

**BAYTREE
COMMUNITY DEVELOPMENT DISTRICT**

**Disclosure of Public Financing and Maintenance of
Improvements to Real Property Undertaken by the Baytree
Community Development District**

Revised 10-25-07

**Board of Supervisors
Baytree
Community Development District**

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District records are on file at the District Office and are available for public inspection upon request during normal business hours.

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INTRODUCTION

On behalf of the Board of Supervisors of the Baytree Community Development District, the following information is provided to give you a description of the District's services, the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The Baytree Community Development District is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. The District provides facilities and community services, which would otherwise be the responsibility of the private sector, a homeowners association, or another unit of local government. Unlike city and county governments, the District has only certain limited powers and responsibilities. Pursuant to statute, these powers and responsibilities include construction, operation and/or maintenance of certain types of infrastructure, which may include roads and streetlights, water management and drainage control facilities, bridges, culverts, parks and recreational facilities.

The District is here to serve the needs of the community and we encourage your participation in District activities.

**DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE
OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY
THE BAYTREE COMMUNITY DEVELOPMENT DISTRICT**

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information describing the **Baytree Community Development District** and the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure is provided to fulfill this statutory requirement.

What is the District and how is it governed?

The District is an independent special taxing district established June 24, 1992, by ordinance 92-11 of the Brevard County Board of County Commissioners. A local unit of special-purpose government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, the District encompasses approximately 473 acres of land south of Wickham Road and east of Interstate I-95 in Brevard County. The District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the members of which must be residents of the State, citizens of the United States, and residents of the District. Members are elected by "qualified electors" of the District. A "qualified elector" in this instance is any person at least 18 years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Brevard County. There will be two seats on the Board of Supervisors up for election in 2008.

Board meetings are noticed in the Florida Today Newspaper and are conducted in a public forum in which public participation is invited. Consistent with Florida's public records laws, the records of the District are always available for public inspection during normal business hours, at the District Office and the CDD Office at Baytree. Elected members of the Board are similarly bound by the State's open meetings law and are subject to the same disclosure requirements as other elected officials under the State's ethics laws.

What infrastructure improvements does the District provide?

The development of the land within the District was approved in 1990 as a Planned Unit Development (PUD). Infrastructure improvements necessary for the development of residential and related amenities within the District include water and wastewater facilities, roadway improvements, security facilities, and recreation facilities.

Water, Wastewater & Stormwater Facilities

A stormwater system consisting of lakes, interconnecting culverts and discharge control structures with connections to on-site preserved wetlands was constructed to handle the stormwater for the CDD. These are designed to discharge at defined natural outfalls throughout the development. The system conforms to the Brevard County and St. Johns River Water Management District's criteria for runoff attenuation and water quality. Mitigation was constructed to deal with impacts to the wetlands and this was reviewed and approved by Brevard County, SJRWMD, and the US Army Corp of Engineers.

The District also constructed facilities to manage drinking, reclaimed, and sanitary water. This included major water main lines, gravity interceptor sewers, force mains, lift stations and all related water facilities. The City of Cocoa provides potable water, and Brevard County provides wastewater services. The facilities constructed by the District connected to these systems and were dedicated to those agencies.

Roadways

The District constructed the roadway network within the CDD. This work consisted of clearing the areas, installing the storm sewer culverts, necessary embankments, pavement structures, curbing, pedestrian and bike ways, and stabilization of all the constructed facilities. The roads constructed were designed to provide the required levels of

Exhibit B

traffic service to all users within the District. All construction was completed to Brevard County standards, and street lighting was provided where appropriate.

Security and Recreation Facilities

The CDD constructed security facilities at both entrances of the CDD property. The District also constructed park facilities. These are to be operated and owned by the District. These facilities include playground equipment, pool, tennis courts and other recreational facilities. The CDD was approved for approximately 3 acres of recreational facilities. In addition to the above, the CDD constructed landscaping facilities throughout Baytree.

Bonds, Assessments, Fees, and Charges

The costs of infrastructure improvements were financed by the District through the sale of bonds. Remaining principal on the Bonds as of May 1, 2007 is as follows:

- CDD Infrastructure Improvement Bonds \$780,000

Construction of the infrastructure improvements has been completed and there are no further requirements to issue debt.

The primary source of payment for the Infrastructure Improvement Bonds is the annual levy of benefit special assessments against lands within the District which benefit from the construction, acquisition, establishment, and operation of the District's infrastructure facilities. The bonds are secured equally and ratably being a first lien and pledge of benefit special assessments levied on the lands within the District.

All areas are assessed equally for the improvements based upon the average density of the proposed ultimate land uses. The annual Infrastructure Improvement Bond assessment is \$430 for Phase I and \$472 for Phase II.

There is also an operations and maintenance assessment of \$1,587 for Fiscal Year 2008. The funds received from this assessment are used to comply with all the required compliance issues dictated in the Florida Statutes. In addition, this is used to maintain all CDD responsibilities in the District. This includes lakes, canals, wetlands, roads, landscaping, and conservation areas. The operations and maintenance assessment also covers the short term debt service on the re-beautification project.

Method of Collection

The District's benefit and maintenance assessments appear on that portion of the annual real estate tax bill entitled "non-ad valorem assessments," and will be collected by the County Tax Collector in the same manner as County and other ad valorem taxes. Each property owner must pay both County and other ad valorem taxes and District non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates which, if not timely redeemed, may result in the loss of title to the property.

This description of the Baytree Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please contact:

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