-
Future Clubhouse	-	-	-
<b>Total Building Amenities</b>	<b>146,275</b>		<b>\$ 69,009,700</b>
<b>Sport Amenities</b>			
	Number of Holes	Average Property Value Per	Average Property Value Per Category
New Private Golf Course	-	-	\$ -
Core Sport Amenities	-	-	1,500,000
Renovation Existing Golf Course	57	500,000	28,500,000
<b>Total Sport Amenities</b>	<b>57</b>		<b>\$ 30,000,000</b>
<b>Total Property Valuation</b>			<b>\$ 606,940,100</b>

<b>Table 14</b> <b>Cabot Citrus Farms</b> <b>Development Scenario</b>										
Property on Tax Roll	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
<b>Residential Units</b>										
Cottage 2-Bedroom	27	3	8	2	-	-	-	-	-	40
Cottage 4-Bedroom	9	-	8	-	-	-	-	-	-	17
Iron Range 50' Lot	-	8	8	-	-	-	-	-	-	16
Iron Range 60' Lot	-	9	6	-	-	-	-	-	-	15
Iron Range 70' Lot	-	8	3	-	-	-	-	-	-	11
Iron Range 80' Lot	-	1	3	-	-	-	-	-	-	4
Village 50' Lot	-	-	-	2	-	-	-	-	-	2
Village 60' Lot	-	-	-	7	-	-	-	-	-	7
Village 70' Lot	-	-	-	10	-	-	-	-	-	10
Clubhouse/Hotel	-	12	-	-	-	-	-	-	-	12
Future Community	-	-	-	-	-	50	75	75	75	350
<b>Total Residential</b>	<b>36</b>	<b>41</b>	<b>36</b>	<b>21</b>	<b>-</b>	<b>50</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>484</b>
<b>Building Amenities-Square Feet</b>										
Resort Clubhouse	-	85,475	-	-	-	-	-	-	-	85,475
Marketplace	-	-	-	-	-	-	12,065	-	-	12,065
Fitness & Pool Club	-	-	-	14,067	-	-	-	-	-	14,067
Racket Club	2,158	-	-	-	-	-	-	-	-	2,158
Central Services	32,510	-	-	-	-	-	-	-	-	32,510
<b>Total</b>	<b>34,668</b>	<b>85,475</b>	<b>-</b>	<b>14,067</b>	<b>-</b>	<b>-</b>	<b>12,065</b>	<b>-</b>	<b>-</b>	<b>146,275</b>
<b>Sport Amenities -Golf Holes</b>										
Renovation Existing Golf Course	57	-	-	-	-	-	-	-	-	57
<b>Total</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>

The development plan without a P3 Program would result in a diminution of the developer's investment so that a satisfactory return can be achieved. This is accomplished by the following cutbacks in facilities generated and residential building product type produced for sale under the P3 Program. The health and fitness center, the future clubhouse along with 27-hole golf course would not be produced. Without the foregoing amenity facilities, the product mix for the 350-unit future community would be customary to what is produced in the area today. These changes will result in a property valuation of \$606.9 million.

**Table 15**

**Summary of Fiscal Impacts      Without P3 Program**  
**Cabot Citrus Farms              \$ In Thousands**  
**Net Fiscal Impacts for Selected Years**

\$101,849	\$910.0	\$929.7	\$61.9	\$867.8
\$370,085	\$3,306.5	\$3,344.5	\$169.0	\$3,175.5
\$532,323	\$4,756.0	\$4,885.3	\$598.6	\$4,286.7
\$557,744	\$4,983.1	\$5,112.4	\$598.6	\$4,513.8
\$584,462	\$5,221.8	\$5,351.1	\$598.6	\$4,752.5
\$612,543	\$5,472.7	\$5,602.0	\$598.6	\$5,003.4
\$642,056	\$5,736.4	\$5,865.7	\$598.6	\$5,267.1

**Table 16**

**Summary of Fiscal Impacts      Without P3 Program**  
**Cabot Citrus Farms              \$ In Thousands**  
**Cumulative Net Fiscal Impacts**

\$	11,549	5%	5	\$	9,746
\$	30,821	5%	10	\$	22,751
\$	52,932	5%	15	\$	34,492
\$	76,212	5%	20	\$	44,179
\$	100,722	5%	25	\$	52,170
\$	126,525	5%	30	\$	62,089

The Project is economically feasible without the P3 Program, but the County will get a reduced benefit. The development of the Project will have a positive fiscal impact on the County as shown in Table 15. The analysis is based on the development planned for 484 units without the following amenity facilities: (a) health and fitness center; (b) future clubhouse; and (c) 27-hole golf course. The 350-unit residential community will be priced in accordance with present market conditions in the area. In 2034, property values will be \$532 million and the net fiscal impact to the county will be \$4.3 million. As Table 16 shows on a cumulative basis, the operating surplus is \$11 million by 2029, growing to \$126 million by 2054. By 2054, the present value at 5% interest of the net fiscal impact is

estimated at \$62 million.

## 8.0 Fiscal Impact Change from a P3 Program to without a P3 Program – Tables 17,18 and 19

<b>Table 17</b>		<b>Consequence of Change</b>		
<b>Cabot Citrus Farms</b>		<b>P3 Program to without P3 Program</b>		
<b>Property Valuation</b>				
<b>Category</b>	<b>Units</b>	<b>Average Property</b>	<b>Average Property Value</b>	<b>Per Category</b>
<b>Residential Property</b>				
Iron Range 60' Lot	20	-	62,370,000	
Future Community	-	2,500,000	875,000,000	
<b>Total Residential</b>	<b>20</b>		<b>\$ 937,370,000</b>	
<b>Category</b>	<b>Square Feet</b>	<b>Average Property</b>	<b>Average Property Value</b>	<b>Per Category</b>
<b>Building Amenities</b>				
Resort Clubhouse	-	(4)	(300,633)	
Marketplace	-	(8)	(99,337)	
Fitness & Pool Club	-	(3)	(37,485)	
Racket Club	-	(9)	(18,743)	
Central Services	-	(2)	(74,971)	
Health & Wellness	25,000	533	13,322,253	
Future Clubhouse	10,000	688	6,884,241	
<b>Total Building Amenities</b>	<b>35,000</b>		<b>\$ 19,675,325</b>	
<b>Sport Amenities</b>				
	<b>Number of Holes</b>	<b>Average Property Value Per</b>	<b>Average Property Value</b>	<b>Per Category</b>
Additional Golf Courses	27	916,780	24,753,067	
<b>Total Sport Amenities</b>	<b>27</b>	<b>916,780</b>	<b>\$ 24,753,067</b>	
<b>Total Property Valuation</b>			<b>\$ 981,798,392</b>	

Without the P3 Program, the consequences resulting from the change in the development plan will generate a loss in property value of \$981.8 million, as per Table 17. This will have a significant influence on the net fiscal impact results that can be achieved with the P3 Program. As per Table 18, the Net fiscal impact will decrease in 2029 by \$1.258 million, and by 2054, the decrease will equal \$10.7 million. As Table 19 shows on a cumulative basis, the operating surplus decreases

by \$3.6 million by 2029 decreasing to \$221 million by 2054. By 2054, the present value at 5% interest of the net fiscal impact is estimated to decrease from \$162 million to \$62 million resulting in a decrease of net present value of \$100 million.

Table 18		Consequence of Change					
Summary of Fiscal Impacts		P3 Program to without P3 Program					
Cabot Citrus Farms		\$ In Thousands					
Net Fiscal Impacts for Selected Years							
		</					

Table 19		Consequence of Change			
Summary of Fiscal Impacts		P3 Program to without P3 Program			
Cabot Citrus Farms		\$ In Thousands			
Cumulative Net Fiscal Impacts					
	\$	3,557	5%	5	\$ 2,920
	\$	26,216	5%	10	\$ 17,643
	\$	71,300	5%	15	\$ 41,586
	\$	118,691	5%	20	\$ 61,305
	\$	168,507	5%	25	\$ 77,547
	\$	220,871	5%	30	\$ 99,961

## **IMPORTANT NOTICE CONCERNING “FISCAL IMPACT ANALYSIS REPORT”**

### **1. Fiscal Impact Analysis Report (“FIAR”)**

Certain portions of the FIAR have various sections of the analysis that contain forecasted financial performance based upon several current and projected market conditions. These conditions are subject to numerous risks and uncertainties that cannot be determined at this time. Each section of the FIAR contains forecasted data. While presented with numerical specific County, projected information of the type furnished above is based on estimates and assumptions that are inherently subject to significant economic and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the FLS's control. Accordingly, there can be no assurance that such estimates and assumptions will be accurate, and the actual results may be significantly higher or lower than those set forth.

### **2. Actual Results May Differ from FIAR**

Due to a variety of risks and uncertainties, actual results may be materially different from the results projected in the FIAR. Accordingly, the FIAR is meant only to serve as a guide and is not intended to be relied upon as to the reasonableness of the underlying facts or assumptions. This FIAR does not contain and is not to be construed as legal, business, investment, or tax advice.

### **3. The Fishkind Litigation Services Inc. (FLS) Has No Duty to Update FIAR**

The FIAR is current only as of July 2023. Following delivery of this report, FLS expectations of results may change. FLS may come to believe that the FIAR is no longer accurate. FLS shall not have any obligation to update any corrections or revisions to the FIAR contained herein, even if the FLS believes the forward-looking analysis is no longer accurate. FLS does not intend to update or otherwise revise the FIAR to reflect circumstances existing after the date when made or to reflect the occurrence of future events even if any or all the assumptions underlying the projections are shown to be in error. FLS assumes no responsibility for the accuracy or validity of the FIAR.