

BEFORE THE CITY COUNCIL OF THE
CITY OF COCOA, FLORIDA

IN RE: PETITION TO ESTABLISH)
 LAKES AT COCOA GROVE COMMUNITY)
 DEVELOPMENT DISTRICT)

AFFIDAVIT ADOPTING WRITTEN, PRE-FILED TESTIMONY

STATE OF FLORIDA
COUNTY OF Palm Beach

I, Craig Wrathell, being first duly sworn, do hereby state for my affidavit as follows:

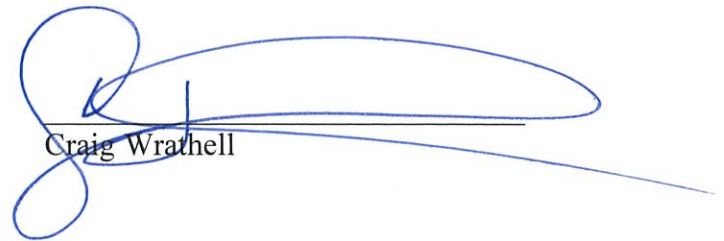
1. I have personal knowledge of the matters set forth in this affidavit.
2. My name is Craig Wrathell and I am the co-owner of Wrathell, Hunt & Associates, LLC.
3. The prepared written, pre-filed testimony consisting of twelve (12) pages, submitted under my name to the City Council of the City of Cocoa, Florida relating to the Petition to Establish Lakes at Cocoa Grove Community Development District and attached hereto, is true and correct.
4. If I were asked the questions contained in the pre-filed testimony orally at the Lakes at Cocoa Grove Community Development District establishment hearing, my oral answers would be the same as the written answers presented in my pre-filed testimony.
5. My credentials, experience, and qualifications concerning my work as a special district manager and financial advisor are accurately set forth in my pre-filed testimony.

6. My pre-filed testimony addresses the various managerial and operational aspects related to the Petition to Establish Lakes at Cocoa Grove Community Development District.

7. No corrections or amendments to my pre-filed testimony are required.

Under penalties of perjury, I declare that I have read the foregoing and the facts alleged are true and correct to the best of my knowledge and belief.

Executed this 15th day of November, 2023.


Craig Wrathell

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 15th of November, 2023, by Craig Wrathell, who is personally known to me or who has produced _____ as identification.



DAPHNE GILLYARD
Notary Public
State of Florida
Comm# HH390392
Expires 8/20/2027


(Official Notary Signature & Seal)

Name: Daphne Gillyard
Personally Known ☒
OR Produced Identification _____
Type of Identification _____

1 **TESTIMONY OF CRAIG WRATHELL FOR ESTABLISHMENT OF**
2 **LAKES AT COCOA GROVE COMMUNITY DEVELOPMENT DISTRICT**
3

4 **1. Please state your name and business address.**
5

6 My name is Craig Wrathell. My business address is 2300 Glades Road, Suite 410-W,
7 Boca Raton, Florida 33431.
8

9 **2. By whom are you employed and in what capacity?**
10

11 I am a Managing Member of Wrathell, Hunt and Associates, LLC.
12

13 **3. What is the nature of your firm's business?**
14

15 Wrathell, Hunt and Associates, LLC, is a management and financial consulting firm. The
16 firm provides four (4) types of general services to its clients:
17

- 18 (1) Management and Financial Accounting Services for Community
- 19 Development Districts (CDDs)
- 20 (2) Economic studies including Statement of Estimated Regulatory Costs
- 21 (3) Long Term Strategic Planning for clients
- 22 (4) Preparation of Special Assessment Methodologies
23

24 **4. Do you work with both public and private sector clients?**
25

26 Yes. I work with a number of public sector clients that include community development
27 districts ("CDD") across the state. I also work with private companies as well.
28

29 **5. Prior to your current employment, by whom were you employed and what were your**
30 **responsibilities in those positions?**
31

32 Prior to the creation of Wrathell, Hunt and Associates, LLC in January 2005, I worked for
33 Severn Trent Services for over six years and Special District Services for approximately a
34 year. During my 26-year professional career, I have managed community development
35 districts, stewardship districts, special act districts and other forms of special districts as
36 well as served as the first City Manager for the City of Marathon in the Florida Keys.
37

38 **6. Please describe your educational background.**
39

40 I received a Master of Arts degree in International Studies, from the University of Miami,
41 in 1997. I earned a Bachelor of Arts degree in Political Science from Florida Atlantic
42 University in 1995.
43

44 **7. Please describe your work with community development districts in Florida.**
45

1 I currently serve as District Manager for over 20 CDDs, while managing an office
2 responsible for over 180 CDDs and special districts.

3
4 I have served as District Manager for over 150 Community Development and Special Act
5 Districts throughout the State of Florida, developing and administered budgets, totaling
6 over \$250 million in annual revenues, to fund administrative, operational and maintenance
7 needs, water and wastewater utility operations, and debt service obligations. I also
8 administered the issuance of over \$1.2 billion in tax exempt municipal bonds for
9 community improvements.

10
11 My company serves as the Assessment Methodology Consultant to the CDDs serviced
12 by my personnel. Accordingly, I generally am a primary point of contact for the CDD
13 with respect to all issues related to CDD finance and assessments, which is a process that
14 begins at the establishment phase, and continues through the issuance of bonds, and
15 collection of assessment revenues from landowners. As such, I engage in tasks which
16 include, but are not limited to, personally preparing Statements of Estimated Regulatory
17 Costs, and consulting on the bond financing process and related assessments.

18
19 **8. Are any of these community development districts that you have worked with about**
20 **the same size as the proposed District in the City of Cocoa, Florida (the “City”)?**

21
22 Yes.

23
24 **9. What has been your role with respect to the proposed District establishment**
25 **proceeding?**

26
27 I serve as a financial, economic, and management consultant relating to the establishment
28 of the proposed District. Specifically, my firm prepared Exhibit 8, the Statement of
29 Estimated Regulatory Costs (“SERC”), of the Petition to Establish the Proposed District
30 (“Petition”).

31
32 **DISTRICT MANAGEMENT**

33
34 **10. At this point, I will ask you to address certain matters that are related to community**
35 **development district management. Please describe the general manner in which a**
36 **community development district actually operates.**

37
38 Community development districts are governed by a five-member board of supervisors.
39 These board members are initially appointed by the establishment entity in its ordinance.
40 Within 90 days of the establishment of the district, a new board is elected by the landowners
41 in the district. The Board is the governing body of the district. The Board employs a
42 district manager, who supervises the district’s services, facilities, and administrative
43 functions. The Board annually considers and, after public notice and hearing, adopts a
44 budget. The district submits a copy of the proposed budget to the applicable local general-
45 purpose government for review and for optional comment prior to its adoption each year.
46

1 **11. Are there requirements, such as the open meetings and public records laws, imposed**
2 **upon community development districts in order to safeguard the public that are**
3 **similar to those imposed upon other general-purpose local governments?**
4

5 Yes, there are.
6

7 **12. Please describe these requirements and safeguards.**
8

9 First, it is important to note that the establishment of a CDD does not change any
10 requirements for local general-purpose governmental approval of construction within the
11 district. Any land development requirements and all state and local development
12 regulations still apply.
13

14 Second, members of a CDD Board of Supervisors must be residents of Florida and citizens
15 of the United States. After the Board shifts to being elected by the resident electors of the
16 CDD, the Supervisors must also be residents and electors of the CDD. Supervisors must
17 annually file the same financial disclosure forms required by other local officials. All
18 meetings of the CDD Board of Supervisors are open to the public and are subject to the
19 government in the sunshine requirements of Chapter 286, Florida Statutes. Furthermore, a
20 CDD's records must be open for public inspection in accordance with the Florida law
21 governing public records.
22

23 Next, the District must provide financial reports to the state in the same form and manner
24 as is required of all other political subdivisions. The District is annually audited by an
25 independent certified public accountant. As I said before, the District budget is adopted
26 annually by the board after a public hearing. All rates, fees, and charges imposed by the
27 District must be adopted pursuant to Chapter 120, Florida Statutes.
28

29 Finally, to impose special or non-ad valorem assessments under Chapter 170, 190 and 197,
30 Florida Statutes, a CDD must provide published and mailed notice to those who are
31 assessed providing them opportunity to appear before the Board of Supervisors and have
32 an opportunity to comment on the advisability of the assessments. That assessment process
33 entails preparation of an assessment methodology that fairly and equitably allocates the
34 cost of the CDD's projects.
35

36 **13. Please describe in general terms how a CDD operates financially, both on a day-to-**
37 **day and a long-term basis.**
38

39 In the early stages, particularly when a CDD is first formed, the CDD's operating funds
40 may be funded by a "Funding Agreement" between the CDD and the landowner/developer
41 in lieu of assessments that the CDD might have imposed on property within the CDD.
42

43 In order to provide long term financing of capital projects, CDDs often issue bonds. All
44 bonds issued by CDDs must be secured by a trust agreement, and any bond maturing over
45 a period of more than five years must be validated and confirmed by court decree pursuant
46 to Chapter 75, Florida Statutes. A CDD may borrow funds on a long or short-term basis.

1
2 Debt may be retired by the District through non ad valorem or special assessments imposed
3 on benefited properties, or rates, fees, and charges imposed on users of district facilities
4 and services. By law, debt of the District cannot become debt of any other government
5 (city, county or state), without that government's consent.
6

7 **14. What alternatives, other than community development districts, are you familiar with**
8 **that might be available to provide community infrastructure for the lands within the**
9 **proposed District?**

10
11 In my opinion there are two alternatives that might provide community infrastructure such
12 as the roads, utilities, drainage, recreation and other improvements contemplated for the
13 proposed district. First, the general-purpose local government could finance the
14 improvements utilizing special assessments and/or general funds. Alternatively, the
15 developer could provide infrastructure through private means, including private financing
16 if available. As discussed later in my testimony, neither of these alternatives is preferable
17 to use of the CDD concept.
18

19 **15. Do you have an opinion, as someone experienced in district management and**
20 **operations, as to whether the proposed District is the best available alternative for**
21 **delivering community services and facilities to the areas that will be served by the**
22 **District?**

23
24 Yes. For this project, the proposed District is the best alternative available for delivering
25 the proposed services and facilities to the area that will be served. These improvements
26 include, but are not limited to, sanitary sewer collection, water distribution, reuse water,
27 stormwater management system, landscaping, roadways, and other public improvements.
28

29 **16. What is the basis for your opinion?**

30
31 Looking at the alternatives, the City could finance and manage the improvements utilizing
32 special assessments or general funds. The developer and/or a property owner's association
33 ("POA") could provide these facilities as well through private financing.
34

35 In evaluating the alternatives, it is important to consider whether the alternative can provide
36 the best focus, can effectively and efficiently manage and maintain the facilities, and
37 whether the alternative can secure low cost, long term public financing. The City clearly
38 provides the long-term perspective and is a stable and relatively low-cost source of
39 financing and provider of services at sustained levels. However, the City has substantial
40 demands over a broad geographical area that places a heavy management delivery load on
41 its staff. In addition, if dependent district financing were used, the City would be
42 responsible for all administrative aspects of the dependent district. The City would have
43 to make time and meetings available for the monthly matters pertaining to the dependent
44 district. By using a dependent district mechanism, the City would be increasing its
45 responsibility and hence liability for the variety of actions that will take place in the
46 development. The City, through the dependent district, would also be the contracting party

1 for all construction contracts, would have to deal with bid issues, enforce performance
2 bonds, and participate in construction arbitration or litigation if necessary. They would
3 deal with delay claims and budget management and all the other challenges that come with
4 being the owner in a public construction project. A CDD can be created to provide focused
5 attention to a specific area in a cost-effective manner. It also allows the City to focus staff
6 time, finances, and other resources elsewhere and does not burden the general body of
7 taxpayers in the City with the debt associated with this growth.

8
9 The other alternative is the use of private means, either through a POA or through the
10 developer, or both in combination. This combination can clearly satisfy the high demand
11 for focused service and facilities and managed delivery. However, only a public entity can
12 assure a long-term perspective, act as a stable provider of services and facilities, qualify as
13 a lower cost source of financing, and pay for services at sustained levels. POAs lack the
14 ability to effectively finance the improvements. Their ability to assure adequate funds for
15 sustained high levels of maintenance is less than with a CDD.

16
17 Furthermore, neither the developer nor a POA would be required to conduct all actions
18 relating to the provision of these improvements in the “sunshine” as a CDD must or abide
19 by other public access requirements that are incumbent upon a CDD and its Board of
20 Supervisors. Also, provision and long-term operation and maintenance of these
21 improvements, particularly the drainage activities, by a CDD ensures that residents have
22 guaranteed access to the body or entity making decisions about these facilities, and in fact
23 will one day sit as the five-member board making the decisions that impact their
24 community directly.

25
26 A CDD is an independent special purpose unit of local government designed to focus its
27 attention on providing the best long-term service to its specifically benefited properties and
28 residents. It has limited power and a limited area of jurisdiction. The District will be
29 governed by its own board and managed by those whose sole purpose is to provide the
30 district long term planning, management, and financing of these services and facilities.
31 This long-term management capability extends to the operation and maintenance of the
32 facilities owned by the District. Further, the sources for funding and manner of collection
33 of funds will assure that the District facilities will be managed at the sustained levels of
34 quality desired by residents well into the future.

- 35
36 **17. Do you have an opinion, as someone experienced in district management and**
37 **operations, as to whether the area of land to be included within the proposed District**
38 **is of sufficient size, is sufficiently compact, and is sufficiently contiguous to be**
39 **developable as one functional interrelated community?**

40
41 Yes.

- 42
43 **18. What is your opinion?**

44
45 The proposed District has sufficient land area, and is sufficiently compact and contiguous
46 to be developed, with the roadway, drainage, water and sewer, and other infrastructure

1 systems, facilities and services contemplated. The District will operate as one functionally
2 interrelated community.

3
4 **19. What is the basis for your opinion?**

5
6 The size of the proposed District is approximately 246.43 acres. Based on my previous
7 experience, the proposed District is of sufficient size, compactness, and contiguity to be
8 developed as a functional interrelated community.

9
10 The qualities of compactness, contiguity, and size relate directly to whether an area can
11 become one functional interrelated community. From the standpoint of the provision,
12 management and operation of the community infrastructure expected to be provided by the
13 District, the acres contemplated for inclusion within the District is sufficiently compact,
14 contiguous and of sufficient size to maximize the successful delivery of these infrastructure
15 improvements to these lands. The delivery of services and facilities to the lands within the
16 District will not be hampered by insurmountable barriers or spatial problems. The area
17 within the District is suitably configured to maximize the benefits available from the
18 District services and facilities to be provided.

19
20 **20. Do you have an opinion, as someone experienced in district management and**
21 **operations, as to whether the area that will be served by the proposed District is**
22 **amenable to separate special district government?**

23
24 Yes.

25
26 **21. What is your opinion?**

27
28 The District is of sufficient size, compactness, and contiguity. Therefore, the area to be
29 served by the proposed District is clearly amenable to separate special district governance.
30 The configuration of the District is not unlike other CDDs with which I have worked over
31 time.

32
33 **22. What is the basis for your opinion?**

34
35 Two criteria are needed to evaluate if a land area is amenable to separate special district
36 government. One, does the land area have need for the facilities and services and will its
37 owners and residents benefit from facilities that the special district could provide? Two, is
38 the land area of sufficient size, sufficient compactness, and sufficiently contiguous to be
39 the basis for a functional interrelated community?

40
41 Under both criteria, the proposed District is a planned community of sufficient size with a
42 need for the facilities and improvements that are presently expected to be provided by the
43 proposed District. As described in the petition, the proposed District will construct and
44 maintain certain identified needed facilities and services. Other facilities and improvements
45 will be constructed by the proposed District and ultimately owned and maintained by the
46 City. Based on my experience, CDDs of this size are large enough to effectively provide

and manage services. From a management and operations perspective, the land area is well suited to the provision of the proposed services and facilities.

- 23. Do you have an opinion, as someone experienced in district management and operations, as to whether the community development services and facilities of the proposed District will be incompatible with the capacity and use of existing local and regional community development services and facilities?**

Yes.

- 24. What is your opinion?**

The proposed services and facilities of the proposed District are not incompatible with the capacity and uses of existing local or regional community development services and facilities.

- 25. What is the basis for your opinion?**

Petitioner presently expects the proposed District to finance and construct certain sanitary sewer collection systems, water distribution systems, reuse water systems, stormwater management systems, and roadway improvements. None of the facilities expected to be provided by the District presently exist. Ultimately, a district may own and maintain certain of those improvements and the City, or other governmental entities, may own and maintain others. There will be no overlap or incompatibility because the facilities and improvements expected to be provided by the proposed District do not exist today.

ECONOMICS AND FINANCING

- 26. You stated earlier that you are familiar with the Petition, and its Exhibits, filed by the Petitioner, to establish the proposed District. Are you particularly familiar with Exhibit 8 to the Petition?**

Yes, Exhibit 8 is the SERC, a requirement of Chapter 190, Florida Statutes.

- 27. What exactly is a "SERC"?**

The Statement of Estimated Regulatory Costs is actually a requirement under Section 120.541(2), *Florida Statutes*, which has been incorporated into the law on establishment of community development districts.

- 28. In general terms, please summarize the economic analyses presented in the SERC.**

An understanding of the SERC requires the recognition of the scope of review and evaluation for the establishment of a community development district as set out in Chapter

1 190. Section 190.002(2)(d), *Florida Statutes*, states “[t]hat the process of establishing such
2 a district pursuant to uniform general law [must] be fair and based only on factors material
3 to managing and financing the service-delivery function of the district, so that any matter
4 concerning permitting or planning of the development is not material or relevant.” Thus,
5 the scope of the economic analysis included in the SERC addresses only the establishment
6 of the proposed District, and not the planning or development of the property itself.
7

8 The economic analysis sets out the assumptions about the development within the proposed
9 district and the anticipated infrastructure to be provided by it. The analysis addresses each
10 of the potentially affected parties defined in Chapter 120, Florida Statutes, and evaluates
11 the impact of the proposed district on each such group.
12

13 The proposed District is a specialized unit of local government. It is a special purpose unit
14 of local government with a single objective: the provision of infrastructure and services for
15 a planned new community. Its economic benefits exceed its economic cost to the
16 Petitioner, the City, and to all subsequent purchasers and landowners of the community -
17 in short, to all affected parties.
18

19 Once the proposed District is established, there are no direct costs to the City. While the
20 proposed District will provide certain reports and budgets to the City for its discretionary
21 review, there are no requirements that either incur any obligations or expense associated
22 with its review. In addition, to the extent the proposed District utilizes the services of the
23 Property Appraiser or Tax Collector under the provisions of Chapter 197, Florida Statutes,
24 to collect its assessments, the proposed District must pay the costs associated with those
25 services.
26

27 It is important to note that under Chapter 190, Florida Statutes, the debt of the proposed
28 District cannot become the debt of the City or the State of Florida. Since the proposed
29 District will be an independent unit of government and issue its own bonds, the proposed
30 District will not have any effect on the bonding capacity of the City or the State of Florida.
31

32 **29. Please describe briefly the data and methodology used in preparing the SERC and**
33 **related analyses.**
34

35 The data for the analysis came from the landowner, other experts working on the Petition,
36 and from the Petition itself. The methodology utilized is the standard economic impact
37 assessment.
38

39 **30. From an economic and financial perspective, do you have an opinion regarding the**
40 **financial viability and feasibility of the proposed District?**
41

42 Yes, I do.
43

44 **31. What is that opinion?**
45

46 In my opinion, based on my experience with other districts, the proposed District is

1 expected to be financially viable and feasible.

2
3 **32. Are you familiar with the State Comprehensive Plan found in Chapter 187, Florida**
4 **Statutes?**

5
6 Yes.

7
8 **33. From an economic and financial perspective, do you have an opinion as to whether**
9 **the proposed District is inconsistent with the State Comprehensive Plan from an**
10 **economic perspective?**

11
12 Yes.

13
14 **34. What is that opinion?**

15
16 It is my opinion the proposed District is not inconsistent with any applicable element or
17 portion of the state comprehensive plan.

18
19 **35. What is the basis for your opinion?**

20
21 I have reviewed, from an economic and financial perspective, the State Comprehensive
22 Plan, particularly those portions that relate to community development districts. The State
23 of Florida Comprehensive Plan (Chapter 187, Florida Statutes) “provides long-range
24 policy guidance for the orderly social, economic, and physical growth of the state.” From
25 an economic and financial perspective, four subjects, subjects 15, 17, 20, and 25 of the
26 State Comprehensive Plan are relevant to the establishment of a CDD.

27
28 Subject 15, titled Land Use, recognizes the importance of locating development in areas
29 that have the fiscal abilities and service capacity to accommodate growth. It is relevant
30 because CDDs are designed to provide infrastructure services and facilities in a fiscally
31 responsible manner to the areas that can accommodate development. The establishment of
32 the District will not be inconsistent with this goal because the District will have the fiscal
33 capability to provide the specified services and facilities within its boundaries.

34
35 Subject 17, titled Public Facilities, relates to (i) protecting investments in existing public
36 facilities; (ii) providing financing for new facilities, (iii) allocating the costs of new public
37 facilities on the basis of the benefits received by future residents; (iv) implementing
38 innovative but fiscally sound techniques for financing public facilities; and (v) identifying
39 and using stable revenue sources for financing public facilities. The establishment of the
40 District will further these State Comprehensive Plan Goals and Policies.

41
42 Subject 20, titled Governmental Efficiency, provides that governments shall economically
43 and efficiently provide the amount and quality of services required by the public. The
44 proposed District will be consistent with this element because the proposed District will
45 continue to:

- (i) cooperate with other levels of Florida government;
- (ii) be established under uniform general law standards as specified in Chapter 190, Florida Statutes;
- (iii) be professionally managed, financed, and governed by those whose property directly receives the benefits;
- (iv) not burden the general taxpayer with costs for services or facilities inside the proposed District; and
- (v) plan and implement cost efficient solutions for the required public infrastructure and assure delivery of selected services to residents.

Subject 25, titled Plan Implementation, calls for systematic planning capabilities to be integrated into all levels of government throughout the state, with particular emphasis on improving intergovernmental coordination and maximizing citizen involvement. The proposed District is consistent with this element of the State Comprehensive Plan.

36. Based on your work with districts and from an economic and financial perspective, do you have an opinion as to whether the area of land that is proposed to be included within the proposed District is of sufficient size, sufficient compactness, and sufficient contiguity to be developable as one functional interrelated community?

Yes.

37. What is your opinion?

Based on my previous experience, the proposed District is of sufficient size, compactness, and contiguity to be developed as a functional interrelated community.

38. What is the basis for your opinion?

The project is compact with land use typical of a planned community. The development of the land has been planned to be a functional interrelated community making the most efficient use of public funds available.

39. From a financial perspective, do you have an opinion as to whether the proposed District is the best alternative available for providing the proposed community development services and facilities to the area to be served?

Yes.

40. What is your opinion?

1 The proposed District is the best alternative to provide community development facilities
2 to the area to be served. This is true for the landowners and the governmental entities for
3 the following reasons.
4

5 From the perspective of current and future property owners within the District, the District
6 is the best alternative for providing community facilities, infrastructure, and services. The
7 land development envisioned for the area within the District boundaries will require
8 substantial provision of infrastructure, facilities and services. The CDD is an alternative
9 method to provide these necessary services. The CDD can access the tax-exempt public
10 capital markets and thereby fund these facilities and services at a lower cost than the
11 alternative of developer funding. Furthermore, unlike a POA, the CDD has the power to
12 assess property and collect those assessments along with other property taxes. Therefore,
13 a CDD can fund large capital improvement programs that a POA cannot.
14

15 With regard to the operations and maintenance of community facilities and services the
16 CDD is also the best alternative. The CDD is preferable to a POA to future landowners for
17 the following reasons. First, unlike a POA, the CDD collects funds for operations and
18 maintenance directly from assessments collected along with all other property taxes, which
19 is a more assured income stream. Unlike a POA, a CDD is a unit of local government,
20 and it must hold its meetings in the sunshine and bid out its contracts where required by
21 law. A CDD provides control to the landowners much sooner in time than a POA. A CDD
22 is focused on providing the community with services, facilities, and their maintenance in a
23 way the general-purpose government, with its competing interests and broad
24 responsibilities, is not. This level of local control serves the best interests of property
25 owners in the CDD.
26

27 From the perspective of the State of Florida, the City, and the water management districts,
28 a CDD is the best alternative for providing community facilities and their operations and
29 maintenance for a variety of reasons. First, as noted above, compared to a POA the CDD
30 is a more powerful and more responsive organization for providing and maintaining
31 infrastructure and services. Second, without a CDD the City may have to assume greater
32 responsibility for construction, operations, and maintenance of community facilities and
33 services. Even if the City formed a dependent district to provide community facilities and
34 services to the area to be served by the CDD, and charged appropriately for these services,
35 the City would be enmeshed in the responsibilities and in the management of those
36 facilities. Furthermore, without a CDD the City cannot be assured that only residents of the
37 area to be served by the CDD would bear the full costs of the needed facilities and services.
38

39 **41. From an economic and financial perspective, do you have an opinion as to whether**
40 **the services and facilities to be provided by the proposed District will be incompatible**
41 **with the uses and existing local and regional facilities and services?**
42

43 Yes.
44

45 **42. What is your opinion?**
46

1 The proposed District covers approximately 246.43 acres of land. The configuration of the
2 land is sufficiently compact and contiguous. As such, it will not create any economic
3 disincentives to the provision of the infrastructure facilities contemplated in this case.
4

5 Given the scope and expected cost of facilities to be provided, 246.43 acres for a residential
6 development provides a sufficient economic base to absorb the debt costs and annual
7 operating costs for district administration and to efficiently apportion the cost of
8 improvements.
9

10 **43. From an economic and financial perspective, do you have an opinion as to whether**
11 **the area that will be served by the proposed District is amenable to separate special**
12 **district government?**
13

14 Yes.
15

16 **44. What is your opinion and its basis?**
17

18 It is my opinion that the area within the boundaries of the proposed District is amendable
19 to a separate special district government. The lands within the proposed District's
20 boundaries have the need for basic infrastructure.
21

22 The land is of sufficient size, compactness, and contiguity and meets those tests. Therefore,
23 from an economic and financial perspective, the area to be served by the proposed District
24 is clearly amendable to separate special district governance.
25

26 **45. Does this conclude your testimony?**
27

28 Yes, it does.