

PETITION TO WITHDRAW PROPERTY/
AMEND THE BOUNDARY OF THE
CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT

Submitted by:

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(407) 647-7600
Attorneys for Petitioner/Owner

BEFORE THE CITY COUNCIL
OF THE CITY OF CLEARWATER, FLORIDA

In Re: A Petition to Withdraw Property/Amend
the Boundary of the Clearwater Cay Community
Development District

PETITION TO WITHDRAWAL PROPERTY/AMEND
THE BOUNDARY OF THE
CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT

Petitioners, CL Clearwater LP, a Delaware limited partnership, as to a 59.05104% tenant-in-common interest; CL Clearwater LLC, a Delaware limited liability company, doing business in Florida as CL Tampa Clearwater LLC, as to a 6.079079 tenant-in-common interest; CL Clearwater Owner 3 LLC, a Delaware limited liability company, as to a 13.00553% tenant-in-common interest; CL Clearwater Owner 4 LLC, a Delaware limited liability company, as to a 8.57243% tenant-in-common interest; CL Clearwater Owner 5 LLC, a Delaware limited liability company, as to a 10.11117% tenant-in-common interest; and CL Clearwater Owner 6 LLC, a Delaware limited liability company, as to a 3.18004% tenant-in-common interest (collectively, "Owner" and "Petitioner") owning land that is contained within Clearwater Cay Community Development District, a unit of special purpose local government established pursuant to Chapter 190, Florida Statutes, and located within the City of Clearwater, Florida (hereafter "District"), hereby petition the Clearwater City Council, pursuant to the "Uniform Community Development District Act of 1980," Chapter 190, Florida Statutes, and specifically Section 190.046(1), Florida Statutes, to adopt an amendment to Clearwater Ordinances No. 7515-05 adopted on September 15, 2005, as amended by Ordinance 7564-05 adopted on January 19,

2006, to withdraw approximately 15.622 acres (the “Contraction Parcel”) from the District. In support of this petition, the Owner states:

1. Location and Size, History. The District is located entirely within the incorporated area of Clearwater, Florida. The District currently comprises approximately 49 +/- acres of land. The District is located east of US Highway 19, south of State Road 60, and generally located at the eastern terminus of Belleair Road. The District as adopted in Ordinance 7564-05 comprised approximately 49.439 acres (“Original District”). The Contraction Parcel was not developed by the District and the improvements contemplated by the original development plan as described in the Petition to Establish the Clearwater Cay Community Development District dated March 1, 2005 (the “Original Petition”) were not developed. The Contraction Parcel currently benefits from no District services or facilities, is not currently contemplated to be a part of the same development plan and is therefore the subject of this Petition to withdraw such property from the District. The metes and bounds description of the current District Boundary is set forth in Exhibit 1. The metes and bounds description of the proposed new [contracted] District boundary is set forth in Exhibit 2. The metes and bounds description for the lands to be withdrawn from the District are set forth in Exhibit 3 (the "Contraction Parcel"). The Contraction Parcel meets the acreage requirements of Section 190.046(1)(e)2., Florida Statutes. Subsequent to contraction, the District will encompass a total of approximately 33.817 +/- acres.

2. Landowner Consent. Petitioner has written consent to amend the boundary of the District from the owners of one hundred percent of the lands comprising the Contraction Parcel. Documentation of this consent is contained in Exhibit 4.

3. Future Land Uses. The designation of future general distribution, location and extent of the public and private land uses proposed for the area to be withdrawn from the District

by the future land use plan element of the Clearwater Comprehensive Plan are shown on Exhibit 5. Contraction of the District in the manner proposed is consistent with the adopted Clearwater Comprehensive Plan.

4. District Facilities and Services. The District presently provides no services or facilities to the Contraction Parcel. The District owns the grounds, streets, parking areas and other amenities surrounding the condominium units in Grand Venezia and the office building known as Harborside and maintains those areas. The District's budget provides for significant maintenance expenses for landscaping, pavement, stormwater maintenance, irrigation, conservation area maintenance, signage and lighting. None of these expenditures benefit the Contraction Parcel. The Petitioners maintain all of these items within the Contraction Parcel at their own expense. The Contraction Parcel has its own stormwater management system that is maintained by Petitioners, not the District, and which does not flow into the District's stormwater facilities.

5. Statement of Estimated Regulatory Costs. Exhibit 7 is the statement of estimated regulatory costs ("SERC") prepared in accordance with the requirements of Section 120.541, Florida Statutes. The SERC is based upon presently available data. The data and methodology used in preparing the SERC accompany it.

6. Notice Address. Copies of all correspondence regarding this Petition should be sent to Owner at:

CL Clearwater LP
c/o David A. Sheril, Esq.
1 Executive Boulevard, Suite 204
Suffern, New York 10901

and a copy to Owner's Counsel at the following address:

Clark & Albaugh, LLP
700 W. Morse Boulevard, Suite 101
Winter Park, Florida 32789
Attn: Scott D. Clark, Esq.

7. Filing Fee. At the time of the submission of this Petition, with Exhibits 1 through 7, the Petitioner was unaware of any filing fees required.

8. The Petitioner has submitted a copy of this petition to the District Board of Supervisors.

9. Clearwater has the option but not the requirement pursuant to Section 190.046, Florida Statutes, of holding a public hearing as provided by Section 190.05(1)(c), Florida Statutes. The Petitioner requests this option be waived, and a public hearing be held in the manner of ordinance adoption by Clearwater, and that such hearing be limited to consideration of the contents of the petition and whether the petition should be adopted by ordinance.

10. This petition to withdraw property from the Clearwater Cay Community Development District should be granted for the following reasons:

a. Amendment of the District and all land uses and services planned within the District as amended are not inconsistent with applicable elements or portions of the adopted State Comprehensive Plan or the Clearwater Comprehensive Plan.

b. The area of land within the District as amended is part of a planned community. The Contraction Area is not currently anticipated to be part of the same planned community and is not being served by any services or facilities of the District.

c. The District as amended will continue to be of sufficient size and sufficiently compact and contiguous to be developed as one functional and interrelated community.

d. The community development services and facilities of the District as amended will not be incompatible with the capacity and use of existing local and regional community development services and facilities.

e. The area to be served by the District as amended is amenable to separate special district government.

WHEREFORE, Petitioner respectfully requests the City Council of Clearwater, Florida to:

a. schedule a public hearing in accordance with the requirements of Section 190.046(1)(b), Florida Statutes; and

b. grant this Petition and Amend Clearwater Ordinances No. 7515-05 adopted on September 15, 2005, and 7564-05 adopted on January 19, 2006, to contract the boundary of the District pursuant to this Petition and Chapter 190, Florida Statutes.

RESPECTFULLY SUBMITTED, this 7th of October, 2020.

Submitted by:



Scott D. Clark
Florida Bar No. 295752
Clark & Albaugh, LLP
700 West Morse Boulevard, Suite 101
Winter Park, Florida 32789
(407) 647-7600

Attorneys for Petitioner/Owner

EXHIBIT 1

CURRENT DISTRICT BOUNDARY METES AND BOUNDS LEGAL DESCRIPTION

CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT

A parcel of land in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being more particularly described as follows:

Commence at the Southwest corner of said Section 20; thence along the South line of said Section 20, S89°19'48"E, a distance of 100.01 feet to the East right of way line of U.S. Highway 19 and the POINT OF BEGINNING; thence N01°26'21"E, along said East right of way line, a distance of 350.00 feet; thence S89°19'48"E parallel with said South line of Section 20, a distance of 175.00 feet to the Southeast corner of property conveyed in Official Records Book 13955, Page 418 of the Public Records of Pinellas County, Florida; thence N01°26'21"E, along the East line of said property, a distance of 200.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 175.00 feet to said East right of way line of U.S. Highway 19; thence N01°26'21"E, along said East right of way line, a distance of 73.79 feet to the Southwest corner of property conveyed in Official Records Book 13618, Page 304 of the Public Records of Pinellas County, Florida; thence S89°19'48"E, along the South line of said property, a distance of 210.24 feet to the Southeast corner of said property; thence N01°26'21"E, along the East line of said property, a distance of 179.82 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 210.24 feet to said East right of way line of U.S. Highway 19; thence N01°26'21"E, along said East right of way line, a distance of 361.95 feet; thence S89°26'50"E, a distance of 885.00 feet; thence S01°26'21"W, a distance of 572.00 feet; thence N89°19'48"W, a distance of 263.00 feet; thence S01°26'21"W, a distance of 246.00 feet; thence N89°19'48"W, a distance of 12.00 feet; thence S01°26'21"W, a distance of 349.37 feet to said South line of Section 20 and the North line of said Section 29; thence S89°19'48"E, along said South line and North line, a distance of 11.39 feet to Northeast corner of property conveyed in Official Records Book 10769, Page 1415 of the Public Records of Pinellas County, Florida; thence S00°27'22"E, for 43.51 feet to the Northwest corner of property conveyed in Official Records Book 13805, Page 313 of the Public Records of Pinellas County, Florida, said corner also being a point of intersection with a non-tangent curve concave to the South; thence Easterly along the arc of said curve with a radial bearing S00°27'51"E, and having a radius of 35.00 feet, a central angle of 14°51'42", an arc length of 9.08 feet and a chord bearing S83°02'00"E, for 9.05 feet to the point of reverse curvature with a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 35.00 feet, a central angle of 13°43'39", an arc length of 8.39 feet and a chord bearing S82°27'58"E, for 8.37 feet to the point of tangency; thence S89°19'48"E, for 111.84 feet to the point of intersection with a non-tangent curve concave to the Northwest; thence Easterly along the arc of said curve with a radial bearing N00°40'13"E, and having a radius of 55.50 feet, a central angle of 118°44'08", an arc length of 115.01 feet and a chord bearing N31°18'08"E, for 95.51 feet to the point of intersection with a non-tangent curve concave to the Northeast; thence Southeasterly along the arc of said curve with a radial bearing N61°56'04"E, and having a radius of 15.00 feet, a central angle of 46°10'01", an arc length of 12.09 feet and a chord bearing S51°08'57"E, for 11.76 feet to the point of compound curvature with a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 125.00 feet, a central angle of 56°40'40", an arc length of 123.65 feet and a chord bearing N77°25'43"E, for 118.67 feet to the point of reverse curvature with a curve concave to the Southeast; thence Northeasterly along the arc of said curve, having a radius of 303.00 feet, a central angle of 00°31'45", an arc length of 2.80 feet and a chord bearing N49°21'15"E, for 2.80 feet to the point of intersection with a

non-tangent line; thence N40°22'52"W, for 14.84 feet to the point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a radial bearing N40°43'39"W, and having a radius of 74.87 feet, a central angle of 02°40'04", an arc length of 3.49 feet and a chord bearing N47°56'19"E, for 3.49 feet to the point of reverse curvature with a curve concave to the Southeast; thence Northeasterly along the arc of said curve, having a radius of 234.00 feet, a central angle of 34°19'10", an arc length of 140.16 feet and a chord bearing N63°45'52"E, for 138.08 feet to the point of tangency; thence N80°55'27"E, for 97.25 feet; thence N56°01'58"E, for 40.45 feet; thence N78°50'41"E, for 127.14 feet; thence S78°23'09"E, for 24.44 feet; thence S11°52'40"E, for 9.10 feet; thence N79°23'05"E, for 49.80 feet; thence N10°51'19"W, for 10.82 feet; thence N42°27'28"E, for 66.63 feet; thence N35°48'02"E, for 134.85 feet; thence East, for 67.34 feet; thence S38°08'04"E, for 12.67 feet; thence East, for 68.14 feet; thence N54°10'51"E, for 17.03 feet; thence East, for 96.27 feet; thence N55°05'18"E, for 63.64 feet; thence East, for 25.42 feet to the point of curvature of a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 64.00 feet, a central angle of 39°42'28", an arc length of 44.35 feet and a chord bearing N70°08'46"E, for 43.47 feet to the point of reverse curvature with a curve concave to the South; thence Northeasterly along the arc of said curve, having a radius of 58.00 feet, a central angle of 36°55'37", an arc length of 37.38 feet and a chord bearing N68°45'21"E, for 36.74 feet to the point of reverse curvature with a curve concave to the Northwest; thence Easterly along the arc of said curve, having a radius of 54.00 feet, a central angle of 87°13'09", an arc length of 82.20 feet and a chord bearing N43°36'34"E, for 74.49 feet to the point of tangency; thence North, for 189.83 feet; thence S89°19'09"E, for 779.97 feet; thence S60°00'00"W, for 1333.52 feet; thence S89°19'48"E, for 209.91 feet; thence S24°54'45"W, for 343.41 feet to the point of intersection with a non-tangent curve concave to the Southeast; thence Southwesterly along the arc of said curve with a radial bearing S52°36'11"E, and having a radius of 1577.45 feet, a central angle of 13°22'27", an arc length of 368.22 feet and a chord bearing S30°42'35"W, for 367.38 feet to the point of intersection with a non-tangent line; thence N89°04'26"W, for 829.18 feet to the Southeast corner of property conveyed in Official Records Book 10769, Page 1415 of the Public Records of Pinellas County, Florida; thence N89°21'00"W, along the South line of said property, a distance of 635.75 feet to said East right of way line of U.S. Highway 19; thence N00°51'16"E, along said East right of way line, 627.67 feet to the said POINT OF BEGINNING;

LESS AND EXCEPT the following described parcel:

A parcel of land lying in the Southwest 1/4 of the Southwest 1/4 of Section 20, Township 29 South, Range 16 East, Pinellas County, Florida, per Official Records Book 9527, Page 480, Public Records of Pinellas County, Florida, being more particularly described as follows:

Commence at the Southwest corner of said Section 20 and run South 89°19'48" East, 100.00 feet to the East right-of-way line of U.S. Highway 19; thence North 01°26'21" East along said East right-of-way line, 5.00 feet to the POINT OF BEGINNING; thence continue North 01°26'21" East, along said East right-of-way line, 345.00 feet; thence South 89°19'48" East, 252.55 feet; thence South 01°26'21" West, 345.00 feet; thence North 89°19'48" West, 252.55 feet to the POINT OF BEGINNING.

Overall property containing 49.439 acres, more or less.

EXHIBIT 2

LEGAL DESCRIPTION OF CONTRACTED CDD

A parcel of land in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being more particularly described as follows:

Commence at the Southwest corner of said Section 20; thence along the South line of said Section 20, S89°19'48"E, a distance of 100.01 feet to the East right of way line of U.S. Highway 19 and the POINT OF BEGINNING; thence N01°26'21"E, along said East right of way line, a distance of 350.00 feet; thence S89°19'48"E parallel with said South line of Section 20, a distance of 175.00 feet to the Southeast corner of property conveyed in Official Records Book 13955, Page 418 of the Public Records of Pinellas County, Florida; thence N01°26'21"E, along the East line of said property, a distance of 200.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 175.00 feet to said East right of way line of U.S. Highway 19; thence N01°26'21"E, along said East right of way line, a distance of 73.79 feet to the Southwest corner of property conveyed in Official Records Book 13618, Page 304 of the Public Records of Pinellas County, Florida; thence S89°19'48"E, along the South line of said property, a distance of 210.24 feet to the Southeast corner of said property; thence N01°26'21"E, along the East line of said property, a distance of 179.82 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 210.24 feet to said East right of way line of U.S. Highway 19; thence N01°26'21"E, along said East right of way line, a distance of 361.95 feet; thence S89°26'50"E, a distance of 885.00 feet; thence S01°26'21"W, a distance of 572.00 feet; thence N89°19'48"W, a distance of 263.00 feet; thence S01°26'21"W, a distance of 246.00 feet; thence N89°19'48"W, a distance of 12.00 feet; thence S01°26'21"W, a distance of 349.37 feet to said South line of Section 20 and the North line of said Section 29; thence S89°19'48"E, along said South line and North line, a distance of 11.39 feet to Northeast corner of property conveyed in Official Records Book 10769, Page 1415 of the Public Records of Pinellas County, Florida; thence S00°27'22"E, for 43.51 feet to the Northwest corner of property conveyed in Official Records Book 13805, Page 313 of the Public Records of Pinellas County, Florida, said corner also being a point of intersection with a non-tangent curve concave to the South; thence Easterly along the arc of said curve with a radial bearing S00°27'51"E, and having a radius of 35.00 feet, a central angle of 14°51'42", an arc length of 9.08 feet and a chord bearing S83°02'00"E, for 9.05 feet to the point of reverse curvature with a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 35.00 feet, a central angle of 13°43'39", an arc length of 8.39 feet and a chord bearing S82°27'58"E, for 8.37 feet to the point of tangency; thence S89°19'48"E, for 111.84 feet to the point of intersection with a non-tangent curve concave to the Northwest; thence Easterly along the arc of said curve with a radial bearing N00°40'13"E, and having a radius of 55.50 feet, a central angle of 118°44'08", an arc length of 115.01 feet and a chord bearing N31°18'08"E, for 95.51 feet to the point of intersection with a non-tangent curve concave to the Northeast; thence Southeasterly along the arc of said curve with a radial bearing N61°56'04"E, and having a radius of 15.00 feet, a central angle of 46°10'01", an arc length of 12.09 feet and a chord bearing S51°08'57"E, for 11.76 feet to the point of compound curvature with a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 125.00 feet, a central angle of 56°40'40", an arc length of 123.65 feet and a chord bearing N77°25'43"E, for 118.67 feet to the point of reverse curvature with a curve concave to the Southeast; thence Northeasterly along the arc of said curve, having a radius of 303.00 feet, a central angle of 00°31'45", an arc length of 2.80 feet and a chord bearing N49°21'15"E, for 2.80 feet to the point of intersection with a non-tangent line; thence N40°22'52"W, for 14.84 feet to the point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a

radial bearing N40°43'39"W, and having a radius of 74.87 feet, a central angle of 02°40'04", an arc length of 3.49 feet and a chord bearing N47°56'19"E, for 3.49 feet to the point of reverse curvature with a curve concave to the Southeast; thence Northeasterly along the arc of said curve, having a radius of 234.00 feet, a central angle of 34°19'10", an arc length of 140.16 feet and a chord bearing N63°45'52"E, for 138.08 feet to the point of tangency; thence N80°55'27"E, for 97.25 feet; thence N56°01'58"E, for 40.45 feet; thence N78°50'41"E, for 127.14 feet; thence S78°23'09"E, for 24.44 feet; thence S11°52'40"E, for 9.10 feet; thence N79°23'05"E, for 49.80 feet; thence N10°51'19"W, for 10.82 feet; thence N42°27'28"E, for 66.63 feet; thence N35°48'02"E, for 134.85 feet; thence East, for 67.34 feet; thence S38°08'04"E, for 12.67 feet; thence East, for 68.14 feet; thence N54°10'51"E, for 17.03 feet; thence East, for 96.27 feet; thence N55°05'18"E, for 63.64 feet; thence East, for 25.42 feet to the point of curvature of a curve concave to the North; thence Easterly along the arc of said curve, having a radius of 64.00 feet, a central angle of 39°42'28", an arc length of 44.35 feet and a chord bearing N70°08'46"E, for 43.47 feet to the point of reverse curvature with a curve concave to the South; thence Northeasterly along the arc of said curve, having a radius of 58.00 feet, a central angle of 36°55'37", an arc length of 37.38 feet and a chord bearing N68°45'21"E, for 36.74 feet to the point of reverse curvature with a curve concave to the Northwest; thence Easterly along the arc of said curve, having a radius of 54.00 feet, a central angle of 87°13'09", an arc length of 82.20 feet and a chord bearing N43°36'34"E, for 74.49 feet to the point of tangency; thence North, for 189.83 feet; thence S89°19'09"E, for 779.97 feet; thence S60°00'00"W, for 1333.52 feet; thence S89°19'48"E, for 209.91 feet; thence S24°54'45"W, for 343.41 feet to the point of intersection with a non-tangent curve concave to the Southeast; thence Southwesterly along the arc of said curve with a radial bearing S52°36'11"E, and having a radius of 1577.45 feet, a central angle of 13°22'27", an arc length of 368.22 feet and a chord bearing S30°42'35"W, for 367.38 feet to the point of intersection with a non-tangent line; thence N89°04'26"W, for 829.18 feet to the Southeast corner of property conveyed in Official Records Book 10769, Page 1415 of the Public Records of Pinellas County, Florida; thence N89°21'00"W, along the South line of said property, a distance of 635.75 feet to said East right of way line of U.S. Highway 19; thence N00°51'16"E, along said East right of way line, 627.67 feet to the said POINT OF BEGINNING;

LESS AND EXCEPT the following described parcel:

A parcel of land lying in the Southwest 1/4 of the Southwest 1/4 of Section 20, Township 29 South, Range 16 East, Pinellas County, Florida, per Official Records Book 9527, Page 480, Public Records of Pinellas County, Florida, being more particularly described as follows:

Commence at the Southwest corner of said Section 20 and run South 89°19'48" East, 100.00 feet to the East right-of-way line of U.S. Highway 19; thence North 01°26'21" East along said East right-of-way line, 5.00 feet to the POINT OF BEGINNING; thence continue North 01°26'21" East, along said East right-of-way line, 345.00 feet; thence South 89°19'48" East, 252.55 feet; thence South 01°26'21" West, 345.00 feet; thence North 89°19'48" West, 252.55 feet to the POINT OF BEGINNING.

AND FURTHER LESS AND EXCEPT the following described parcel:

A PARCEL OF LAND IN SECTION 20, TOWNSHIP 29 SOUTH, RANGE 16 EAST, PINELLAS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 20; THENCE ALONG THE SOUTH LINE OF SAID SECTION 20, S.89°19'48"E., A DISTANCE OF 100.01 FEET, TO THE EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 5.00 FEET; THENCE S.89°19'48"E., ALONG A LINE THAT IS 5.00 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE OF SECTION 20, A DISTANCE OF 252.55 FEET, TO THE SOUTHEAST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL

RECORDS BOOK 9527, PAGE 480 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA AND THE POINT OF BEGINNING; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 345.00 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 77.55 FEET, TO THE SOUTHEAST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 13955, PAGE 418 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 200.00 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 175.00 FEET, TO SAID EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 73.79 FEET, TO THE SOUTHWEST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 13618, PAGE 2304 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.89°19'48"E., ALONG THE SOUTH LINE OF SAID PROPERTY, A DISTANCE OF 210.24 FEET, TO THE SOUTHEAST CORNER OF SAID PROPERTY; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 179.82 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 210.24 FEET, TO THE NORTHWEST CORNER OF SAID PROPERTY, SAME BEING A POINT ON THE SAID EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID RIGHT OF WAY LINE, A DISTANCE OF 361.95 FEET, TO THE SOUTHWEST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 9842, PAGE 1005 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.89°26'50"E., ALONG SAID SOUTH LINE AND THE EASTERLY EXTENSION THEREOF, A DISTANCE OF 885.02 FEET, TO THE NORTHWEST CORNER OF THE GRAND BELLAGIO AT BAYWATCH CONDOMINIUMS, AS RECORDED IN CONDOMINIUM PLAT BOOK 129, PAGE 001 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE ALONG THE WESTERLY LINE OF SAID PLAT S.01°26'21"W. FOR 572.00 FEET; THENCE N.89°19'48"W. FOR 263.00 FEET; THENCE S.01°26'21"W. FOR 246.00 FEET; THENCE N.89°19'48"W. FOR 12.00 FEET; THENCE S.01°26'21"W. FOR 205.92 FEET; THENCE N.88°34'42"W., 200.38 FEET; THENCE S.01°25'18"W., 141.08 FEET; THENCE N.89°19'48"W., ALONG A LINE THAT IS 5.00 FEET NORTH OF AND PARALLEL WITH THE SAID SOUTH LINE OF SECTION 20, A DISTANCE OF 157.10 FEET, TO THE POINT OF BEGINNING.

EXHIBIT 3

LEGAL DESCRIPTION OF LAND TO BE WITHDRAWN FROM CDD

A PARCEL OF LAND IN SECTION 20, TOWNSHIP 29 SOUTH, RANGE 16 EAST, PINELLAS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 20; THENCE ALONG THE SOUTH LINE OF SAID SECTION 20, S.89°19'48"E., A DISTANCE OF 100.01 FEET, TO THE EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 5.00 FEET; THENCE S.89°19'48"E., ALONG A LINE THAT IS 5.00 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE OF SECTION 20, A DISTANCE OF 252.55 FEET, TO THE SOUTHEAST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 9527, PAGE 480 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA AND THE POINT OF BEGINNING; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 345.00 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 77.55 FEET, TO THE SOUTHEAST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 13955, PAGE 418 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 200.00 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 175.00 FEET, TO SAID EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 73.79 FEET, TO THE SOUTHWEST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 13618, PAGE 2304 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.89°19'48"E., ALONG THE SOUTH LINE OF SAID PROPERTY, A DISTANCE OF 210.24 FEET, TO THE SOUTHEAST CORNER OF SAID PROPERTY; THENCE N.01°26'21"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 179.82 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.89°19'48"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 210.24 FEET, TO THE NORTHWEST CORNER OF SAID PROPERTY, SAME BEING A POINT ON THE SAID EAST RIGHT OF WAY LINE OF U.S. HIGHWAY 19; THENCE N.01°26'21"E., ALONG SAID RIGHT OF WAY LINE, A DISTANCE OF 361.95 FEET, TO THE SOUTHWEST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 9842, PAGE 1005 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.89°26'50"E., ALONG SAID SOUTH LINE AND THE EASTERLY EXTENSION THEREOF, A DISTANCE OF 885.02 FEET, TO THE NORTHWEST CORNER OF THE GRAND BELLAGIO AT BAYWATCH CONDOMINIUMS, AS RECORDED IN CONDOMINIUM PLAT BOOK 129, PAGE 001 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE ALONG THE WESTERLY LINE OF SAID PLAT S.01°26'21"W. FOR 572.00 FEET; THENCE N.89°19'48"W. FOR 263.00 FEET; THENCE S.01°26'21"W. FOR 246.00 FEET; THENCE N.89°19'48"W. FOR 12.00 FEET; THENCE S.01°26'21"W. FOR 205.92 FEET; THENCE N.88°34'42"W., 200.38 FEET; THENCE S.01°25'18"W., 141.08 FEET; THENCE N.89°19'48"W., ALONG A LINE THAT IS 5.00 FEET NORTH OF AND PARALLEL WITH THE SAID SOUTH LINE OF SECTION 20, A DISTANCE OF 157.10 FEET, TO THE POINT OF BEGINNING.

EXHIBIT 4

CONSENT AND JOINDER OF LANDOWNERS
FOR WITHDRAWAL FROM THE
CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT

The undersigned is the owner of certain of which are more fully described on Exhibit 3 attached hereto and made a part hereof (the "Property"). The undersigned or its agent has submitted a Petition to Amend the Boundaries of the Clearwater Cay Community Development District.

As an owner of lands within Community Development District, the undersigned understands and acknowledges that pursuant to the provisions of Section 190.005, Florida Statutes, Petitioner is required to include the written consent to the establishment expansion, or contraction of the Community Development District of one hundred percent (100%) of the owners of the lands to be included within or excluded from the Community Development District.

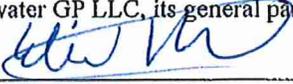
The undersigned hereby consents to the withdrawal of the Property from the Community Development District and agrees to further execute and documentation necessary or convenient to evidence this consent and joinder during the application process for the withdrawal of the Property from the Community Development District. The undersigned further acknowledges that the consent will remain in full force and effect until the Property is withdrawn from the Community Development District or three years from the date hereof, which ever shall first occur. The undersigned further agrees that it will provide to the next purchaser or successor in interest of all or any portion of the Property a copy of this consent form.

The undersigned hereby represents and warrants that it has taken all actions and obtained all consents necessary to duly authorize the execution of this consent and joinder by the officer executing this instrument.

Executed this 7th day of October, 2020.

Owner:

CL CLEARWATER LP
By: CL Clearwater GP LLC, its general partner

By: 

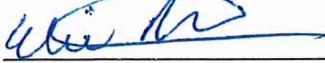
Elie Rieder
Authorized Representative

CL CLEARWATER LLC

By: 

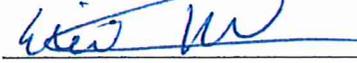
Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 3 LLC

By: 

Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 4 LLC

By: 

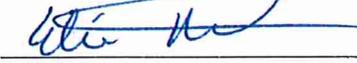
Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 5 LLC

By: 

Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 6 LLC

By: 

Elie Rieder
Authorized Representative

EXHIBIT A

LEGAL DESCRIPTION OF LAND TO BE WITHDRAWN FROM CDD

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EXHIBIT 5

[FUTURE LAND USE MAP]

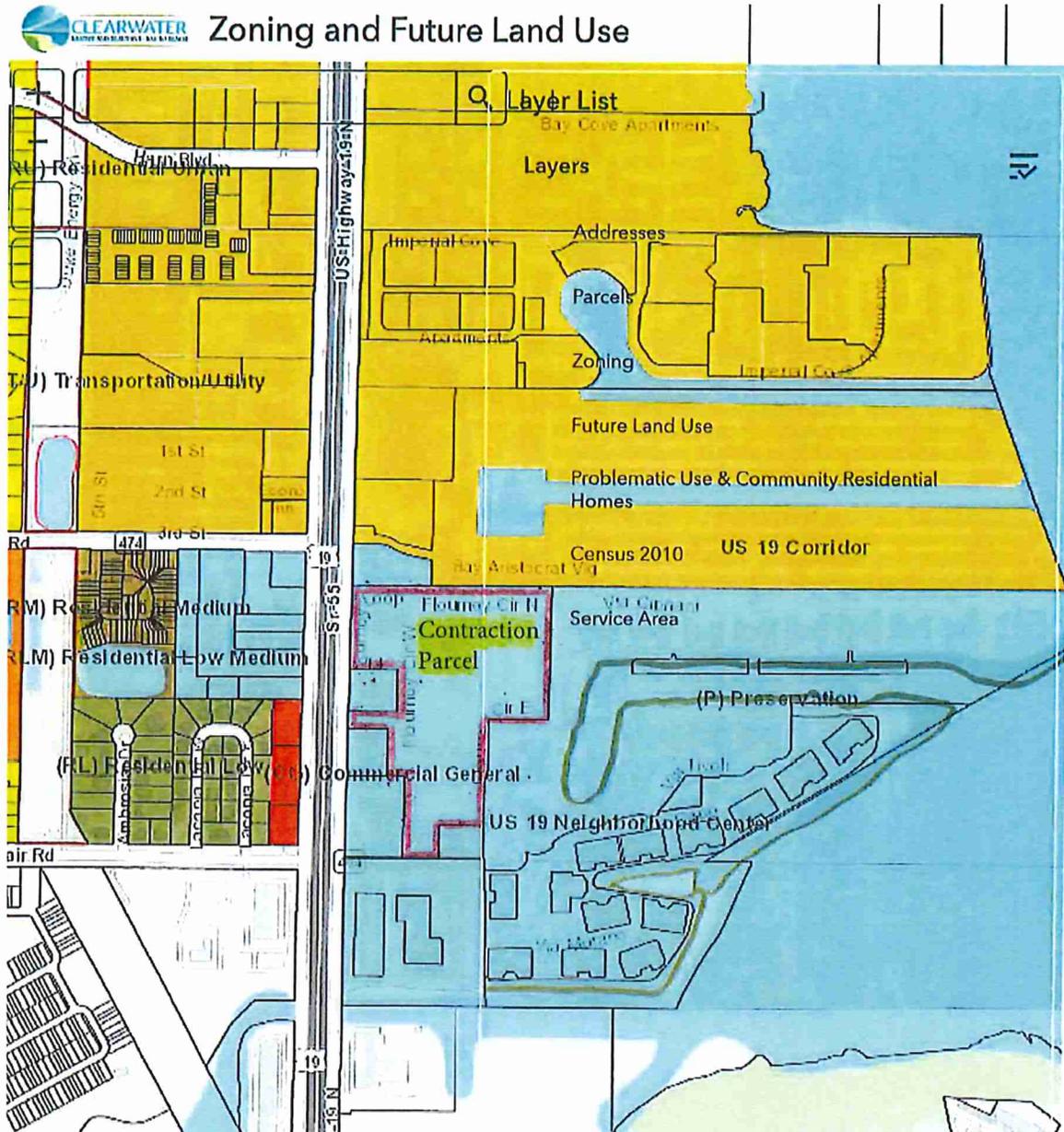


EXHIBIT 7

STATEMENT OF ESTIMATED REGULATORY COSTS



HALIFAX
SOLUTIONS

CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT

**Statement of Estimated Regulatory Costs
October 6, 2020**

Prepared by Halifax Solutions, LLC.

www.halifax-solutions.com

4532 West Kennedy Blvd. #328
Tampa, FL 33609
P: 813.575.1955
E: edailey@halifax-solutions.com

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Introduction:

1. Purpose and Scope

This Statement of Estimated Regulatory Costs has been prepared in support of the petition filed with the City of Clearwater, Florida (Hereafter "City") to contract the boundaries of the Clearwater Cay Club Community Development District ("District") in accordance with Sections 190.046(1) and 190.005, Florida Statutes ("F.S."). Specifically, Section 190.005(1)(a)8, F.S., requires that, as part of the petition, a Statement of Estimated Regulatory Costs ("SERC") be prepared and limited to the scope described pursuant to Section 120.541, F.S.

A community development district ("CDD") is established under the Uniform Community Development District Act of 1980, Chapter 190 of the Florida Statutes, as amended (the "Act"). A CDD is a local form of special-purpose government that is limited to the performance of those specialized functions authorized by the Act. Those specialized functions consist of planning, financing, constructing, and maintaining certain public infrastructure improvements and community development services. As an independent special district, the CDD's governing body establishes its own budget and, within the scope of its authorized powers, operates independently of the local general-purpose governmental entity (i.e., the county or the city) whose boundaries include the CDD.

However, a CDD cannot regulate land use or issue development orders; those powers reside with the local general-purpose government. The legislature has, in Section 190.004(3), F.S., made this clear by stating:

The establishment of an independent community development district as provided in this act is not a development order within the meaning of Chapter 380. All governmental planning, environmental, and land development laws, regulations, and ordinances apply to all development of the land within a community development district. Community development districts do not have the power of a local government to adopt a comprehensive plan, building code, or land development code, as those terms are defined in the Community Planning Act. A district shall take no action which is inconsistent with

applicable comprehensive plans, ordinances, or regulations of the applicable local general-purpose government.

In addition, the parameters for the review and evaluation of community development district petitions are clearly set forth in Section 190.002(2)(d), F.S., as follows:

That the process of establishing such a district pursuant to uniform general law be fair and based only on factors material to managing and financing the service delivery function of the district, so that any matter concerning permitting or planning of the development is not material or relevant.

Therefore, the scope of this Statement of Estimated Regulatory Costs is limited to an evaluation of those factors pertinent to the boundary contraction of a CDD as defined by the legislature and outlined in Section 120.541(2), F.S.

The purpose of Chapter 190, F.S., is to provide another avenue to government and private landowners in their efforts to comply with comprehensive plans which require adequate public facilities and services as pre-conditions for future development.

The CDD being a special purpose form of local government that is established for the purpose of providing an alternative mechanism for financing the construction of public infrastructure. A CDD is structured to be financially independent as intended by the legislature. The cost of any additional public improvements to be constructed or any additional services to be provided by the City as a result of this development will be incurred whether the infrastructure is financed through a CDD or any other alternative financing method. The annual operations and administrative costs of the District will be borne entirely by the District and will not require any subsidy from the State of Florida or the City, nor will it place any additional economic burden on those persons not residing within the District.

2. Clearwater Cay Community Development District

The District was established pursuant to City of Clearwater Ordinances No. 7515-05, adopted on September 15, 2005 as amended by

Ordinance 7564-05 adopted on January 19, 2006 and currently encompasses approximately 49.439 acres (the "Existing District"). The Undersigned landowner is seeking to contract the boundaries of the Existing District to remove approximately 15.622 acres from the District boundaries (the "Contraction Area"). After the contraction, the District will have a total of approximately 33.817 acres remaining within its boundaries (hereinafter, the "Contracted District").

Within the contracted District boundaries, the District will continue to exercise the powers outlined in Section 190.012, F.S., to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities and basic infrastructure that includes, but is not limited to: water management and control, water supply, sewer, and wastewater management, bridges or culverts, District roads and street lights, transportation facilities, parking improvements, environmental remediation and clean up, conservation areas, parks and recreational facilities, or any other project, within or outside the boundaries of the District, required by a development order issued by a local government or subject of an agreement between the District and a governmental entity.

The District has issued capital improvement revenue bonds. Repayment of these bonds is through special or non-ad valorem assessments levied against only benefited properties within the District. The properties within the Contraction Area have not received any benefit from these bonds through District owned infrastructure. On October 19, 2016, the properties in the Contraction Area were released from any obligation related to these bonds through a partial release and satisfaction of lien.

On-going administration, operation and maintenance for District owned facilities is funded through maintenance assessments levied against all benefited properties within the District. There are currently maintenance assessments levied on the Contracted Area however they do not benefit from any of the District's administration and or operations.

Statutory Items:

Section 120.541(2), F.S., in pertinent part, provides the elements a Statement of Estimated Regulatory Costs shall include:

- a) An economic analysis showing whether the rule directly or indirectly:
1. Is likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule;
 2. Is likely to have an adverse impact on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets, productivity, or innovation in excess of \$1 million in the aggregate within 5 years after the implementation of the rule; or
 3. Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.
- b) A good faith estimate of the number of individuals and entities likely to be required to comply with the rule, together with a general description of the types of individuals likely to be affected by the rule.
- c) A good faith estimate of the cost to the agency, and to any other state and local government entities, of implementing and enforcing the proposed rule, and any anticipated effect on state or local revenues.
- d) A good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local government entities, required to comply with the requirements of the rule. As used in this section, "transactional costs" are direct costs that are readily ascertainable based upon standard business practices, and include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used or procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring and reporting, and any other costs necessary to comply with the rule.

- e) *An analysis of the impact on small businesses as defined by s. 288.703, and an analysis of the impact on small counties and small cities as defined in s. 120.52. The impact analysis for small businesses must include the basis for the agency's decision not to implement alternatives that would reduce adverse impacts on small businesses.*
- f) *Any additional information that the agency determines may be useful.*
- g) *In the statement or revised statement, whichever applies, a description of any regulatory alternatives submitted under paragraph (1)(a) and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule.*

The estimated regulatory impact of establishing the District is summarized below. Statutory requirements are **SHOWN IN BOLD CAPS**.

a) AN ECONOMIC ANALYSIS SHOWING WHETHER THE ORDINANCE DIRECTLY OR INDIRECTLY:

- 1. IS LIKELY TO HAVE AN ADVERSE IMPACT ON ECONOMIC GROWTH, PRIVATE SECTOR JOB CREATION OR EMPLOYMENT, OR PRIVATE SECTOR INVESTMENT IN EXCESS OF \$1 MILLION IN THE AGGREGATE WITHIN 5 YEARS AFTER THE IMPLEMENTATION OF THE ORDINANCE;**

It is expected that any economic impact would be positive or neutral in nature. There would not be any significant impact on economic growth, private sector job creation or employment, or private sector investment as a direct result of the contraction of the District, as the development work in both the Contracted District and the Contraction Area has already been completed.

- 2. IS LIKELY TO HAVE AN ADVERSE IMPACT ON BUSINESS COMPETITIVENESS, INCLUDING THE ABILITY OF PERSONS DOING BUSINESS IN THE STATE TO COMPETE WITH PERSONS DOING**

BUSINESS IN OTHER STATES OR DOMESTIC MARKETS, PRODUCTIVITY, OR INNOVATION IN EXCESS OF \$1 MILLION IN THE AGGREGATE WITHIN 5 YEARS AFTER THE IMPLEMENTATION OF THE ORDINANCE;

It is not anticipated that there will be any impact on overall business competitiveness and/or innovation resulting from the District boundary contraction. Considering that all development is complete in both the Contracted District and the Contraction Area, there will be no adverse impact on business competitiveness because of the contraction of the District boundaries.

3. OR IS LIKELY TO INCREASE REGULATORY COSTS, INCLUDING ANY TRANSACTIONAL COSTS, IN EXCESS OF \$1 MILLION IN THE AGGREGATE WITHIN 5 YEARS AFTER THE IMPLEMENTATION OF THE ORDINANCE.

A dramatic increase in overall regulatory or transaction costs is highly unlikely. As will be stated in further detail below, the Clearwater City Council and/or the City may incur incidental administrative costs in reviewing the documents relative to the boundary contraction, but it is expected that these costs will be offset by various fees paid by the District to the Council and the City as may be required, respectively.

No District facilities or services are currently provided to the Contraction Areas, and it is not intended that the District will provide facilities or services to the Contraction Areas in the future. Operating costs for the property remaining in the District will continue to be funded by the landowners within the Contracted District through direct funding agreements or special assessments levied by the District.

b) A GOOD FAITH ESTIMATE OF THE NUMBER OF INDIVIDUALS AND ENTITIES LIKELY TO BE REQUIRED TO COMPLY WITH THE ORDINANCE, TOGETHER WITH A GENERAL DESCRIPTION OF THE TYPES OF INDIVIDUALS LIKELY TO BE AFFECTED BY THE ORDINANCE:

The individuals and entities likely to be required to comply with the rule or affected by the proposed action (i.e., adoption of the rule)

can be categorized, as follows: 1) The State of Florida and its residents, 2) The City of Clearwater and its residents, 3) The current and future property owners within the Contracted District, 4) the current and future owners within the Contraction Area.

1) The State of Florida

The State of Florida and its residents and general population will not incur any compliance costs related to the contraction and on-going administration of the District, and will only be affected to the extent that the State incurs those nominal administrative costs outlined in Section 3(a)(1) below. The cost of any additional administrative services provided by the State because of this project will be incurred whether the infrastructure is financed through a CDD or any alternative financing method.

2) City of Clearwater

The City and its residents not residing within the boundaries of the District will not incur any compliance costs related to the contraction and on-going administration of the District other than any one-time administrative costs outlined in Section 3(a)(2) below. Once the District boundaries are contracted, these residents will not be affected by adoption of the Ordinance. The cost of any additional administrative services provided by the City because of this development will be incurred whether the infrastructure is financed through a CDD or any alternative financing method.

3) Current and Future Property Owners – Contracted District

The current property owners and future property owners of the lands within the Contracted District will be affected by the contraction of the District boundaries to the extent that the District operations and maintenance assessments allocated for the District's operational costs will no longer be allocated to the Contraction Areas.

4) Current Property Owner and Future Property Owners – Contraction Areas

The current property owners and future property owners of the lands within the Contraction Areas will be affected by the contraction of the District boundaries to the extent that the District operations and maintenance assessments allocated for the District's operational costs will no longer be allocated to the Contraction Areas as such property owners will be outside of the District boundaries. Furthermore, the District does not currently provide facilities or services to the property within the Contraction Areas.

c) A GOOD FAITH ESTIMATE OF THE COST TO THE AGENCY, AND TO ANY OTHER STATE AND LOCAL ENTITIES, OF IMPLEMENTING AND ENFORCING THE ORDINANCE, AND ANY ANTICIPATED EFFECT ON STATE AND LOCAL REVENUES:

1) State of Florida ("Agency")

The State of Florida, its residents and general population would not be expected to incur any costs due to implementing and enforcing the ordinance, nor any anticipated effect on State and local revenues.

Once the District boundaries are contracted, the State of Florida will continue to incur only nominal administrative costs to review the periodic reports required pursuant to Chapters 190 and 189, F.S. These reports include the annual financial report, annual audit, and public financing disclosures. To offset these costs, the Legislature has established a maximum fee of \$175 per District per year to pay the costs incurred by the Special Districts Information Program to administer the reporting requirements of Chapter 189, F.S. This amount is currently being paid by the District and will not change when the District boundaries are contracted. Because the District, as defined in Chapter 190, F.S., is designed to function as a self-sufficient special-purpose governmental entity, it is responsible for its own management. Therefore, except for the reporting requirements outlined above, or later established by law, no additional burden is placed on the State once the District has been established, and there will be no impact because of the contraction.

2) City of Clearwater

The City is required to hold a public hearing on the petition pursuant to Section 190.046(1)(d)3., F.S. However, any costs relative to the County's review of the petition and/or the holding of a public hearing, if desired, will be offset by the District's payment of a one-time filing fee to the City if so required.

Once the District boundaries are contracted, the City will not incur any quantifiable on-going costs resulting from the on-going administration of the District. As previously stated, the CDD operates independently from the City and all administrative and operating costs incurred by the District relating to the financing and construction of infrastructure are borne entirely by the District. The District will continue to submit, for informational purposes, its annual budget, financial report, audit, and public financing disclosures to the City. Since there are no legislative requirements for review or action, the City should not incur any costs but in the event that costs are incurred due to the City's decision to review same, such costs are anticipated to be minimal and paid for with existing resources.

3) The District

The costs of petitioning for the District's boundary amendment will be paid entirely by the owners of the property located in the Contraction Areas, the owners being CL Clearwater LP, CL Clearwater LLC, CL Clearwater Owner 3 LLC, CL Clearwater 4 LLC, CL Clearwater 5 LLC and CL Clearwater 6 LLC. As a result, the District and its residents will not experience any costs relative to the implementation of the boundary amendment.

Thereafter, the District will continue to incur costs for operations and maintenance of its facilities and for its administration. These costs will be completely paid for from

annual assessments levied against all properties within the Contracted District benefiting from its facilities and its services.

4) Impact on State and Local Revenues

It is anticipated that approval of this petition will not have any negative effect on state or local revenues. The District is an independent unit of local government. It is designed to provide community facilities and services to serve the Project. It has its own sources of revenue. No State or local subsidies are required or expected. In addition, local ad valorem tax revenues may be increased due to long-lasting increases in property values resulting from the District's on-going maintenance services.

Lastly, some express a concern that a CDD obligation could become a State, County or City obligation thereby negatively affecting State or local revenues. This cannot occur, as Chapter 190 specifically addresses this issue and expressly states: "It is further the purpose and intent of the Legislature that no debt or obligation of a district constitutes a burden on any local general-purpose government without its consent." Section 190.002(3), F.S. "A default on the bonds or obligations of a district shall not constitute a debt or obligation of a local general-purpose government or the state." Section 190.016(15), F.S.

In summary, contracting the boundaries of the Clearwater Cay Club Community Development District will not create any significant economic costs for the State of Florida, the City, or the District.

d) A GOOD FAITH ESTIMATE OF THE TRANSACTIONAL COSTS LIKELY TO BE INCURRED BY INDIVIDUALS AND ENTITIES, INCLUDING LOCAL GOVERNMENT ENTITIES, REQUIRED TO COMPLY WITH THE REQUIREMENTS OF THE ORDINANCE:

The transactional costs associated with the adoption of an Ordinance to amend the District's boundaries are nominal. The District will essentially function as it was originally intended. Any transaction costs associated with the boundary amendment will be

funded by the owners of the property located within the Contraction Area as noted above in Section 3. a. 3, pursuant to a funding agreement, and will not be borne by District or its residents.

The District provides various community facilities and services to serve the properties within the District. These facilities and services, and the estimated costs associated with the provision of each, were provided in the original Statement of Estimated Regulatory Costs and Petition to establish the District. It is important to note that the various costs are typical for developments of this type. These costs are not in addition to normal Project costs.

Assessments for repayment of the District's bonds have been levied against certain benefited properties within the Existing District which, after contraction, will remain within the boundary of the Contracted District. The obligation to pay the assessments "runs with the land" and is transferred to new property owners upon sale of any portions of the property.

To fund the cost of maintaining infrastructure that the District maintains, operation and maintenance assessments are imposed on benefited properties within the Existing District. The District will not provide facilities and services to the Contraction Area.

All persons choosing to acquire property in the District will continue to be responsible for such assessments in addition to the taxes or assessments imposed by the City or other taxing authorities. In exchange for the payment of these special assessments, there are benefits to be derived by the property owners. Specifically, these persons receive a higher level of services because they, the property owners, elect the members of the District's Board of Supervisors. Further, the District is limited in jurisdiction and responsibility to this single development. Therefore, the District is expected to be responsive to the needs of the property owners.

e) AN ANALYSIS OF THE IMPACT ON SMALL BUSINESSES AS DEFINED BY S. 288.703, AND AN ANALYSIS OF THE IMPACT ON SMALL COUNTIES AND SMALL CITIES AS DEFINED IN S. 120.52:

Contracting the boundaries of the District should not have any negative impact on small businesses. Any business, large or small, has the option of locating in a community development district provided the local governmental authority has issued the appropriate land use approvals. Those that choose this option are subjected to the financial obligations imposed by the District and accrue the benefits resulting from being in the District.

The City of Clearwater is not defined as a small county for purposes of this requirement.

f) ANY ADDITIONAL INFORMATION THAT THE AGENCY DETERMINES MAY BE USEFUL:

Certain data utilized in this report was provided by the Applicant represents the best information available at this time. Other data was provided by Halifax Solutions, LLC. and was based on observations, analysis, and experience with private development and other CDD's in various stages of existence.

g) A DESCRIPTION OF ANY REGULATORY ALTERNATIVES SUBMITTED AND A STATEMENT ADOPTING THE ALTERNATIVE OR A STATEMENT OF THE REASONS FOR REJECTING THE ALTERNATIVE IN FAVOR OF THE PROPOSED RULE:

Not applicable.

Disclosure Notice

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