



# Assessment Report Viera East Community Development District

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## Requirements for Valid Special Assessments

- ◆ Two pronged test under Florida Law
- ◆ Special Benefit
  - Logical Relationship
  - Measured by: (a) increase in market value, (b) lower insurance rates, and/or (c) increased use and enjoyment
- ◆ Equitable Apportionment
  - Reasonable allocation consistent with benefits – cannot be arbitrary
  - Many recognized methods with ERU being most used
  - Case law recognizes that there is no “perfect” system, but if reasonable people may disagree, the District’s decision prevails



## Special Benefit – Logical Relationship

- ◆ Logical relationship between facilities and special benefits
- ◆ Facilities integral part of Viera from its outset
- ◆ Core amenities that attracted homebuyers
- ◆ Many recent studies confirm that amenities confer benefits to their communities



## Special Benefit from Increased Market Value

Areas	Average Sales Price/Square Foot
Wingate Estates	\$163
Auburn Lakes	\$158
	=====
Viera Neighborhood Average	\$160
Near By Non-CDD Properties	\$153
	=====
Viera East CDD Premium	\$7
Viera Neighborhood Average Square Foot of Homes	2,155
	=====
Viera East CDD Premium/Home	\$15,522



# When Golf Courses Close Real Estate Values Fall

## Example of Royal Oaks – Course Closed 2015

		Golf Front				Not Golf Front		
<u>Royal Oaks</u>	<u>Sales Year</u>	<u>Average \$/SF</u>	<u>Units Sold</u>	<u>Average # days on Market</u>		<u>Average \$/SF</u>	<u>Units Sold</u>	<u>Average # days on Market</u>
	2015	\$77	3	34		\$71	31	94
	2016	\$93	2	62.5		\$79	31	36
	2017	\$85	4	98		\$94	26	56
	2018	\$105	2	12		\$109	25	34
	2019 YTD	\$121	3	97		\$108	29	59
	Average	\$96				\$92		
<u>Titusville</u>	2015	\$100	21	65		\$89	133	78
	2016	\$142	16	96		\$100	144	72
	2017	\$147	23	71		\$114	178	52
	2018	\$144	30	68		\$124	177	54
	2019 YTD	\$147	25	97		\$128	150	60
	Average	\$136				\$111		
<u>Comparable Golf Communities</u>						<u>County-Wide</u>		
	2015	\$131	130	73		\$106	1974	58
	2016	\$142	127	70		\$136	1995	52
	2017	\$157	125	67		\$141	2208	50
	2018	\$159	113	71		\$158	2439	56
	2019 YTD	\$155	134	72		\$146	2257	66
	Average	\$149				\$137		



## Project Cost

<u>GOLF COURSE</u>	
New Irrigation System	\$2,080,000
Bunker Renovation & Liners	\$1,100,000
Bulkhead replacement	\$375,000
Tee Box Renovation	\$250,000
Cart path extensions - repairs	\$175,000
Re-grass fairways and slopes	\$150,000
Maintenance Building repairs	\$40,000
Driving Range Tee - Level and enlarge	\$35,000
Golf Course Lake - Bank Augmentation	\$275,000
Rebuild #7 Green	\$65,000
Drainage #6 Left Rough	\$30,000
#11 Canal side - Rough regrade and grass	\$25,000
Fountain Aerators for #18 & #9	\$27,500
Drinking Water/Ice Stations #6 & #13	\$32,000
Irrigation Pump Station - Filter	\$35,000
Culvert Repair - #7 (2) - Butterfly Valve Irr.	\$37,500
SUBTOTAL	\$4,732,000
<u>CLUBHOUSE</u>	
Clubhouse Renovation	\$2,900,000
SUBTOTAL	\$2,900,000
<u>OTHER RECREATIONAL FACILITIES</u>	
Woodside Park Restroom Building	\$25,000
Dog Park - Woodside Park	\$55,000
Woodside Park Playground Equipment	\$45,000
Sidewalk repair and replacement	\$75,000
Picnic pavilions	\$95,000
SUBTOTAL	\$295,000
<u>OTHER COSTS</u>	
Maintenance Equipment	\$395,000
Lost Revenue - from renovation	\$287,395
Irrigation Pump Station Lease	\$163,190
SUBTOTAL	\$845,585
Contingency	\$250,000
<b>GRAND TOTAL</b>	<b>\$9,022,585</b>



## Financing Plan

Category	Amount
Project Fund	\$9,022,585
Debt Service Reserve	\$284,550
Capitalized Interest	\$1,024,281
Underwriter's Discount	\$169,050
Bond Insurance	\$321,068
Cost of Issuance	\$200,000
Surety Bond	\$9,959
Original Issue Discount	\$238,179
Rounding	\$328
	=====
Series 2019 Bonds	\$11,270,000



## Allocation Based on ERUs

Category	Residential Units	Commercial Acres	Total
ERU/Unit	1.00	4.00	
Number of Units	4,204.00	204.30	
	=====	=====	
Total ERUs	4,204.00	817.20	5,021.20
% ERU	84%	16%	100%
Allocated Cost	\$9,435,808	\$1,834,192	\$11,270,000
Annual Debt Service	\$952,958	\$185,242	\$1,138,200
Debt/Unit	\$2,244	\$8,978	
Net Debt Service/Unit	\$226.68	\$906.72	
Gross Debt Service/Unit	\$241.15	\$964.59	