

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

Submitted by: Scott D. Clark
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Attorneys for Petitioner/Owner

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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 Bay 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.

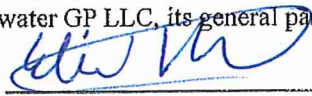
The undersigned hereby represents and warrants that it has taken all actions and obtained all consents necessary to duly authorize the execution of this consent and joinder by the officer executing this instrument.

Executed this 7th day of October, 2020.


Owner:

CL CLEARWATER LP

By: CL Clearwater GP LLC, its general partner

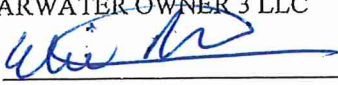
By: 
Elie Rieder
Authorized Representative

CL CLEARWATER LLC

By: 
Elie Rieder
Authorized Representative

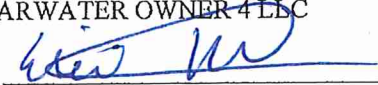
CL CLEARWATER OWNER 3 LLC

By:


Elie Rieder
Authorized Representative

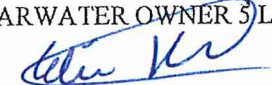
CL CLEARWATER OWNER 4 LLC

By:


Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 5 LLC

By:


Elie Rieder
Authorized Representative

CL CLEARWATER OWNER 6 LLC

By:

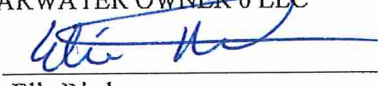

Elie Rieder
Authorized Representative

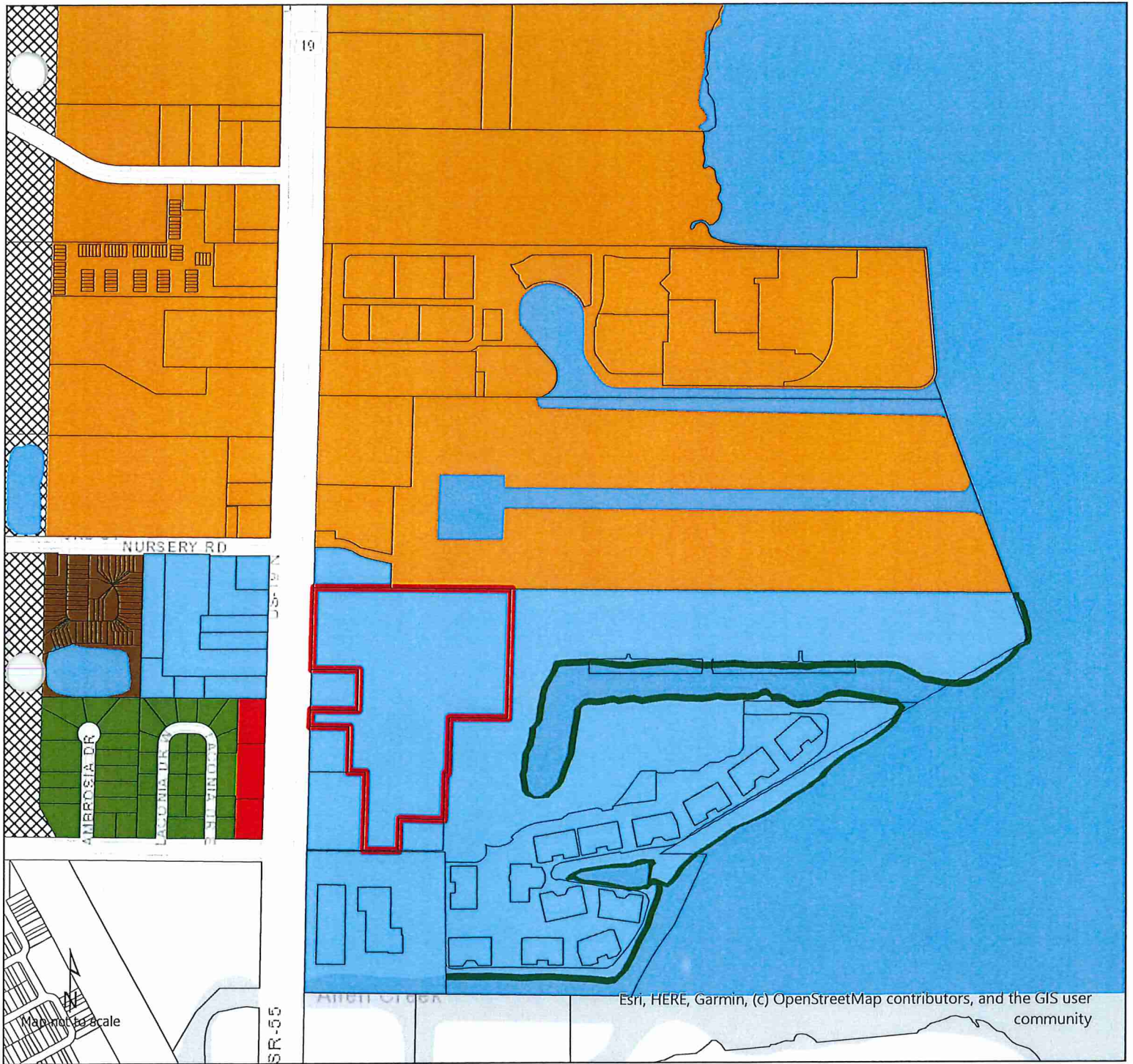
EXHIBIT A

LEGAL DESCRIPTION OF LAND TO BE WITHDRAWN FROM CDD



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Exhibit 5 - Future Land Use



Subject Area Future Land Use

-  (CG) Commercial General
-  (P) Preservation
-  (RL) Residential Low
-  (RM) Residential Medium
-  (T/U) Transportation/Utility
-  (US 19-C) US 19 Corridor
-  (US 19-NC) US 19 Neighborhood Center
-  (WATER) Water

1 inch equals 625 feet



Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

[CDD MAP FROM WEBSITE]



EXHIBIT 7

STATEMENT OF ESTIMATED REGULATORY COSTS



CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT

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

Prepared by Halifax Solutions, LLC.

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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.



HALIFAX
SOLUTIONS

FYI Item #1515
CAI (work session)
8/29/2005

Item 8.7 e a/105
cc.

PETITION TO ESTABLISH

THE

**CLEARWATER CAY CLUB
COMMUNITY DEVELOPMENT DISTRICT**

Submitted to the

**City of Clearwater, Florida
City Council**

PREPARED BY:

**Thomas A. Cloud
Frank Fleischer
GrayRobinson, P.A.
301 East Pine Street, Suite 1400
Orlando, FL 32801
(407) 244-5624**

INDEX

1. Petition

- Exhibit A Clearwater Cay Club Community Development District Survey
- Exhibit B Legal Description of the Land Comprising the Clearwater Cay Club Community Development District
- Exhibit C Clearwater Cay Club Community Development District Consent of Land Owners
- Exhibit D Clearwater Cay Club Community Development District Board of Supervisors
- Exhibit E Maps showing current major trunk water mains, sewer interceptors and outfalls
- Exhibit F Clearwater Cay Club Community Development District Preliminary Infrastructure Cost Opinion
- Exhibit G Statement of Estimated Regulatory Costs (SERC)
- Exhibit H Maps (including Aerial, Water Park, Overall Master Plan, Site Plan, Future Land Use, Zoning and narrative)
- Exhibit I Authorization of Agent – W. Scott Callahan, Esquire and Thomas A. Cloud, Esquire

2. Notice of Public Hearing

RECEIVED

MAR 07 2005

CITY ATTORNEY

BEFORE THE CITY COUNCIL
CITY OF CLEARWATER, FLORIDA

IN RE: PROPOSED ORDINANCE PURSUANT)
TO SECTION 190.005(2), FLORIDA STATUTES,)
TO ESTABLISH THE CLEARWATER CAY CLUB)
COMMUNITY DEVELOPMENT DISTRICT)

PETITION FOR ESTABLISHMENT OF
CLEARWATER CAY CLUB
COMMUNITY DEVELOPMENT DISTRICT

Petitioner, DC703, LLC, a Florida limited liability company, petitions the City Council of the City of Clearwater, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, and Florida Administrative Code 42-1 to adopt an ordinance establishing a community development district to be known as Clearwater Cay Club Community Development District (the "District") and designating the land area for which the District would manage and finance the delivery of basic services. In support of this Petition, Petitioner states as follows:

1. **Petitioner.** Petitioner is a Florida limited liability company with its offices located at 2704 Via Murano, Clearwater, Florida 33764.

2. **Location and Size.** The land area to be served by the proposed District contains approximately 40.339 acres. All of the land in the proposed District lies within the territorial limits of the incorporated area of the City of Clearwater, Pinellas County, Florida, located generally in the area east of US Highway 19 and north of State Road 60. A description of a survey of the land prepared by Post Buckley Schuh and Jernigan, Inc. is attached hereto as **Exhibit "A"** and the original of the survey is delivered to the City of Clearwater with this Petition and incorporated herein by reference. A metes and bounds legal description of the external boundaries of the District is attached as **Exhibit "B"** and incorporated herein by reference.

3. **Land Owner Consent and Address.** Petitioner either owns, controls, or has consent to file for 100% of the real property located within the proposed District. Attached hereto as **Exhibit "C"** and incorporated herein by reference is the written consent to the establishment of the District by the land owners as defined in Section 190.003(13), Florida Statutes, of one hundred percent (100%) of the real property to be included in and served by the District.

4. **Board Members.** The five persons designated to serve as the initial members of the Board of Supervisors of the District are identified on **Exhibit "D"** attached hereto and incorporated herein by this reference. These initial Supervisors shall serve on the Board until replaced by elected members as provided by Section

190.006, Florida Statutes. All of the initial Supervisors are residents of the State of Florida and citizens of the United States of America.

5. **Name.** The proposed name of the District is Clearwater Cay Club Community Development District.

6. **Water and Sewer.** The major trunk water mains, sewer interceptors and outfalls currently in existence on the property or adjacent to the property to be served by the District are identified on **Exhibit "E"** attached hereto and incorporated herein by reference.

7. **District Facilities and Services.** The proposed District is seeking to be granted the right to exercise all the powers provided for in Section 190.011 and 190.012, Florida Statutes. Based upon available data, the proposed time tables and related estimates of cost to construct District services and facilities, based upon available data, are attached as Composite **Exhibit "F"** and incorporated herein by this reference. As provided by Chapter 190, Florida Statutes, these estimates are submitted in good faith but are not binding and may be subject to change.

8. **Statement of Estimated Regulatory Costs.** The statement of estimated regulatory costs of the granting of this Petition and the establishment of the District pursuant thereto is attached as **Exhibit "G"** and incorporated herein by this reference.

9. **Land Uses.** The future general distribution, location and extent of public and private uses of land proposed for the area within the District have been incorporated into the adopted Clearwater Comprehensive Policy Plan. The proposed land uses are consistent with Clearwater's Comprehensive Policy Plan. A copy of the future land use map containing the pertinent portion of the Clearwater Comprehensive Land Use Plan is attached as **Exhibit "H"** and incorporated herein by reference.

10. **Address of the Petitioner and its Authorized Agent.** The address of Petitioner is:

DC703, LLC
2704 Via Murano
Clearwater, Florida 33764
Attention: Dave Clark

The authorized agent for the Petitioner is:

W. Scott Callahan, Esquire
Stump, Storey & Callahan
37 N. Orange Ave., Suite 200
Orlando, FL 32801

Thomas A. Cloud, Esquire
GrayRobinson, P.A.

301 East Pine St., Suite 1400
Orlando, Florida 32801

An Authorization of Agent is attached to and incorporated in this Petition as **Exhibit "I"**.

11. **Justification Statement.** This Petition to establish the Clearwater Cay Club Community Development District includes property within the proposed District which is amenable to operating as a community development district and, therefore, should be granted, for the following reasons:

(a) The area of land within the proposed District is part of a planned community, for which planned unit development approval has been received from the City. The property to be included in the District is of sufficient size and is sufficiently contiguous and compact to be developed as one functional and interrelated community and the District is planned to be developed as such. The area to be served by the proposed District is amenable to separate special district government.

(b) Establishment of the District and all land uses and services planned within the proposed District are not inconsistent with the applicable elements or portions of the Clearwater Comprehensive Plan or the State Comprehensive Plan.

(c) The proposed District will be the best alternative available for delivering community development services to the area to be served because the District provides a governmental entity for delivering those services and facilities in a manner that does not financially impact persons residing outside the proposed District and provides a responsible perpetual entity capable of making reasonable provisions for the operation and maintenance of District services and facilities in the future. The establishment of the District will prevent the general body of taxpayers in Clearwater from bearing the burden for installation of the infrastructure and the maintenance of the above-described facilities within the development encompassed by the proposed District.

(d) The community development services of the proposed District will be compatible with the capacity and use of existing local and regional services and facilities, allows for a more efficient use of resources, provides the opportunity for new growth to pay for itself, and provides a perpetual entity capable of making reasonable provisions for the operation and maintenance of the District services and facilities.

12. **Supplemental Petition.** A supplemental petition will be filed containing prefiled testimony for the public hearing and any other pertinent information, data, or analysis requested by the City of Clearwater.

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

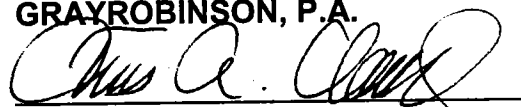
(a) Schedule a public hearing in accordance with the requirements of Chapter 190, Florida Statutes, to consider the establishment of the Clearwater Cay Club Community Development District;

(b) Grant the petition and adopt an ordinance pursuant to Chapter 190, Florida Statutes, establishing the Clearwater Cay Club Community Development District; and

(c) Consent to the District's exercise of its statutory powers which includes all powers set forth in Sections 190.011 and 190.012, Florida Statutes.

RESPECTFULLY SUBMITTED, this 1st day of MARCH, 2005.

GRAYROBINSON, P.A.



Thomas A. Cloud, Esquire
301 East Pine Street, Suite 1400
Orlando, FL 32801
407-843-8880

EXHIBIT "A"

CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT SURVEY

The survey is attached and has been submitted to the City of Clearwater.

EXHIBIT "B"

**LEGAL DESCRIPTION OF THE LAND COMPRISING THE
CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT**

LEGAL DESCRIPTION:

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

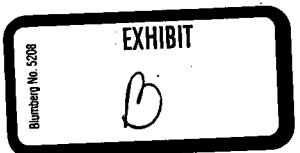
Commence at the Southwest corner of said Section 20; thence along the South line of said Section 20, S89°19'48"E, a distance of 100.01 feet to the East right of way line of U.S. Highway 19; thence N01°26'21"E, along said East right of way line, a distance of 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

Containing 16.265 acres, more or less.

TOGETHER WITH

A tract of land lying within Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida and 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, for 721.40 feet; thence S00°27'22"E, for 43.51 feet to the POINT OF BEGINNING, said point 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 $56^{\circ}40'40''$, an arc length of 123.65 feet and a chord bearing $N77^{\circ}25'43''E$, 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 $00^{\circ}31'45''$, an arc length of 2.80 feet and a chord bearing $N49^{\circ}21'15''E$, for 2.80 feet to the point of intersection with a non-tangent line; thence $N40^{\circ}22'52''W$, 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 $N40^{\circ}43'39''W$, and having a radius of 74.87 feet, a central angle of $02^{\circ}40'04''$, an arc length of 3.49 feet and a chord bearing $N47^{\circ}56'19''E$, 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 $34^{\circ}19'10''$, an arc length of 140.16 feet and a chord bearing $N63^{\circ}45'52''E$, for 138.08 feet to the point of tangency; thence $N80^{\circ}55'27''E$, for 97.25 feet; thence $N56^{\circ}01'58''E$, for 40.45 feet; thence $N78^{\circ}50'41''E$, for 127.14 feet; thence $S78^{\circ}23'09''E$, for 24.44 feet; thence $S11^{\circ}52'40''E$, for 9.10 feet; thence $N79^{\circ}23'05''E$, for 49.80 feet; thence $N10^{\circ}51'19''W$, for 10.82 feet; thence $N42^{\circ}27'28''E$, for 66.63 feet; thence $N35^{\circ}48'02''E$, for 134.85 feet; thence East, for 67.34 feet; thence $S38^{\circ}08'04''E$, for 12.67 feet; thence East, for 68.14 feet; thence $N54^{\circ}10'51''E$, for 17.03 feet; thence East, for 96.27 feet; thence $N55^{\circ}05'18''E$, 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 $39^{\circ}42'28''$, an arc length of 44.35 feet and a chord bearing $N70^{\circ}08'46''E$, 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 $36^{\circ}55'37''$, an arc length of 37.38 feet and a chord bearing $N68^{\circ}45'21''E$, 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 $87^{\circ}13'09''$, an arc length of 82.20 feet and a chord bearing $N43^{\circ}36'34''E$, for 74.49 feet to the point of tangency; thence North, for 189.83 feet; thence $S89^{\circ}19'09''E$, for 779.97 feet; thence $S60^{\circ}00'00''W$, for 1333.52 feet; thence $S89^{\circ}19'48''E$, for 209.91 feet; thence $S24^{\circ}54'45''W$, 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 $S52^{\circ}36'11''E$, and having a radius of 1577.45 feet, a central angle of $13^{\circ}22'27''$, an arc length of 368.22 feet and a chord bearing $S30^{\circ}42'35''W$, for 367.38 feet to the point of intersection with a non-tangent line; thence $N89^{\circ}04'26''W$, for 829.18 feet; thence $N00^{\circ}27'22''W$, for 584.06 feet to the POINT OF BEGINNING.

Containing 24.074 acres, more or less.

TOGETHER WITH an easement for ingress, egress, drainage and utilities created by documents recorded in Official Records Book 10958, Page 299, Official Records Book 12557, Page 2644, and Official Records Book 10784, Page 1247 of the Public Records of Pinellas County Florida, over the following described parcel:

A tract of land lying in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being further described as follows:

Commence at the Southwest corner of said Section 20; thence $S89^{\circ}19'48''E$, along the South line of said Section 20 and the North line of said Section 29, a distance of 100.01 feet to the East right of way line of U.S. Highway 19 and the POINT OF BEGINNING; thence $N01^{\circ}26'21''E$, along said East right of way line, a distance of 5.00 feet; thence $S89^{\circ}19'48''E$, parallel with said South line of Section 20, a distance of 610.00 feet; thence $S01^{\circ}26'21''W$, a distance of 5.00 feet to the North line of said Section 29; thence $S89^{\circ}19'48''E$, along said North line, a distance of 5.89 feet to a point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a radial bearing $N35^{\circ}13'11''W$, and having a radius of 35.00 feet, a central

angle of $30^{\circ} 38' 59''$, an arc length of 18.72 feet and a chord bearing $N39^{\circ}27'06''E$, for 18.50 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 45.00 feet, a central angle of $66^{\circ} 32' 19''$ an arc length of 52.26 feet and a chord bearing $N57^{\circ}24'02''E$, for 49.37 feet to the point of tangency; thence $S89^{\circ}19'48''E$, for 15.64 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 50.00 feet, a central angle of $39^{\circ} 25' 12''$, an arc length of 34.40 feet and a chord bearing $N70^{\circ}57'37''E$, for 33.73 feet to the point of a reverse curve concave to the West; thence Southeasterly along the arc of said curve, having a radius of 55.50 feet, a central angle of $219^{\circ} 25' 12''$, an arc length of 212.54 feet and a chord bearing $S19^{\circ}02'23''E$, for 104.50 feet to the point of tangency; thence $N89^{\circ}19'48''W$, for 111.84 feet to the point of curvature of a curve concave to the North; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $13^{\circ} 43' 39''$, an arc length of 8.39 feet and a chord bearing $N82^{\circ}27'58''W$, for 8.37 feet to the point of reverse curvature with a curve concave to the South; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $14^{\circ} 51' 42''$, an arc length of 9.08 feet and a chord bearing $N83^{\circ}02'00''W$, for 9.05 feet to a point of intersection with a non-tangent line; thence $S00^{\circ}27'22''E$, for 6.50 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 382.87 feet; thence $S76^{\circ}44'53''W$, a distance of 57.73 feet; thence $S87^{\circ}33'00''W$, a distance of 57.06 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 126.71 feet to said East right of way line of U.S. Highway 19; thence $N00^{\circ}51'16''E$, along said East right of way line, a distance of 67.00 feet to the POINT OF BEGINNING.

EXHIBIT "C"
CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT
CONSENT OF LAND OWNERS

**CONSENT AND JOINDER
TO PETITION TO ESTABLISH
COMMUNITY DEVELOPMENT DISTRICT**

Grand Venezia Clearwater, LLC, a Florida limited liability company, by and through the undersigned hereby agrees and consents to the establishment of a community development district with authority to exercise all special and general powers upon the lands described in Exhibit "A" attached hereto, pursuant to Chapter 190, Florida Statutes.

By: **GRAND VENEZIA
CLEARWATER, LLC, a Florida
limited liability company**

By: **SUNVEST RESORT
COMMUNITIES, LC, a Florida
Limited liability company, as
its Manager**



Harvey Birdman, as Manager

STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 21ST day of February, 2005 by Harvey Birdman, as Manager of SUNVEST RESORT COMMUNITIES, LC, a Florida limited liability company, Manager of GRAND VENEZIA CLEARWATER, LLC, a Florida limited liability company, by who is personally known to me or who has produced _____ as identification.

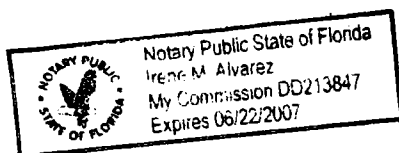


Signature of Notary

Irene M. Alvarez

Printed Name of Notary

Commission Expires: DD213847
6/22/07



LEGAL DESCRIPTION:

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, S89°19'48"E, a distance of 100.01 feet to the 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

Containing 16.265 acres, more or less.

TOGETHER WITH

A tract of land lying within Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida and 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, for 721.40 feet; thence S00°27'22"E, for 43.51 feet to the POINT OF BEGINNING, said point 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; thence N00°27'22"W, for 584.06 feet to the POINT OF BEGINNING.

Containing 24.074 acres, more or less.

TOGETHER WITH an easement for ingress, egress, drainage and utilities created by documents recorded in Official Records Book 10958, Page 299, Official Records Book 12557, Page 2644, and Official Records Book 10784, Page 1247 of the Public Records of Pinellas County Florida, over the following described parcel:

A tract of land lying in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being further described as follows:

Commence at the Southwest corner of said Section 20; thence S89°19'48"E, along the South line of said Section 20 and the North line of said Section 29, 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 610.00 feet; thence S01°26'21"W, a distance of 5.00 feet to the North line of said Section 29; thence S89°19'48"E, along said North line, a distance of 5.89 feet to a point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a radial bearing N35°13'11"W, and having a radius of 35.00 feet, a central

angle of $30^{\circ} 38' 59''$, an arc length of 18.72 feet and a chord bearing $N39^{\circ}27'06''E$, for 18.50 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 45.00 feet, a central angle of $66^{\circ} 32' 19''$ an arc length of 52.26 feet and a chord bearing $N57^{\circ}24'02''E$, for 49.37 feet to the point of tangency; thence $S89^{\circ}19'48''E$, for 15.64 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 50.00 feet, a central angle of $39^{\circ} 25' 12''$, an arc length of 34.40 feet and a chord bearing $N70^{\circ}57'37''E$, for 33.73 feet to the point of a reverse curve concave to the West; thence Southeasterly along the arc of said curve, having a radius of 55.50 feet, a central angle of $219^{\circ} 25' 12''$, an arc length of 212.54 feet and a chord bearing $S19^{\circ}02'23''E$, for 104.50 feet to the point of tangency; thence $N89^{\circ}19'48''W$, for 111.84 feet to the point of curvature of a curve concave to the North; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $13^{\circ} 43' 39''$, an arc length of 8.39 feet and a chord bearing $N82^{\circ}27'58''W$, for 8.37 feet to the point of reverse curvature with a curve concave to the South; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $14^{\circ} 51' 42''$, an arc length of 9.08 feet and a chord bearing $N83^{\circ}02'00''W$, for 9.05 feet to a point of intersection with a non-tangent line; thence $S00^{\circ}27'22''E$, for 6.50 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 382.87 feet; thence $S76^{\circ}44'53''W$, a distance of 57.73 feet; thence $S87^{\circ}33'00''W$, a distance of 57.06 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 126.71 feet to said East right of way line of U.S. Highway 19; thence $N00^{\circ}51'16''E$, along said East right of way line, a distance of 67.00 feet to the POINT OF BEGINNING.

**CONSENT AND JOINDER
TO PETITION TO ESTABLISH
COMMUNITY DEVELOPMENT DISTRICT**

DC703, LLC, a Florida limited liability company, by and through the undersigned hereby agrees and consents to the establishment of a community development district with authority to exercise all special and general powers upon the lands described in Exhibit "A" attached hereto, pursuant to Chapter 190, Florida Statutes.


By: **DC703, LLC, a Florida limited liability company**



F. Dave Clark, as Manager

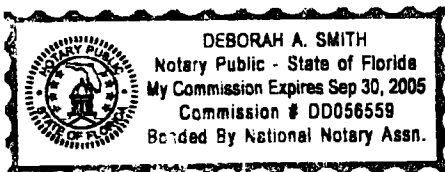
STATE OF FLORIDA
COUNTY OF Monroe

The foregoing instrument was acknowledged before me this 25th day of February, 2005 by F. Dave Clark, as Manager of DC703, LLC, a Florida limited liability company, who is personally known to me or who has produced _____ as identification.


Signature of Notary

Deborah A. Smith
Printed Name of Notary

Commission Expires: 9-30-05



LEGAL DESCRIPTION:

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, S89°19'48"E, a distance of 100.01 feet to the 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

Containing 16.265 acres, more or less.

TOGETHER WITH

A tract of land lying within Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida and 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, for 721.40 feet; thence S00°27'22"E, for 43.51 feet to the POINT OF BEGINNING, said point 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; thence N00°27'22"W, for 584.06 feet to the POINT OF BEGINNING.

Containing 24.074 acres, more or less.

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angle of $30^{\circ} 38' 59''$, an arc length of 18.72 feet and a chord bearing $N39^{\circ}27'06''E$, for 18.50 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 45.00 feet, a central angle of $66^{\circ} 32' 19''$ an arc length of 52.26 feet and a chord bearing $N57^{\circ}24'02''E$, for 49.37 feet to the point of tangency; thence $S89^{\circ}19'48''E$, for 15.64 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 50.00 feet, a central angle of $39^{\circ} 25' 12''$, an arc length of 34.40 feet and a chord bearing $N70^{\circ}57'37''E$, for 33.73 feet to the point of a reverse curve concave to the West; thence Southeasterly along the arc of said curve, having a radius of 55.50 feet, a central angle of $219^{\circ} 25' 12''$, an arc length of 212.54 feet and a chord bearing $S19^{\circ}02'23''E$, for 104.50 feet to the point of tangency; thence $N89^{\circ}19'48''W$, for 111.84 feet to the point of curvature of a curve concave to the North; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $13^{\circ} 43' 39''$, an arc length of 8.39 feet and a chord bearing $N82^{\circ}27'58''W$, for 8.37 feet to the point of reverse curvature with a curve concave to the South; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $14^{\circ} 51' 42''$, an arc length of 9.08 feet and a chord bearing $N83^{\circ}02'00''W$, for 9.05 feet to a point of intersection with a non-tangent line; thence $S00^{\circ}27'22''E$, for 6.50 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 382.87 feet; thence $S76^{\circ}44'53''W$, a distance of 57.73 feet; thence $S87^{\circ}33'00''W$, a distance of 57.06 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 126.71 feet to said East right of way line of U.S. Highway 19; thence $N00^{\circ}51'16''E$, along said East right of way line, a distance of 67.00 feet to the POINT OF BEGINNING.

EXHIBIT "D"

CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT

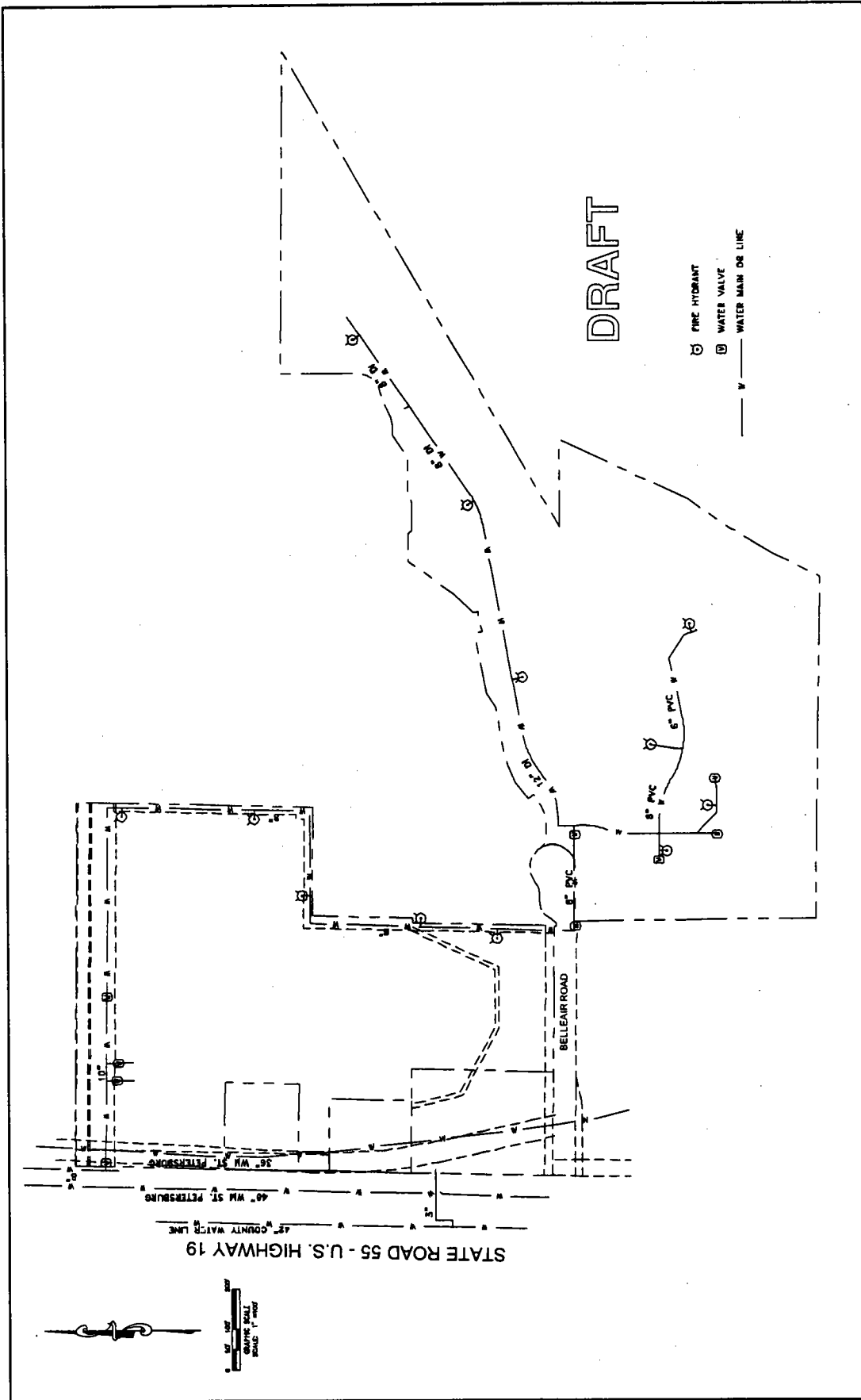
BOARD OF SUPERVISORS

1. Darcy Edwards
2724 Via Murano, Unit 620
Clearwater, FL 33764
2. Gary Schwarz
2722 Via Tivoli, Unit 416A
Clearwater, FL 33764
3. David Schwarz
2722 Via Tivoli, Unit 416A
Clearwater, FL 33764
4. Cristal Coleman
2749 Via Cipriani, Unit 1015B
Clearwater, FL 33764
5. Fred Clark, Sr.
2709 Via Cipriani, Unit 521A
Clearwater, FL 33764

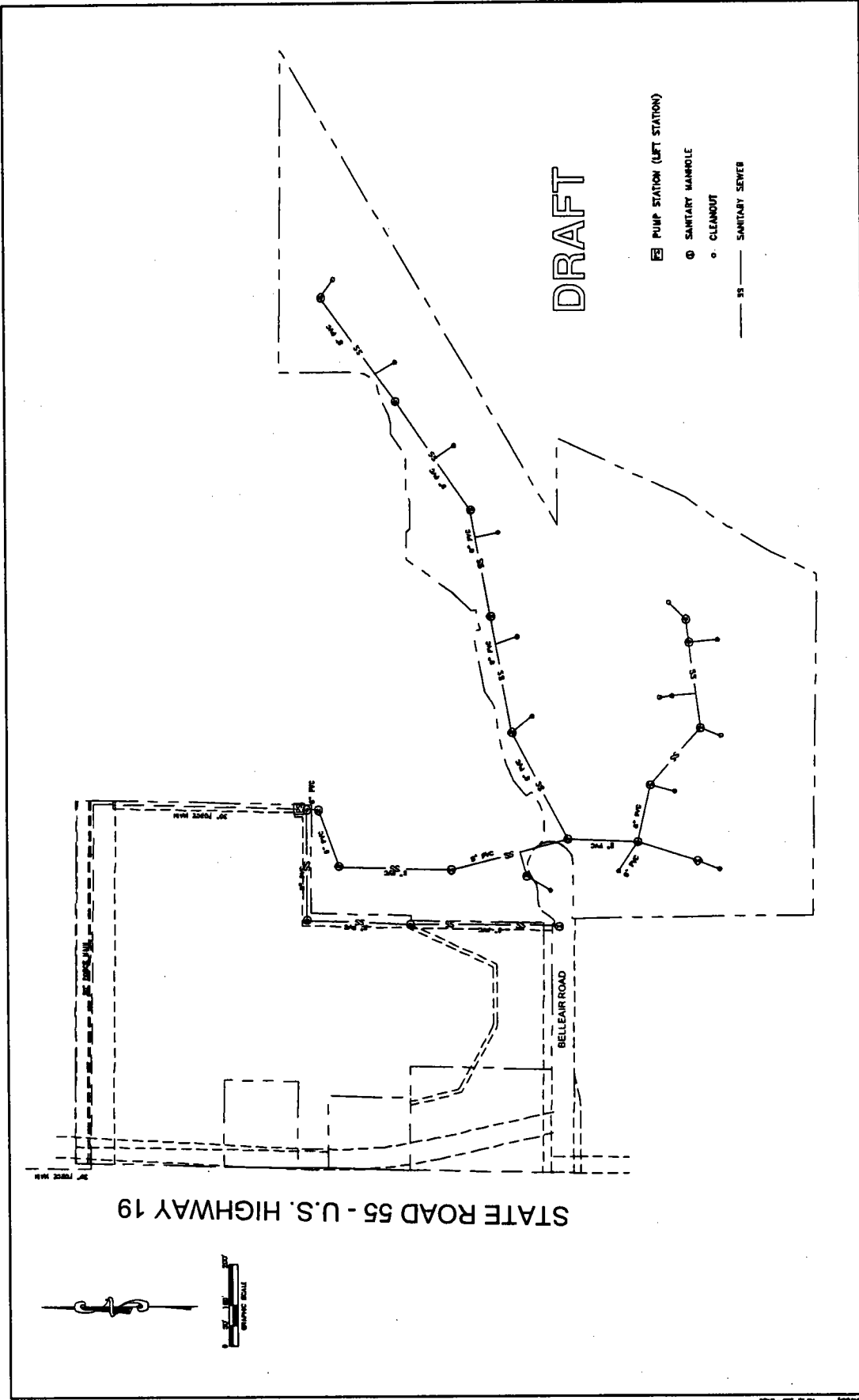


EXHIBIT "E"

**MAPS SHOWING CURRENT MAJOR TRUNK WATER MAINS, SEWER
INTERCEPTORS AND OUTFALLS**



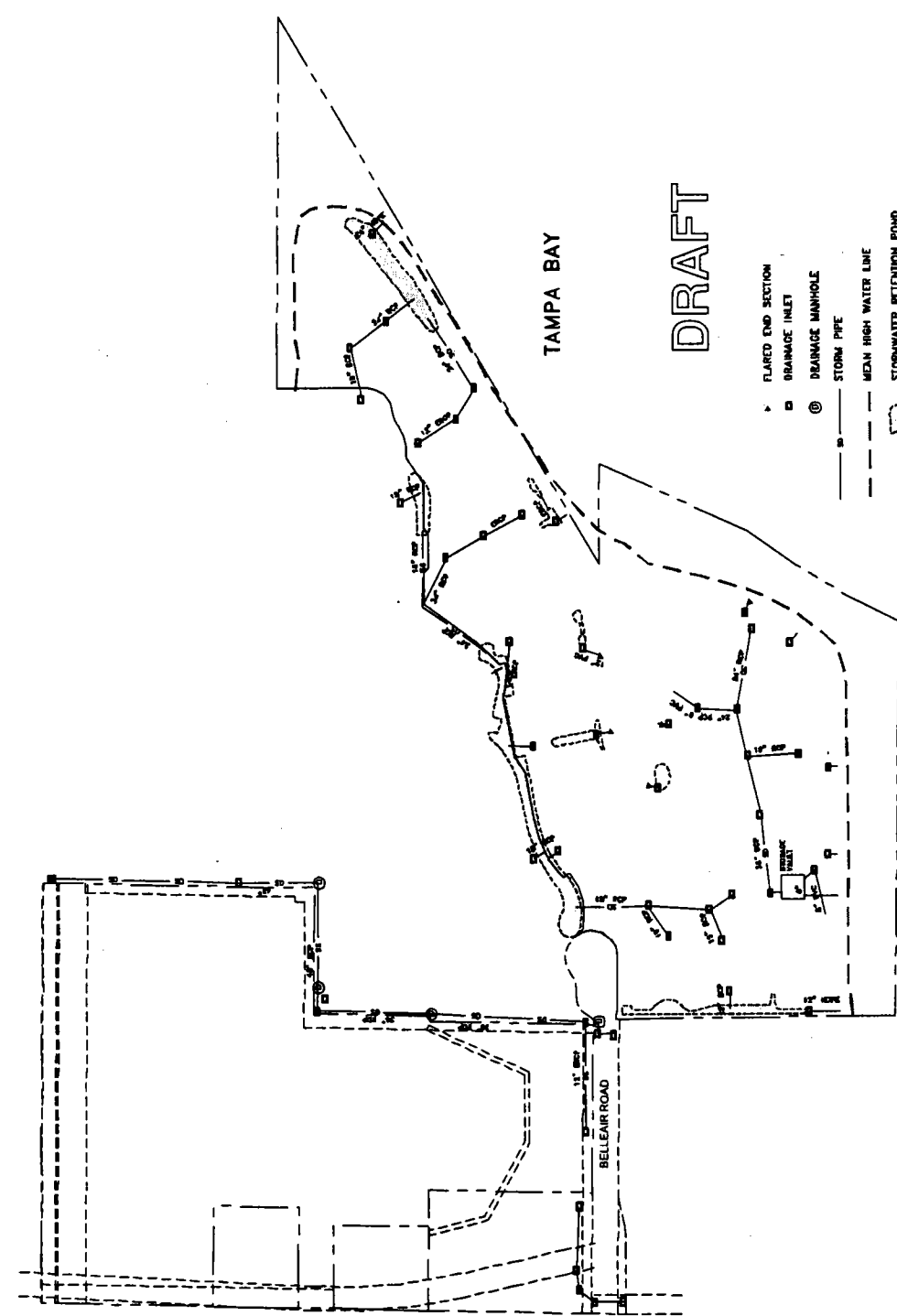
DESIGNED BY DATE	CHECKED BY DATE	DRAWN BY DATE	PROJECT CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB	TOWN CLEARWATER	SHEET 1 OF 1
ORIGINAL REVISIONS:			WATER MASTER PLAN		
CLIENT DC 703, LLC 2704 VIA MURANO CLEARWATER, FL 33764			PROJECT		



DRAFT

- ☐ PUMP STATION (LIFT STATION)
- SANITARY MANHOLE
- CLEANOUT
- 36" — SANITARY SEWER

PBS CIVIL ENGINEERING & SURVEYING 1000 West Cypress Street, Suite 350 Tampa, Florida 33607-1704 P. 813 281-1070 F. 813 281-1050		CLIENT DC 703, LLC 2704 VIA MURANO CLEARWATER, FL 33764	PROJECT CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB	WORK SANITARY SEWER MASTER PLAN	ORIGINAL (SHEET 285) 1. _____ 2. _____ 3. _____	DATED 05/14 1. _____ 2. _____ 3. _____	JOB NO. 330373.00 DRAWN BY JAC CHECKED BY JAC FIELD BOOK SHEET 1 OF 1
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DRAFT

- ▲ FLARED END SECTION
- DRAINAGE INLET
- ⊙ DRAINAGE MANHOLE
- STORM PIPE
- - - MEAN HIGH WATER LINE
- ~~~~~ STORMWATER RETENTION POND

STATE ROAD 55 - U.S. HIGHWAY 19

BELLEAIR ROAD

TAMPA BAY

JOB NO. 100273.00 DRAWN BY JAL CHECKED BY JAL DESIGNED BY JAL FIELD NO.	DRAINAGE PLAN	SHEET 1 OF 1
ORIGINAL REVISIONS:	DATE	PROJECT
CLIENT	DC 703, LLC 2704 VIA MURANO CLEARWATER, FL 33764	CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB
TITLE	STORM SEWER MASTER PLAN	DATE
PROJECT	CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB	DATE

**DC703 COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY INFRASTRUCTURE COST OPINION**

	Grand Venezia	Cay Club	TOTAL
WATER / WASTEWATER			
Stormwater System	\$198,000	\$1,907,500	
Seawalls	\$625,000	\$725,000	
Water Mains	\$99,000	\$93,000	
Reclaimed Water	\$0	\$63,000	
Sanitary / Lift Stations	\$592,100	\$882,100	
Utilities	\$312,500	\$300,000	
	\$1,826,600	\$3,970,600	\$ 5,797,200
ROADWAYS			
Entryway Structures	\$50,000	\$100,000	
Road (4LD)	\$0	\$149,600	
Road (2L)	\$266,000	\$105,000	
Parking (On-Street)	\$574,800	\$61,200	
Lighting	\$175,000	\$140,000	
Plaza (3)	\$0	\$294,532	
Landscaping (Roads)	\$266,000	\$391,083	
Sidewalks	\$101,750	\$24,100	
	\$1,433,550	\$1,265,515	\$ 2,699,065
RECREATION / WATERFRONT			
Tennis/Volleyball Courts	\$300,000	\$300,000	
Water Features (Fountains)	\$0	\$700,000	
Waterfront Theater	\$0	\$850,000	
Fountains	\$0	\$960,000	
Flower Garden	\$0	\$225,000	
Docks / Wharf / Promenade	\$750,000	\$750,000	
Bridges	\$0	\$500,000	
Kiosks	\$0	\$150,000	
Landscaping	\$0	\$715,000	
Pool	\$0	\$270,000	
Gazebo	\$50,000	\$50,000	
	\$1,100,000	\$5,470,000	\$ 6,570,000
PARKING			
Parking Structures	\$0	\$1,650,000	1,650,000
SECURITY			
Guardhouses	\$50,000	\$150,000	
Walls	\$0	\$6,500	
	\$50,000	\$156,500	\$ 206,500
	\$ 4,410,150	\$ 12,512,615	

*Note: This is a preliminary cost opinion only and is
based on information provided by the owner to date.*

For Informational Purposes Only.

GRAND TOTAL: \$ 16,922,765



EXHIBIT "G"

STATEMENT OF ESTIMATED REGULATORY COSTS (SERC)

STATEMENT OF ESTIMATED REGULATORY COSTS

1.0 Introduction

1.1 Purpose and Scope

This statement of estimated regulatory costs ("SERC") supports the petition to establish the Clearwater Cay Club Community Development District ("District"). The proposed District comprises approximately 40 +/- acres of land within the City of Clearwater, Florida on which approximately 195 residential villa units, 119 hotel-minium units, 17,278 S.F. of office space, 102,869 S.F. of retail space, 27,014 S.F. of restaurant space, parking and recreational facilities are planned for development. The aforementioned development program will be added to the 336 existing apartments. The limitations on the scope of this SERC are set out in Chapters 120 and 190 F.S. (2004) (specifically, Sections 190.005(1)(a)8, and 120.541(2)).

Moreover, Section 190.002(2)(d), F.S. (2004), provides "that the process of establishing such a district pursuant to uniform general law shall 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 (emphasis added)."

1.2 Overview of the Clearwater Cay Club Community Development District

The District is designed to provide community infrastructure, services, and facilities along with their operations and maintenance.

The development plan for the proposed lands within the District includes the construction of approximately 195 residential villa units, 119 hotel-minium units, 17,278 S.F. of office space, 102,869 S.F. of retail space, 27,014 S.F. of restaurant space, parking and recreational facilities. The 336 existing apartments will be renovated to compliment the newly constructed development program.

1.3 Requirements for the Statement of Estimated Regulatory Costs

Section 120.541(2), F.S. (2004), defines the elements a statement of estimated regulatory costs must contain:

(a) 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.

(b) 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 and local revenues.

(c) A good faith estimate of the transactional costs likely to be incurred by individuals and entities, including local governmental entities, required to comply with the requirements of

the rule. As used in this paragraph, "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, and the cost of monitoring and reporting.

(d) An analysis of the impact on small businesses as defined by Section 288.703, F.S. (2004), and an analysis of the impact on small counties and small cities as defined by Section 120.52, F.S. (2004). The City of Clearwater is not defined as a small city for purposes of this requirement.

(e) Any additional information that the agency determines may be useful.

(f) In the statement or revised statement, whichever applies, a description of any good faith written proposal submitted under paragraph (1)(a) and either a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule.

2.0 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.

As noted above, Clearwater Cay Club is designed for approximately 336 apartments, 195 residential villa units, 119 hotel-minimum units, 17,278 S.F. of office space, 102,869 S.F. of retail space, and 27,014 S.F. of restaurant space. Establishment of the District would put all of the households and businesses that locate within the community under the jurisdiction of the District. Of course, the decision to locate within the District is a voluntary one.

3.0 A good faith estimate of the cost to state and local government entities of implementing and enforcing the proposed ordinance, and any anticipated effect on state and local revenues.

3.1 Costs to Governmental Agencies of Implementing and Enforcing Ordinance

State Government Entities

The District consists of fewer than 1,000 acres; therefore the City of Clearwater is the establishing entity under Section 190.005(2), F.S. (2004). There will be only modest costs to various State governmental entities to implement and enforce the proposed establishment of the District.

The modest costs to various State entities to implement and enforce the proposed ordinance relate strictly to receipt and processing of various reports that the proposed District is required to file with the State and its various entities. Appendix A lists the reporting requirements. The costs to those State agencies that will receive and process the District's reports are very small, because the District is only one of several hundred governmental units that are required to submit the various reports. Therefore, the marginal cost of processing one additional set of reports is *de minimis*. Additionally, pursuant to Section

189.412, F.S. (2004) the proposed District must pay an annual fee to the State of Florida Department of Community Affairs to offset such costs.

The City of Clearwater

The land within the District is within the municipal limits of the City of Clearwater and consists of fewer than 1,000 acres. The Clearwater City Council and its staff will process, analyze, conduct a public hearing, and vote upon the petition to establish the District. These activities will absorb some resources.

These costs to the City are modest for a number of reasons. First, review of the petition to establish the District does not include analysis of the project itself. Second, the petition itself provides much of the information needed for a staff review. Third, the City of Clearwater already possesses the staff needed to conduct the review without the need for new staff. Fourth, there is no capital required to review the petition. Fifth, local governments routinely process similar petitions for land uses and zoning changes that are far more complex than is the petition to establish a community development district. Finally, costs related to staff's time to process the petition to establish the District have been offset by a filing fee that will be paid to the City.

The annual costs to the City, because of the establishment of the District, are also very small and within control of the City. The proposed District is an independent unit of local government. The only annual costs the City faces are the minimal costs of receiving and to the extent it wishes, reviewing the various reports that the District is required to provide to the City.

3.2 Impact on State and Local Revenues

Adoption of the proposed ordinance will have no negative impact on State or local revenues. The District is an independent unit of local government with limited powers. It is designed by law to provide community facilities and services to the lands that comprise the Clearwater CAY Club Community. It has its own sources of revenue. No State or local subsidies are required or expected.

In this regard it is important to note that any debt obligations incurred by the District to construct its infrastructure, or for any other reason, are not debts of the State of Florida or any other unit of local government. In accordance with State law, debts of the CDD are strictly its own responsibility.

4.0 A good faith estimate of the transactional costs likely to be incurred by individuals and entities required to comply with the requirements of the ordinance.

Table 1 provides an outline of the various facilities and services the proposed District may provide. It is anticipated that the District will fund, own, operate, and maintain the community's recreational amenities, public parking, and security facilities. The District also plans to construct and finance the internal roadway system, and potable water and wastewater utilities. It is anticipated that these facilities will be turned over to the City of Clearwater for ownership and maintenance.

Table 1. Clearwater Cay Club Community Development District Proposed Facilities and Services

FACILITY	FUNDED/ CONSTRUCTED	O&M	OWNERSHIP
Water/Wastewater	CDD	City of Clearwater	City of Clearwater
Roadways	CDD	City of Clearwater	City of Clearwater
Recreation	CDD	CDD	CDD
Parking	CDD	CDD	CDD
Security	CDD	CDD	CDD

The petitioner has estimated the costs for providing the capital facilities outlined in Table 1. The cost estimates are shown in Table 2 below. Total costs for these facilities are estimated to be approximately \$16,922,765. To fund this construction program the District may issue special assessments or other revenue bonds estimated to total \$22,000,000. These would be repaid through non-ad valorem assessments levied on all developable property within the District that specially benefit from the District's capital improvement program as outlined in Table 2.

Table 2. Summary of Estimated Capital Costs Clearwater Cay Club Community Development District

Category	Construction Estimate
Water/Wastewater	\$5,797,200
Roadways	\$2,699,065
Recreation	\$6,570,000
Parking	\$1,650,000
Security	<u>\$206,500</u>
Total	<u>\$16,922,765</u>

Prospective future landowners in the District may be required to pay non-ad valorem assessments levied by the District to secure the debt incurred through bond issuance. In addition to the levy of non-ad valorem assessments for debt service, the District may also impose a non-ad valorem assessment to fund the operations and maintenance of the District and its facilities and services.

It is important to note that the various costs outlined in Table 2 are typical for developments of the type contemplated. There is nothing peculiar about the District's financing that requires additional infrastructure over and above what would normally be needed. Therefore, these costs are not in addition to normal development costs. District-imposed assessments for operations and maintenance costs are similar to what would be charged by a property owner's association common to most mixed-use developments except they are government enforced first liens.

Real estate markets are quite efficient, because buyers and renters evaluate all of the costs and benefits associated with various alternative locations. Therefore, market forces preclude developers from marking up the prices of their products beyond what the competition allows. To remain competitive the operations and maintenance assessments must also be in line with the costs imposed by the competition.

Furthermore, the decision to locate within the District is completely voluntary. These potential residents are given full disclosure of the existence of the district and level of anticipated assessments. So ultimately, all owners and users of the affected property chose to accept the District's costs in tradeoff for the benefits that the District provides. A Community Development District ("CDD") provides residents with the option of having higher levels of facilities and services financed through self-imposed charges. The District is an alternative means to finance necessary community services. District financing is no more expensive, and often less expensive, than the alternatives of a municipal service taxing unit (MSTU), a neighborhood association, City provision (directly or via a dependent special district), or through developer equity and/or bank loans.

It should be noted that occupants of the lands within the District will receive three major classes of benefits.

First, those residents and businesses in the District will receive a higher level of public services and amenities sooner than would otherwise be the case.

Second, a CDD is a mechanism to ensure that the community services and amenities will be completed concurrently with development of lands within the District. This satisfies the revised growth management legislation, and it assures that growth pays for itself without undue burden on other consumers. Establishment of the District will ensure that these landowners pay for the provision of facilities, services and improvements to these lands.

Third, a CDD is the sole form of governance which allows District landowners, through landowner voting and ultimately electoral voting for resident elected boards, to determine the type, quality and expense of District services they receive, provided they meet the City's overall requirements.

5.0 An analysis of the impact on small businesses as defined by Section 288.703, F.S. (2004), and an analysis of the impact on small counties and small cities as defined by Section 120.52, F.S. (2004).

There will be no impact on small businesses because of the establishment of the District. If anything, the impact may be positive. This is because the District must competitively bid certain contracts. This affords small businesses the opportunity to bid on District work.

The City of Clearwater has an estimated population (not incarcerated) in 2004 that is greater than 10,000. Therefore the City of Clearwater is not defined as a "small" city according to Section 120.52, F.S.

6.0 Any Additional useful information.

The analysis provided above is based on a straightforward application of economic theory, especially as it relates to tracking the incidence of regulatory costs and benefits. Input was received from the developer's engineer and other professionals associated with the developer.

Finally, it is useful to reflect upon the question of whether the proposed District is the best alternative to provide community facilities and services to the project. As an alternative to the District, the City of Clearwater could approve a dependent special district for the area, such as an MSBU or a special taxing district. Either of these alternatives could finance the improvements contemplated in Table 1 in a fashion similar to the proposed District.

There are a number of reasons why a dependent district is not the best alternative for providing community facilities and services to the Clearwater Cay Club Community. First, unlike the District, the alternatives would require the City of Clearwater to administer the project and its facilities and services. As a result, the costs for these services and facilities would not be sequestered to the land directly benefiting from them, as the case would be with the District. Administering a project of the size and complexity of the development program anticipated for the Clearwater Cay Club Community is a significant and expensive undertaking.

Second, a District is preferable from a government accountability perspective. With a District, residents and landowners in the District would have a focused unit of government ultimately under their direct control. The District can then be more responsive to resident needs without disrupting other City responsibilities. By contrast, if the City of Clearwater was to establish a dependent district, then the residents and landowners of the Clearwater Cay Club Community would take their grievances and desires to the City Council.

Third, any debt of a District is strictly the District's responsibility. While it may be technically true that the debt of a City-established dependent, special district is not strictly the City's responsibility, any financial problems that the special district may have will inevitably entangle the City. This will not be the case if a District is established.

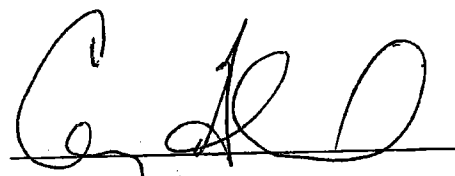
Another alternative to the District would be for a property owner's association to provide the infrastructure, operations, and maintenance of community facilities and services. A District is superior to a POA for a variety of reasons. First, unlike a POA a District can obtain low cost funds from the municipal capital markets. Second, the District can impose and collect its assessments along with other property taxes. Therefore, the District is far more assured of obtaining its needed funds than is a POA. Third, the proposed District is a unit of local government. This provides a higher level of oversight and accountability.

Fishkind and Associates certifies that this SERC meets the requirements for a Statement of Estimated Regulatory Costs as set out in Section 120.541, F.S. (2004).

We have developed over 25 SERCs. Below is a list of five of these.

- Urban Orlando Community Development District
- Marshall Creek Community Development District
- Cedar Hammock Community Development District
- Meditera Community Development District
- Brooks Community Development District

Prepared by:

A handwritten signature in black ink, appearing to read 'C. Garland', written over a horizontal line.

Carey Garland
Fishkind and Associates, Inc.

APPENDIX A **LIST OF REPORTING REQUIREMENTS**

REPORT	FLORIDA STATUTE CITE	DATE
Annual Financial Audit	11.45	within 9 months following end of fiscal year
	218.39	within 12 months after end of fiscal year
Annual Financial Report (AFR)	218.32	(d) no later than 12 months after end of fiscal year or (e) no later than April 30
TRIM Compliance Report	200.068	no later than 30 days after adoption of resolution establishing property tax levy
Form 1 – Limited Financial Disclosure	112.3144	by July 1
Public Depositor	280.17	by November 30
Proposed Budget	190.008	at least 60 days prior to adoption
Public Facilities Report	189.415	within one year of creation; annual updates thereafter
Public Meeting Schedule	189.417	quarterly, semiannually or annually
Bond Report	218.38	when issued; within 120 days after delivery of bonds
Registered Agent	189.416	30 days after first meeting

EXHIBIT "H"

MAPS

**(INCLUDING AERIAL, WATER PARK, OVERALL MASTER PLAN, SITE PLAN,
FUTURE LAND USE, ZONING AND NARRATIVE)**



Site Plan
This plan is a landscape architect's conceptual plan based on information available at the time of design. Information shown herein has been obtained from a variety of non-confirmed sources to include aerial photographs, engineering drawings, etc., provided by other consultants. These can be generally considered reliable but are not guaranteed. The plan is intended to show the general location and orientation of roads, buildings, and other features and is not intended to show the exact location or that all conditions when all development activities are completed.

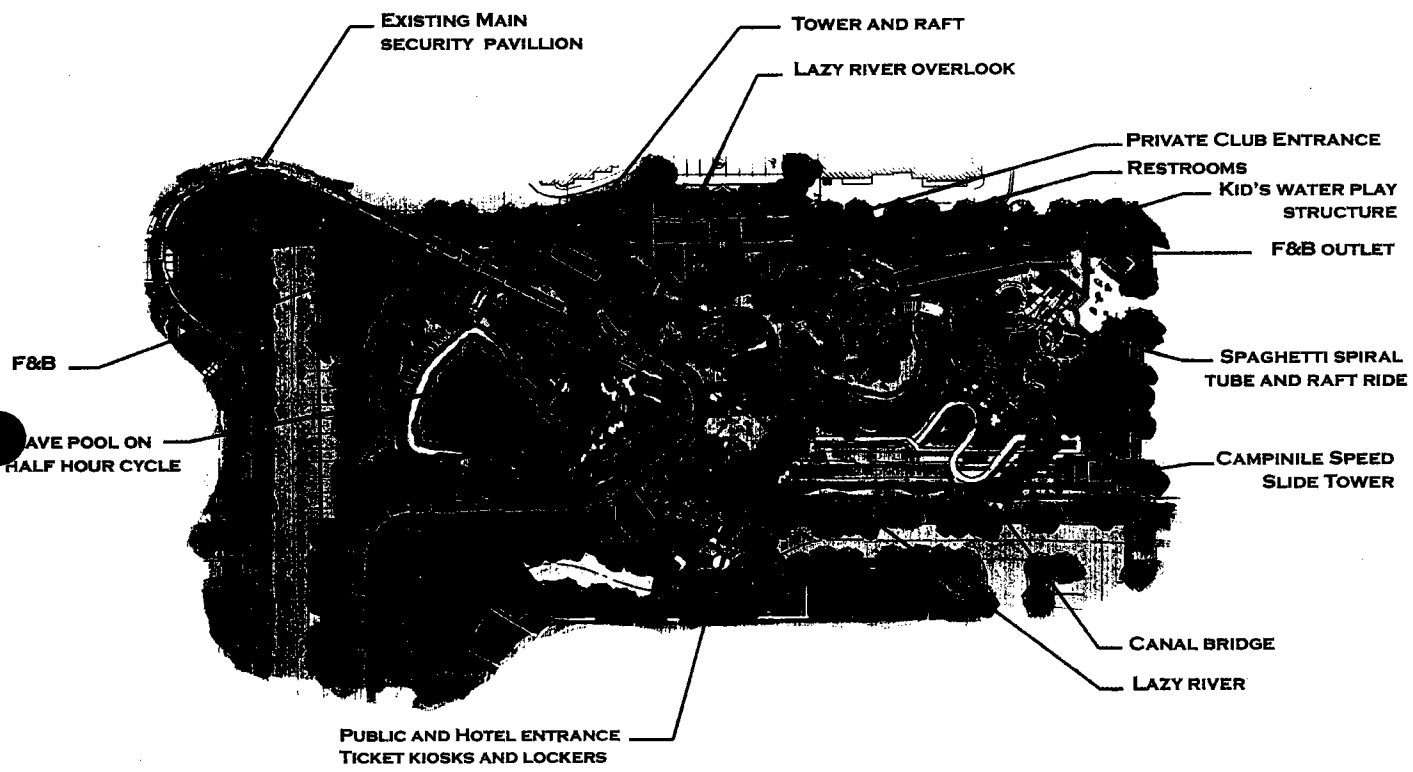
AERIAL PHOTOGRAPH CLEARWATER CAY CLUB

Blumberg No. 5208
EXHIBIT
H

MICHAEL REDD
& ASSOCIATES, P.A.

WATER PARK

DATE: 12/02/04
REV: 1
SCALE: 1"=30'-0"
SHEET NORTH 0 1 2

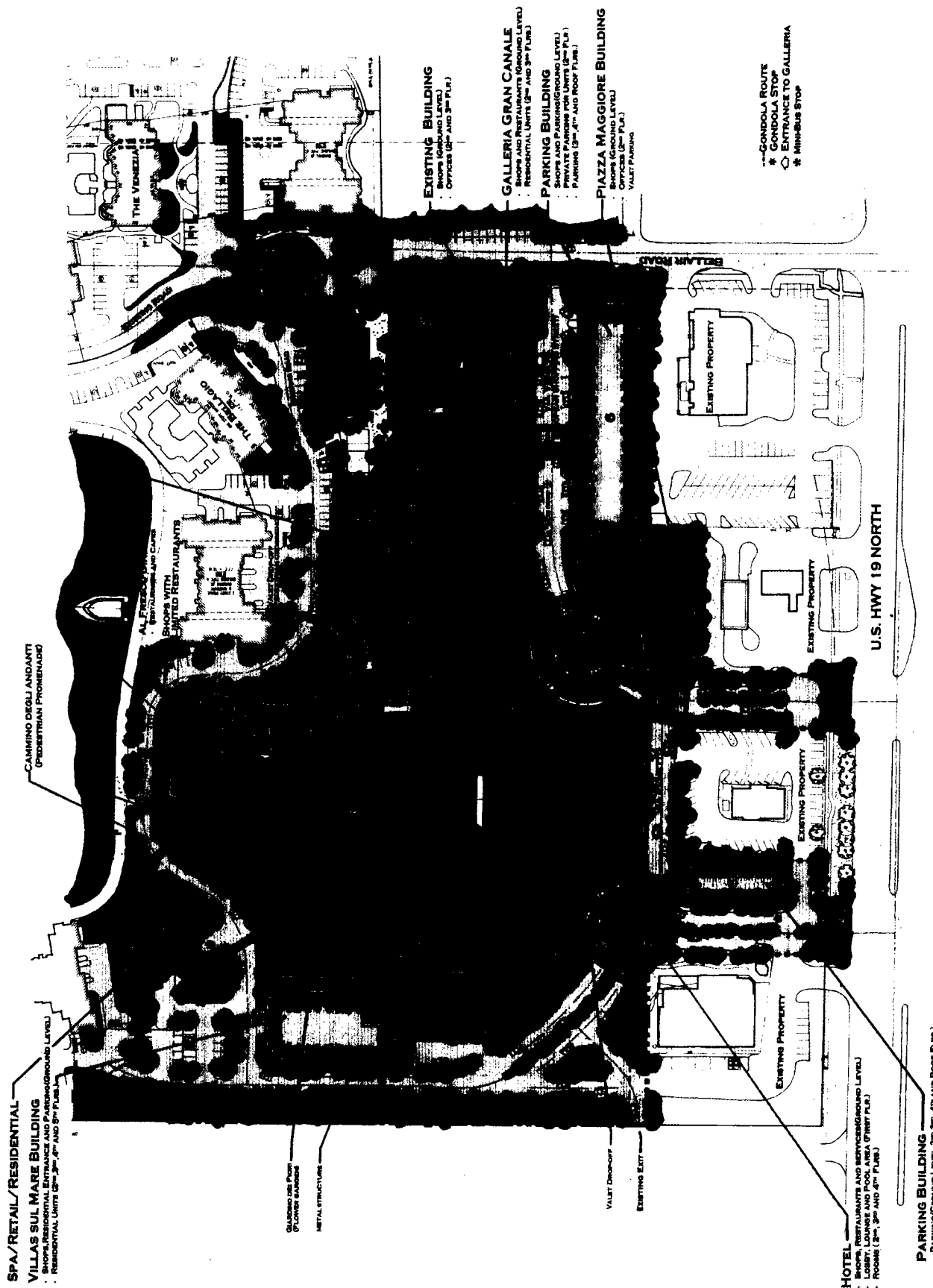


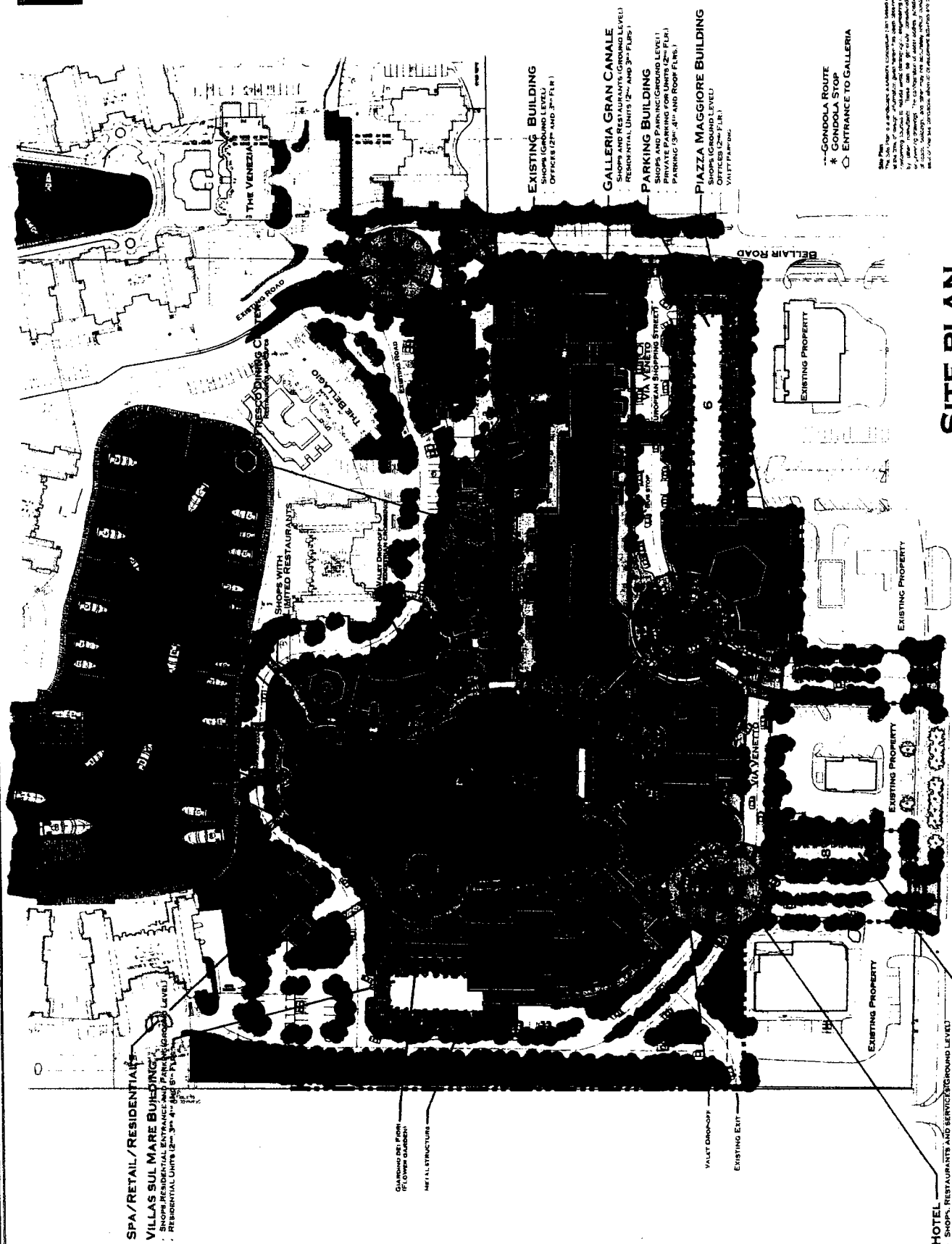
**WATER PARK
CLEARWATER CAY CLUB**

Site Plan
The Site Plan is a landscape architect's conceptual plan based on information available at the time of design. Information given herein has been obtained from a variety of non-engineering sources to include aerial photographs, engineering drawings, etc., provided by other consultants. These can be grossly considered reliable but are not engineering drawings. The consideration of water bodies, land disposal areas, placement of roads, buildings, and other may not accurately reflect conditions as they presently exist or may not reflect conditions when all development activities are completed.



SITE PLAN CLEARWATER CAY CLUB





Hotel

- SHOPS, RESTAURANTS AND SERVICES; GROUND LEVEL
LOBBY, LOUNGE AND POOL AREA (FIRST FLR.)
ROOMS (2ND, 3RD AND 4TH FLRS.)

PARKING BUILDING
• PARKING (4 STORIES)

EXISTING BUILDING

- SHOPS (GROUND LEVEL)
OFFICES (2ND AND 3RD FLOOR)

GALLERIA GRAN CANALE

- SHOPS AND RESTAURANTS (GROWING LEVEL)
RESIDENTIAL UNITS (2ND AND 3RD FLOORS)

PARKING BUILDING

- SHOPS AND PARKING (GROUND LEVEL)
PRIVATE PARKING FOR UNITS (2ND FL.)
PARKING (3RD, 4TH AND ROOF FLWS.)

PIAZZA MAGGIORE BUILDING

- SHOPS (GROUND LEVEL)
OFFICES (2nd FLR.)

YALIT PARTING

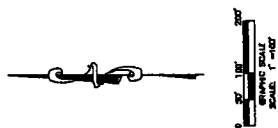
---GONDOLA ROUTE

*** GONDOLA STOP**

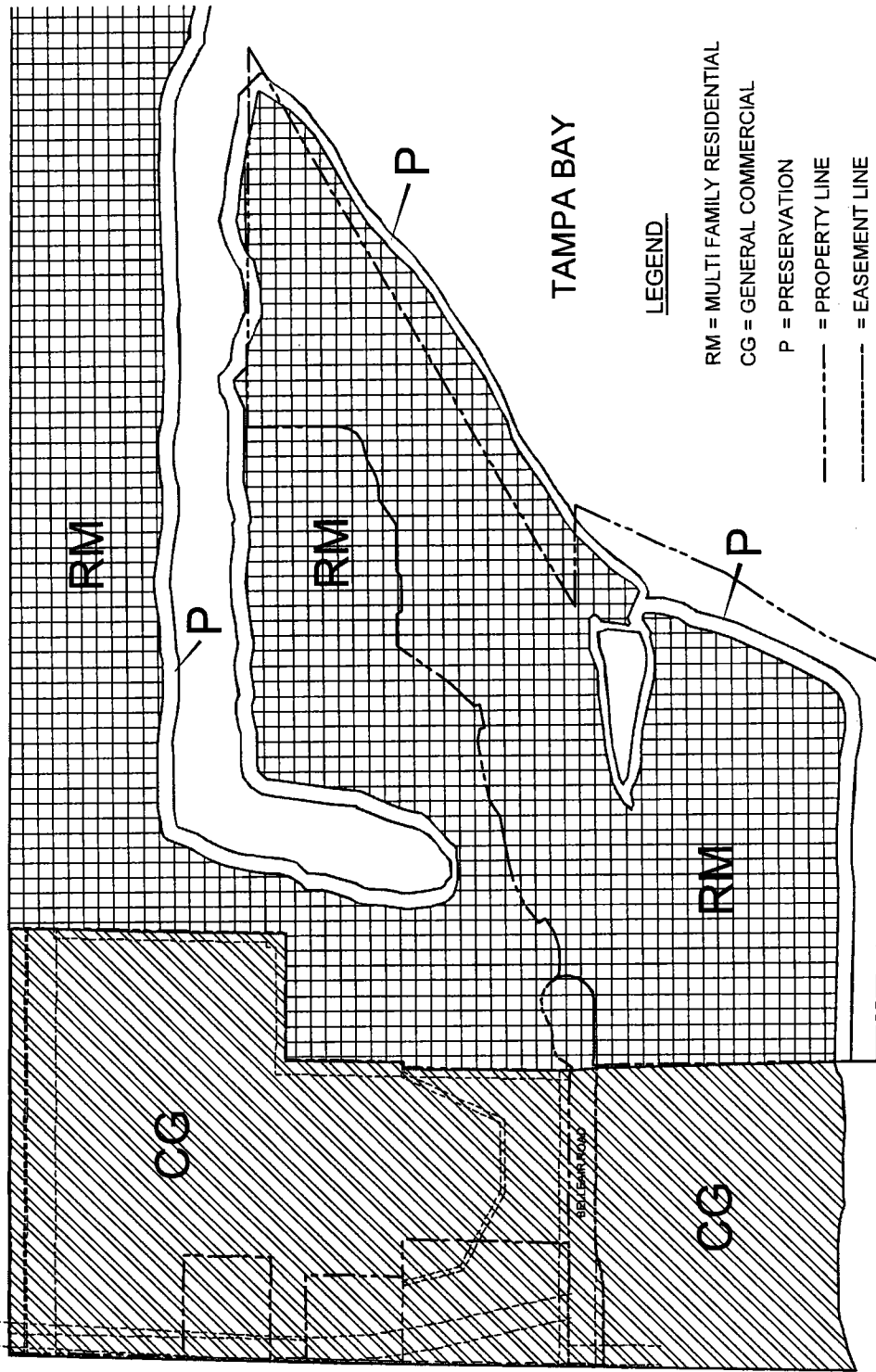
ENTRANCE TO GALLERIA

[illegible]

SITE PLAN CLEARWATER CAY CLUB



STATE ROAD 55 - U.S. HIGHWAY 19

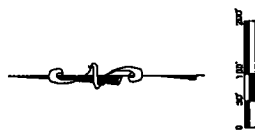


TAMPA BAY

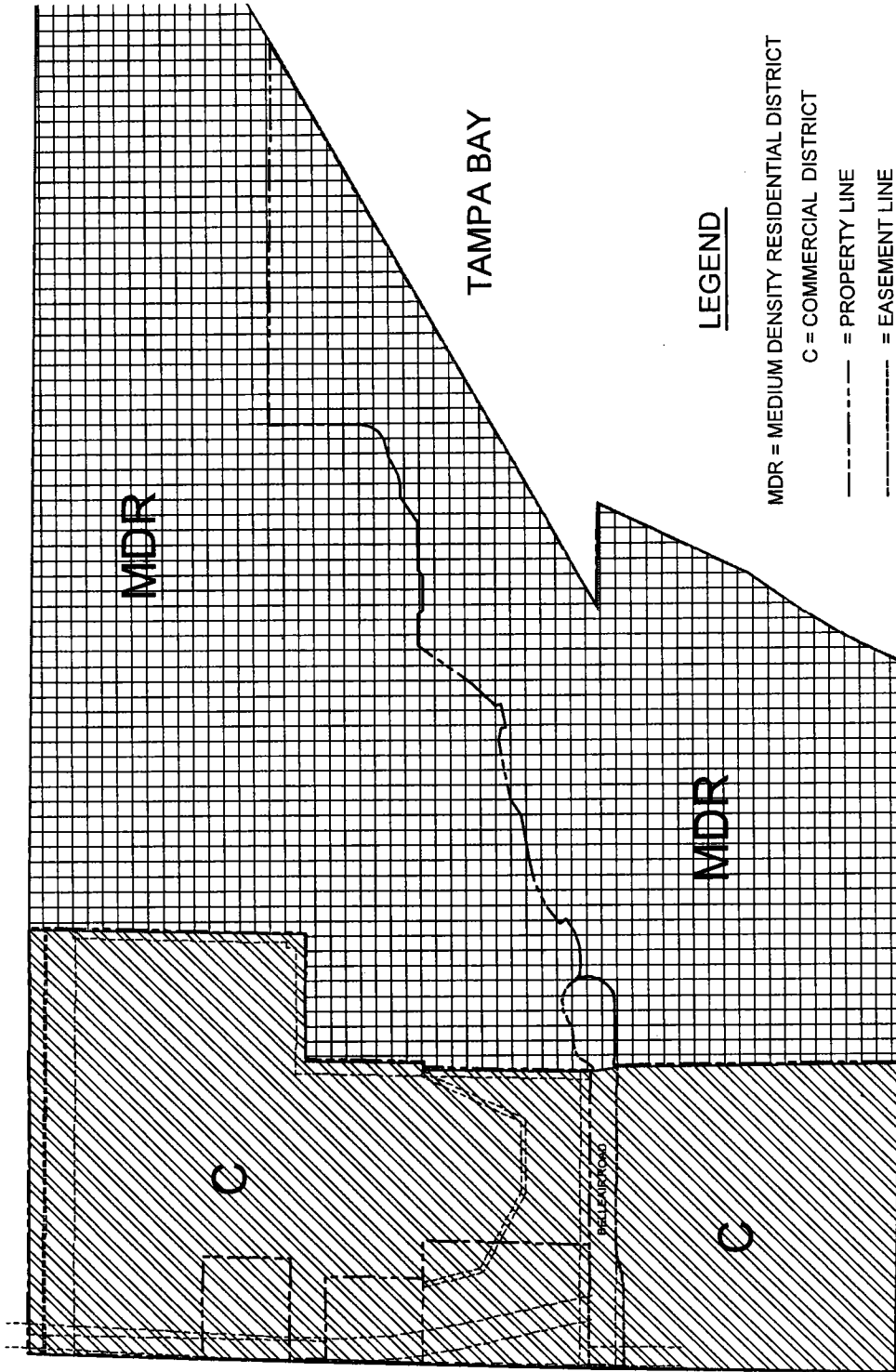
LEGEND

- RM = MULTI FAMILY RESIDENTIAL
- CG = GENERAL COMMERCIAL
- P = PRESERVATION
- = PROPERTY LINE
- = EASEMENT LINE

PBSA 5300 Red Cypress Street, Suite 200 Tampa, Florida 33607-1794 Tel: (813) 882-7573 Fax: (813) 882-1287 LICENSE NUMBER: 00000000000000000000		CLIENT DC 703, LLC 2704 VIA MURANO CLEARWATER, FL 33764	PROJECT CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB	NAME FUTURE LAND USE MAP	DESIGNED: _____ CHECKED: _____ FIELD BOOK: _____ SHEET 1 OF 1
JOB NO. 100273.00 DRAWN: J.N. CHECKED: JMC FIELD BOOK: _____		DEDICATED: JANUARY 2005 REVISIONS: 1. _____ 2. _____ 3. _____			DEDICATED: SEP. _____ 1. _____ 2. _____ 3. _____



STATE ROAD 55 - U.S. HIGHWAY 19



LEGEND

MDR = MEDIUM DENSITY RESIDENTIAL DISTRICT
 C = COMMERCIAL DISTRICT
 --- = PROPERTY LINE
 - - - - - = EASEMENT LINE

PBS 5330 West Bayshore Street, Suite 200 Tampa, Florida 33607-1784 Ph: (813) 862-7713 Fax: (813) 862-1597 LICENSED SURVEYOR IN THE STATE OF FLORIDA		CLIENT DC703, LLC 2704 VIA MURANO CLEARWATER, FL 33764	PROJECT CLEARWATER COMMUNITY DEVELOPMENT DISTRICT CAY CLUB	WORK ZONING MAP	REVISIONS 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ 6. _____ 7. _____	DATED: JANUARY 2005 DRAWN BY: _____ CHECKED BY: _____ DATE: _____ FIELD BOOK: _____	JOB NO. 100578-01 SHEET 1 OF 1
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Michael Redd & Associates, P.A.

*Michael T. Redd, President
Frank G. Baynham, Vice President*

Clearwater Cay Club
US Highway 19 North
Clearwater, Florida

Introduction

This narrative describes the intended improvements for the property, now called the Clearwater Cay Club. The existing project comprising 24.08 acres contains 336 apartments and attendant garages, known as *Venezia*, built in clusters along the waterside on Old Tampa Bay. These buildings, along with several support structures and clubs, have been previously designed and constructed using Venetian Italian architectural design influence. The color palette and certain fascia detailing enabled the previous owner to market these apartments under the label *Venezia*.

The new plan encompasses the *Venezia* Village as well as an adjunct new development directly adjacent to *Venezia*. This new develop provides a wide range of additional amenities, both for the residents and for visitors. In continuing the Italian theme and reinforcing the Italian Architectural character the current owners intend to enhance the stated vernacular with a more authentic Venetian inspired architectural approach. The new buildings will be designed with careful attention to proportion, style, material use and graphic-architectural detailing. Further, the placement of shops of Venetian Mediterranean character are located on, and will replace, the old Levitz shopping mall that is barely functioning and has out-dated architecture not in keeping with the style of the initial project.

Key Changes

Clearwater Cay Club is now being designed as a regional destination attracting local, national, and International users. Its site designed and location celebrates the water. Its landscape evokes a warm Floridian-Mediterranean environment. The master plan introduces a new shallow fresh water basin and small canal system that, while not connected to salty Clearwater Bay, will impart a strong visual impression that a water network is the project's integral component. Around this new lagoon (Lagoon di Alba) new Venetian inspired themed structures will contain spa, new residences, retail shops, offices and a hotel, all supported by new structured parking.

631 U.S. Highway One, Suite 300 -A
North Palm Beach, FL 33408
Voice: 561.863.2500
Fax: 561.863.2505
E-mail: Reddplan@aol.com

Internal Roadway and Landscape Enhancements

The existing apartments will still be accessed as now from Bellair Road, with a major security access gatehouse for enhanced security and exclusivity. Clearwater Cay Club's internal roadways will be improved and enhanced by an appropriately themed streetscape (graphics, street trees, street furniture, etc.) as well as enhanced entry and exit points from US 19 N. Special paving materials and unique landscape themed plantings will unify the *Venezia* with the additional new properties and present the project as a unified design.

Via Veneto

Via Veneto serves as the main arrival visual by the creation of a central and newly created "Main Street." Via Veneto is conceived as a true European shopping street with access to shops, hotel, and adjacent parking structure at the ground level. This unique blend of exciting architecture and a European countenance will become the entire project's visual icon.

Galleria

Shops along the Via Veneto will be differentiated by Venetian striped gondola posts and banner awnings and will have streetside architecture again with a strong Venetian Architectural vernacular. Covered promenade walkways with regularly occurring side pedestrian vias will offer frequent merchandising corners and invite pedestrian traffic into the heart of the new project. Utilizing the southern footprint of the existing mall, and as much of the support structure as can be retained, an extended gallery of smart shop units will be developed using Venetian city design principles. Three stories high, with ceramic barrel tile roof and faux Venetian flared chimneys above, the Galleria can be accessed from Via Veneto, or from several pedestrian only *passigiata* (passageways) that pierce the building, or from the canal side to the east. A projecting arcade that is a sunscreen during the summer months will protect the façade of the Galleria on the east side. Concept drawings illustrate the use of canted shade awnings, radius arched entries, decorative lanterns and lighting, and sophisticated signage that will be controlled and defined in the owner-tenant design guidelines.

A small Bridge of Sighs (*Ponte dell Sospire*) spans Via Veneto at the second or third levels, connecting upper level parking with the Galleria. As well these upper

level pedestrian bridges serve to connect (on a N-S axis) living units with the hotel and shops.

A central feature of the building at an interruption point of the Golden Section levels by a tower was inspired by the *Torre dei Mori* on St Mark's Square. This façade detail carried an early clock design and other interesting details. This design is repeated on the west side. A major archway gives entrance to one of the passages. Internally, apartments and/or offices will be found at the second and third levels. The internal access to these has yet to be established but will probably be from escalators and steps off an internal covered courtyard than runs the axis of the structure.

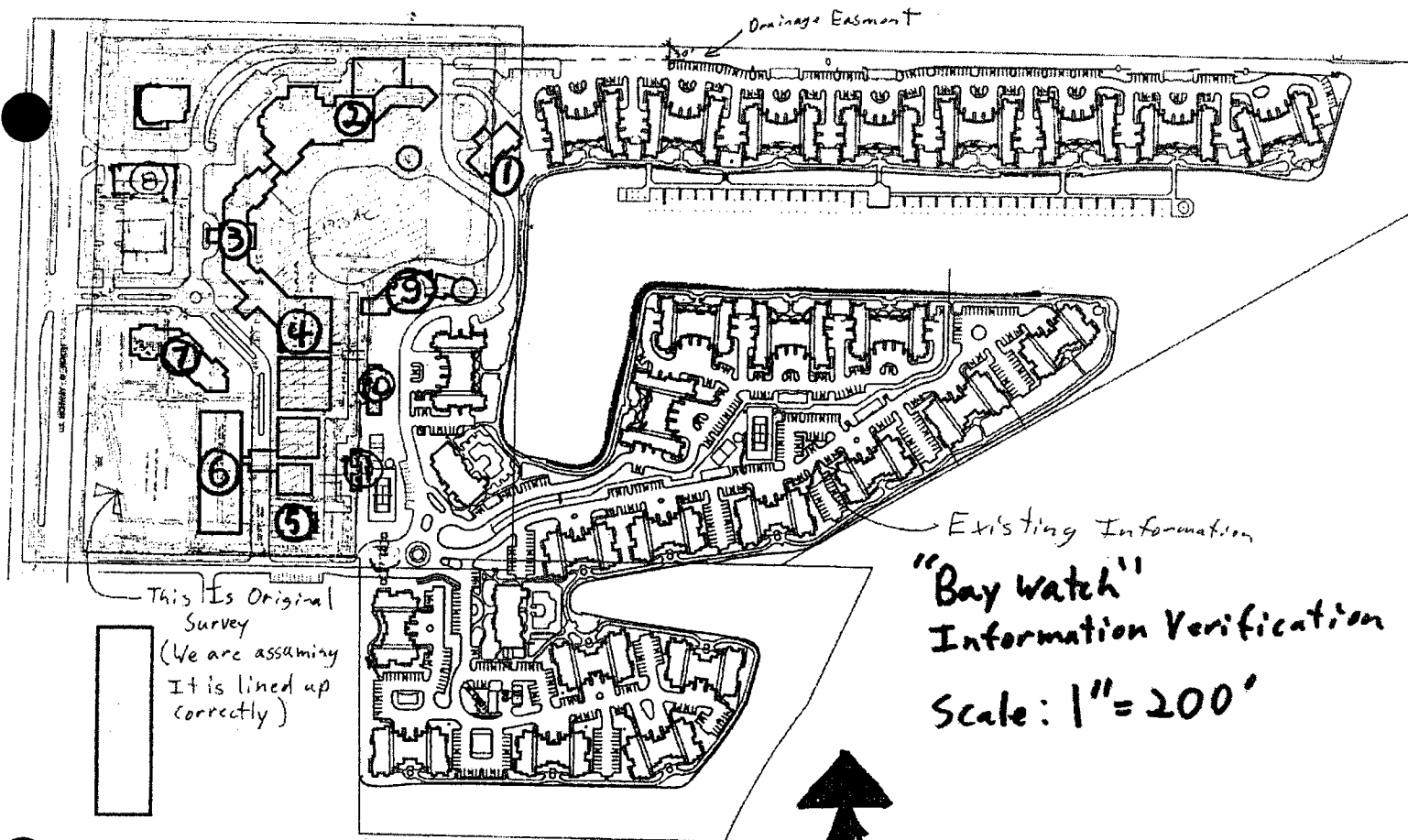
The Canal and the Lagoon

The small canal shown on the plan runs south to north. It is spanned in two places by small Venetian bridges that will give access to the east side of the Lagoon. These bridges contain archways of sufficient height and breadth to allow for the passing of a gondola below. The canal enters the Lagoon under one of these brick or stone-faced bridges. On this body of water evening shows are possible with water and light generated spectacles. Occasional processions of traditional Venetian boats that are highly decorated reinforce the theme. Around the edge of the Lagoon runs the *Cammino degli Andanti* - or Pedestrian Promenade - a walkway and strolling area which will be illuminated at night by appropriate cast iron street lanterns. The master plan illustrates a small covered performance gazebo that juts into the lake.

Restaurants and shops face the lake. There is sufficient plaza dimension to extend some of the restaurants into outdoor tables and chairs. As in Venice, these areas will be protected by kinetic shade structures.

Hotel

A five-story hotel is planned as the central anchor of the project. The intended footprint overlays the center and north part of the Levitz Mall demolished to provide the new footings. A *porte cochere* and valet drop off will be provided on the west side along the Via Veneto, or from the Piazza Minore, one of two traffic circles.



CLEARWATER CAY CLUB-ALTERNATIVE 4

SITE DATA

B #	TYPE	Total Area (s.f.)	# Flrs	Unit	RETAIL	RESTAURANTS	OFFICE	RES. AREA	PARKING	SPACE	Rms.	Sm.	Lg.	Stes.	UNITS	1B FLAT	STUDIO	2B FLAT	LOFTS
1	Spa	6,469	1																
2	Villas	161,522	5		25,706			78,643	37,513	101					113	44	56	9	4
3	Hotel/mini	13,600	4		22,167	9,480		52,592			119	60	42	17					
4	Retail/Villas	123,600	3		23,788			58,124							82	32	41	6	3
5	Office bldg.	17,278	3				17,278												
6	Parking	138,439	4+R		8,491				129,948	346									
7	Retail & offices	37,192	2		19,954		17,238												
8	Parking	64,822	4+R						64,822	172									
9	Restaurants	11,774	1			11,774													
10	Restaurants	4,145	1			4,146													
11	Restaurants	2,763	1		2,763	1,613													
Total		581,604			102,669	27,013	34,516	189,359	232,283	619	119	60	42	17	195	76	97	15	7

Note: 1) Figures do not include any program elements south of Bellaire Road

2) Parking does not meet Clearwater code minimum

3) All totals are +/- 10%

4) Refer to the small plan accompanying this chart for building location reference only! The actual master plan is different and much more complete.

5) Marina slips, etc., is forthcoming

6) R = "roof"

EXHIBIT "I"

**AUTHORIZATION OF AGENT
W. SCOTT CALLAHAN, ESQUIRE
THOMAS A. CLOUD, ESQUIRE**

AFFIDAVIT TO AUTHORIZE AGENT

STATE OF FLORIDA
COUNTY OF Broward

Grand Venezia Clearwater, LLC, a Florida limited liability company, being first duly sworn, depose(s) and say(s):

1. That Grand Venezia Clearwater, LLC, is the owner and record title holder of the property described on Exhibit "A" attached hereto (the Property):
2. That this Property constitutes a portion of the land for which a request for a Community Development District is being applied for to the City Commission of the City of Clearwater.
3. That the undersigned (has/have) appointed W. Scott Callahan and Thomas A. Cloud as (his/their) agent(s) to execute any permits or other documents necessary to affect such permit.
4. That this affidavit has been executed to induce the the City of Clearwater, Florida, to consider and act on the above-described Property.
5. That the undersigned authority hereby certifies that the foregoing is true and correct.

GRAND VENEZIA CLEARWATER, LLC,
a Florida limited liability company

SUNVEST RESORT COMMUNITIES, LC,
a Florida limited liability company,
as its Manager

By: [Signature]
Harvey Birdman, as Manager

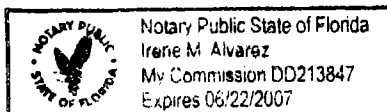
STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 21ST day of February, 2005 by Harvey Birdman, as Manager of SUNVEST RESORT COMMUNITIES, LC, a Florida limited liability company, Manager of GRAND VENEZIA CLEARWATER, LLC, a Florida limited liability company, by who is personally known to me or who has produced _____ as identification.

[Signature]
Signature of Notary

Irene M. Alvarez
Printed Name of Notary

Commission Expires: 06/22/07



LEGAL DESCRIPTION:

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, S89°19'48"E, a distance of 100.01 feet to the 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

Containing 16.265 acres, more or less.

TOGETHER WITH

A tract of land lying within Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida and 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, for 721.40 feet; thence S00°27'22"E, for 43.51 feet to the POINT OF BEGINNING, said point 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; thence N00°27'22"W, for 584.06 feet to the POINT OF BEGINNING.

Containing 24.074 acres, more or less.

TOGETHER WITH an easement for ingress, egress, drainage and utilities created by documents recorded in Official Records Book 10958, Page 299, Official Records Book 12557, Page 2644, and Official Records Book 10784, Page 1247 of the Public Records of Pinellas County Florida, over the following described parcel:

A tract of land lying in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being further described as follows:

Commence at the Southwest corner of said Section 20; thence S89°19'48"E, along the South line of said Section 20 and the North line of said Section 29, 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 610.00 feet; thence S01°26'21"W, a distance of 5.00 feet to the North line of said Section 29; thence S89°19'48"E, along said North line, a distance of 5.89 feet to a point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a radial bearing N35°13'11"W, and having a radius of 35.00 feet, a central

angle of $30^{\circ} 38' 59''$, an arc length of 18.72 feet and a chord bearing $N39^{\circ}27'06''E$, for 18.50 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 45.00 feet, a central angle of $66^{\circ} 32' 19''$ an arc length of 52.26 feet and a chord bearing $N57^{\circ}24'02''E$, for 49.37 feet to the point of tangency; thence $S89^{\circ}19'48''E$, for 15.64 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 50.00 feet, a central angle of $39^{\circ} 25' 12''$, an arc length of 34.40 feet and a chord bearing $N70^{\circ}57'37''E$, for 33.73 feet to the point of a reverse curve concave to the West; thence Southeasterly along the arc of said curve, having a radius of 55.50 feet, a central angle of $219^{\circ} 25' 12''$, an arc length of 212.54 feet and a chord bearing $S19^{\circ}02'23''E$, for 104.50 feet to the point of tangency; thence $N89^{\circ}19'48''W$, for 111.84 feet to the point of curvature of a curve concave to the North; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $13^{\circ} 43' 39''$, an arc length of 8.39 feet and a chord bearing $N82^{\circ}27'58''W$, for 8.37 feet to the point of reverse curvature with a curve concave to the South; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $14^{\circ} 51' 42''$, an arc length of 9.08 feet and a chord bearing $N83^{\circ}02'00''W$, for 9.05 feet to a point of intersection with a non-tangent line; thence $S00^{\circ}27'22''E$, for 6.50 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 382.87 feet; thence $S76^{\circ}44'53''W$, a distance of 57.73 feet; thence $S87^{\circ}33'00''W$, a distance of 57.06 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 126.71 feet to said East right of way line of U.S. Highway 19; thence $N00^{\circ}51'16''E$, along said East right of way line, a distance of 67.00 feet to the POINT OF BEGINNING.

AFFIDAVIT TO AUTHORIZE AGENT

STATE OF FLORIDA

COUNTY OF Monroe

DC703, LLC, a Florida limited liability company, being first duly sworn, depose(s) and say(s):

1. That DC703, LLC, is the owner and record title holder of the property described on Exhibit "A" attached hereto (the Property):
2. That this Property constitutes a portion of the land for which a request for a Community Development District is being applied for to the City Commission of the City of Clearwater.
3. That the undersigned (has/have) appointed W. Scott Callahan and Thomas A. Cloud as (his/their) agent(s) to execute any permits or other documents necessary to affect such permit.
4. That this affidavit has been executed to induce the the City of Clearwater, Florida, to consider and act on the above-described Property.
5. That the undersigned authority hereby certifies that the foregoing is true and correct.

DC703, LLC, a Florida limited liability company


By: 

F. Dave Clark, as Manager

STATE OF FLORIDA

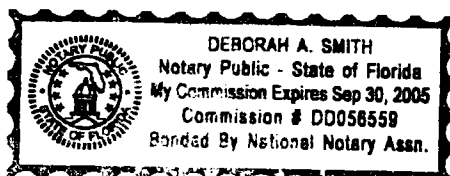
COUNTY OF Monroe

The foregoing instrument was acknowledged before me this 25th day of February, 2005 by F. Dave Clark, as Manager of DC703, LLC, a Florida limited liability company, who is personally known to me or who has produced _____ as identification.


Signature of Notary

Deborah A. Smith
Printed Name of Notary

Commission Expires: 9-30-05



LEGAL DESCRIPTION:

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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; thence N01°26'21"E, along said East right of way line, a distance of 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

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NOTICE OF LOCAL PUBLIC HEARING
City of Clearwater, Florida, City Council
To Consider the Creation of the
CLEARWATER CAY CLUB COMMUNITY DEVELOPMENT DISTRICT

DATE:

TIME:

LOCATION:

Council Chambers
of the City of Clearwater, Florida
112 S. Osceola Ave.
Clearwater, Florida 33758

Notice is hereby given that a hearing will be held on the ____ day of _____, 2005, beginning at _____, or as soon thereafter as the matter may be heard in the Council Chambers, City of Clearwater, Florida City Hall, 112 S. Osceola Ave., Clearwater, Florida 33758 before the City Council, City of Clearwater, Florida ("Council"), to consider the elements of a petition filed by DC703, LLC, a Florida limited liability company ("Petitioner") to establish a uniform community development district to be known as the Clearwater Cay Club Community Development District ("District") as authorized and provided for in Chapter 190, Florida Statutes (2003). The District is a statutorily created single and special-purpose local government limited to providing basic systems, facilities and services to the property within its boundaries, subject to the City of Clearwater Comprehensive Plan and planning and land development regulations and conditions. The information presented at this hearing will be used to afford the Petitioner, any affected units of local government, and the general public, a fair and adequate opportunity to appear and present oral and written comments regarding the creation by ordinance of this community development district. The district would be created by a proposed ordinance the title of which is as follows:

AN ORDINANCE ESTABLISHING THE CLEARWATER CAY
CLUB COMMUNITY DEVELOPMENT DISTRICT PURSUANT
TO CHAPTER 190, FLORIDA STATUTES; NAMING THE
DISTRICT; DESCRIBING THE EXTERNAL BOUNDARIES OF
THE DISTRICT; DESCRIBING THE FUNCTIONS AND POWERS
OF THE DISTRICT; DESIGNATING PERSONS TO SERVE AS
THE INITIAL MEMBERS OF THE DISTRICT'S BOARD OF
SUPERVISORS; PROVIDING SEVERABILITY CLAUSE; AND
PROVIDING AN EFFECTIVE DATE.

The proposed land area to be served by the District contains 40.339 acres more or less, is located wholly within the territorial limits of the incorporated area of the City of

Clearwater, Pinellas County, Florida ("City"). The proposed land area is generally located in the area east of US Highway 19 and north of State Road 60. The boundaries of the properties to be serviced by the District are outlined in the map depicted in this notice. There is no real property within the boundaries of the District which will be excluded from the jurisdiction of the District. The metes and bounds legal description is as follows:

[SEE EXHIBIT "A"]

If adopted, the ordinance will establish a uniform community development district and designate the land to be serviced by the District. A community development district is a local government created by law and established by ordinance, on a proposed property subject to state and local regulatory requirements governing the lawful use and development of the property. Establishment of a uniform community development district pursuant to chapter 190, Florida Statutes, is not a development order under Chapter 380, Florida Statutes. All planning, permitting and other regulatory requirements pertaining to development within the land area will be in accordance with general and special law and applicable City ordinances; the processes herein set forth deal only with the factors to be considered in creating a uniform community development district by ordinance as an alternative for managing and financing certain basic services for community development, all pursuant to city permits.

All persons appealing any decision of the Council made at the hearing referenced herein are hereby notified they may need to ensure that a verbatim record of the proceedings, including testimony and evidence, is made, upon which an appeal is to be based. In accordance with the Americans with Disabilities Act, persons who need special accommodations to attend the meeting should contact the City of Clearwater, Florida, City Clerk at (727) 562-4040 at least 24 hours in advance of the public hearing.

Location Map:

LEGAL DESCRIPTION:

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, S89°19'48"E, a distance of 100.01 feet to the 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 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 252.55 feet to the Southeast corner of property conveyed in Official Records Book 9527, Page 480 of the Public Records of Pinellas County, Florida and the POINT OF BEGINNING; thence N01°26'21"E, along the East line of said property, a distance of 345.00 feet to the Northeast corner of said property; thence N89°19'48"W, along the North line of said property, a distance of 77.55 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 344.37 feet to a point 5.00 feet North of said South line of Section 20; thence N89°19'48"W, parallel with said South line, a distance of 357.45 feet to the POINT OF BEGINNING.

Containing 16.265 acres, more or less.

TOGETHER WITH

A tract of land lying within Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida and 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, for 721.40 feet; thence S00°27'22"E, for 43.51 feet to the POINT OF BEGINNING, said point 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; thence N00°27'22"W, for 584.06 feet to the POINT OF BEGINNING.

Containing 24.074 acres, more or less.

TOGETHER WITH an easement for ingress, egress, drainage and utilities created by documents recorded in Official Records Book 10958, Page 299, Official Records Book 12557, Page 2644, and Official Records Book 10784, Page 1247 of the Public Records of Pinellas County Florida, over the following described parcel:

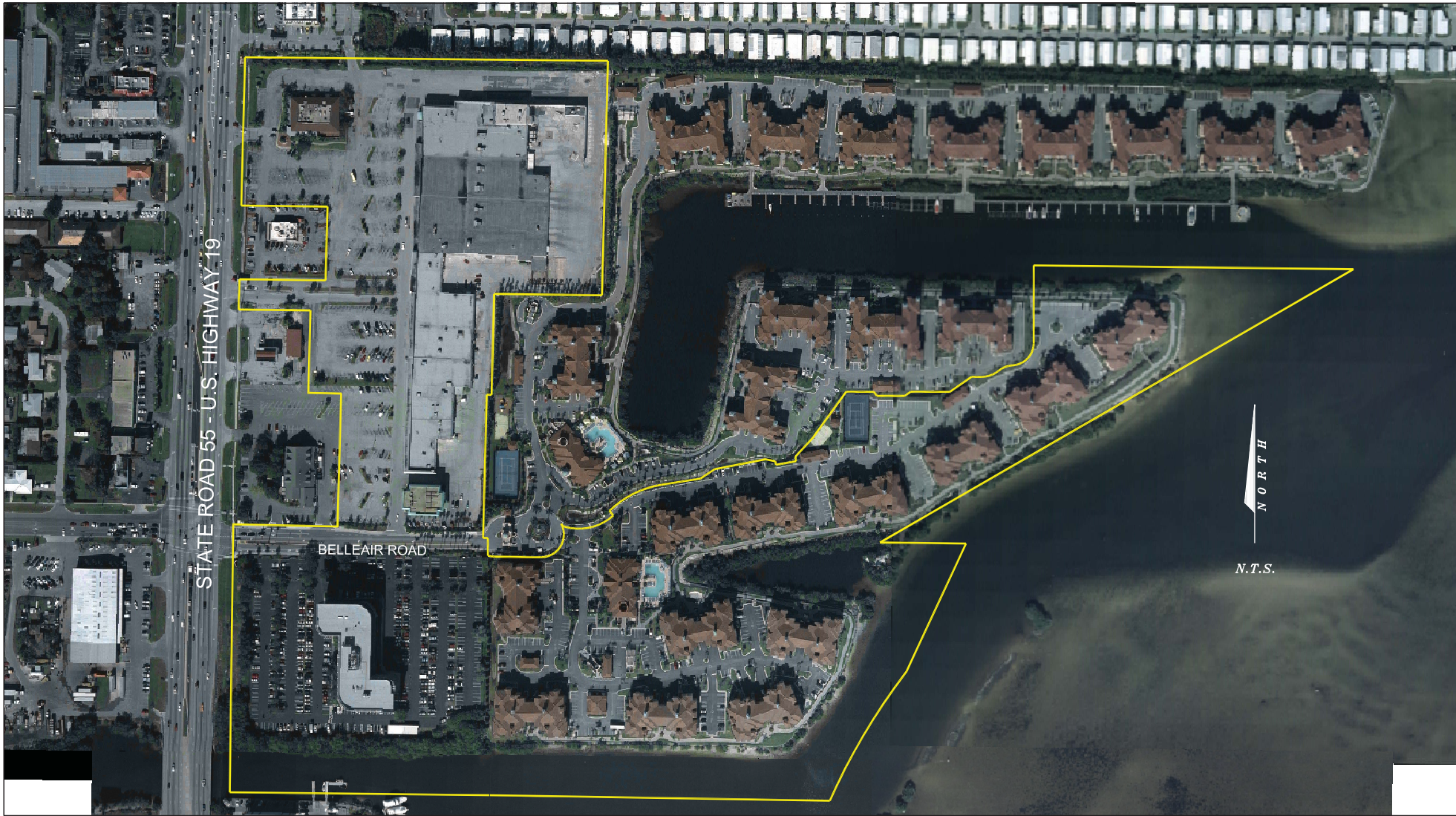
A tract of land lying in Sections 20 and 29, Township 29 South, Range 16 East, Pinellas County, Florida, being further described as follows:

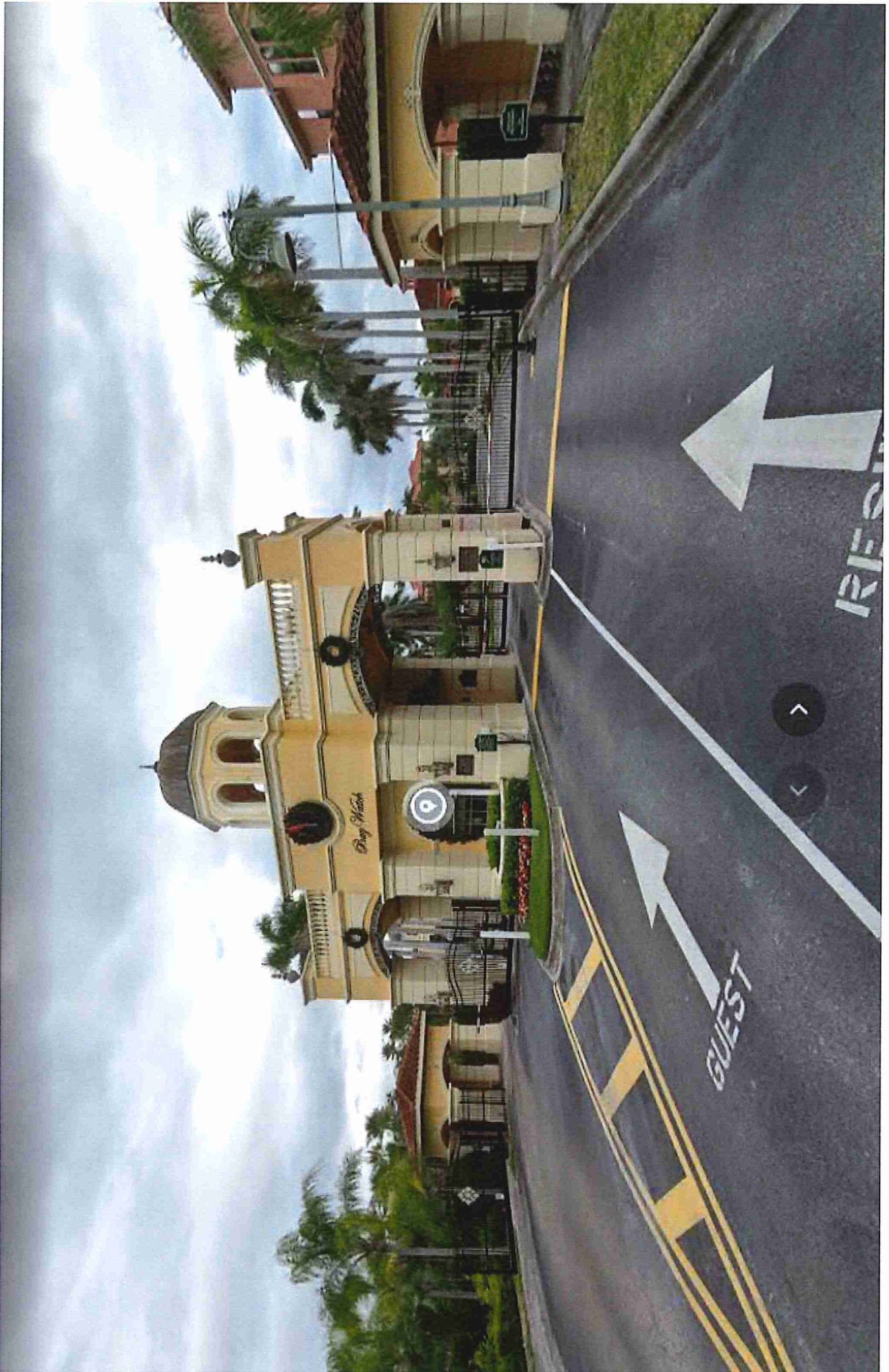
Commence at the Southwest corner of said Section 20; thence S89°19'48"E, along the South line of said Section 20 and the North line of said Section 29, a distance of 100.01 feet to the East right of way line of U.S. Highway 19 and the POINT OF BEGINNING; thence N01°26'21"E, along said East right of way line, a distance of 5.00 feet; thence S89°19'48"E, parallel with said South line of Section 20, a distance of 610.00 feet; thence S01°26'21"W, a distance of 5.00 feet to the North line of said Section 29; thence S89°19'48"E, along said North line, a distance of 5.89 feet to a point of intersection with a non-tangent curve concave to the Northwest; thence Northeasterly along the arc of said curve with a radial bearing N35°13'11"W, and having a radius of 35.00 feet, a central

angle of $30^{\circ} 38' 59''$, an arc length of 18.72 feet and a chord bearing $N39^{\circ}27'06''E$, for 18.50 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 45.00 feet, a central angle of $66^{\circ} 32' 19''$ an arc length of 52.26 feet and a chord bearing $N57^{\circ}24'02''E$, for 49.37 feet to the point of tangency; thence $S89^{\circ}19'48''E$, for 15.64 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 50.00 feet, a central angle of $39^{\circ} 25' 12''$, an arc length of 34.40 feet and a chord bearing $N70^{\circ}57'37''E$, for 33.73 feet to the point of a reverse curve concave to the West; thence Southeasterly along the arc of said curve, having a radius of 55.50 feet, a central angle of $219^{\circ} 25' 12''$, an arc length of 212.54 feet and a chord bearing $S19^{\circ}02'23''E$, for 104.50 feet to the point of tangency; thence $N89^{\circ}19'48''W$, for 111.84 feet to the point of curvature of a curve concave to the North; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $13^{\circ} 43' 39''$, an arc length of 8.39 feet and a chord bearing $N82^{\circ}27'58''W$, for 8.37 feet to the point of reverse curvature with a curve concave to the South; thence Westerly along the arc of said curve, having a radius of 35.00 feet, a central angle of $14^{\circ} 51' 42''$, an arc length of 9.08 feet and a chord bearing $N83^{\circ}02'00''W$, for 9.05 feet to a point of intersection with a non-tangent line; thence $S00^{\circ}27'22''E$, for 6.50 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 382.87 feet; thence $S76^{\circ}44'53''W$, a distance of 57.73 feet; thence $S87^{\circ}33'00''W$, a distance of 57.06 feet; thence $N89^{\circ}19'48''W$, parallel with said North line, a distance of 126.71 feet to said East right of way line of U.S. Highway 19; thence $N00^{\circ}51'16''E$, along said East right of way line, a distance of 67.00 feet to the POINT OF BEGINNING.



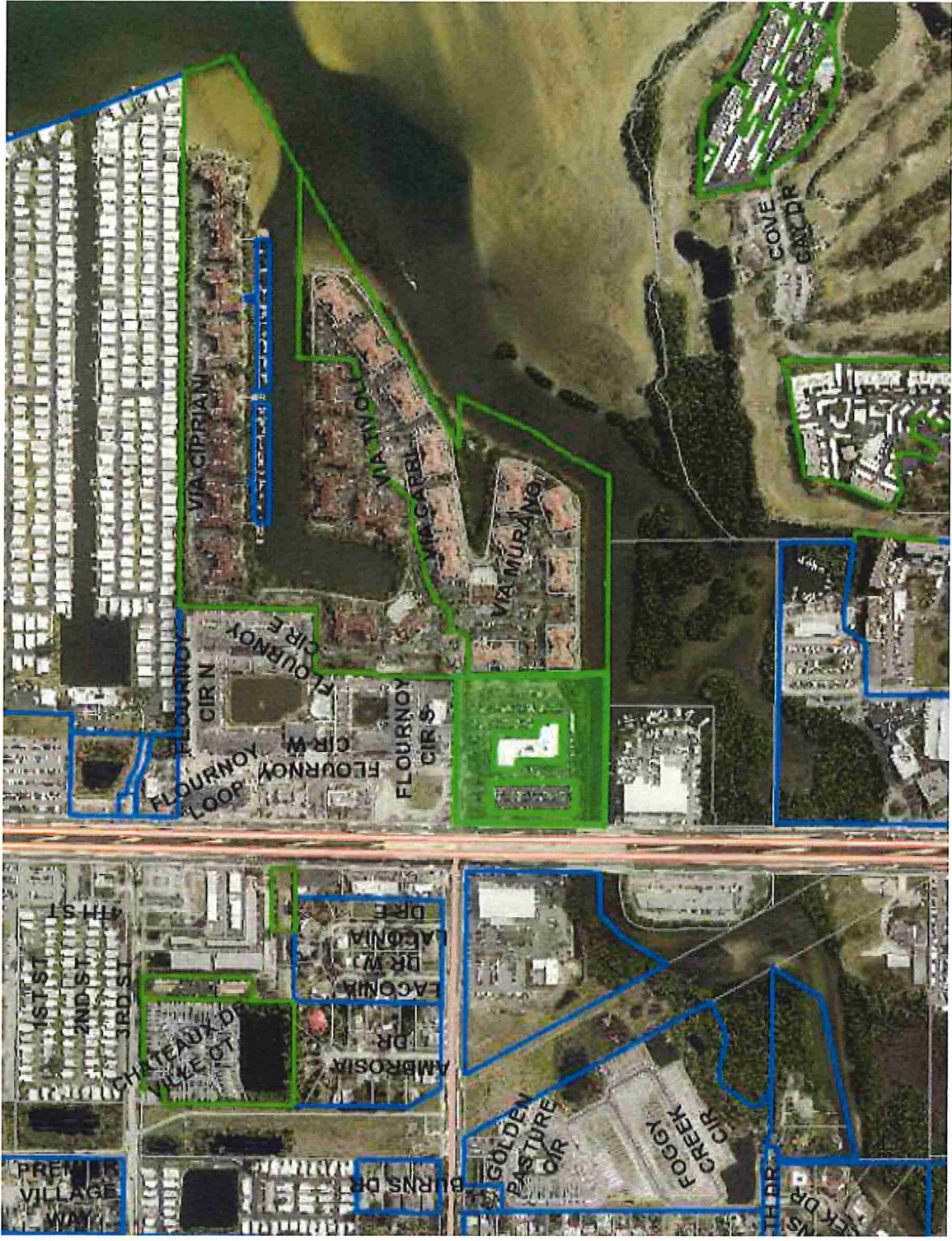
CLIENT		PROJECT	TASK	ORIGINAL REVISIONS:	JOB NO. XXXXXX.XX DRAWN JCH DESIGNED JRS CHECKED TGB QC JRC NOT VALID FOR CONSTRUCTION UNLESS SIGNED IN THIS BLOCK
		CLEARWATER CAY COMMUNITY CDD	EXHIBIT 2	10/05	
			AERIAL WITH BOUNDARY	1. _____	
				2. _____	
				3. _____	
				4. _____	
				5. _____	
					SHEET 2

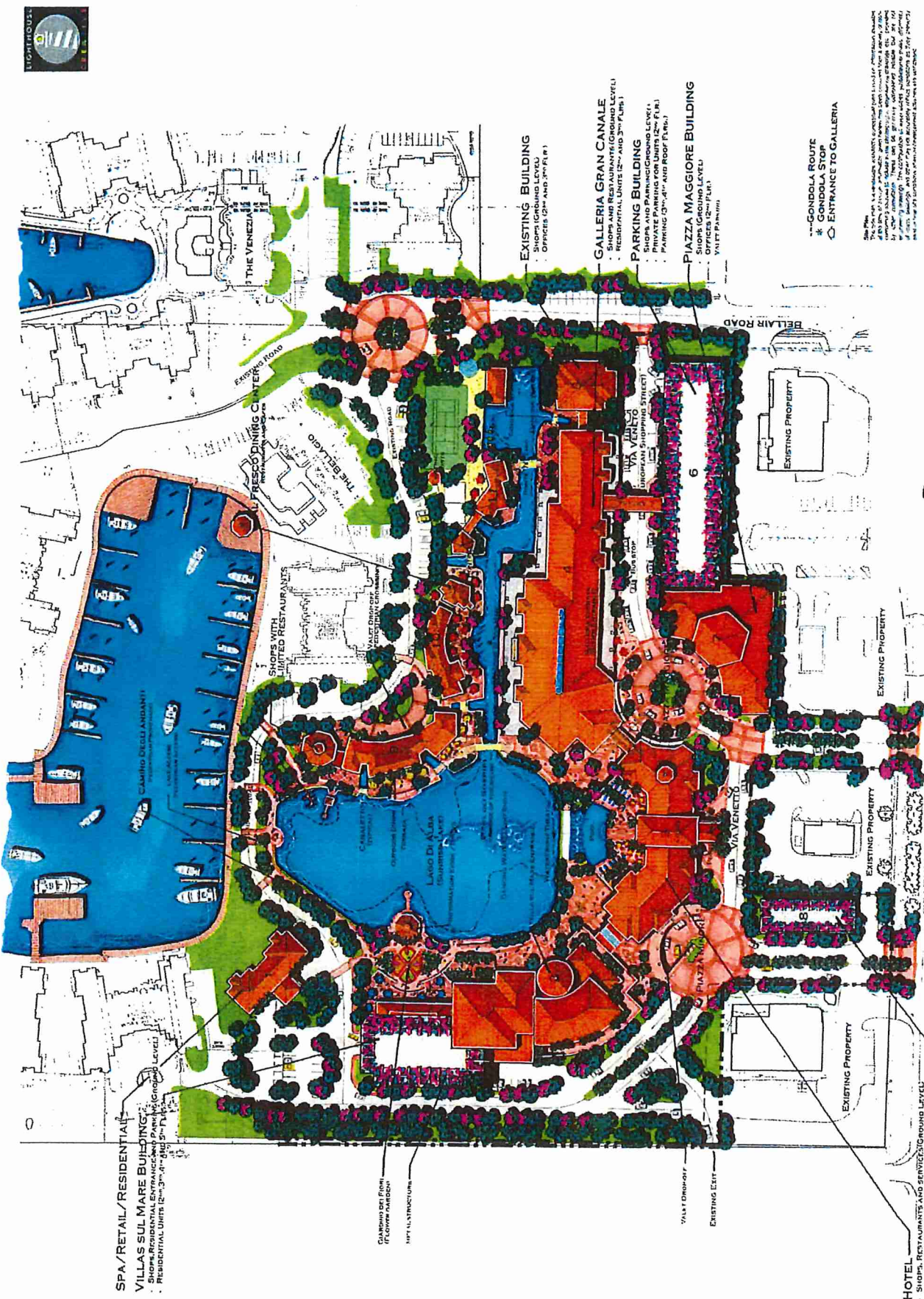












SITE PLAN CLEARWATER CAY CLUB

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Michael Redd & Associates, P.A.

*Michael T. Redd, President
Frank G. Baynham, Vice President*

Clearwater Cay Club
US Highway 19 North
Clearwater, Florida

Introduction

This narrative describes the intended improvements for the property, now called the Clearwater Cay Club. The existing project comprising 24.08 acres contains 336 apartments and attendant garages, known as *Venezia*, built in clusters along the waterside on Old Tampa Bay. These buildings, along with several support structures and clubs, have been previously designed and constructed using Venetian Italian architectural design influence. The color palette and certain fascia detailing enabled the previous owner to market these apartments under the label *Venezia*.

The new plan encompasses the *Venezia* Village as well as an adjunct new development directly adjacent to *Venezia*. This new develop provides a wide range of additional amenities, both for the residents and for visitors. In continuing the Italian theme and reinforcing the Italian Architectural character the current owners intend to enhance the stated vernacular with a more authentic Venetian inspired architectural approach. The new buildings will be designed with careful attention to proportion, style, material use and graphic-architectural detailing. Further, the placement of shops of Venetian Mediterranean character are located on, and will replace, the old Levitz shopping mall that is barely functioning and has out-dated architecture not in keeping with the style of the initial project. .

Key Changes

Clearwater Cay Club is now being designed as a regional destination attracting local, national, and International users. Its site designed and location celebrates the water. Its landscape evokes a warm Floridian-Mediterranean environment. The master plan introduces a new shallow fresh water basin and small canal system that, while not connected to salty Clearwater Bay, will impart a strong visual impression that a water network is the project's integral component. Around this new lagoon (Lagoon di Alba) new Venetian inspired themed structures will contain spa, new residences, retail shops, offices and a hotel, all supported by new structured parking.

Internal Roadway and Landscape Enhancements

The existing apartments will still be accessed as now from Bellair Road, with a major security access gatehouse for enhanced security and exclusivity. Clearwater Cay Club's internal roadways will be improved and enhanced by an appropriately themed streetscape (graphics, street trees, street furniture, etc.) as well as enhanced entry and exit points from US 19 N. Special paving materials and unique landscape themed plantings will unify the *Venezia* with the additional new properties and present the project as a unified design.

Via Veneto

Via Veneto serves as the main arrival visual by the creation of a central and newly created "Main Street." Via Veneto is conceived as a true European shopping street with access to shops, hotel, and adjacent parking structure at the ground level. This unique blend of exciting architecture and a European countenance will become the entire project's visual icon.

Galleria

Shops along the Via Veneto will be differentiated by Venetian striped gondola posts and banner awnings and will have streetside architecture again with a strong Venetian Architectural vernacular. Covered promenade walkways with regularly occurring side pedestrian vias will offer frequent merchandising corners and invite pedestrian traffic into the heart of the new project. Utilizing the southern footprint of the existing mall, and as much of the support structure as can be retained, an extended gallery of smart shop units will be developed using Venetian city design principles. Three stories high, with ceramic barrel tile roof and faux Venetian flared chimneys above, the Galleria can be accessed from Via Veneto, or from several pedestrian only *passigiata* (passageways) that pierce the building, or from the canal side to the east. A projecting arcade that is a sunscreen during the summer months will protect the façade of the Galleria on the east side. Concept drawings illustrate the use of canted shade awnings, radius arched entries, decorative lanterns and lighting, and sophisticated signage that will be controlled and defined in the owner-tenant design guidelines.

A small Bridge of Sighs (*Ponte dell Sopire*) spans Via Veneto at the second or third levels, connecting upper level parking with the Galleria. As well these upper

level pedestrian bridges serve to connect (on a N-S axis) living units with the hotel and shops.

A central feature of the building at an interruption point of the Golden Section levels by a tower was inspired by the *Torre dei Mori* on St Mark's Square. This façade detail carried an early clock design and other interesting details. This design is repeated on the west side. A major archway gives entrance to one of the passages. Internally, apartments and/or offices will be found at the second and third levels. The internal access to these has yet to be established but will probably be from escalators and steps off an internal covered courtyard than runs the axis of the structure.

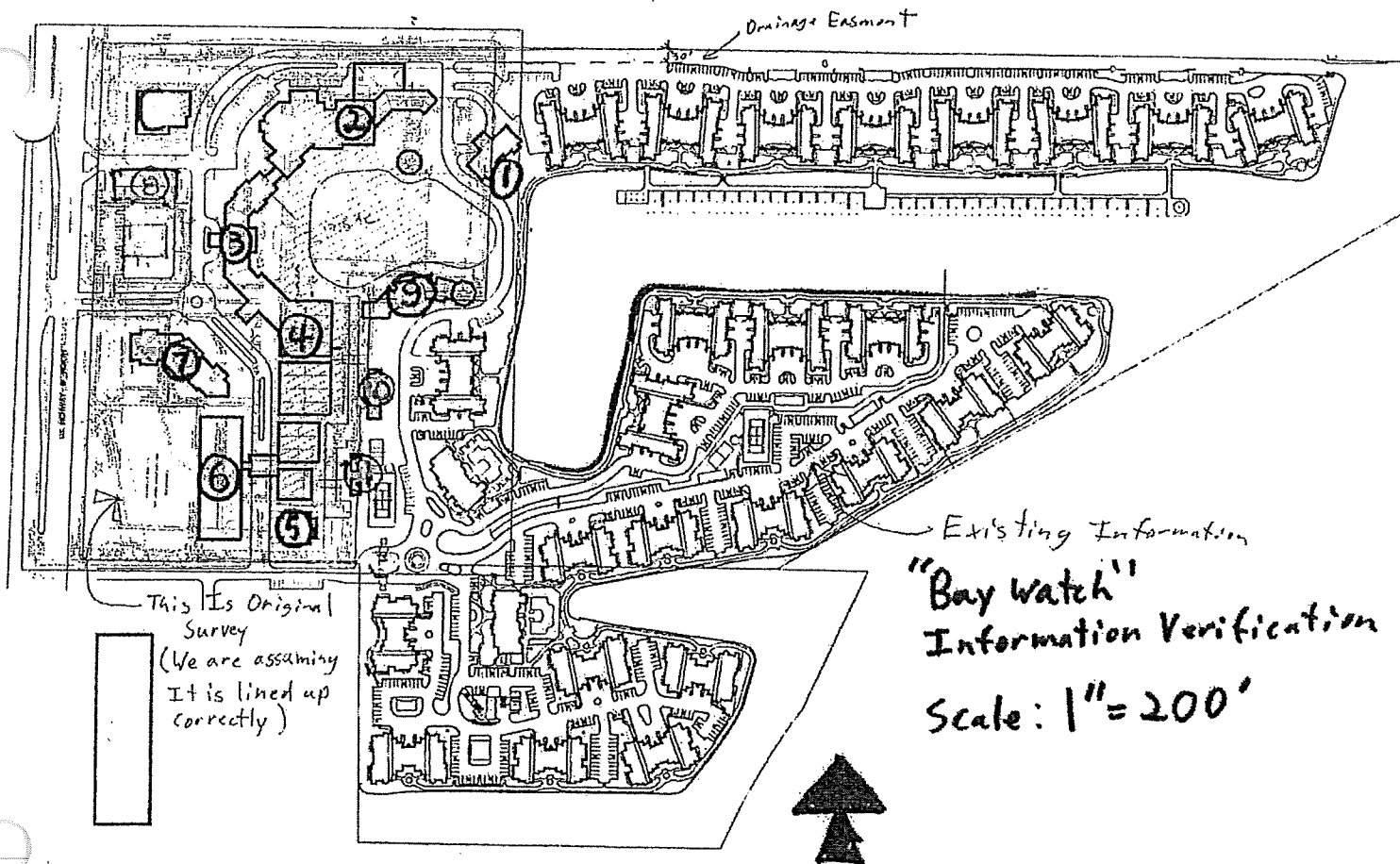
The Canal and the Lagoon

The small canal shown on the plan runs south to north. It is spanned in two places by small Venetian bridges that will give access to the east side of the Lagoon. These bridges contain archways of sufficient height and breadth to allow for the passing of a gondola below. The canal enters the Lagoon under one of these brick or stone-faced bridges. On this body of water evening shows are possible with water and light generated spectacles. Occasional processions of traditional Venetian boats that are highly decorated reinforce the theme. Around the edge of the Lagoon runs the *Cammino degli Andanti* - or Pedestrian Promenade - a walkway and strolling area which will be illuminated at night by appropriate cast iron street lanterns. The master plan illustrates a small covered performance gazebo that juts into the lake.

Restaurants and shops face the lake. There is sufficient plaza dimension to extend some of the restaurants into outdoor tables and chairs. As in Venice, these areas will be protected by kinetic shade structures.

Hotel

A five-story hotel is planned as the central anchor of the project. The intended footprint overlays the center and north part of the Levitz Mall demolished to provide the new footings. A *porte cochere* and valet drop off will be provided on the west side along the Via Veneto, or from the Piazza Minore, one of two traffic circles.



CLEARWATER CAY CLUB-ALTERNATIVE 4

SITE DATA

B #	TYPE	Total Area (s.f.)	# Flrs	Unit	RETAIL	RESTAURANTS	OFFICE	RES. AREA	PARKING	SPACERms.	Sm.	Lg.	Stes.	UNITS	1B FLAT	STUDIO	2B FLAT	LOFTS
1	Spa	6,469	1															
2	Villas	161,522	5		25,706			78,643	37,513	101				113	44	56	9	4
3	Hotel/mini	13,600	4		22,167	9,480		52,592			119	60	42	17				
4	Retail/villas	123,600	3		23,788			58,124						82	32	41	6	3
5	Office bldg.	17,278	3				17,278											
6	Parking	138,439	4+R		8,491				129,948	346								
7	Retail & offices	37,192	2		19,954		17,238											
8	Parking	64,822	4+R						64,822	172								
9	Restaurants	11,774	1			11,774												
10	Restaurants	4,145	1			4,146												
11	Restaurants	2,763	1		2,763	1,613												
Total		581,604			102,869	27,013	34,516	189,359	232,283	619	119	60	42	17	195	76	97	15

Note: 1) Figures do not include any program elements south of Bellaire Road

2) Parking does not meet Clearwater code minimum

3) All totals are +/- 10%

4) Refer to the small plan accompanying this chart for building location reference only! The actual master plan is different and much more complete.

5) Marina slips, etc., is forthcoming

6) R = "roof"

RESOLUTION NO. 2008-07

A RESOLUTION OF THE CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT DECLARING THE DATE OF COMPLETION OF ITS 2005 PROJECT; PROVIDING FOR THE APPLICATION OF AMOUNTS ON DEPOSIT IN THE 2006 ACQUISITION AND CONSTRUCTION ACCOUNT RELATING TO THE DISTRICT'S CAPITAL IMPROVEMENT BONDS, SERIES 2006A; AUTHORIZING THE DISTRICT MANAGER TO TAKE CERTAIN ACTIONS IN CONNECTION THEREWITH; APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF A SPECIAL SERVICES AGREEMENT WITH PRAGER, SEALY & CO., LLC; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION; DEFINITIONS. The Board of Supervisors (the "Board") of the Clearwater Cay Community Development District (the "District") is authorized to adopt this Resolution under the authority granted by the provisions of the Act. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the hereinafter defined Indenture.

SECTION 2. COMPLETION OF 2005 PROJECT.

(a) The District has issued its Capital Improvement Bonds, Series 2006A (the "Bonds") pursuant to the Master Trust Indenture dated as of December 1, 2005 (the "Master Indenture") between the Clearwater Cay Community Development District (the "District") and U.S. Bank National Association, as successor in interest to Wachovia Bank, National Association, as trustee (the "Trustee"), as supplemented by that certain Second Supplemental Trust Indenture dated as of November 1, 2006 between the District and the Trustee (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"). The Bonds were issued to refinance the 2005 Project (as defined in the Supplemental Indenture), as such 2005 Project is more fully described in the Amended and Restated Engineer's Report for Master Infrastructure dated October, 2006 (the "Engineer's Report") prepared by Bayside Engineering, Inc. (the "Firm"). The Firm has been retained by the District as District Engineer to provide engineering services with respect to the 2005 Project.

(b) The 2005 Project is a Series Project within the meaning of the Indenture. The Master Indenture defines "Date of Completion" with respect to a Series Project or Additional

Series Project to mean: (i) the date upon which the Series Project and all components thereof have been acquired or constructed and are capable of performing the functions for which they were intended, as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the District; or (ii) the date on which the District determines, upon the recommendation of or consultation with the Consulting Engineer, that it cannot complete the Series Project in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the Consulting Engineer of the District filed with the Trustee and the District; provided that in each case such certificate of the Consulting Engineer shall set forth the amount of all Costs of such Series Project or Additional Series Project which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed.

(c) As reflected in the hereinafter defined District Engineer Certificate, the developer of the mixed-use development planned to be located within the boundaries of the District, as such development is described in the Engineer's Report, has advised the District Engineer that the overall plan of development has changed. The District Engineer has delivered to the District the certificate attached hereto as Exhibit A (the "District Engineer Certificate"). The District Engineer Certificate states, in part, that due to the uncertainty as to the timing, scope and nature of the overall development, the portion of the 2005 Project other than the Completed 2005 Project (as defined in the District Engineer Certificate) cannot be completed in a sound and economical manner within a reasonable period of time. Accordingly, the District hereby determines that the Date of Completion of the 2005 Project is March 20, 2008. Funds in the 2006 Acquisition and Construction Account in excess of the amount required to be retained therein as set forth in the District Engineer Certificate (the "Excess Funds") shall be applied to accomplish the extraordinary mandatory redemption of Bonds as provided in the Indenture, subject to the provisions of Section 3 below.

SECTION 3. APPLICATION OF AMOUNTS IN FUNDS AND ACCOUNTS.

Prior to the application of the Excess Funds to the extraordinary mandatory redemption of Bonds, the District Manager is hereby authorized and directed to determine, in consultation with District Counsel and Bond Counsel, the amount, if any, of the Excess Funds that shall first be (i) transferred to the 2006 Capitalized Interest Account established under the Indenture to pay interest on the Bonds from the period from November 2, 2007 through March 20, 2009; and (ii) transferred to a newly created fund under the Indenture, as described below (the "Project Administrative Expenses Fund"), to pay other expenses of the District relating to the Completed 2005 Project, the amount of which cannot be determined with certainty at this time or are otherwise contingent, in an amount not exceeding \$1,059,984 (the "Additional Project Expenses"). The Additional Project Expenses, include, without limitation, fees and expenses payable to Prager, Sealy & Co. pursuant to the Special Services Agreement (hereinafter defined), fees and expenses of the District Manager, fees and expenses of District Counsel and Bond Counsel (including with respect to the Indenture Amendments, as hereinafter defined), and costs associated with enforcement and collection of the 2006 Assessments. The District Manager, in consultation with District Counsel, is further authorized and directed to cause Bond Counsel to prepare the documents necessary to amend the Indenture (the "Indenture Amendments") to create a Project Administrative Expenses Fund thereunder to which Excess Funds in an amount not exceeding that specified in subsection (i) above will be transferred and used to pay Additional Project Expenses pursuant to the requisition process set forth in the Indenture

Amendments. The District Manager is also authorized to obtain requisite consent of the Bondholders to the Indenture Amendments. The Chairman of the Board (the "Chairman") or in his absence, any other member of the Board, is hereby authorized to execute, and the Secretary or any Assistant Secretary (collectively, the "Secretary") is hereby authorized to attest, the Indenture Amendments, which shall set forth the amount of Excess Funds, if any, to be deposited to the 2006 Capitalized Interest Account and the amount of the Excess Funds, if any, to be deposited to the Project Administrative Expenses Fund. The execution of the Indenture Amendments on behalf of the District shall constitute conclusive evidence of the approval of the final form(s) thereof by the Board. The Indenture Amendments shall not be effective until requisite Bondholder consent is obtained. If the District Manager determines, in consultation with District Counsel and Bond Counsel, that the deposit of Excess Funds to the 2006 Acquisition and Construction Fund and/or Project Administrative Expenses Fund is not in the best interests of the District, nothing contained herein shall be deemed to require such deposit of Excess Funds.

SECTION 4. SPECIAL SERVICES AGREEMENT. The Special Services Agreement between the District and Prager, Sealy & Co., LLC (the "Special Services Agreement"), substantially in the form attached hereto as Exhibit B, is hereby approved, with such insertions, modifications and changes as may be approved by the Chairman, or in his absence, any other member of the Board executing the same, in consultation with District Counsel and Bond Counsel. Upon such approval, the Chairman, or in his absence, any other member of the Board, is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the Special Services Agreement. Such execution shall constitute conclusive approval of any insertions, modifications or changes to the Special Services Agreement from the form thereof presented to the Board.

SECTION 5. SEVERABILITY. Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not effect the validity of this Resolution as a whole, or any part thereof, other than the part declared invalid.


SECTION 6. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

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PASSED AND ADOPTED at a meeting of the Board of Supervisors of the Clearwater Cay Community Development District this 20th day of March, 2008.

**CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT**

[SEAL]



Chairman

ATTEST:



District Secretary

CERTIFICATE OF DISTRICT ENGINEER

Board of Supervisors
Clearwater Bay Community Development District

U.S. Bank National Association, as Trustee

This Certificate is furnished in connection with the Capital Improvement Revenue Bonds, Series 2006A (the "Bonds") issued pursuant to the Master Trust Indenture dated as of December 1, 2005 (the "Master Indenture") between the Clearwater Bay Community Development District (the "District") and U.S. Bank National Association, as successor in interest to Wachovia Bank, National Association, as trustee (the "Trustee"), as supplemented by that certain Second Supplemental Trust Indenture dated as of November 1, 2006 between the District and the Trustee (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"). The Bonds were issued to refinance the 2005 Project (as defined in the Supplemental Indenture), as such 2005 Project is more fully described in the Amended and Restated Engineer's Report for Master Infrastructure dated October, 2006 (the "Engineer's Report") prepared by Bayside Engineering, Inc. (the "Firm"). The Firm has been retained by the District as District Engineer to provide engineering services with respect to the 2005 Project.

The undersigned, an authorized representative of the Firm, hereby certifies that:

1. As of the date hereof, a portion of the 2005 Project has been completed (the "Completed 2005 Project"), as such completed components are described in Exhibit A attached hereto, at a total cost of \$21,199,675.39.

2. The developer of the mixed-use development planned to be located within the boundaries of the District, as such development is described in the Engineer's Report, has advised the Firm that the overall plan of development has changed. Due to the uncertainty as to the timing, scope and nature of the overall development, the portion of the 2005 Project other than the Completed 2005 Project cannot be completed in a sound and economical manner within a reasonable period of time. Notwithstanding the foregoing, the Completed 2005 Project serves its intended purpose and function and provides benefit to the lands in the District.

3. The amount of all costs of the Completed 2005 Project that has heretofore been incurred, but which on the Date of Completion is unpaid or unreimbursed, equals \$21,000.

DATED: March 20, 2008

BAYSIDE ENGINEERING, INC.

By:



Name: Jeffrey J. Siewert, P.E.

Title: Transportation and Traffic
Engineering Program Manager

**SPECIAL SERVICES AGREEMENT BETWEEN PRAGER, SEALY & CO., LLC AND
CLEARWATER CAY COMMUNITY DEVELOPMENT DISTRICT**

March 20, 2008

District Manager
c/o Fishkind & Associates
11869 High Tech Avenue
Orlando, FL 32817

This Special Services Agreement (this "Agreement") between **PRAGER, SEALY & CO., LLC** ("Prager") and the Clearwater Cay Community Development District (the "District") is dated this 20 day of March 2008.

WHEREAS, the District has previously issued its \$33,840,000 Capital Improvement Revenue Bonds, Series 2006A (the "Bonds");

WHEREAS, the Bonds were issued pursuant to those certain: (i) Master Indenture, dated December 1, 2005, between the District and U.S. Bank National Association (the "Trustee"), and (ii) Supplemental Indenture; dated November 1, 2006 between the District and the Trustee (collectively, the "Indenture");

WHEREAS, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture;

WHEREAS, events have occurred related to landowners within the District, such that the District is concerned that Special Assessments will not be paid in a timely manner and payments have not been timely made by the landowners regarding the Special Assessments which ultimately secure the Bonds;

WHEREAS, payment of the Special Assessments are necessary for timely payment of debt service on the Bonds;

WHEREAS, the District has requested that Prager explore options enabling the District to apply excess Bond proceeds in the Acquisition and Construction Account towards redemption or retirement of a portion of the outstanding Bonds. Such options may require Prager to act as securities broker or placement agent.

WHEREAS, Prager is willing to act in such capacity subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. **Preambles.** The preambles hereof are incorporated herein by reference and made a part of this Agreement.

2. **District Actions.**

(a) The District has determined that the 2006 Project is to be reduced in scope and price such that there will be approximately \$6 million in the Acquisition and Construction Account that may be used to redeem or retire a portion of the Bonds, on a pro-rata basis ("Redeemable Bonds") and to pay the costs of redemption or retirement of such Bonds.

(b) The District has determined that it is in its best interest to cause the Redeemable Bonds to be redeemed or retired and for the 2006 Project to be reduced in scope and price and the District will take appropriate action for its Board of Supervisors to approve the redemption and resizing of the 2006 Project.

3. **Prager's Services and Compensation.**

(a) The term of this Agreement shall from the date hereof to the earliest of: (i) May 15, 2008; (ii) the date of Redemption of the Redeemable Bonds and the payment of Prager's Special Services Fee (defined below), or (iii) that date upon which either party terminates this Agreement by notifying the other party as to termination in writing (the "Termination Date").

(b) Until the Termination Date, Prager will assist the District in contacting the Bondholders and attempting to negotiate the lowest price for the redemption of the Redeemable Bonds.

(c) Prager's compensation will consist of a fee (the "Special Services Fee") of the greater of (i) \$50,000 or (ii) 1% of the par amount of Redeemable Bonds. The Special Services Fee shall be due and payable upon the redemption of Redeemable Bonds.

4. **Governing Law and Venue.** This Agreement shall be governed by the laws of Florida and any case or controversy hereunder shall be appropriately brought in the State or federal courts located in Orange County, Florida.

5. **Indemnity No Warranty; Limitation of Liability** To the extent permitted by law, the District hereby agrees to indemnify and hold harmless Prager for any claim or action brought by a third party for actions taken by Prager pursuant to this Agreement absent Prager's gross negligence or willful misconduct. The District acknowledges that Prager can only undertake to use its best efforts to assist in obtaining a satisfactory result for the District and that Prager provides services hereunder without any express or implied warranty as to eventual outcome or result. Prager shall have no liability to the District for any action or inaction taken under this Agreement except for actual and non consequential damages proximately and exclusively caused by Prager's gross negligence or willful misconduct, in which event the damages awarded may not exceed the amount of any Hourly Fees actually paid to Prager hereunder.

6. **Assignment.** Prager may assign this Agreement to an affiliated commonly-controlled entity with notice to the District.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties agree to the foregoing:

"PRAGER"

PRAGER, SEALY AND CO., LLC

By: _____
Name: _____
Title: _____

"DISTRICT"

**CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Title: _____

THE UNITED STATES ATTORNEYS OFFICE
SOUTHERN DISTRICT *of* FLORIDA

[U.S. Attorneys](#) » [Southern District of Florida](#) » [News](#)

Department of Justice
U.S. Attorney's Office
Southern District of Florida

FOR IMMEDIATE RELEASE

Monday, February 22, 2016

**Former Cay Clubs Chief Executive Officer Sentenced to 40 Years
in Prison in Connection With \$300 Million Dollar Scheme to
Defraud Investors**

The former Cay Clubs Chief Executive Officer was sentenced to 40 years in prison, by United States District Judge Jose E. Martinez in Key West, for his participation in a \$300 million dollar vacation rental fraud scheme.

Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, Kelly R. Jackson, Special Agent in Charge, Internal Revenue Service, Criminal Investigation (IRS-CI), Timothy Mowery, Special Agent in Charge, Federal Housing Finance Agency, Office of Inspector General (FHFA-OIG), made the announcement.

Fred Davis Clark, Jr., a/k/a Dave Clark, 57, formerly of Monroe County, was convicted on December 11, 2015 after a five-week trial, of three counts of bank fraud, and three counts of making a false statement to a financial institution, all in connection with a \$300 million dollar fraud scheme involving sales of vacation rental units. The scheme involved sales at Cay Clubs Resorts and Marinas (Cay Clubs), to approximately 1,400 investors in the Florida Keys and elsewhere. Clark also was convicted of obstruction of the U.S. Securities and Exchange Commission (SEC), in connection with the SEC's efforts to investigate his conduct related to Cay Clubs. Clark was sentenced to 480 months' imprisonment and the Court entered forfeiture money judgments against Clark, including in the amount of \$303,800,000 for the bank fraud and \$3,300,000 for the SEC obstruction. In addition, the Court ordered forfeiture of specific assets, located overseas, totaling approximately \$2.6 million dollars.

U.S. Attorney Wifredo A. Ferrer stated, "Dave Clark was the leader and orchestrator of an elaborate fraud scheme, that deceived nearly 1,400 Cay Clubs investors and lenders, in order to reap millions of dollars for his own personal benefit. Today, Dave Clark was held accountable in a court of law, for his extensive deceit and the long-standing harm he caused to others."

Kelly R. Jackson, Special Agent in Charge, IRS Criminal Investigation (IRS-CI), stated, "Promoters of Ponzi schemes prey upon trusting investors and then steal their hard earned money. Mr. Clark made a conscious decision to deceive others, and he benefitted personally at the expense of the citizens of the Keys and elsewhere. We are pleased with today's sentence, as justice is served for those victims of Mr. Clark's elaborate scheme."

"In lieu of providing honest services to thousands of investors, Dave Clark decided to deceive and swindle them out of their hard earned money," stated Timothy Mowery, Special Agent in Charge, FHFA-OIG. "Today he is being held accountable for his actions and being afforded the opportunity to reflect on his own character."

According to evidence submitted in court, Clark was the Chief Executive Officer of Cay Clubs, which operated from 2004 through 2008 from offices in the Florida Keys and Clearwater. Cay Clubs marketed vacation rental units for 17 locations in Florida, Las Vegas and the Caribbean, to investors throughout the United States. Cay Clubs raised more than \$300 million from investors by promising to develop dilapidated properties into luxury resorts, and promising investors an upfront "leaseback" payment of 15 to 20% of the sales price of the unit at the time of closing. Evidence at trial showed that, in reality, Cay Clubs never developed the properties it had promised to investors and it came to operate as a Ponzi scheme, using proceeds from sales to new investors to pay overdue obligations to earlier investors.

Evidence showed that by at least September 2006, Cay Clubs experienced serious financial difficulties. In order to meet Cay Clubs' financial obligations and obtain funds for himself, evidence at trial showed that Clark engaged in a series of fraudulent mortgage transactions totalling more than \$20 million worth of bank loans. According to documents and testimony introduced at trial, during these sham transactions, Clark sold units Cay Clubs had acquired, to himself, while increasing the sales price. On paper, Clark sold the units to family members and certain insiders, while causing various lending institutions to fund the transactions. Clark directed his administrative assistant and his bookkeeper to forge signatures on loan documents and falsely notarize mortgage paperwork to make it appear that family members and other insiders listed on paperwork, were in fact executing the documents. In reality, Clark was providing the deposits and down payments, directing his subordinates to execute the loan documents, and then using the proceeds of the transactions to fund Cay Club's operations and for his own personal benefit. The financial institutions that funded the fraudulently obtained loans were insured by the FDIC.

Evidence at trial showed that while Cay Clubs continued to experience significant financial difficulties, Clark lived a lavish lifestyle, extracting more than \$22 million from the operations of Cay Clubs between 2005 and 2007. Clark also obtained a personal portfolio of properties he valued at \$23 million but that were held in the names of other persons. Clark also used proceeds from the investor sales to purchase a gold mine, a coal reclamation project and a rum distillery for his personal benefit.

After the collapse of Cay Clubs, the SEC began an investigation into alleged securities fraud at Cay Clubs. According to evidence presented in court, Clark engaged in conduct aimed at thwarting the SEC's investigation, including by concealing the location of assets under his control and providing false sworn testimony before the SEC in May 2011. In March 2013, after the SEC filed a civil fraud action against him, Clark transferred more than \$2.5 million to accounts he controlled in Honduras. After these transfers, U.S. law enforcement and authorities in Honduras were able to obtain a court order freezing these funds.

Clark was expelled from Panama in June 2014, and returned to the United States by Panamanian authorities at the request of U.S. law enforcement in connection with the charges set forth in the indictment.

In related cases, former Cay Clubs executives **Barry J. Graham**, 59, and **Ricky Lynn Stokes**, 54, both of Ft. Myers, Florida pleaded guilty to conspiracy to commit bank fraud, in connection with the scheme to defraud Cay Clubs investors. Graham, who was Director of Sales, was sentenced on March 30, 2015, and Stokes, who was the Director of Investor Relations, was sentenced on March 24, 2015. Each was sentenced to 60 months' imprisonment, and was ordered to pay restitution of \$163,530,377.21 to numerous individual and financial institution victims.

Mr. Ferrer commended the investigative efforts of the IRS-CI and FHFA-OIG, and the extensive assistance of the SEC's Miami Regional Office. The matter is being prosecuted by Assistant U.S. Attorneys Jerrob Duffy, Thomas A. Watts-FitzGerald and Alison Lehr, and Special Assistant U.S. Attorney Michael Padula. Mr.

Ferrer also commended the efforts of U.S. Immigration and Customs Enforcement's Homeland Security Investigations, Key West Regional Office, for its assistance with this matter.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.

Topic(s):

Financial Fraud

Component(s):

USAO - Florida, Southern

Updated February 22, 2016

EXHIBIT G

IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT
OF THE STATE OF FLORIDA, IN AND FOR PINELLAS COUNTY

GRAND VENEZIA COA, INC.,

Plaintiff,

VS

CASE NO: 16-001584-CI

CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT, et al,

Defendants.

EXCERPT OF TRIAL PROCEEDINGS BEFORE
THE HONORABLE GEORGE M. JIROTKA
(PARTIAL CLOSING ARGUMENT BY ROBERT JOHNSON)

DATE: April 20, 2018

TIME: 9:00 A.M. - 12:00 P.M.

LOCATION: CLEARWATER COURTHOUSE
315 Court Street
Courtroom C
Clearwater, Florida

REPORTED BY: CYNTHIA A. CIANCIOLO
Integra Reporting Group, LLC
Court Reporter
Notary Public
Commission No. GG 172623
Expires: 2/28/22

APPEARANCES:

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 100 Main Street, Suite 204
 Safety Harbor, Florida 34695

- AND -

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 Clearwater, Florida 33756

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 Tampa, Florida 33602

Attorneys for Defendant Clearwater
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 BRIAN CRUMBAKER, ESQUIRE
 GARY PERKO, ESQUIRE
 Hopping Green & Sams, P.A.
 119 S. Monroe Street, Suite 300
 Tallahassee, Florida 32301

Attorneys for Oppenheimer Rochester

ALSO PRESENT:

Dan Tsinokas, HOA Rep
 Oppenheimer Rep, Rene Vecka
 District Rep, Trevor Davison
 Deputy Laboy, PCSO

I N D E X

PROCEEDINGS
 CERTIFICATE OF REPORTER

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1 (Excerpt from closing argument).

2 THE COURT: And just for the record, that's not
3 what Mr. Barnes is saying. That's for me to decide.

4 MR. JOHNSON: I know, and I understand that. I
5 definitely understand Mr. Barnes's position.

6 The next witness that was brought in was Jeffrey
7 Siewert who was the engineer, who certified that the job
8 was completed. He testified that that's what happened.
9 It was 2008, the economy was tanking, he looked at the
10 project, we said we really couldn't go forward.

11 So you've got Siewert coming in and testifying that
12 what he did was appropriate.

13 The next witness that the Plaintiff calls is Trevor
14 Davison who is sitting in the court today, and Mr.
15 Davison testifies that all of the actions of the Board
16 were appropriate here.

17 I have Mr. Vecka as the next witness. Mr. Vecka
18 comes in, and again on examination by Mr. Barnes, Mr.
19 Barnes has designated all these as adverse witnesses,
20 Mr. Vecka testifies that the actions of the bondholders
21 were appropriate.

22 Then we have Dr. Fishkind coming in as the next
23 witness. Of course, Dr. Fishkind testified for four
24 hours. I certainly disagree with Mr. Barnes's
25 characterization of Dr. Fishkind's testimony.

1 Dr. Fishkind testified as to what the benefits
2 were, how those were conferred, how those were
3 allocated, and I think that was very persuasive
4 testimony.

5 And then finally we bring in Mr. Crumbaker, and Mr.
6 Crumbaker's role is to address the sort of action in
7 2015 regarding the conveyance of the lands to the
8 Special Purpose Entity.

9 Now, the way I have set it up, it's like a big
10 circle, Judge. All of these witnesses connect the dots.
11 Their testimony is all consistent but it leaves a big
12 hole in the middle. I mean, I haven't tried as many of
13 these cases as maybe Mr. Perko has, but traditionally in
14 these cases in order to meet the burden of proof the
15 Plaintiff has got to have somebody come in and fill in
16 this hole in the middle.

17 That's generally done by the use of expert
18 testimony, and there are experts out there in the
19 community, like a Dr. Fishkind, who as Mr. Barnes
20 referenced in Dr. Fishkind's testimony, he testified as
21 an expert.

22 The Plaintiff hasn't given this Court really any
23 basis to go on to find that the activity engaged in by
24 all of these people here was inappropriate. The Court
25 has no guidance from an expert to say this is an

1 allocated property, the benefits aren't being received
2 by the members of the District.

3 He just hasn't presented that.

4 Now, it's not that the experts aren't out there,
5 because the Plaintiff listed an expert on his witness
6 list, a guy named Chris Jones who used to work for
7 Fishkind.

8 We didn't hear from him. We can only speculate as
9 to why we never heard the testimony of an expert, but
10 you have to fill in that middle. Mr. Barnes has got to
11 give the Court some evidence to support his contention
12 that these bonds were irregular, defective, unfair; and
13 it hasn't been done in this case.

14 THE COURT: Well, isn't there a pretty big hole if
15 you don't have the Levitz property anymore? You tell
16 me.

17 MR. JOHNSON: Well, let's take a look at the Levitz
18 property.

19 THE COURT: Or whatever the thing is called.

20 MR. JOHNSON: Let's go back and put that back up
21 there. (Indicating on large aerial).

22 You can't see it very well here, but here's this
23 Levitz property. The Levitz property was going to be
24 part of this development. Now --

25 THE COURT: Well, it looks like that was going to

1 be the saving grace of the whole thing.

2 MR. JOHNSON: That was going to be the saving grace
3 of the whole thing.

4 But what we've got is all of the testimony showing
5 that yeah, maybe there was going to be this big
6 grandiose development here, but they're not paying for
7 that. There was no additional bonds that were issued
8 after the completion. You know, maybe in hindsight they
9 could look back and say, well, you know, the economy is
10 kind of going good, maybe we could do something here.

11 But in 2008 I don't think that anyone in this
12 courtroom contends that the decision to sort of shut
13 down the development was improper.

14 And it was a benefit to all of these residents of
15 the Grand Venezia and everyone within the District not
16 to have more bonds issued and more debt, \$3800 worth of
17 debt a year.

18 That's a big number.

19 With regard to the issue on the Levitz property, I
20 think the Court yesterday probably made some interesting
21 observations of Dr. Fishkind which was Dr. Fishkind, you
22 know, can a unit of local government like the District
23 simply convey property without there being a appraisal.

24 Now, both Dr. Fishkind and Mr. Crumbaker came in
25 and said what we did is we rely on the 2005 appraisal.

1 CERTIFICATE OF REPORTER
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8 I, Cynthia A. Cianciolo, Court Reporter, Notary
9 Public for the State of Florida at large, do hereby
10 certify I stenographically reported the proceedings at
the time and place so indicated and that my notes were
hereinafter reduced to a computer-generated transcript.

11 I further certify that I am not an employee or
12 relative of any of the parties and am not an employee or
relative of either counsel, and further certify that I
am not financially interested in the outcome of this
litigation.

13 I hereby affix my signature this 16th day of
14 February 2020, in Tampa, Hillsborough County, Florida.

15
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18
19 CYNTHIA A. CIANCIOLO
Court Reporter
20
21
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25

IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT
IN AND FOR PINELLAS COUNTY, FLORIDA

GRAND VENEZIA COA, INC.,

Plaintiff,

VS

CASE NO: 16-001584-CI

CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT, et al,

Defendants.

ZOOM DEPOSITION OF DONALD DWYER

TAKEN: PURSUANT TO NOTICE
COUNSEL FOR DEFENDANT INVESCO

DATE: SEPTEMBER 10, 2020

TIME: 9:00 AM - 2:30 PM

LOCATION: ALL APPEARANCES REMOTE

REPORTED BY: CYNTHIA A. CIANCIOLO
Integra Reporting Group, LLC
Court Reporter
Notary Public
Commission No. GG 172623
Expires: 2/28/22

ALL APPEARANCES VIA ZOOM:

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 Community Development District

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 Tallahassee, Florida 32301

Attorney for Invesco

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PROVIDED TO COUNSEL VIA DROPBOX

1 THE COURT REPORTER: Mr. Dwyer, can I ask you to
2 raise your right hand, please, to take the oath this
3 morning.

4 Do you solemnly swear or affirm that the testimony
5 you're about to give in this case will be the whole
6 truth and nothing but the truth.

7 THE WITNESS: I do.

8 DIRECT EXAMINATION

9 BY MR. CRUMBAKER:

10 Q. Good morning, Mr. Dwyer. How are you?

11 A. Not bad for an old guy.

12 Q. You know who I am, Brian Crumbaker. I'll be taking
13 your deposition this morning. Just a couple of
14 preliminary instructions. You know, the deposition I will
15 ask you questions and my question and your answer will be
16 recorded by the Court Reporter.

17 Please be sure to speak up and you answer orally,
18 not with a nod, shaking head, that type of thing, but
19 answer --

20 Bruce is playing around so I lost Bruce.

21 MR. BARNES: No, I'm good. Sorry. I'm here. Can
22 you all see me?

23 MR. CRUMBAKER: Yes, we can see you.

24 Q. As I was saying, that to the extent you are
25 responding to a question, please answer orally, not with a

1 nod, shaking your head, or that type of thing.

2 Will you do that for me, please?

3 A. Sure.

4 Q. From time to time I will be asking questions. If I
5 ask you a question that I don't state very clearly or for
6 some reason you do not understand, if you do not
7 understand the question, please say so and I'll try and
8 clarify. Is that okay?

9 THE COURT REPORTER: I'm not hearing any response.

10 A. I said yes.

11 THE COURT REPORTER: You seem to be frozen.

12 Q. Yeah, there seems to be a lag or frozen or
13 something.

14 A. I'm on a wireless connection in Dan's office.

15 (Off record to adjust audio and video connection).

16 Q. Much better. If you need a break for coffee,
17 water, otherwise, please say so and we'll finish the
18 pending question and answer, and see if we can't get you
19 the break that you need.

20 If you need to speak with your attorney, that's
21 fine as long as we're not in the middle of a pending
22 question.

23 Please be sure that all the questions are complete,
24 and/or as complete as you can. If you need to circle back
25 at any point in time during your testimony to a prior

1 question and your answer, please feel free to do so if I
2 reference back to the prior question.

3 If you think some documents might be helpful to you
4 to remember an answer or might give you a more accurate
5 answer, please let me know and we'll either have the
6 document pulled up. I will be sharing documents with you
7 via Zoom.

8 Have you done a Zoom deposition or meeting where
9 documents have been involved, Mr. Dwyer?

10 A. No.

11 Q. Well, as we go through the documents if there's
12 something you would like to see or have me go back to, let
13 me know, and Cindy has allowed me to share the screen and
14 I'll pull up the document and allow you to run back
15 through your question.

16 Is there any reason you can think of why you cannot
17 answer my questions fully and truthfully today?

18 A. No.

19 Q. Okay. You're not under the influence of any
20 alcohol or drugs this morning?

21 A. Absolutely not.

22 Q. When was the last time you had a drink, Mr. Dwyer?

23 A. That would be yesterday afternoon, but I don't know
24 that that's relevant.

25 Q. Well, you have a history with alcohol, correct, Mr.

1 Dwyer?

2 A. You know, that's my business.

3 Q. It's not your business because it goes to state of
4 mind, Mr. Dwyer. How many drinks did you have yesterday,
5 Mr. Dwyer?

6 A. Probably four.

7 Q. What time did you start drinking?

8 A. Probably around 3:30.

9 Q. When did you stop drinking?

10 A. Dinnertime.

11 Q. Are you under the influence or have been under the
12 influence in the last 12 hours of any narcotic or drug?

13 A. Absolutely not. Never have.

14 Q. Then you mentioned earlier that you're in Dan
15 Molloy's office. Is that correct?

16 A. That is correct.

17 Q. Is Dan Molloy the only person, other person in room
18 with you today?

19 A. He's not even in the room with me right now. He's
20 in another room.

21 Q. I'm going to pull up the subpoena. Let's see if I
22 can do this here. Mr. Dwyer, can you see the subpoena
23 duces tecum on the screen?

24 A. Yeah, not completely, but yes.

25 Q. Okay. Cindy, can we mark this as Exhibit No. 1.

1 THE COURT REPORTER: I will do that after the
2 deposition electronically.

3 Q. Mr. Dwyer, can you please confirm receipt of this
4 deposition and I'll scroll through the pages.

5 A. Sure.

6 Q. The body of it is 2 pages with Exhibit Definitions
7 and Instructions.

8 A. I did receive it.

9 Q. And did you review the subpoena?

10 A. Briefly, yes.

11 Q. Briefly. What do you mean by briefly?

12 A. Just what I said, briefly.

13 Q. Did you not review it in detail?

14 A. Did not review it in detail.

15 Q. So do you understand what a subpoena duces tecum
16 is?

17 A. You can explain it to me.

18 Q. I'm sorry.

19 A. You could explain it to me.

20 Q. Well, let's start by walking through the document.
21 So the documents to be produced at your deposition were
22 picture identity which you produced to the Court Reporter
23 a minute ago. Is that correct?

24 A. That's correct.

25 Q. A copy of your Curriculum Vitae or resume.

1 A. Yep.

2 Q. Have you brought those to your deposition or to
3 your deposition?

4 A. Yes, actually I have an E-mail that I can send you,
5 if you would like to see it.

6 Q. Okay. Do you want to send that to me.

7 A. Sure. Give me a minute and let me see if I can
8 figure out how to do this. I don't want to leave the
9 meeting but I'm not sure.

10 Dan, can you send that? Dan is going to try to
11 send it to you.

12 Q. Good.

13 A. I sent it to you yesterday afternoon. Cindy, do
14 you know how I can do this, that I can get to my mail
15 program? Do you want me to close out of the program?

16 (Off record discussion with Court Reporter
17 regarding instructions for sending E-mail)

18 Q. That's fine.

19 A. Okay. I'm here. Did you get it, Brian?

20 Q. I did.

21 A. Wonderful.

22 Q. Back on the record. Mr. Dwyer, I want to go back
23 to the subpoena duces tecum. Did you speak -- did
24 counsel, did Mr. Molloy provide you any advice or
25 description of what a subpoena duces tecum is?

1 A. No, it wasn't necessary I didn't think.

2 THE COURT REPORTER: Mr. Dwyer, you're freezing up.

3 Your wireless is creating a difficulty for you.

4 A. We need to get a hard connection. I'm doing my
5 best. Dan is going to create a different connection. I'm
6 going to have to leave again or maybe not.

7 (Off record to discuss visual and audio connection).

8 THE COURT REPORTER: Okay. We are back on the
9 record.

10 Q. Thank you. Mr. Dwyer, going back to the prior
11 question which is did you have any conversations with Mr.
12 Molloy regarding the meaning of subpoena duces tecum?

13 A. I had a brief conversation with Mr. Molloy as far
14 as what to expect from you. I have been through enough
15 depositions as far as witnessing them to understand the
16 seriousness of them, so if that's what you're getting at,
17 yes, I understand the seriousness.

18 I understand that I should not and will not perjure
19 myself in any way as we go through this.

20 I understand what it is that you're attempting to
21 do.

22 And you know, I would just say at this point, I
23 consider you an adversary and you probably consider me an
24 adversary, so let's just go ahead and move forward. I
25 hope I've answered your question appropriately.

1 Q. No, you haven't actually. And stick to the
2 question.

3 What does subpoena duces tecum mean to you?

4 A. It means that I should not perjure myself as we go
5 through these proceedings and I'm legally responsible for
6 what I say.

7 Q. What does it mean with regard to the production of
8 documents?

9 A. You tell me.

10 Q. The question is to you, Mr. Dwyer.

11 A. Don't know.

12 Q. Don't know?

13 A. No.

14 Q. And to confirm, you did not read the subpoena duces
15 tecum in detail?

16 A. That is correct. So are you indicating to me I'm
17 supposed to have brought probably several hundred, several
18 thousand documents to the meeting; is that what you're
19 indicating?

20 Q. That is, I don't know the volume, Mr. Dwyer, but
21 you were required --

22 A. You have all the documents.

23 Q. You were required to produce the documents that
24 were referenced in Exhibit A.

25 MR. BARNES: Object to that statement.

1 MR. CRUMBAKER: On what basis, Bruce? It's a
2 subpoena duces tecum.

3 MR. BARNES: The subpoena duces tecum is dated on
4 September 1 and today is the 10th, and I don't know that
5 any witness, and I think even theoretically he being a
6 party has 30 days to comply with any subpoena duces
7 tecum, but assuming Mr. Dwyer -- I will let Mr. Molloy
8 weigh in -- assuming Mr. Dwyer is a non-party witness
9 which I'm not sure about, a few days' notice, I don't
10 even know if he was served with a subpoena, but a few
11 days' notice is not reasonable under the circumstances.

12 MR. CRUMBAKER: First of all, Mr. Barnes --

13 MR. MOLLOY: I would also note --

14 THE COURT REPORTER: Sir, I can't hear you.

15 MR. MOLLOY: I would also note all the documents
16 requested in the subpoena have already been supplied to
17 counsel through other means.

18 MR. CRUMBAKER: Mr. Molloy, the Curriculum Vitae or
19 resume wasn't produced until this morning. So are you
20 saying those, that document was previously produced?

21 MR. MOLLOY: No, I didn't say that.

22 MR. CRUMBAKER: Well, that's exactly what you just
23 said. You just said that the documents that were
24 requested in the subpoena were previously provided.

25 MR. MOLLOY: But for the resume, you're correct.

1 MR. CRUMBAKER: So in regard to your comment,
2 Bruce...

3 MR. BARNES: Yes.

4 MR. CRUMBAKER: ...Mr. Dwyer is a member of the
5 Board of Supervisors. The Board of Supervisors is a
6 party to this.

7 MR. BARNES: Right.

8 MR. CRUMBAKER: So Mr. Dwyer is a party for
9 purposes of this deposition.

10 MR. BARNES: Well, for purposes of this deposition
11 then, you had to comply with the Rules of Civil
12 Procedure which for a party I believe allows 30 days for
13 the production of documents and any objections to that
14 at a deposition.

15 MR. CRUMBAKER: Mr. Molloy, do you have any
16 objections to the subpoena duces tecum?

17 MR. MOLLOY: Mr. Crumbaker, you already have all
18 the documents that were requested. If you really want
19 me to object, I will object. Fine. I object to the
20 timeframe of the Notice of Deposition.

21 MR. CRUMBAKER: So prior to this deposition, and we
22 can reschedule this deposition, prior to this deposition
23 Mr. Dwyer made no effort to review the contents of the
24 deposition, the content of the review of the subpoena
25 duces tecum in detail to ensure that he produced every

1 document responsive to the subpoena?

2 MR. MOLLOY: I have no idea, Mr. Crumbaker.

3 Mr. Dwyer's testimony speaks for itself.

4 A. If you will recall, Dan --

5 MR. MOLLOY: Don't. Don't.

6 A. Okay.

7 MR. CRUMBAKER: I'm going to continue the
8 deposition today and reserve at the end the right to
9 call Mr. Dwyer back once we have, that is the subpoena
10 duces tecum, Mr. Molloy, you have lodged your objections
11 and the District or Mr. Dwyer has complied with it.

12 Until such time as Mr. Dwyer has complied or you
13 have objected and we resolved the objections to the
14 subpoena duces tecum, then at the conclusion of the
15 deposition, I'll reserve the right to call Mr. Dwyer
16 back.

17 Is that acceptable to you, Mr. Molloy?

18 MR. MOLLOY: Yes. Thank you.

19 Q. With respect to the documents to be produced at
20 deposition, Mr. Dwyer, regarding No. 2, I received your
21 Curriculum Vitae resume this morning.

22 No. 3 requires you to produce all communications
23 concerning -- I have to move this down the screen -- "all
24 documents and communications concerning or relating in any
25 way to special assessments levied by the District that was

1 created and received or viewed by you from November 14,
2 2018 to the date of deposition".

3 A. Do you want me to respond to that one?

4 Q. In response to Public Records Requests have you
5 produced every document responsive to No. 3?

6 A. I believe we have. Multiple times actually.

7 Q. "All documents and communications concerning or
8 relating to the Series 2006 bonds that were created,
9 received or viewed by you from July 1, 2018 to the date of
10 deposition".

11 Is it your position that you have produced all
12 documents and communications responsive to No. 4 in
13 response to prior Public Records Requests you've received?

14 A. That is my understanding.

15 Q. No. 5, "all documents and communications concerning
16 the ownership and maintenance of real property and
17 improvements owned by the District that were created,
18 received or viewed by you from July 1, 2018 to the date of
19 deposition".

20 Is it your contention, is it your testimony that
21 all documents and communications responsive to request No.
22 5 have previously been provided by you in response to
23 Public Records Requests you've received?

24 A. That is my understanding.

25 Q. No. 6, "all documents and communications concerning

1 or relating in any way to the District's filing of Chapter
2 9 bankruptcy that were created, received or viewed by you
3 from July 1, 2018 to the date of deposition".

4 Is it your testimony that you have previously
5 produced all of the documents and communications in
6 response to Public Records Requests that you previously
7 have received from me?

8 A. That is my understanding.

9 Q. No. 7, "all documents and communications concerning
10 or relating in any way to Mark Lawson, P.A. created,
11 received or viewed by you from July 1, 2018 to the date of
12 deposition".

13 Is it your testimony here today that you have
14 produced all documents and communications responsive to
15 No. 7 in response to Public Records received by you from
16 me to this point?

17 A. That is my understanding.

18 Q. No. 8, "all documents and communications concerning
19 or relating in any to the hiring, engagement, retention,
20 firing or resignation of a special assessment consultant
21 or economist created, received or viewed by you from July
22 1, 2018 to the date of deposition".

23 Is it your testimony here today that you have
24 provided all documents and communications responsive to
25 No. 8 in response to Public Records Requests previously

1 received by you from me?

2 A. That is my understanding.

3 Q. No. 9 is "all documents and communications
4 concerning or relating in any way to U.S. Bank National
5 Association created, received or viewed by you from July
6 1, 2018 to the date of deposition".

7 Is it your testimony here today that all documents
8 and communications have been produced by you in response
9 to No. 9 in response to Public Records Requests you
10 received, previously received from me?

11 A. That is my understanding.

12 Q. No. 10, "all documents and communications
13 concerning or relating in any to Oppenheimer Funds,
14 created, received or viewed by you from July 1, 2018 to
15 the date of deposition".

16 Is it your testimony here today that you have
17 provided all documents and communications responsive to
18 request No. 10 in response to Public Records Requests you
19 previously received from me?

20 A. That is my understanding.

21 Q. No. 11, "all documents and communications
22 concerning or relating in any way to the Grand Venezia
23 COA, Inc. including but not limited to members of its
24 Board of Directors and its counsel, Mr. Barnes, Dr. Jones,
25 created or received or viewed by you from July 1, 2018 to

1 the date of deposition".

2 Is it your testimony here today that you have
3 produced all documents and communications responsive to
4 No. 11 in response to Public Records Requests previously
5 received by you from me?

6 A. That is my understanding.

7 Q. No. 12, "all documents concerning or relating in
8 any way to the meetings of the District Board of
9 Supervisors created, received or viewed by you from
10 November 14, 2018 to the date of the deposition".

11 Is it your testimony here today that all documents
12 responsive to request No. 12 have been provided by you in
13 response to Public Records Requests that you have received
14 previously from me?

15 A. That is my understanding.

16 Q. No. 13, "all documents concerning or related in any
17 way to special assessments allocated to land owned by FDC
18 Clearwater SPE, LLC, Harbourside Grand Crossing, LLC
19 and/or TIA Property Holdings, Inc., created, received or
20 viewed by you from July 1, 2018 to the date of
21 deposition."

22 Is it your testimony here today that you have
23 previously -- that you have provided all documents
24 responsive to request No. 13 previously in response to
25 Public Records received by you from me?

1 A. That is my understanding.

2 Q. No. 14, "all documents concerning or relating in
3 any way to the District's budgets for fiscal years 2019,
4 2020 and 2021 created, received or viewed by you to the
5 date of deposition".

6 Is it your testimony here today that you have
7 provided all documents responsive to No. 14, request 14 in
8 response to Public Records Requests you previously
9 received from me?

10 A. I don't remember receiving one from you with those
11 specific dates related to the budget.

12 Q. So for purposes of today, for the purpose of the
13 subpoena duces tecum, do you have any -- do you have all
14 documents responsive to request No. 14 with you today?

15 A. I do not.

16 Q. In preparing for the deposition today what steps
17 did you undertake for purposes of preparing for today's
18 deposition?

19 A. Ask the question again.

20 Q. What steps did you undertake to prepare for today's
21 deposition?

22 A. Spoke to Mr. Molloy, spoke to my wife who is the
23 brain of my operation, spoke to my brother who lives in
24 Maryland briefly. Didn't discuss it with anybody else.

25 I basically understood that I was going to come in

1 and do my best to answer your questions as honestly and
2 positively as I could.

3 Q. And what documents or records did you review in
4 anticipation of your deposition?

5 A. None.

6 Q. With respect to your conversations with your wife,
7 how in depth were those conversations? Were those just
8 general conversations regarding the deposition or was it
9 in detail?

10 A. No, they were just general conversations. My wife
11 saves lives for a living so that's why I refer to her as
12 the brains of the operation. I just cause people like you
13 a lot of heartache.

14 Q. Why do you make that comment, Mr. Dwyer?

15 A. Because you and I are adversaries. I've made that
16 statement earlier.

17 Q. So for purposes of -- is it your -- do you just
18 generally make lawyers, it difficult with lawyers or is
19 this my client or is it just me?

20 A. I'm going to tell you it's probably you, totally
21 you, and I'll tell you why since you asked the question if
22 you allow me. You have done nothing but harass me and the
23 other members of the Board to the point where I can't
24 imagine what other documents you could possibly ask for.

25 The only other thing I could do is give you a ZIP

1 drive with 10,000 documents that existed that were given
2 to me or given to the District when Gray Robinson was
3 fired and when Fishkind was fired. That's the only thing
4 I could do is hand you all those documents, which by the
5 way you probably already have.

6 Q. So, Mr. Dwyer, you don't consider Invesco's
7 investment in this project as important?

8 A. I didn't say that.

9 Q. Okay. Well, you don't consider the obligations of
10 the District to the trustee as important?

11 A. I didn't say that either.

12 Q. So it's just personal to me?

13 A. Yeah, it is personal between you and I, yes.

14 Q. Regarding the deposition, have you had any
15 conversations with Mr. Barnes?

16 A. I have not.

17 Q. Other Board members?

18 A. Have not.

19 Q. Do you have any notes from your meetings with Mr.
20 Molloy?

21 A. No, it was on the telephone. Didn't need to take
22 any notes.

23 Q. Let's pull up, I'm going to show you, Mr. Dwyer,
24 can you see this?

25 A. Oh, yes.

1 Q. Is this your current resume?

2 A. Sure is.

3 Q. At the top it says Manufacturing Engineer at the
4 header. What does that mean, what does manufacturing
5 engineer mean?

6 A. Manufacturing engineer is someone who provides
7 resolution and problem-solving techniques during the
8 manufacturing process. Mine happened to be in the
9 aerospace industry.

10 Q. Let's start at the bottom. It appears on the last
11 page of the resume there is a letter of reference. Is
12 that letter of reference relevant for purposes of today's
13 discussion?

14 A. It's up to you. You asked me for it. It's
15 included in my current resume. It's pretty significant.
16 I was saving Lockheed Martin about \$300 million. That's
17 not bad for somebody with a 12th grade education with a B
18 average. So it was significant to me. I don't know if it
19 matters to you.

20 MR. CRUMBAKER: Mr. Molloy, can you please educate
21 or advise your client to just answer the question. If
22 not, I'll advise him to just answer the question.

23 MR. MOLLOY: Mr. Dwyer, the short answers are
24 better.

25 A. Thank you.

1 Q. Let's talk about your education. So where did you
2 go to high school?

3 A. Glen Burnie High School.

4 Q. I'm sorry. Where is that?

5 A. Glen Burnie, Maryland. 21060 is the ZIP code.

6 Q. And what year did you graduate high school?

7 A. 1976.

8 Q. And after high school what did you do?

9 A. Worked for a couple of small companies that aren't
10 on my resume and then began working at Fairchild Republic
11 in 19 -- let's see what that was -- 1978, two years after
12 I got out of high school.

13 Q. Where is Fairchild Republic or where was the
14 manufacturing facility you worked at that time?

15 A. Hagerstown, Maryland. They built the A-10 Warthog.
16 I was one of the engineers on the assembly line for that
17 and two years later became an engineer on the assembly
18 line for subcomponents of the Boeing 757.

19 Q. You broke up for a minute. Where was the assembly
20 facility located?

21 A. Hagerstown, Maryland.

22 Q. So that was from 1978 to 1983?

23 A. That's right.

24 Q. In 1983 your resume reflects a change in employment
25 to Lockheed Martin Aerospace.

1 A. That's correct.

2 Q. Can you describe your employment there.

3 A. Yes. I was hired as a contract engineer,
4 non-degreed. I worked on multiple projects. They're
5 listed there. I worked on the B-1 bomber. I worked on
6 the Titan missile launchers. I worked on the GT thruster
7 bursters and had responsibility for many detailed parts
8 that were built throughout that process.

9 Q. Okay. Now, are you an engineer by training?

10 A. Nope.

11 Q. Then for the period from 1985 to 1995 you were with
12 American Screen Technology?

13 A. That was my own company.

14 Q. What led you to leave Lockheed Martin and start
15 your own company?

16 A. Because it was contract-based so when they had work
17 they would hire you. They would pay you a lot of money.
18 When they didn't have contracts, you went and did
19 something else or you traveled around the country. I
20 preferred not to travel around the country. I had the
21 money to open my own establishment and I did that from
22 1985 to 1995. We were a screen-printing business that
23 eventually got into high tech membrane switches on a
24 prototype basis for medical equipment.

25 Q. And there appears to be a gap between 1995 and

1 1997. Where were you employed during that time?

2 A. I was not.

3 Q. You were not employed?

4 A. Right.

5 Q. Why were you not employed?

6 A. Because at that point I had decided to take a break
7 from my business and ended up not working for the next two
8 years and then went back into the aerospace industry.

9 Q. Did you travel during that 2-year period?

10 A. I don't recall. If I did, it was minimal.

11 Q. Okay. Any event in your life of note during the
12 period of 1995 to 1997?

13 A. Not specifically that comes to mind.

14 Q. Okay. Any criminal convictions during that period
15 of time?

16 A. Oh, no.

17 Q. Beginning in June 1999 to 2001 it references
18 executive director Institute on the Constitution.

19 A. That's correct.

20 Q. What is the Institute on the Constitution?

21 A. It's an organization on constitutional history, not
22 constitutional law. It's the background and research of
23 the Founding Fathers, who they were, what they did, where
24 they got their inspiration and it's local education.

25 And at that point we had classes in 38 states

1 across the country, and at that point I was traveling
2 extensively providing materials, giving speeches and
3 organizing those remote classes.

4 Q. How did you come to be employed in that position?

5 A. Because a friend of mine who actually is an
6 attorney surprisingly, came to me one day and told me that
7 he was planning on putting together a basic history class
8 and asked me if I would consider going, and I agreed that
9 I would. There was about 14 of us and what I learned was
10 that a lot of what I had been educated in public schools
11 wasn't accurate when it came to American history and
12 became motivated.

13 That started the process of us creating an
14 organization and then taking it national. The
15 organization still exists today.

16 Q. Then there appears to be a gap. When did you
17 leave, what month did you leave as executive director of
18 the Institute on the Constitution?

19 A. Don't recall.

20 Q. There appears to be a gap between your position as
21 executive director with the Institute on the Constitution
22 and as a Maryland state legislator.

23 A. That's correct.

24 Q. What were you doing during that period?

25 A. I was running a campaign. You don't just get

1 elected without putting in the hard work so I put in the
2 hard work and then I got elected.

3 Q. It mentions you were on the House Judiciary
4 Committee. Is that correct?

5 A. Yes.

6 Q. And for what term or what terms were you on that
7 House Judiciary Committee?

8 A. I was on that for 10 years.

9 Q. What period of time?

10 A. From 2000 -- I believe it was the 2002 through 2012
11 if I'm not mistaken.

12 Q. And then the House Ways and Means Committee, what
13 years were you on that committee?

14 A. My last year, that would have been 2014.

15 Q. As a Maryland legislator were you ever censored?

16 A. Oh, I might have been.

17 Q. What would you have been censored for?

18 A. Because I impeached a judge for the first time in
19 Maryland in 162 years, and four years later I impeached
20 the State Attorney General.

21 Q. Why would that have led to censorship?

22 A. Well, I don't know that I was officially censored
23 but I do know that I received some pretty significant
24 threats.

25 Q. Who were the threats from, Mr. Dwyer?

1 A. Oh, that would have been the House Speaker. Also
2 been the Governor of the State of Maryland at the time,
3 Mr. Martin O'Malley. Through his staff, not in person.

4 Q. What was the result of those impeachments?

5 A. They ended up being resolved without a charge. I
6 mean, the charge was brought but they were never removed
7 from office. The first judge and the other one was the
8 State Attorney General, Mr. Doug Gansler.

9 Q. What led you to your pursuing -- let me strike
10 that.

11 What was the name of the judge?

12 A. M., B R O O K E, Murdock, M U R D O C K, Baltimore
13 City.

14 Q. What was the basis for that violation for
15 impeachment?

16 A. Violation of the oath of office for holding office
17 on an impartial and unprejudice position.

18 Q. Do you consider the upholding of an oath of office
19 in an impartial manner is important as a judge or public
20 official?

21 A. Absolutely. You take an oath. You take an oath
22 that's what they're going to do. When they don't do it,
23 then there should be consequences. In the case of Judge
24 Murdock it was clear and I had evidence that the case had
25 been judge-shopped. I had evidence that clearly the judge

1 had a partial and prejudiced attitude towards the case and
2 should have never taken the case in the first place.

3 MR. MOLLOY: Short answers, Don.

4 A. Say it again.

5 MR. MOLLOY: Short answers.

6 A. I'm sorry.

7 Q. And with respect to the Attorney General, what was
8 the basis for the impeachment in that matter?

9 A. The same.

10 Q. And in either of those cases was the judge or the
11 Attorney General political opponents of yours?

12 A. I don't know what you mean by that question.

13 Q. Rephrase. Prior to pursuing impeachment did you
14 have a relationship with the judge that you referenced?

15 A. Absolutely not.

16 Q. Prior to impeachment did you have any relationship
17 with the Attorney General?

18 A. No, not at all.

19 Q. Were the judge or the Attorney General members of
20 the opposite party?

21 A. Yes.

22 Q. Did you pursue impeachment of any members of your
23 party?

24 A. Why would I?

25 Q. What was your party, Mr. Dwyer?

1 A. Republican.

2 Q. Now, if a Republican were to violate their oath of
3 office, would you have pursued impeachment in that
4 instance?

5 A. Absolutely.

6 Q. While serving as a legislator were you ever removed
7 from a committee?

8 A. Yes.

9 Q. What committee were you removed from?

10 A. House Judiciary.

11 Q. In what year were you removed from the House
12 Judiciary?

13 A. I believe it was end of 2013.

14 Q. Why were you removed? I'm sorry. I cut you off.

15 A. That's when I was moved to the House Ways and Means
16 Committee.

17 Q. So to clarify, you were on the House Judiciary
18 Committee and were removed or resigned from the House
19 Judiciary in order to shift or move to the House Ways and
20 Means Committee. Is that correct?

21 A. That is correct.

22 Q. Have you been removed from any other committees?

23 A. No.

24 Q. Mr. Dwyer, in 2014 did you run for reelection for
25 the term 2014 to 2016?

1 A. Yes, I believe I did.

2 Q. What was the outcome of that election?

3 A. I lost.

4 Q. Mr. Dwyer, you've had two DUI convictions, right?

5 A. No, it's one.

6 Q. One DUI conviction?

7 A. That's correct.

8 Q. And what was that DUI conviction for?

9 A. That was driving a motor vehicle while --

10 THE COURT REPORTER: I'm sorry. I missed that.

11 You're breaking up again.

12 A. Driving a motor vehicle while intoxicated. Can you

13 hear me now?

14 THE COURT REPORTER: Yes.

15 A. That was for driving a motor vehicle while

16 intoxicated.

17 Q. What year was that?

18 A. I believe that was 2013.

19 Q. While you were serving as a Maryland state

20 legislator?

21 A. That's correct.

22 Q. Did you receive a jail sentence as a result of that

23 DUI?

24 A. I did.

25 Q. So Mr. Dwyer, you were convicted for that DUI,

1 correct?

2 A. That is correct.

3 Q. Were you censored by the Maryland House as a result
4 of that DUI conviction?

5 A. No. I was removed from the House Judiciary
6 Committee.

7 Q. A few moments ago we discussed your removal from
8 the House Judiciary Committee and you made it appear as
9 though the removal was so that you could join the Ways and
10 Means Committee.

11 A. No, I didn't.

12 Q. So to be clear and clarify, you were removed from
13 the House Judiciary Committee due to your DUI conviction.
14 Is that correct?

15 A. That's correct. And I never mislead you otherwise.

16 Q. Was there a subsequent charge for -- was there a
17 boating accident involving you and alcohol?

18 A. There was.

19 Q. When did that occur?

20 A. Year earlier.

21 Q. A year earlier. So that preceded?

22 A. Correct.

23 Q. Were you convicted in that matter?

24 A. I was but I believe unfairly. My boat was struck,
25 my boat was cut in half, my neck was broken, my foot was

1 broke and somebody cut through my boat but I ended up
2 being charged because of who I was politically and because
3 of the alcohol.

4 Q. But to be clear, a moment ago I asked if you had,
5 if you had been convicted for a DUI. Did they use, did
6 the prosecutor use a different reference for that
7 accident?

8 A. They can't charge you with a DUI for a boat. It
9 doesn't come under the state article of law. There is no
10 BUI. There is no boating under the influence charge but
11 they charged me essentially with a DUI, but I still argue
12 to this date that I only had one DUI charge and that's the
13 one I ended up going and serving some time for.

14 Q. Okay. As a result of the 2012 boating incident
15 were you sued as well?

16 A. Oh, yeah.

17 Q. Okay. And who were you sued by?

18 A. Oh, two different parties.

19 Q. Who were those parties?

20 A. I don't recall the names.

21 Q. Were they parties that were in the other boats?

22 A. Yes.

23 Q. On the collision?

24 A. The boat crashed into me, that's correct.

25 Q. And what was the outcome of that litigation?

1 A. We were both charged, but I was charged with the
2 driving under the influence or operating a vehicle under
3 the influence. A vessel. Not a vehicle. A vessel.
4 There is a difference.

5 Q. And in relation to the lawsuit that was filed
6 against you, what was the outcome of that lawsuit?

7 A. There's financial judgments against me.

8 Q. How much are those financial judgments?

9 A. Over \$300,000.

10 Q. Is the \$300,000, is that the amount currently
11 outstanding or is that the initial amount of the judgment?

12 A. I believe that is currently outstanding. Those are
13 rough numbers.

14 Q. What was the original amount of the original
15 judgment?

16 A. That would be it.

17 Q. So I'm clear, at the time the damages were awarded
18 in the lawsuit against you, the award was \$300,000. Is
19 that correct?

20 A. Approximately. Now, it's two different parties
21 between.

22 Q. Can you please clarify that last statement.

23 A. Two different families that sued me specifically.

24 Q. So is it \$300,000 per family or \$300,000 in the
25 aggregate?

1 A. Both. It's probably a little less than that. That
2 is a high number.

3 Q. Wait. Mr. Dwyer, you're breaking up. I'm sorry.
4 So there were two families that filed lawsuits against you
5 as a result of the boating accident, correct?

6 A. That's correct.

7 Q. And there were judgments awarded to the families as
8 a result of that boating accident, correct?

9 A. That is correct.

10 Q. And for Family No. 1, what was the judgment,
11 original judgment amount?

12 A. I believe it was \$92,000.

13 Q. And for Family No. 2, what was the original
14 judgment amount?

15 A. I don't recall. It was in the range of \$200,000.

16 Q. Okay. Those financial judgments, were those issued
17 at the same time or were those judgment amounts, were they
18 awarded at the same time or separately?

19 A. Separately.

20 Q. Okay. For Family No. 1, that was approximately in
21 the amount of \$92,000 approximately, when was that award
22 made by the Court?

23 A. I don't recall.

24 Q. Do you recall?

25 A. I said I don't recall. I believe it was 2013.

1 Maybe 2014.

2 Q. With regards to Family No. 2 and the approximate
3 amount of \$200,000 in awarded damages, approximately when
4 was that award made by the Court?

5 A. Roughly 6 months later.

6 Q. Did you appeal those awards?

7 A. No.

8 Q. Was that the result of settlement?

9 A. No, that's what the judge ordered.

10 Q. Since those awards were ordered by the Court have
11 you made any payments on those awards?

12 A. I have not.

13 Q. You broke up and froze.

14 A. I have not.

15 Q. So you have made no payments to Family 1 or Family
16 2 on the damages awarded by the Court in those cases,
17 correct?

18 A. Correct.

19 Q. Is there interest accruing on those awards?

20 A. I have no idea.

21 Q. Do you believe you have a duty to pay the awards of
22 those damages claims?

23 A. It's debatable.

24 Q. I'm sorry.

25 A. Sorry. Repeat that.

1 MR. BARNES: I object to the form of the question.

2 A. I said it was debatable.

3 Q. So to clarify, you believe that paying the damages
4 awarded by the Court is debatable as to whether you have a
5 duty to pay those payments, correct?

6 A. (No response).

7 Q. Mr. Dwyer, are you talking to your counsel?

8 A. Say again. I was trying to --

9 THE COURT REPORTER: Off record.

10 (Off record discussion with Court Reporter to correct
11 audio and visual difficulties and the prior question was
12 read back for the record).

13 Q. He's frozen or freezing.

14 A. Hello. Can you hear me?

15 Q. At the moment, yes.

16 A. Yeah, the Internet connection just completely
17 disconnected and then reconnected.

18 MR. CRUMBAKER: Okay. Cindy, do mind repeating the
19 last question.

20 (The record was read back by the Court Reporter)

21 A. Yes. Just briefly.

22 Q. I don't know what you just said.

23 A. I said I was trying to just briefly but it didn't
24 work.

25 Q. I'm going to remind you of a direction or one of

1 the instructional conversations we had which is to the
2 extent you want to speak with counsel, answer the question
3 first and you can speak with counsel, but don't speak with
4 counsel between the question and the answer.

5 Do you understand that?

6 A. Thank you for the reminder.

7 Q. So going back to the question of duty to pay, you
8 mentioned that the duty to pay the judgment amount awarded
9 by the Court is debatable. What is the debate, Mr. Dwyer?

10 A. I believe I have an argument but I'm not going to
11 get into that today.

12 Q. That is the question on the table, Mr. Dwyer. What
13 is the argument?

14 A. The argument is that I don't believe that case was
15 handled properly. I believe it was political and it is
16 what it is and at some point maybe I will be in a position
17 to pay that. Right now I don't own anything. Absolutely
18 nothing. I don't own a vehicle. I don't own a home. I
19 own nothing.

20 Q. You don't own a boat, Mr. Dwyer?

21 A. No, sir.

22 Q. And so at the end of the day you don't feel
23 compelled to pay the damages awarded by the Court in
24 Maryland?

25 A. I'm not answering the question.

1 Q. Are you taking the Fifth? Otherwise you have to
2 answer the question.

3 A. I will take the Fifth Amendment.

4 MR. CRUMBAKER: Mr. Molloy, do you want to break
5 for a moment and explain to Mr. Dwyer what taking the
6 Fifth means to ensure he's just not flippantly
7 exercising that option?

8 MR. MOLLOY: No, sir.

9 MR. CRUMBAKER: I'm sorry.

10 MR. MOLLOY: No, sir, I do not.

11 MR. CRUMBAKER: I'm sorry, Cindy. Do you mind
12 reading that question again.

13 (Whereupon the record was read by the Court Reporter)

14 Q. Thank you. In the boating accident, Mr. Dwyer, was
15 anybody hurt physically?

16 A. Yes.

17 Q. Was anybody hurt physically other than yourself?

18 A. Yes. Yes.

19 Q. Were there any children hurt in the boating
20 accident?

21 A. Yes.

22 Q. But certainly back to your employment as a Maryland
23 state legislator, was there any action or censorship taken
24 by the Maryland House in response to the 2012 vessel,
25 driving vessel or under the influence?

1 A. No.

2 Q. Have you ever been charged with a financial crime,
3 Mr. Dwyer?

4 A. Not that I recall.

5 Q. Do you have any other judgments that are
6 outstanding against you other than the two resulting from
7 the boating accident?

8 A. Divorce.

9 Q. And Mr. Dwyer, when were you divorced?

10 A. 2012.

11 Q. And you have a judgment outstanding against you in
12 relation to that divorce; is that correct?

13 A. I believe.

14 Q. And what is the judgment amount that you owe as a
15 result of that divorce?

16 A. I believe it was \$62,000.

17 Q. And was the award of \$62,000, was that approved by
18 the Court?

19 A. It was.

20 Q. Was it ordered by the Court?

21 A. Don't recall.

22 Q. Was the \$62,000 judgment the result of a settlement
23 between you and your ex-spouse?

24 A. No, it was Court-ordered.

25 Q. So, Mr. Dwyer, do you not have a duty to comply

1 with the Court Order and to pay \$62,000 to your ex-spouse?

2 A. Again, I take the Fifth.

3 THE COURT REPORTER: Say that again, please.

4 A. Plead the Fifth on that question as well.

5 Q. Is there, Mr. Dwyer, is there any interest accruing
6 on that judgment amount?

7 A. I have no idea.

8 Q. Other than the lawsuit related to the boat accident
9 and litigation with your ex-spouse, have you been involved
10 in any other civil litigation?

11 A. Years ago.

12 Q. What year was that, Mr. Dwyer?

13 A. Give me a second. I can give you an approximate.
14 During the period when I had American Screen and Poster, I
15 mean American Screen and Technology -- hold on a second --
16 it would have been approximately 1992 or '93.

17 Q. I want to go back one moment. In the lawsuit
18 related to the boat accident, were you the plaintiff or
19 the defendant?

20 A. I was the defendant.

21 Q. Did you file counterclaims in those cases?

22 A. Did not.

23 Q. Tell me about the litigation in 1992, '93. Was
24 that litigation involving you personally or your company?

25 A. It was through the company.

- 1 Q. What was the nature of that litigation?
- 2 A. National Labor Relations Board charges.
- 3 Q. What were the basis for the charges?
- 4 A. Say that again.
- 5 Q. What were the basis for the National Labor
6 Relations Board charges.
- 7 A. I had -- my employees staged a walkout and when
8 they wanted to return to work, I wouldn't allow them and I
9 had given them a letter stating they would not be paid
10 because of the amount of return product that we were
11 having, and I went to Federal Court and the judge awarded
12 the employees, and the company paid \$18,000 out in those
13 judgments.
- 14 Q. So you were a Defendant in that litigation, Mr.
15 Dwyer?
- 16 A. Because I was the owner of the company, yes.
- 17 Q. And the final award was \$18,000?
- 18 A. I believe that's so.
- 19 Q. Did you pay that award?
- 20 A. I paid \$18,000.
- 21 Q. I'm sorry.
- 22 A. Yes, it was paid.
- 23 Q. It was paid. Mr. Dwyer, any other criminal
24 convictions that you believe -- strike that.
- 25 Have you been criminally convicted with the

1 exception of minor traffic infractions in any other cases
2 in the last 20 years?

3 A. No.

4 Q. And have you been a party to any other litigation
5 since 1990 other than the three cases that you mentioned
6 thus far regarding a boating accident, the National Labor
7 Relations Board and your ex-spouse?

8 A. Only the issues that I'm involved with you on.

9 Q. Okay. Mr. Dwyer, have you ever filed bankruptcy?

10 A. No.

11 Q. Bear with me for a moment. At this point I'm going
12 to show the people who are on the Zoom.

13 Okay. Mr. Dwyer, what is your address?

14 A. 2755 --

15 THE COURT REPORTER: Hold on. When you see my
16 hands go up, that means stop. Start over.

17 A. 2755 Via Capri, No. 1224, Clearwater, Florida,
18 33764.

19 Q. When did you move to Grand Venezia in your unit?
20 He's frozen.

21 A. It was June of 2016.

22 Q. What was the reason behind your move from Maryland
23 to Clearwater?

24 A. I like Florida.

25 Q. Had you spent time in Florida prior to June 2016?

1 A. Nope -- no.

2 Q. Had you ever rented any property in Florida prior
3 to June 2016?

4 A. No.

5 MR. CRUMBAKER: Cindy, is he frozen?

6 THE COURT REPORTER: Sorry.

7 A. Can you hear me now?

8 THE COURT REPORTER: Yes.

9 Q. Mr. Dwyer, have you ever owned property in Florida?

10 A. No.

11 MR. CRUMBAKER: This isn't going to work.

12 MR. MOLLOY: (Audio difficulty). This isn't a
13 problem from any of us. There is something nasty going
14 on with the Internet connection.

15 MR. CRUMBAKER: I don't seem to be having a problem
16 and Cindy doesn't seem to be having a problem. I don't
17 think we're going to get through this. I don't know.
18 I'm hard-wired.

19 MR. MOLLOY: Mr. Dwyer is on. He's on virtual.
20 It's not -- there's no one else on it. He's on the
21 network. I've never had a Zoom problem using the
22 connection with the computer he's using. I do this
23 every day.

24 MR. CRUMBAKER: Well, it's happening today. So
25 maybe it's best -- maybe it's best to continue it.

1 MR. MOLLOY: (Audio difficulty).

2 MR. CRUMBAKER: Now you're breaking up. We may
3 have to continue this for another day. I mean, we can
4 continue on for a little bit and see if it improves, but
5 if it continues, I think we just continue the deposition
6 and Dan, we can have a conversation about trying to
7 reschedule and figure out a different technology or
8 something or location for purposes of the Internet.

9 They are frozen again. There they are. Did you
10 hear anything I said?

11 A. I can hear you.

12 MR. MOLLOY: I heard everything.

13 Q. All right. Let's see how this goes. I think where
14 we left off was ownership of property within the State of
15 Florida. Have you ever owned property within the State of
16 Florida, Mr. Dwyer?

17 A. No.

18 Q. When you moved to, moved to Grand Venezia in June
19 2016 did you purchase the unit in which you live?

20 A. No.

21 Q. Did you provide money for purchase of the unit in
22 which you live?

23 A. No.

24 Q. Your wife was the, your wife was the owner of that
25 property at the time as of June 2016?

1 A. No. We rented, she rented, she had a lease and
2 then she purchased it.

3 Q. Okay. So your wife purchased Unit 1224 back in
4 June 2016?

5 A. She purchased it 8 months later.

6 Q. 8 months later. Okay. Did you know your wife
7 before you moved to Florida?

8 A. Yes.

9 Q. How did you come to move to Grand Venezia
10 specifically?

11 A. Because when we came down here at first, she was on
12 a nursing contract and that's where BayCare put her up for
13 3 months.

14 Q. In this unit specifically, 1224?

15 A. No, Building 1.

16 Q. Building 1.

17 A. She was what's considered a travel nurse.

18 Q. At what point in time did you become acquainted
19 with Mr. Tsinokas?

20 A. About a year after we lived in the community.

21 Q. When was the first time you had, that you were made
22 aware of the special assessment on the property within the
23 District?

24 A. After my wife and then girlfriend purchased the
25 unit. After. Key word after. It was never disclosed.

1 Q. And she purchased it you said 8 months later. So
2 approximately January of 2017?

3 A. Yes, that time.

4 Q. How did you come to find out about those special
5 assessments?

6 A. Because Mr. McManus of the Board, of the COA asked
7 me if I understood that I was paying a special assessment.

8 Q. So Mr. McManus was the first person to speak with
9 you regarding special assessments?

10 A. That's correct.

11 Q. Have you ever served on the COA Board?

12 A. No.

13 Q. At what point in time, when did you and Mr. Barnes
14 first meet?

15 A. Don't remember the specific date or month, but it
16 was after I became aware of the special assessment. I
17 then went back through my settlement or settlement
18 documents to see whether or not there was any disclosure
19 of the special District and there was none.

20 Then I got very frustrated and started digging and
21 the more I dug the angrier I got and finally I was told
22 that Mr. Barnes was probably the most knowledgeable person
23 about it, and I called him up and had an appointment.

24 Q. I'm sorry.

25 A. I don't remember the month.

1 Q. But it was sometime after January of 2017?

2 A. That's correct.

3 Q. When you referenced the settlement documents, did
4 your settlement documents include title work?

5 A. Yes, it did.

6 Q. And prior to closing or purchasing the unit did you
7 review the title work?

8 A. I did.

9 Q. Did you review the backup for the title work?

10 A. I don't know what you're referring to.

11 Q. To the extent that the title commitment references
12 documents within the title work did you go to the source
13 documents referenced in the title work?

14 A. I went through everything that was in the package
15 that was given to us.

16 Q. In that package was the title commitment or title
17 work for the property, correct?

18 A. Correct.

19 Q. Do you still have a copy of that title work?

20 A. Yes, I do.

21 Q. Mr. Dwyer, have you ever met Dr. Jones, Chris
22 Jones?

23 A. I believe I did meet him once.

24 Q. Do you recall when you met Mr. Jones or Dr. Jones?

25 A. I don't remember.

1 Q. Do you remember anything from your first meeting
2 with Dr. Jones?

3 A. Not specifically, no.

4 Q. Mr. Dwyer, do you keep a calender?

5 A. Not really.

6 Q. What does "not really" mean? Do you write it down?

7 A. I'm retired. I don't have commitments except for
8 my monthly meeting to go deal with all this nonsense.

9 Q. Do you keep notes, Mr. Dwyer?

10 A. Rarely.

11 Q. Do you have notes regarding the CDD?

12 A. No.

13 Q. Do you have notes regarding the bonds?

14 A. No.

15 Q. Do you have any notes regarding the special
16 assessments that have been levied since 2017?

17 A. Not that I recall.

18 Q. Do you use text, Mr. Dwyer?

19 A. On occasion.

20 Q. Have you ever text Board members, other Board
21 members regarding District business?

22 A. No, sir. I will tell you this, that all of the
23 text messages I believe have been provided to you in one
24 of your Public Records Requests.

25 Q. Have you ever text with Mr. Barnes, Mr. Dwyer?

1 A. Probably about where to get a beer somewhere.

2 Q. How often do you have a beer with Mr. Barnes, Mr.
3 Dwyer?

4 A. Been a long time. We are way overdue. Probably at
5 least 4, 5 months ago now.

6 Q. Prior to 4, 5 months ago how often did you have a
7 beer with Mr. Barnes?

8 A. I don't recall.

9 Q. Are you friends with Mr. Barnes socially at this
10 stage?

11 A. I would say yeah, I consider myself friends with
12 him. I don't think there's a crime in that.

13 Q. What led you to decide to run for the Board of
14 Supervisors for the District?

15 A. That would be the arrogance of the previous Board
16 and the arrogance of the attorneys representing them Gray
17 Robinson, and the arrogance of Fishkind & Associates, and
18 I attended several meetings, had questions, and was
19 essentially ignored along with many other people that had
20 similar questions.

21 Q. What position -- what did you do -- were you
22 elected on 1 acre/1 vote basis or on a ballot basis?

23 A. Ballot basis.

24 Q. So you were elected by qualified electors within
25 the community?

1 A. It gets trickier than that. Won by default,
2 because there was no opposition.

3 Q. But you went through the process of registering
4 with the Supervisor of Elections for Pinellas County,
5 correct?

6 A. That's correct. Myself and Mr. O'Malley went
7 through the same process.

8 Q. Mr. Dwyer, are you current on your financial
9 disclosures?

10 A. Oh, yes.

11 Q. And are the financial disclosures that you have
12 filed, are they accurate?

13 A. Absolutely.

14 Q. With whom have you been filing your financial
15 disclosures?

16 A. State of Florida.

17 Q. Since you have been on the Board of Supervisors
18 have you had any officer position while sitting on the
19 Board of Directors?

20 A. Yes, I was the chairman.

21 Q. And when were you the chair?

22 A. I don't remember the exact dates but from the time
23 that we took over on November 28, I believe it was 2018,
24 up until roughly 8 months ago, and then I stepped down as
25 chairman and then I was just repositioned back as chairman

1 last month.

2 Q. Why did you resign as chair?

3 A. Personal reasons.

4 Q. Did it have anything to do with articles that have
5 been posted about you?

6 A. No. I'm curious what you're referring to.

7 Q. I'm just asking the question, Mr. Dwyer. When you
8 say personal reasons, did it have anything to do with the
9 other Board of Supervisors and their support for you?

10 A. No.

11 Q. What are the circumstances surrounding your recent
12 reappointment as chair of the Board?

13 A. Honestly, nobody else wanted to be the chairman. I
14 was asked if I would be willing to take it back and I was
15 willing.

16 Q. Why did the prior chair resign?

17 A. I have no idea. It's not appropriate for me to
18 communicate with them and I try not to do that.

19 Q. Have you ever had conversations regarding District
20 business with other Board members outside of the Board
21 meeting?

22 A. Let me explain that to you. I don't remember
23 specific conversations but I live with all these people,
24 they live in my community, so certainly we have
25 conversations. Specific about District business, the only

1 thing that I would ever discuss with somebody in public
2 regarding the District is something that's already
3 occurred in the past. That's all I would have discussed.
4 If you're asking me have I done more than that, the answer
5 is no.

6 Q. You mention in public. What about in private, have
7 you had any conversations with other Board members
8 regarding District business?

9 A. No.

10 Q. Have you had any text exchanges with other Board
11 members regarding District business?

12 A. I already answered that question. I told you you
13 got all the text messages from the previous Public Records
14 Requests.

15 Q. Have you had any E-mail exchanges with other
16 members of the Board of Supervisors outside of the
17 published Board meetings?

18 A. Had one a week ago with Mike Herd asking me if I
19 would replace the flag on the point. Those are the type
20 of E-mails, if I have any, and they are mundane, they are
21 not about anything in the future. They have nothing to do
22 with votes. Nothing to do with assessments. Nothing to
23 do with the bonds or anything else.

24 Q. What's your understanding regarding the open
25 meeting laws in Florida?

1 A. We are not allowed to conduct business privately
2 with any member. Period. We must conduct all business in
3 the open eyes of the public.

4 Q. What is your understanding regarding the public
5 records law of the State of Florida?

6 A. I believe that we have a responsibility to turn
7 those over whenever there's a request and I believe that
8 we have done that.

9 Q. You don't believe that the District has ever
10 refused to provide public records?

11 A. I have not refused to provide public records. In
12 fact, if anybody else has, you need to ask them.

13 Q. Would you agree with me that the duty of a Board
14 member is to act for the benefit of the public against
15 private gain?

16 A. Absolutely.

17 Q. Therefore, Board members should avoid conflict?

18 A. I would hope so.

19 Q. How would you define for the benefit of the public?

20 How would you define the public for purposes of your
21 service as a member of the Board of Supervisors?

22 A. Because we are a government entity it would be in
23 general.

24 Q. So the public, the use of the word public is not
25 restricted to owners or residents of the Grand Venezia,

1 correct?

2 A. Of course not.

3 Q. And public isn't restricted or acting for the
4 benefit of the public is not restricted to just landowners
5 or those assessment payers within the Grand Venezia or the
6 Clearwater Cay Community Development District. Is that
7 correct?

8 A. You need to clarify your question.

9 Q. To act for the benefit of the public against
10 private gain or to act -- or strike that.

11 To act for, a Board member is to act for the
12 benefit of public is not restricted to acting for the
13 benefit of landowners within a District, correct?

14 A. I believe that is correct.

15 Q. Any reason not to believe it is correct?

16 A. I gave you my answer.

17 Q. So would you agree with me that the duty of a Board
18 member is to make decisions for benefit of the public, not
19 one landowner or constituency. Is that correct?

20 MR. BARNES: I object to the form.

21 MR. CRUMBAKER: On what basis, Bruce?

22 MR. BARNES: It's vague, it's broad. Certainly
23 goes beyond the scope of this case.

24 MR. CRUMBAKER: No, it doesn't.

25 Q. Go ahead, Mr. Dwyer.

1 A. Ask the question again.

2 Q. Would you agree with me that a member of the Board
3 of Supervisors has a duty to make decisions for the
4 benefit of the public generally, not just one landowner or
5 landowners or constituency within the District boundary?

6 MR. BARNES: Same objection.

7 A. Yes.

8 Q. Would you agree with me that it's the duty of a
9 Board member for the District to perform honestly,
10 faithfully and to the best of your ability?

11 A. Of course.

12 Q. And to date, Mr. Dwyer, do you believe that you
13 have been acting for the benefit of the public against
14 private gain?

15 MR. BARNES: Object to form.

16 THE COURT REPORTER: Your answer?

17 A. Absolutely.

18 THE COURT REPORTER: Thank you.

19 Q. Do you believe that you have made decisions for the
20 benefit of the public generally?

21 A. I don't get to make decisions. We have a Board
22 that makes the decisions.

23 Q. To clarify, do you believe that you, yourself in
24 voting as a member of the Board of Supervisors have voted
25 on decisions for the benefit of the general public?

1 MR. BARNES: Object to the form.

2 A. I would believe so.

3 MR. CRUMBAKER: Bruce, what's your objection?

4 MR. BARNES: I don't know what the public means,
5 Brian. I mean, if somebody lives in St. Pete, does Mr.
6 Dwyer owe a duty to somebody who lives in St. Pete who
7 is a member of the public?

8 MR. CRUMBAKER: I asked Mr. Dwyer -- I asked Mr.
9 Dwyer how he would define public and he said generally.

10 MR. BARNES: I would suggest, Mr. Crumbaker, that
11 you pay attention to what Judge Jirotko told us about
12 limited discovery.

13 MR. CRUMBAKER: Bruce... all right.

14 Q. To date, Mr. Dwyer, since serving on the Board of
15 Supervisors do you believe that you have performed your
16 duties honestly, faithfully and to the best of your
17 ability?

18 A. I do.

19 Q. Mr. Dwyer, what is your understanding of the
20 purpose of the District?

21 A. Well, that one's an interesting one. I don't know
22 how to be brief with this, so Dan, stop me if I go too
23 long.

24 It was my understanding that the District was
25 created to fill this grandiose entertainment park and

1 plaza and that they were able to convince the City of
2 Clearwater to allow them to create a District, whereby
3 that would all be accomplished and whereby they could go
4 and borrow money on a bond basis in order to finance all
5 of the infrastructure to allow that to happen.

6 That's my belief as to what the purpose of the
7 District was established for.

8 I will also say this in brief, that based on my
9 research, and it's been extensive, there is no other
10 District anywhere in the United States where a shovel was
11 not put in the ground for the development of the District
12 that the land sat on.

13 Q. What source did you or what did you use to research
14 the issue of whether other Districts have or have not put
15 a shovel into the ground as you say?

16 A. So first of all the Internet.

17 Second of all, depositions that I have been party
18 to from the people that were previously involved with the
19 District.

20 Q. So you're not aware of any District across the
21 country that have issued bonds and acquired land and
22 improvements only?

23 A. I'm not aware of it.

24 Q. Would it be accurate to say that the primary
25 purpose of a Community Development District generally is

1 the acquisition, construction and maintenance of public
2 improvements?

3 MR. BARNES: Object to form.

4 A. I agree with construction, yes.

5 Q. And how would you define public improvements, Mr.
6 Dwyer?

7 A. Well, it's not very difficult. It's water. It's
8 sewage. That's stormwater management. Electricity.
9 Roadways. Infrastructure in general.

10 Q. Are you aware of any prohibition to acquiring
11 public infrastructure and land?

12 A. No, I'm not.

13 Q. Did the Court in this matter validate the
14 District's purchase of land and improvements?

15 MR. BARNES: Object to the form.

16 MR. MOLLOY: I'll object to the form of that one.

17 A. I believe they did.

18 Q. Mr. Dwyer, what is your understanding of how the
19 District financed the acquisition of public improvements?

20 A. Through the owner assessments and through the
21 bonds.

22 Q. So to clarify, you're saying that owner assessments
23 are used to purchase or acquire public land?

24 A. No.

25 Q. No.

1 A. No.

2 Q. So would it be correct to say that in this case, in
3 the case of Clearwater Cay Community Development District
4 that bonds were issued to purchase public land and
5 improvements?

6 A. I would say that.

7 Q. And if the District -- and I'm going to use the
8 term District to refer to Clearwater Cay Community
9 Development District if that's okay. Is that okay with
10 you -- the District in this case issued bonds to purchase
11 public land and improvements, correct?

12 A. Yes.

13 Q. And would you agree with me that the expectation of
14 the bondholders or the purchasers of those bonds would be
15 that they would be repaid for their investment or the
16 proceeds that were generated from the sale of bonds to
17 purchase the land and improvements?

18 MR. BARNES: Objection to the form. Calls for
19 speculation.

20 Q. Go ahead.

21 A. I would guess so. I would say I guess so.

22 Q. Mr. Dwyer, if you had purchased bonds issued by the
23 Clearwater Cay Community Development District, would you
24 have expected to be repaid?

25 MR. MOLLOY: Object to the form. Speculative. Go

1 ahead, Mr. Dwyer.

2 A. Knowing what I know now, I think anybody would have
3 been a fool to buy those bonds.

4 Q. And what do you know now, Mr. Dwyer? Why would
5 somebody be a fool to buy the bonds?

6 A. Because nothing was ever developed.

7 Q. But land and improvements were acquired by the
8 District, Mr. Dwyer, correct?

9 A. If we're going to have this argument, let's have
10 it. So the City of Clearwater was hoodwinked into
11 believing this was going to be a grandiose community. 49
12 acres if I recall of tarps --

13 Q. Mr. Dwyer, answer the question.

14 A. Go ahead. Give me a question and I'll give you the
15 answer.

16 MR. CRUMBAKER: Cindy...

17 (The record was read back by the Court Reporter)

18 A. Because I believe the entire District was created
19 on a fraud.

20 Q. What fraud was that, Mr. Dwyer?

21 A. That the District was illegitimate to begin with.

22 Q. What facts support the statement that the District
23 was illegitimate to begin with?

24 A. It's my opinion.

25 Q. Your opinion?

1 A. Yes.

2 Q. So Mr. Dwyer, you have no facts to support that the
3 District was illegitimate to begin; is that correct?

4 A. It's my opinion. It's already been decided in
5 court that my opinion didn't matter. The Judge validated
6 the existence of the District, so we can move on from
7 that.

8 Q. This is your deposition, Mr. Dwyer. You don't tell
9 me when to move on, to be clear.

10 A. Fine.

11 Q. Mr. Dwyer, in light of the fact that the District
12 issued the bonds, do you believe that the District has the
13 obligation to repay the bonds?

14 MR. BARNES: Object to the form.

15 A. Based on an assessment methodology --

16 MR. MOLLOY: Calls for a legal conclusion.

17 Q. Answer the question, Mr. Dwyer.

18 A. Based on an assessment methodology that was
19 authorized by the Court.

20 Q. That wasn't the question, Mr. Dwyer. It was, is
21 the District obligated to repay the bonds.

22 A. The District is obligated to repay the bonds based
23 on assessment methodology that eventually will be approved
24 by the Court.

25 Q. Did they freeze? Mr. Dwyer, regarding -- Cindy can

1 you read his response again.

2 (The answer was read back for the record)

3 Q. Mr. Dwyer, what is your understanding of the
4 difference between a special assessment and ad valorem
5 taxes?

6 A. I don't know how to answer that question.

7 Q. Is the answer "I don't know"?

8 A. Yes.

9 Q. Would you, with respect to special assessments,
10 would you agree with me that it's allocated based on
11 benefits?

12 A. Special assessments absolutely is allocated based
13 on benefits.

14 Q. Would you agree with me that land subject to a
15 special assessment must receive some special benefit?

16 A. I believe so, yes.

17 Q. And would you agree with me that the special
18 assessment must be reasonably apportioned among the land
19 subject to the special assessment?

20 A. Say that again.

21 Q. Would you agree with me that the special assessment
22 must be reasonably apportioned among the land subject to
23 the special assessment or allocated into apportions?

24 A. You know, that's out of my league. I'm not sure.
25 Not sure.

1 Q. Would you agree with me that special assessments
2 must be fairly allocated among lands subject to the
3 special assessment?

4 A. Probably. That's why we hired the professionals.

5 Q. How would you define benefit for purposes of the,
6 benefit from an improvement, for example?

7 A. I don't know how to do that. I don't have to.

8 Q. Okay. Again, I'm going to go back to the question
9 I asked earlier. You agree that as a member of the Board
10 of Supervisors you have to perform honestly, faithfully
11 and more importantly to the best of your ability, correct?

12 A. Absolutely. That's why we hired professionals to
13 entrust with our responsibility for that, we hired them,
14 we vet them, and we take their advice. In some cases we
15 have to hire 2 or 3 different people and we have done
16 that. We just don't willy-nilly get information on our
17 own.

18 Q. With respect to Mr. Santoro's report, do you know
19 why he did not appear at the assessment hearing when it
20 was adopted?

21 A. No, I have no idea.

22 Q. Was there any written testimony provided by Mr.
23 Santoro in relation to his report at that assessment
24 hearing?

25 A. Not that I recall.

1 Q. The assessment hearing I'm referring to is the one
2 that occurred in 2019 which is the -- that occurred in
3 2019. Is that correct?

4 A. I believe so, yes.

5 Q. And the assessments that were levied in 2019, and
6 the allocation -- strike that.

7 The allocation methodology that was adopted by the
8 Board in 2019, is that still the methodology being used to
9 allocate special assessments pledged to the loan?

10 A. I believe so.

11 Q. What is your understanding regarding legislative
12 discretion; is there a line to legislative discretion in
13 your mind?

14 A. I don't know what you're referring to.

15 Q. Well, agency discretion, legislative discretion,
16 what standard by which in your opinion governs the
17 District Board in decisions it makes regarding the
18 assessments, for example?

19 A. I believe that we have a responsibility in total
20 after the report is provided, after the professional has
21 been hired, after an understanding of why the numbers are
22 the way they are, I believe the Board has the
23 responsibility to vote on that and as a result of that
24 vote, that becomes the standard.

25 Q. Have you heard Mr. Barnes say that he could justify

1 dead assessments? When I say a dead assessment, I'm
2 referring to the assessments to pledge to repay the bonds,
3 is that okay with you if I use the term dead assessment.

4 A. Sure.

5 Q. Have you heard Mr. Barnes say that he could justify
6 a dead assessment of 0?

7 A. I don't recall.

8 Q. Do you believe that there's any justification for a
9 dead assessment of 0 to the property owners in the
10 District?

11 A. Well, I could tell you this. If I would have
12 thought that, I would have probably argued to have that
13 produced when we went through the analysis. I believe
14 that the analysis that was done actually was fair, because
15 if I'm not mistaken there was a document and it didn't
16 come from Mr. Barnes.

17 Owen Beitsch was the gentleman who did produce the
18 document at one point that did have a 0 basis, and after
19 some thought about it, I couldn't justify a 0 basis, and
20 that's how we ended up not even using Mr. Beitsch's report
21 and ended up using the latest report that went out that we
22 are now operating off of.

23 Q. Let me ask you this. The 2008 report as it's
24 commonly referred to, do you understand what report I'm
25 referring to?

1 A. I believe I do.

2 Q. The Second Supplemental Assessment Report prepared
3 in 2008 by Fishkind & Associates.

4 A. That was the one that the Court held could not be
5 challenged, as I recall.

6 Q. I'm sorry.

7 A. If I recall properly, that was the one that Judge
8 Jirotko would not let us go back on.

9 Q. So based on that statement, is it your opinion or
10 would you agree with me that the 2008 report is
11 sacrosanct?

12 MR. BARNES: Object to the form.

13 A. I would agree that Judge Jirotko clearly indicated
14 that he was not going to attempt to undue the validity of
15 the District or anything prior to 2015. That's what I
16 recall.

17 Q. But the allocation methodology in that 2008 report,
18 Judge Jirotko blessed or approved that allocation
19 methodology or the allocation methodology set out in the
20 2008 report, correct?

21 A. I believe that is true.

22 Q. So to the extent the District still owns land and
23 improvements that were identified in the 2008 report, then
24 those lands, and the cost of those lands and improvements
25 should still be assessed, correct?

1 MR. BARNES: Object to the form.

2 A. I believe the issue was that when the Flournoy
3 property was sold is when the problem arose which is why
4 Judge Jirotko ruled in the way he did and ordered that
5 there be a reassessment that takes into consideration the
6 sale of that land. That's what I recall.

7 Q. What is the nature of the problem that you are
8 referring to?

9 A. Nature of the problem?

10 Q. You mentioned a problem arose. You mentioned a
11 problem arose with the transfer of the land in 2015. What
12 was the nature of the problem? I mean, what effect did
13 that have?

14 A. There was no longer a value provided back to the
15 District. The land was gone. The land had been sold.
16 That's what we fought for in court, based on my sloppy
17 memory.

18 Q. So certain property was transferred by the District
19 to the Special Purpose Entity created for the benefit of
20 the bondholders; is that correct?

21 A. I believe so.

22 Q. And the property that was transferred from the
23 District to the Special Purpose Entity was only land
24 within the Flournoy footprint, correct?

25 A. I believe so.

1 Q. And did the land that was transferred by the
2 District to the Special Purpose Entity, did that comprise
3 100% of the land that was subsequently transferred to
4 Flournoy?

5 A. You lost me. Say that again.

6 Q. Let me rephrase. Did Flournoy acquire just the
7 land that was transferred from the District to the Special
8 Purpose Entity or did Flournoy purchase property in
9 addition to the land that was transferred from the
10 District to the Special Purpose Entity?

11 A. I don't recall.

12 Q. Let's talk about what the District owns today.
13 Let's start with the Harbourside office complex. When I
14 say Harbourside complex, do you know what property I'm
15 referring to or what parcel?

16 A. I do.

17 Q. Would you agree with me that it's the office
18 complex on the south side of Belleair Road?

19 A. Yes, it is.

20 Q. And the District owns property consisting of the
21 parking lot surrounding the building that's identified as
22 Harbourside Office Building. Is that correct?

23 A. All but a small piece.

24 Q. With respect to Belleair Road, who owns Belleair
25 Road?

1 A. The District.

2 Q. And then Belleair Road terminates at the gate,
3 correct?

4 A. That's correct.

5 Q. And then behind the gate, walk me through what the
6 District owns.

7 A. The land behind the gate surrounding the Grand
8 Venezia community.

9 Q. When you say surrounding the Grand Venezia, are you
10 referring to land surrounding the Grand Venezia buildings?

11 A. Absolutely. All land.

12 Q. And would you agree --

13 A. I said all the land with the exception of the
14 parcel of land that is part of the clubhouse where the
15 pool is located. That's not part of the District. There
16 is also a triangular piece out near the tennis courts that
17 is also not part of the District. The remaining parcel of
18 property I believe is all District property.

19 Q. And are there improvements behind the gate as well?

20 A. Define improvement.

21 Q. Are there public improvements behind the gate that
22 were acquired by the District in 2005, 2006?

23 A. Are you referring to roadways?

24 Q. To your knowledge. I'm asking for what you know
25 today. To your knowledge does the District own any

1 improvements that were -- well, let me strike that.

2 In 2006, to your knowledge in 2006 did the District
3 acquire any improvements behind the gate?

4 A. I believe they acquired them all.

5 Q. How would you define improvements that were
6 acquired by the District behind the gate?

7 A. I would believe that would be all of the ground,
8 including the parking lot, including the gardens,
9 including the seawall, including the walking path,
10 including all of the stormwater management all belongs to
11 the District.

12 Q. What about the garages?

13 A. Garages also belong to the District. With that
14 caveat, caveat, freestanding garages.

15 Q. Explain to me the difference between a freestanding
16 and non-freestanding garage.

17 A. Non-freestanding garage is tucked underneath the
18 condo units within the building, and therefore it's COA
19 property, not District property.

20 The freestanding garages that are out in the
21 parking lot are clearly freestanding garages.

22 Q. To your knowledge how was the, how were the lands
23 and improvements behind the gate acquired by the District?

24 A. Originally through the bonds.

25 Q. And the District still owns the lands and

1 improvements behind the gate that it originally acquired
2 with the bonds; is that correct?

3 A. I believe that's correct.

4 Q. And let's discuss the garages for a moment. So the
5 District owns the garages, the freestanding garages,
6 correct?

7 A. That's correct.

8 Q. And has the District maintained control of the
9 garages since it acquired the garages?

10 MR. BARNES: Object to the form. Calls for
11 speculation.

12 Q. Let me rephrase. Has the District continuously had
13 legal control of the garages -- Mr. Molloy, are you
14 testifying or is Mr. Dwyer?

15 MR. MOLLOY: I'm here.

16 A. I'm here.

17 MR. MOLLOY: Mr. Dwyer is testifying. I made a
18 gesture to another person. Mr. Dwyer and I can't see
19 each other.

20 MR. CRUMBAKER: Are you and Mr. Dwyer in the same
21 room?

22 MR. MOLLOY: No.

23 Q. Mr. Dwyer, the garages, has the District had
24 continuous legal control over the freestanding garages
25 since they were acquired in 2005, 2006?

1 A. No.

2 Q. Who has had legal control over the freestanding
3 garages other than the District since 2005, 2006?

4 A. Grand Venezia COA and --

5 THE COURT REPORTER: I can't hear you.

6 A. Grand Venezia COA and beginning in 2010 up through
7 I believe January of this year.

8 Q. Was there an agreement between the District and the
9 Grand Venezia COA in relation to the freestanding garages?

10 A. There was.

11 Q. And what was the nature of that agreement?

12 A. That the District, that the COA had full use and
13 access including rental so long as they were willing to
14 maintain them and provide insurance for those units, those
15 freestanding garages.

16 Q. So were those garages available to the general
17 public?

18 A. No, they were not.

19 Q. Were the garages, the leasing of those garages
20 limited to owners and residents of the Grand Venezia COA?

21 A. Yes, they are.

22 Q. You say "yes, they are". Is that still the case?

23 A. Yes, as far as I know it is.

24 Q. So the Harbourside office complex and the Flournoy
25 have had no use or ability to use the freestanding garages

1 behind the gate. Is that correct?

2 A. That's correct. That was discussed in court.

3 Q. I'm not sure if that's relevant, but okay.

4 So would you consider the leasing of the
5 freestanding garages to the COA as a private use?

6 A. I'm not sure, because, you know, I was not the one
7 who did that. That was your previous Board who we got
8 along really well with. That was Mr. Lancaster and
9 company.

10 Q. I haven't had a Board, Mr. Dwyer. Just answer the
11 question. The question is, the predicate was were the
12 garages available for public purposes or public use?

13 A. No, they never --

14 Q. I'm sorry.

15 A. No, they never have been.

16 Q. On what basis -- so would you agree that that
17 limits the use to a particular private group of
18 individuals, that is the owners or residents of the Grand
19 Venezia COA?

20 A. Well, let me remind you that when you purchased the
21 land known as Grand Venezia, the part of the District you
22 purchased it knowing that it was a privately owned gated
23 community. You did that. I didn't do that. Your
24 bondholders or whoever did the purchase, they knew it was
25 a gated community. That's what was discussed in court.

1 Judge Jirotko was in no mood to --

2 Q. Mr. Dwyer, just answer the question.

3 A. Repeat the question again. I've got all day.

4 Q. The freestanding garages are only able to be used
5 or leased by residents of Grand Venezia, correct?

6 A. Right. I answered that 5 minutes ago.

7 Q. And therefore the general public doesn't have
8 access to or ability to lease the freestanding garages
9 behind the gate; is that correct?

10 A. That is correct.

11 Q. Mr. Dwyer, you mentioned the boardwalk or seawall.

12 A. I mentioned the walk, I mentioned a walking path,
13 and the seawall.

14 Q. Is there a landscaped area between the Grand
15 Venezia buildings and the bay?

16 A. Yes.

17 Q. Is that the location of the seawall and the walking
18 paths?

19 A. The seawall borders the bay and the property known
20 as Grand Venezia. Then there is grass. Then there is a
21 walking path. Then there's a lot of grass. Then there
22 are gardens. Then there's the building. That's if you go
23 from the water up to a building, that's what it is, the
24 definition of the land looks like.

25 Q. Is the general public allowed to access the seawall

1 and walking path to the bay?

2 A. General public is not permitted to access the
3 community by a long-standing agreement between Bellagio
4 and the Grand Venezia before the District was created.
5 Grand Bellagio provides all gated access. They are
6 responsible for it. They are the ones who determine who
7 comes in and who does not. And the agreement, that
8 agreement is not being modified or altered in any way.

9 That's the reason there's a gate because Grand
10 Bellagio is a privately owned community that adjoins us
11 where there is no barrier or separation other than a
12 waterway, other than a drainage ditch.

13 Q. Is it your understanding that landowners outside of
14 the gate are paying for operation and maintenance
15 activities associated with lands and improvements behind
16 the gate?

17 A. Yes, because it's District property.

18 Q. What benefit does Flournoy and Harbourside receive
19 from the maintenance of the District property behind the
20 gate when residents of Flournoy and the landowners of
21 Flournoy and Harbourside don't have access to the District
22 land behind the gate?

23 A. I believe there are discussions on that issue right
24 now.

25 Q. Would you agree with me that if -- well, let me ask

1 you this, Mr. Dwyer. If you were the owner of land
2 outside of the District gate paying for special operation
3 and maintenance assessments to maintain property behind
4 the gate, is that fair and reasonable in your opinion?

5 A. That's why we're in discussions on it right now.

6 Q. With respect to the land and the improvements that
7 were acquired behind the gate with the bond proceeds, is
8 it your understanding that special assessments have been
9 allocated in relation in those lands and improvements to
10 the Harbourside and Flournoy parcels outside the gate?

11 MR. BARNES: Object to the form.

12 A. I'm not sure that I understand.

13 Q. Have owners of land outside of the gate been
14 subject to debt assessments that were levied to pay for
15 land and improvements behind the gate?

16 A. I thought that when the bond proceeds were used --

17 Q. That is not --

18 A. -- for the purchase of --

19 Q. That's not the question. Can you answer the
20 question, Mr. Dwyer.

21 A. Ask it again.

22 (Whereupon the prior question was read back)

23 Q. Is that correct?

24 A. Yes. To my knowledge.

25 Q. Okay. Would you agree with me that the only --

1 only landowners that benefit from land and improvements
2 behind the gate are the owners of the Grand Venezia
3 condominium units?

4 A. I probably would have to agree with that.

5 Q. Is there a basis for disagreeing with that
6 statement, Mr. Dwyer?

7 A. Not right now.

8 Q. And so then would you agree with me that the cost
9 to acquire the land and improvements behind the gate
10 should solely be borne by owners of the Grand Venezia's
11 condominium units?

12 MR. BARNES: Object to the form.

13 A. No.

14 Q. Why is your answer no, Mr. Dwyer?

15 A. My opinion.

16 Q. Well, explain to me your opinion. What is the
17 basis for your opinion?

18 A. My opinion.

19 Q. Are there any facts in support of that opinion?

20 A. Draw your own conclusion. It's my opinion.

21 Q. I'm asking for the facts that support your opinion,
22 Mr. Dwyer.

23 A. I'm going to tell you again it's my opinion.
24 Period.

25 Q. Mr. Dwyer, do you have no facts that support your

1 opinion?

2 A. Right now I have no facts to support my opinion.

3 Q. So you agree, correct me if I'm wrong, you have
4 agreed with me that the benefits derived from the land and
5 improvements behind the gate only inures to the owners of
6 the Grand Venezia condominium units, correct?

7 A. I believe that's a true statement currently.

8 Q. And therefore, if the assessments pledged to --
9 strike that.

10 If the only beneficiaries or those benefitting from
11 the land and improvements behind the gate are those within
12 the Grand Venezia condominium owners, then why shouldn't
13 the Grand Venezia condominium owners be the sole parties
14 responsible for paying for the costs of the District
15 acquiring those lands and improvements?

16 MR. BARNES: Object to the form. Predicate. Calls
17 for a legal conclusion.

18 Q. Go ahead, Mr. Dwyer.

19 A. I don't know how to answer that question. I'm
20 going to say this. If I don't get up soon, I'm going to
21 pee on the floor.

22 Q. Well, as I mentioned earlier in the instructions if
23 you need a 5-minute break, bathroom or water, whatnot, all
24 you have to do is ask.

25 A. I think it's a good time.

1 (Whereupon a brief recess was taken)

2 Q. Mr. Dwyer, during the break did you speak with Mr.
3 Molloy about any of your testimony this morning?

4 A. Did not.

5 Q. Just from a fairness standpoint, do you think it's
6 fair -- as a member of the Board of Supervisors, as we
7 discussed, honesty should act for the public benefit, do
8 you think it's fair for Flournoy to have paid special
9 assessments associated with land and improvements acquired
10 by the District using the proceeds from the sale of the
11 bonds that are located behind the District gate?

12 MR. BARNES: Object to the form. Predicate.

13 A. As I said earlier, we're in discussions about that
14 currently.

15 Q. I'm referring to debt assessments, Mr. Dwyer.

16 A. You're referring to debt assessments?

17 Q. Yes, sir.

18 A. Ask your question again.

19 Q. The Flournoy parcel, should the Flournoy parcel
20 have paid debt assessments levied for purposes of funding
21 the acquisition of land and improvements located behind
22 the District gate?

23 MR. BARNES: Object to form. Predicate.

24 A. I don't really have an opinion.

25 Q. Mr. Dwyer, we discussed briefly, discussed earlier

1 that 2008 report and I think you and I were in agreement
2 that the 2008 report was approved by Judge Jirotko.

3 A. I believe that's the case.

4 Q. And what was your understanding regarding -- well,
5 is it your understanding that the reassessment that was
6 supposed to occur in 2018 that ultimately the District
7 also undertook in 2019, the assessment allocation was to
8 be consistent with the 2008 report?

9 A. I believe that the 2008 report was to be discarded
10 as the basis for. That's what I recall.

11 Q. Is it your understanding that the 2019 assessment
12 report prepared by Mr. Santoro is consistent with the
13 allocation methodology in the 2008 report?

14 A. I believe it is but again that's not in my
15 wheelhouse.

16 Q. But you believe that Mr. Santoro's report that was
17 adopted by the Board in 2019 is consistent with the
18 allocation methodology in the 2008 report?

19 A. Best of my knowledge, yes.

20 Q. Thank you. I'm going --

21 MR. CRUMBAKER: Cindy, at this point we have only
22 marked one exhibit; is that correct?

23 THE COURT REPORTER: That's correct. We have only
24 done Exhibit 1 and that was at the beginning.

25 MR. CRUMBAKER: Can we mark DD11 as No. 2.

1 Q. Mr. Dwyer, I want to make sure you can see this.

2 Mr. Dwyer, can you see the Order on Motions and Final
3 Judgment that's marked as Exhibit 2?

4 A. I see it.

5 Q. Are you familiar with this document?

6 A. I believe I have seen it once or twice.

7 Q. Direct you to Paragraph 6 here. "The District
8 seeks to acquire and construct certain improvements
9 described in the engineer's report of November 28, 2005
10 including water facilities, sewer facilities, including
11 certain recreational facilities including a waterpark".

12 Do you see that statement?

13 A. Sure do.

14 Q. Have you reviewed the engineer's report at any
15 point in time that is dated November 28, 2005?

16 A. I believe I looked at it once or twice.

17 Q. I'm going to pull up DD3 and mark that as Exhibit
18 3.

19 This is the Amended and Restated Engineer's Report
20 for Master Infrastructure dated November 28, 2005. Do you
21 see that document, Mr. Dwyer?

22 A. Sure do.

23 Q. Do you recall if this is a document that you
24 reviewed previously?

25 A. I believe it is.

1 Q. Would you agree with me that this is the document
2 that is the basis for the order that I showed you a moment
3 ago that is marked as Exhibit 2?

4 A. I believe it is.

5 Q. Do you see the statement in Paragraph 9, "the Court
6 found the District had requisite authority to issue the
7 bonds for the construction and acquisition of improvements
8 as described in engineer's report of November 28, 2005".
9 Do you see that statement?

10 A. It's there in black and white.

11 Q. Would you agree with me that -- I'm going to use
12 the term validation. Do you know what the term validation
13 means?

14 A. Yes, I know what it means.

15 Q. The term validation, would you agree with me it
16 means the judicial validation of Chapter 75, judicial
17 approval or validation of the matters that were within
18 that proceeding. Would you agree?

19 A. Probably, yeah.

20 Q. So would you agree with me that in this order that
21 the Court validated the District's acquisition of the
22 improvements described in the engineer's report?

23 A. That's what it says.

24 Q. Would you agree that -- do you see the next
25 statement that says "the Court further finds that

1 financing of these improvements constitute a valid public
2 purpose"?

3 A. It's there in black and white.

4 Q. So any land and improvements that are located
5 behind the District gate the District acquired, those land
6 and improvements constitute a valid public purpose,
7 correct?

8 A. That's what it says.

9 Q. And any land the District still owns that remains
10 outside the gate, that those lands and improvements also
11 constitute a valid public purpose; would you agree?

12 A. It doesn't say that.

13 Q. I'm sorry?

14 A. It doesn't say that.

15 Q. Well, let me rephrase. To the extent that land and
16 improvements outside of the public gate that the District
17 currently owns are included within the engineer's report
18 of November 28, 2005, would you agree that they constitute
19 a valid public purpose?

20 A. The document that you have up, there's nothing that
21 refers to behind or outside of the gate.

22 Q. Just to the extent there are land and improvements
23 that the District currently owns, regardless of whether
24 they are in front of the gate or outside the gate or
25 inside the gate, that those lands and improvements

1 constitute a valid public purpose. Would you agree?

2 A. That's what it says in black and white.

3 Q. So would you agree with me that as of today any
4 lands and improvements that the District owns that was
5 purchased with the bonds constitutes a valid public
6 purpose?

7 A. No, I'm going to say right now, I really don't have
8 an opinion on that. That's something we are just going to
9 have to continue to work out with the Board, I'm guessing.

10 Q. So to the extent that the District owns lands and
11 improvements identified in the 2005 engineer's report
12 referenced in this order, you believe that there's still a
13 debate as to whether they constitute a valid public
14 purpose?

15 A. That's not what I said.

16 Q. Please clarify.

17 A. I am not in a position or do I have the expertise
18 professionally to determine what is or what is not going
19 to be determined as public use as we continue down this
20 path. As I stated earlier, Judge Jirotko, when we were in
21 court, did not want to get into the arguments of whether
22 or not we were going to have to open the gates and allow
23 the public into the community of Grand Venezia.

24 Q. Is it safe to assume that your response to my
25 question is solely as a result of the reference to the

1 gates?

2 A. You brought it up. I didn't.

3 Q. I'm just saying, if the qualifier regarding the
4 gates was removed, do the improved lands and improvements
5 that are currently owned by the District constitute a
6 valid public purpose under this order?

7 MR. BARNES: Object to the form.

8 MR. MOLLOY: Object to the form. Speculative.

9 A. I don't believe they ever have.

10 Q. You don't believe that the lands and improvements
11 that the District owns today constitute a valid public
12 purpose?

13 A. Not what's behind the gates, because it's been
14 there since you purchased the land, knowing that it was a
15 private gated community.

16 Q. You keep saying me, Mr. Dwyer.

17 A. Whoever you're working with and whoever the
18 bondholders are. I don't know who signed those papers.
19 You're representing them.

20 Q. Mr. Dwyer, do you take issue or do you disagree
21 with the Judge's order where the Judge has concluded that
22 the improvements and lands identified in the engineer's
23 report constitute a valid public purpose?

24 A. I don't have an opinion.

25 Q. Do you have any facts that would support a finding

1 otherwise?

2 A. I told you, I don't have an opinion.

3 Q. Mr. Dwyer, are you ignoring this Court Order like
4 you're ignoring the Court Orders under your civil
5 proceedings?

6 MR. BARNES: Mr. Dwyer, Mr. Crumbaker is now
7 harassing you and --

8 MR. CRUMBAKER: Bruce, this is my deposition and
9 you don't have a role in it.

10 MR. BARNES: And you know what, you know this is
11 supposed to be limited discovery and we've gone all
12 freaking morning about all --

13 MR. CRUMBAKER: Bruce, stop.

14 MR. BARNES: No, you stop. Quit harassing the
15 witness.

16 MR. CRUMBAKER: I'm not harassing the witness.

17 MR. BARNES: Yes, you are.

18 MR. CRUMBAKER: We're talking about benefits here
19 regarding the assessments which is exactly what --

20 MR. BARNES: You're harassing Mr. Dwyer because of
21 a judgment that has nothing to do with this case.

22 MR. CRUMBAKER: Bruce, quiet.

23 MR. BARNES: No, I'm going to talk if you keep
24 harassing this man.

25 MR. CRUMBAKER: Bruce, quiet.

1 MR. BARNES: No, I've had enough, Brian.

2 MR. CRUMBAKER: Okay. Then sign off.

3 MR. BARNES: I'm going to --

4 MR. CRUMBAKER: This is my deposition of Mr. Dwyer.

5 MR. BARNES: And Mr. Dwyer, I'm not your attorney,
6 but if you continue to be harassed, you don't have to
7 put up with this.

8 MR. CRUMBAKER: You're not being harassed, Mr.
9 Dwyer. We're trying to find out the basis for your
10 approval of an assessment methodology and the benefit
11 findings. Period.

12 MR. MOLLOY: Mr. Crumbaker, what you are doing is
13 arguing with the witness about the content of the Court
14 Order, so it's clearly legal issues and, you know, I
15 mean, none of this is going to be admissible in a court
16 proceeding. I mean, yeah, we're in discovery, you have
17 a lot of latitude, but come on, let's just move on.

18 MR. CRUMBAKER: Mr. Molloy, but here's the problem
19 with it, is that Mr. Dwyer already testified to the fact
20 that he's previously disregarded Court Orders that he
21 disagrees with.

22 This is a question of whether he disagrees with
23 this Court Order.

24 MR. MOLLOY: Have at it.

25 Q. Paragraph 12, Mr. Dwyer, the Court states "that the

1 District has lawful power and authority to declare and
2 assess, levy and collect special assessments to defray the
3 cost of the projects". And the cost of the projects -- or
4 the projects identified here are the projects referenced
5 in the engineer's report. Do you see that statement?

6 A. I do.

7 Q. Do you have any reason to disagree with that
8 statement?

9 A. It's there in black and white.

10 Q. Do you have any reason to disagree with that
11 statement, Mr. Dwyer?

12 A. No, it's there in black and white. It's what it
13 says.

14 Q. Again --

15 A. I said no.

16 Q. Stick with yes or no. Paragraph 13, "the District
17 has acted in accordance with the law in all respects and
18 particulars when it sold -- issued and sold, the Bonds
19 will be valid and binding special assessment obligations
20 of the District, secured by a pledge of and payable solely
21 from Series Pledged Revenues and Series Trust Estate as
22 set forth in the Indenture, and that the Indenture will be
23 a valid, legal and binding obligation of the District
24 enforceable in accordance with its terms".

25 Do you see that statement, Mr. Dwyer.

1 A. Sure do.

2 Q. Do you have any reason to disagree with that
3 statement, Mr. Dwyer?

4 A. Nope.

5 Q. Mr. Dwyer, what level of detail have you reviewed
6 the Master Engineer's Report dated November 2005?

7 A. I told you I looked at it twice. That's it.

8 Q. In detail?

9 A. Nope.

10 Q. One moment. Mr. Dwyer, do you see this document?

11 A. I do.

12 Q. Second Supplemental Trust Indenture.

13 A. Yep.

14 MR. CRUMBAKER: DD19 is Exhibit 4.

15 THE COURT REPORTER: That is correct.

16 Q. Mr. Dwyer, do you have any knowledge regarding what
17 it takes to establish a valid trust estate?

18 A. Hell no.

19 Q. First funny response today.

20 Do you have a trust or have you ever been involved
21 in a trust?

22 A. When my father passed there was a trust set up for
23 me at one point.

24 Q. Is that trust still in place?

25 A. No, it's not.

1 Q. Do you have any reason to believe that -- I'm going
2 to -- let me strike that.

3 When a trust is established, and I'm not asking for
4 a legal opinion, but when a trust is established, there is
5 property that's transferred. Do you have any reason to
6 disagree with that statement?

7 A. I don't know.

8 Q. Now, this Second Supplemental Trust Indenture, this
9 is a supplement to the Master Trust Indenture. Would you
10 agree with me on that?

11 A. That's what it says.

12 Q. Have you ever reviewed this document?

13 A. Not that I recall.

14 Q. So you're not aware of the content of this
15 document, correct?

16 A. Not that I recall.

17 Q. Is the answer yes or no?

18 A. Not that I recall.

19 Q. All right. This paragraph, it starts with "that
20 the District" and then it continues with (a) and (b), it
21 says "has executed the Second Supplemental Trust
22 Indenture", and then there's (b), and (b) states "does
23 hereby, in confirmation of the Master Indenture, grant,
24 bargain, sell, convey, transfer, assign and pledge onto
25 the Trustee and its successors", beginning here "all

1 rights, titles and interest in the District to and under
2 pledged revenues". Can you see my cursor there?

3 A. Not --

4 Q. Let me see if I can find an alternate. I'm going
5 to use this one. Begin here. Do you see that statement,
6 Mr. Dwyer?

7 A. Sure do.

8 Q. And it refers to in particular the pledged revenues
9 and the pledged funds and accounts.

10 A. I see that.

11 Q. And the Series 2006 Trust Estate is that same 2006
12 pledged revenues and pledged funds, correct?

13 A. I see that.

14 Q. Then you have the pledged revenues which are the
15 assessments. Do you see the statement here?

16 A. I sure do.

17 Q. Then you have the funds and accounts.

18 A. I see that too.

19 Q. Based on that, the portions that I have
20 highlighted, would you agree with me that there was a
21 transfer of Series 2006 assessments and 2006 pledged funds
22 in accounts, monies were on deposit in those funds and
23 accounts, to the Trust Estate?

24 A. It appears that way.

25 Q. And understanding again that you may not understand

1 the nature of trusts, but do you have any other any basis
2 for disagreeing that the property that was transferred,
3 meaning the Series 2006 Trust Estate was transferred at
4 the time that the Supplemental Indenture was executed?

5 A. It appears that way.

6 Q. Let me take you to the Master.

7 MR. BARNES: Mr. Crumbaker, all these documents are
8 in evidence and they're stipulated as exhibits, do we
9 have to go one by one and ask the witness about
10 documents that are already stipulated?

11 MR. CRUMBAKER: I'm going through the documents.

12 MR. BARNES: Mr. Dwyer, you are being harassed. I
13 just wanted to let you know. This witness has no
14 personal knowledge about any of these documents. He is
15 not an attorney. He is not a trustee. And all you're
16 doing is harassing him.

17 MR. CRUMBAKER: No I'm not.

18 MR. BARNES: Yes, you are.

19 MR. CRUMBAKER: So Bruce, you've noted it multiple
20 times. Don't do it again.

21 MR. BARNES: No.

22 MR. CRUMBAKER: That's multiple.

23 MR. BARNES: Yeah, that's one more.

24 Q. The Master Trust Indenture is DD18.

25 THE COURT REPORTER: That would be No. 5.

- 1 A. Can I ask a question.
- 2 Q. I'm sorry. Who is speaking?
- 3 A. Me, Mr. Dwyer. May I ask a question briefly.
- 4 Q. Sure.
- 5 A. Can I bill you for my time.
- 6 Q. So moving to the Master Trust Indenture. Do you
- 7 see this document, the Master Trust Indenture?
- 8 A. Yes.
- 9 Q. Marked as Exhibit 5?
- 10 A. Yep.
- 11 Q. Are you familiar with this document?
- 12 A. I don't recall.
- 13 Q. It states deficiencies and surpluses and funds.
- 14 Would you please take a look at this section.
- 15 A. I can't see the whole thing but go ahead.
- 16 Q. Well, I would like you to read it, 509. I don't
- 17 want you to read it aloud. What can you not see?
- 18 A. I can't see the right side.
- 19 Q. You need to move your panel on the video.
- 20 A. That works. I see it. (Perusing document). Okay.
- 21 I see what it says.
- 22 Q. To your knowledge is the Series Reserve Account the
- 23 Reserve Account for the 2006 bonds, has there been a
- 24 withdrawal on that account?
- 25 A. I have no idea.

1 Q. Okay. Is there a deficiency in that account?

2 A. I'm not certain of that either.

3 Q. To the extent there's a deficiency in that account,
4 would you agree with me that the District is obligated to
5 pay such amounts necessary to replenish that deficiency?

6 MR. MOLLOY: Objection. Calls for a legal
7 conclusion.

8 Q. You can answer the question, Mr. Dwyer.

9 A. I really don't have an opinion.

10 Q. You do sit on the Board of Supervisors, correct,
11 Mr. Dwyer?

12 A. Absolutely I do.

13 Q. Again, we discussed your fiduciary duty to the
14 District Board. Is that correct?

15 A. Absolutely. But that doesn't mean I have to have
16 an opinion on a document that I'm reading for the first
17 time that is legal in nature, that was written in 2005
18 before I had anything to do with the District.

19 Q. Mr. Dwyer, you do receive monthly financial
20 statements, correct?

21 A. We do receive them, yes, that's true.

22 Q. You receive annual audits, correct?

23 A. Yes, we do.

24 Q. And do you review the financial statements monthly?

25 A. I do look at them, yes, I do.

1 Q. Do you look at the annual audits whenever they are
2 prepared by the auditor?

3 A. Yes, I do actually.

4 Q. And I'll go back to this question. Are you aware
5 of any deficiencies in the Reserve Account for the Series
6 2006 bonds?

7 A. I believe that there was and I don't know what
8 deficiency it is, but I know that there was certainly a
9 problem where the District was not paid its bond debt and
10 there was foreclosures on quite a few parcels of property.
11 That, I am familiar with but I don't know the details.

12 Q. Mr. Dwyer, do you understand what the purpose of
13 the Reserve Account is?

14 A. No.

15 Q. If I were to tell you the purpose of the Reserve
16 Account is to pay debt service when insufficient revenues
17 are generated by the District, do you have any reason to
18 disagree with that statement?

19 A. No.

20 Q. So would you agree with me that to the extent there
21 is deficiency in the Reserve Account, that the District
22 has an obligation to fund the deficiency?

23 MR. MOLLOY: Object. Legal conclusion.

24 A. I would say possibly. I guess it depends on the
25 circumstances.

1 Q. Since you have been on the Board of Supervisors,
2 have you made any efforts to fund any deficiencies in the
3 Series Reserve Account?

4 A. Not that I am aware of.

5 Q. In your opinion, will the special assessments
6 generated by the 2019 Santoro report generate sufficient
7 revenues to replenish the Series Reserve Account of any
8 deficiency?

9 MR. BARNES: Object to the form. Calls for a legal
10 conclusion.

11 A. I don't know.

12 Q. Would you agree with me that to the extent that the
13 District -- that there is a deficiency in the Reserve
14 Account the District does not fund the deficiency,
15 replenish the deficiency in the Reserve Account, that the
16 District is in default under the Trust Indenture?

17 MR. MOLLOY: Object to the form. Legal conclusion.

18 MR. BARNES: Object.

19 A. I don't have an opinion on that.

20 Q. Do you have any understanding or do you believe
21 that the District is in default under the Indenture, the
22 Master Indenture?

23 MR. MOLLOY: Again object. Calls for a legal
24 conclusion.

25 A. I just don't have an opinion.

1 Q. But you're not aware, since your tenure, during
2 your tenure on the Board of Supervisors, you made no
3 effort to replenish any deficiency in the Series Reserve
4 Account for the 2006 bonds, correct?

5 A. Not that I am aware of.

6 Q. Section 604. Can you see 604?

7 A. I see it.

8 Q. Mr. Dwyer, can you read this statement here.

9 A. I'm not reading all that.

10 Q. Mr. Dwyer, please read the statement.

11 A. Ask me a question, Brian.

12 Q. Read the statement, Mr. Dwyer, and I will ask the
13 questions.

14 A. Dan Molloy...

15 MR. MOLLOY: If Mr. Crumbaker wants to waste time
16 having you read the statement, why don't you go ahead
17 and read it.

18 MR. CRUMBAKER: Well, it's to narrow Bruce's
19 objection on predicate. So read the statement.

20 MR. BARNES: Mr. Crumbaker, we are here on
21 arbitration for whether these 2019 assessments are or
22 are not legal.

23 That's it. Limited discovery. This is so far
24 beyond the scope of where this --

25 MR. CRUMBAKER: No, it's not.

1 MR. BARNES: Yes, it is.

2 Q. Go ahead, Mr. Dwyer.

3 MR. BARNES: You're trying to litigate issues that
4 have already been litigated and decided by Judge
5 Jirotko.

6 MR. CRUMBAKER: No, I'm not.

7 MR. BARNES: Okay. This is ridiculous.

8 MR. CRUMBAKER: I know, Bruce.

9 MR. BARNES: Yeah.

10 MR. CRUMBAKER: I got your opinion down. We've got
11 the Court Reporter. Go ahead, Mr. Dwyer.

12 A. "The District shall pay the Trustee reasonable
13 compensation for its services hereunder. And also all its
14 reasonable expenses and disbursements, including the
15 reasonable fees and expenses of Trustee's counsel when
16 such fees and expenses become due and to the extent
17 permitted by law shall indemnify the Trustee and its
18 respective successors, agents and servants, and hold the
19 Trustee and its respective successors and agents and
20 servants harmless against any liabilities or obligations,
21 losses, damages, penalties, claims, actions, suits and
22 costs which it may incur in the exercise and the
23 performance of its powers and duties hereunder, except
24 with respect to its own gross negligence or willful
25 misconduct".

1 Are you happy?

2 Q. Mr. Dwyer, have you received requests for the
3 payment of trustee fees and expenses?

4 A. I don't recall.

5 Q. Has the District received requests for payment of
6 trustee fees and expenses?

7 A. I don't recall.

8 Q. Has the District adopted a budget that funds
9 trustee fees and expenses that have been incurred to date?

10 A. I don't believe so.

11 Q. Have you voted to refuse payment of trustee fees
12 and expenses?

13 A. There is that possibility. I don't remember
14 specifically but maybe.

15 Q. Have you refused to assess landowners for trustee
16 fees and expenses?

17 A. Not that I am aware of.

18 Q. Have you voted against the levy of special
19 assessments for trustee fees and expenses while serving on
20 the Board?

21 A. Not that I'm aware of.

22 Q. Mr. Dwyer, do you see this paragraph here regarding
23 No Default Certificate?

24 A. Do you want me to read it?

25 Q. It states that "the District shall file with

1 trustee within 90 days after close of each Fiscal Year a
2 certificate of an authorized officer stating whether or
3 not to the knowledge of the signer the District is in
4 default with respect to any covenants, agreements or
5 conditions on its part contained in the Master Indenture
6 and any Supplemental Indenture, and if so the nature of
7 such default and actions taken or to be taken to remedy
8 such default".

9 Do you see that statement?

10 A. I do see it. It's black and white.

11 Q. Have you ever signed a No Default Certificate?

12 A. Not that I'm aware of.

13 Q. Have you ever seen a default certificate executed
14 by the District?

15 A. Not that I recall.

16 Q. Have you ever seen a No Default Certificate
17 executed on behalf of the District?

18 A. Not that I remember.

19 Q. Mr. Dwyer, do you see this statement regarding
20 Arbitrage and Other Tax Covenants?

21 A. I do see it.

22 Q. Does it state "the District covenants it will not
23 take any action or fail to take any action which would
24 cause the bonds to become arbitrated bonds", correct?

25 A. That's what it says.

1 Q. "The District further covenants that it will take
2 all such actions after delivery of the bonds that may be
3 required in order for interest on such Tax Exempt Bonds to
4 remain excludable from gross income", correct?

5 A. That's what it says.

6 Q. And earlier you testified that the freestanding
7 garages behind the gate lead into the Grand Venezia COA;
8 is that correct?

9 A. That is correct. Before my time.

10 Q. What's the relevance of "before your time", Mr.
11 Dwyer?

12 A. Because I wasn't there. I didn't sign the
13 documents or have anything to do with it.

14 Q. With respect to the gate, again, you testified that
15 there is no public access through the gate to persons that
16 don't either own property or reside within the Grand
17 Venezia or Grand Bellagio. Is that correct?

18 A. Absolutely correct.

19 Q. To the extent that the District is preventing
20 access to the general public to lands and improvements
21 behind the gate and they violate the arbitrage and tax
22 covenants, has that been discussed?

23 MR. BARNES: Object to the form. Predicate.

24 A. First of all, the District does not preclude public
25 access. Grand Bellagio precludes public access because

1 they're responsible for the gate that existed before the
2 property was purchased, knowing full well that, the
3 District knowing full well that that was a private gated
4 community.

5 Q. What efforts have been undertaken by the Board of
6 Supervisors during your tenure to require or allow for
7 public access behind the gates?

8 A. To my knowledge, none at this point.

9 MR. CRUMBAKER: Dan, do we want to go ahead and
10 take a break now before I get into the assessment
11 report?

12 MR. MOLLOY: I think that would be a great idea.

13 MR. CRUMBAKER: Okay. We'll take 40 minutes. Just
14 come back on the hour.

15 MR. MOLLOY: Fine with me.

16 (A lunch recess was taken).

17 THE COURT REPORTER: Back on the record.

18 Q. Mr. Dwyer, during the lunch break did you have any
19 conversations with Mr. Molloy regarding your testimony at
20 this point?

21 A. No, we talked about crossword puzzles and scrabble.
22 About how that.

23 Q. And did you have any conversations with Mr. Barnes
24 during the break?

25 A. Absolutely not.

1 Q. Do you have any changes to your earlier testimony
2 that you want to make at this point in time?

3 A. Not that I know of.

4 Q. Well, my goal is to kind of skate through the rest
5 of the day. Let's see. Hopefully Mr. Barnes will find
6 that less objectionable.

7 MR. BARNES: Yes.

8 Q. So I'm going to move to what I have as marked as
9 DD2, which is the Motion for Final Judgment Validating the
10 Assessment. So Exhibit 6, is that right, Cindy.

11 (Off record to discuss previously numbered
12 exhibits).

13 Q. One moment here, Mr. Dwyer.

14 A. Sorry. Mr. Crumbaker, before we get started, do
15 you have an idea what time me might wrap up?

16 Q. Probably for me, probably another 2 hours, 2 and a
17 half hours or so. Maybe shorter.

18 A. Okay.

19 Q. Mr. Dwyer, can you see the Motion for Final
20 Judgment Validating the Assessments, Exhibit 6?

21 A. I do.

22 Q. And then attached to the motion there are a number
23 of exhibits. We'll skip down to this exhibit, the Second
24 Supplemental Assessment Methodology for Series 2006A Bonds
25 Revised September 25, 2008. Do you see that document?

1 A. I do.

2 Q. Are you familiar with this document?

3 A. No, I'm not.

4 Q. Have you ever seen this document?

5 A. I'm looking at it right now.

6 Q. Is this the first time you have seen this document?

7 A. As far as I remember I don't remember seeing this.

8 Q. Do you have any reason to believe that this is not
9 the 2008 assessment report that we have been referring to
10 up to this point?

11 A. That's what it says.

12 Q. Is the answer yes?

13 A. Come on, Brian, yes.

14 Q. I'm going to walk through a couple of things here.
15 I'm going to try and rotate this. And it's your
16 understanding that this assessment resolution was --
17 sorry -- assessment report, this 2008 assessment report
18 was approved by Judge Jirotko, correct?

19 A. As far as I remember, yes.

20 Q. We have Table 2, Existing Infrastructure Costs with
21 categories to the left. It has Water and Sewer Utilities,
22 Stormwater Management, Roadway, Street Lights,
23 Landscaping, Parking (Surface), Bay Promenade and Related
24 Activities.

25 Is that correct?

1 A. That's what it says.

2 Q. And do you have any reason to believe that the
3 infrastructure costs reflected here are inaccurate?

4 A. I don't have an opinion.

5 Q. Do you have any reason to believe that the costs or
6 the categories or improvements and costs reflected in
7 Table 2 are inaccurate?

8 A. Brian, I told you, I don't have an opinion.

9 Q. That is a yes or no. Do you have any reason to
10 believe this table, Table 2, is inaccurate.

11 A. I don't know whether it's accurate or not.

12 Q. I'm not saying whether you think it's accurate. Do
13 you have any reason to believe it's not?

14 A. Not at this point.

15 Q. Okay. Then Table 3 -- let's skip 3. Table 4 is
16 Land Acquisition Cost: Roadways (Grand Venezia),
17 Harbourside Roadways, Bay Promenade, et cetera.

18 Do you see Table 4?

19 A. I do.

20 Q. Have you ever seen Table 4?

21 A. I told you I don't recall seeing this document
22 before.

23 Q. Do you have any reason to believe that the land
24 acquisition categories to the left are inaccurate?

25 A. Brian, how would I know? How would I know whether

1 they are accurate?

2 Q. Do you have any reason to believe that it's
3 inaccurate? Do you have any reason to believe it's
4 inaccurate? That's a yes or no question.

5 A. How about if I said yes and no, because I don't
6 know. How would I know? I told you I'm not seeing this
7 document. I've not gone through.

8 Q. I didn't ask you if this was true. I asked you if
9 you have any reason to believe otherwise.

10 A. Not at this point.

11 Q. Table 5, Existing Infrastructure Benefit
12 Allocation. It says Existing Infrastructure Allocated to
13 All Property Areas. Do you see Table 5?

14 A. Right in front of me.

15 Q. Is the answer yes or no.

16 A. Yes, Brian, the answer is yes, I see it in front of
17 me in black and white. Would you like me to read it to
18 you?

19 Q. No, I just want you to answer yes or no. Do you
20 see it?

21 A. Yes, I do see it. Again.

22 Q. And do you see that the allocation of the existing
23 infrastructure for the Commonwealth, Stormwater Management
24 totaled \$209,650.

25 The Harbourside Utilities and Stormwater

1 Management, Parking (Surface) and Bay Promenade and
2 Related Amenities, those were allocated over all of the
3 units in the prototype table, correct?

4 MR. BARNES: Object to the form. Predicate.

5 A. I see it. I don't know if it's correct or not but
6 I see it.

7 Q. Mr. Dwyer, is it your understanding that Table 4 or
8 Table 5, excuse me -- well, first all, are you aware of
9 any infrastructure having been, existing infrastructure
10 having been transferred by the District to any other
11 party?

12 A. Not aware of it.

13 Q. So to the extent that the District still owns the
14 existing infrastructure identified in Table 5, they should
15 be, the assessments associated with those costs should be
16 allocated in accordance with Table 5, correct?

17 MR. BARNES: Object to the form. Predicate.

18 MR. MOLLOY: Same objection.

19 A. Again, Brian, I don't have an opinion.

20 Q. Okay. Is it your understanding that Judge Jirotko
21 has, in his order, approved by way of his approval of the
22 2008 report, approved Table 5?

23 A. I guess I would have to assume so, because he did
24 tell us that we were not going back further than that. We
25 were going to use that as a baseline.

1 Q. And so to the extent that the existing
2 improvements, existing infrastructure identified in Table
3 5 are still within the ownership of the District, should
4 the allocation in the 2019 assessment report reflect the
5 same?

6 MR. BARNES: Object to the form. Predicate.

7 MR. MOLLOY: Same objection.

8 A. Should reflect the same? Reflect the same what?

9 Q. Same allocation.

10 A. Allocation of dollars, allocation of units,
11 allocation of what?

12 Q. Let me ask you this, Mr. Dwyer. What due diligence
13 did you do before your -- did you undertake on your part
14 regarding the assessments prior to the 2019 assessment
15 hearing when you voted to approve Mr. Santoro's report?

16 A. Be more specific with your question. Ask me what
17 you really want to know.

18 Q. What due diligence, what work, what documents did
19 you review in support of your vote to approve Mr.
20 Santoro's assessment report?

21 A. The assessment report itself, any advice from
22 counsel, and advice from Mr. Lawson when he was involved
23 with us, with Mr. Lawson's cohort -- I'm trying to
24 remember his name -- when he was involved with us, and the
25 final report itself.

1 Q. During your tenure on the Board has the District
2 transferred any land to third parties, land owned by the
3 District to a third party?

4 A. Not that I'm aware of.

5 Q. When I say transfer, I'm meaning fee title to real
6 property.

7 A. Not that I am aware of.

8 Q. Are you aware of any transfers of real property by
9 the District other than the transfer of property from the
10 District to the Special Purpose Entity in 2015?

11 A. Not that I am aware of.

12 Q. Are you aware of any improvements owned or
13 purchased by the District with the proceeds of the 2005
14 BANS having been transferred to any third party?

15 A. Not that I'm aware of but I don't know. Don't
16 know.

17 Q. So to the extent that the District still owns land
18 and improvements that were reflected in the 2008
19 assessment report, in your opinion should the assessments
20 be allocated in the same manner as the 2008 assessment
21 report?

22 A. I don't have an opinion. That's why we hired the
23 professionals.

24 Q. Again, is it your understanding that the 2019
25 Santoro assessment report was to be consistent with the

1 2008 assessment report?

2 A. I'm not going to use the word consistent. I'm
3 going to use the words it was supposed to be a baseline.

4 Q. What do you mean by "it was supposed to be a
5 baseline"?

6 A. That's where we were to start from.

7 Q. What does that mean?

8 A. Just what I said, that's where they were supposed
9 to start from.

10 Q. Do you know why Mr. Santoro didn't simply use the
11 tables in the Series 2008 report and apply any reduction
12 associated with the 2015 transfer of the property from the
13 District to the SPE?

14 A. I do not know. Don't have an answer for that at
15 all. I have no knowledge.

16 Q. Would that be a reasonable alternative in your mind
17 for purposes of developing the 2019 assessment report?

18 A. I don't have an opinion.

19 Q. Mr. Dwyer, do you know where the boat slips are to
20 be developed?

21 A. I think you need to ask me that exact question
22 again. I'm not sure what boat slips you're talking about.

23 Q. I'm starting to lose you again.

24 A. I don't know what boat slips you're referring to.

25 Q. Let me refer you to Table 8 here. There's a

1 reference in the Series 2008 assessment report for
2 condominium boat slips. Do you have any knowledge
3 regarding the condominium boat slips and where they were
4 to be developed?

5 A. No. How would I have any knowledge? I told you
6 have not seen this document before.

7 Q. To your knowledge does the Grand Venezia COA own
8 property on which the condominium boat slips were to be
9 developed?

10 A. I have no idea.

11 Q. Are you aware of any prohibition to building
12 condominium boat slips within the District?

13 A. No, not aware.

14 Q. Have you had any conversations regarding the boat
15 slips referenced in the Series 2008 assessment report?

16 A. Not that I recall.

17 Q. Mr. Dwyer, when you voted to adopt the resolution
18 of approving Mr. Santoro's report, were you aware that the
19 Series 2008 assessment report was an exhibit to the
20 resolution?

21 A. Say that again.

22 Q. Were you, at the public hearing at which Mr.
23 Santoro's report was adopted and the 2019 assessments
24 levied, were you aware that the 2008 assessment report was
25 an exhibit to the assessment resolution that you voted to

1 approve?

2 A. I don't recall but I'm sure it probably was.

3 Q. How did Mr. Lawson come to be in the employment of
4 the District?

5 A. After an extensive search for someone who would be
6 willing to undergo the project.

7 Q. Did Mr. Barnes introduce you to Mr. Lawson?

8 A. I don't remember if he did. He may have but I
9 don't remember specifically if he did.

10 Q. Do you know if Mr. Lawson (sic) was the source of
11 the referral of Mr. Lawson?

12 A. Say that again.

13 Q. Do you know if Mr. Barnes was the source of the
14 referral of Mr. Lawson to the District?

15 A. He may have been but I can tell you that there was
16 myself and another Board member, and I believe, I believe
17 even the District Manager were all looking for someone
18 willing to provide us that assessment methodology,
19 understanding the complexity of what we were dealing with.

20 Q. When were you first -- when did you first hear of
21 Mr. Lawson?

22 A. I don't remember.

23 Q. When did you first speak with Mr. Lawson?

24 A. Don't remember the date or the time or the week.

25 Q. Was it before you were a Board member for the

1 District?

2 A. Don't recall.

3 Q. You don't recall whether you first met Mr. Lawson
4 or spoke with Mr. Lawson prior to becoming a Board member
5 in November 2018 or after becoming a Board member in
6 November 2018, correct?

7 A. I don't recall but I can tell you logistically it
8 would have been probably after I was a Board member.

9 Q. Have you ever met Mr. Owen Beitsch?

10 A. I have met him on one occasion.

11 Q. And did you meet Mr. Beitsch after becoming a Board
12 member?

13 A. I'm going to have to assume so, but I don't
14 remember exactly when it was. I met him along with Mr.
15 Lawson.

16 Q. Do you have notes from your meeting with Mr. Lawson
17 and Mr. Beitsch?

18 A. I do not. I already told you I don't keep many
19 notes.

20 Q. You say many, so that implies there are some.

21 A. That's right. Grocery lists, meeting dates, yes,
22 those kinds of things I keep lists of. Notes, I don't.

23 Q. Did Mr. Barnes participate in that meeting between
24 you and Mr. Lawson and Mr. Beitsch?

25 A. Not that I recall.

1 Q. Mr. Dwyer, this is Exhibit A, the Revised
2 Assessment Methodology, where Mr. Santoro attaches Exhibit
3 A to the Resolution Exhibit 2019-17 which was likewise
4 attached to the motion that's referenced on Exhibit 6. Do
5 you see that?

6 A. I do see it.

7 Q. Do you recognize that document?

8 A. I remember seeing it.

9 Q. Is the answer yes.

10 A. Yes, that would mean, yes, uh-hum. I do remember
11 seeing it would mean yes.

12 Q. Okay. And were you involved in the review of any
13 drafts prior to the finalization of this document?

14 A. Not that I recall. Let me make it clear that you
15 understand one thing. I never even met the gentleman or
16 spoken to the gentleman that did the assessment.

17 Q. Thank you for that clarification.

18 A. I wouldn't know him if I fell over him in the
19 street.

20 Q. Did you review this assessment report prior to the
21 public hearing at which the 2019 assessments were adopted?

22 A. If I recall correctly, I saw it the day before the
23 meeting or the day of the meeting because it wasn't a
24 whole lot of time in between.

25 Q. Did you have any discussion prior to the meeting

1 regarding this document?

2 A. I may have with Mr. Molloy, but I don't recall
3 specifically.

4 Q. When I refer to this document, I'm referring to the
5 2019 Santoro report.

6 A. You're referring to the document on the screen?

7 Q. Yes, sir.

8 A. Right, I would think so.

9 Q. When you reviewed the 2019 Santoro report, did you
10 have any questions or comments regarding the revised
11 assessment allocation?

12 A. Not that I recall.

13 Q. Did you, at any point in time ask any -- you
14 haven't spoken with Mr. Santoro; is that correct?

15 A. That is correct.

16 Q. And when you spoke with Mr. Molloy, did you confirm
17 that the 2019 Santoro assessment report was consistent
18 with the baseline document which we'll refer to as the
19 2008 assessment report?

20 A. I don't believe we had that conversation.

21 Q. Did you have that conversation with anyone?

22 A. Not that I recall.

23 Q. Is it your belief that this report is consistent
24 with the 2008 assessment report?

25 A. I have to believe that it is. That was the order

1 that was given.

2 Q. Why was there a change in -- first of all, why was,
3 why was Mr. Lawson replaced with Mr. Santoro?

4 A. Mr. Lawson had a real difficult time completing the
5 tasks that he was given. Specifically, he had a real
6 problem meeting his target deadlines and he had a real
7 problem returning phone calls so that we could keep the
8 process moving in time to meet the deadlines. That's my
9 recollection.

10 Q. Do you recall how much Mr. Lawson was paid?

11 A. I do not remember.

12 Q. Do you recall how much Mr. Beitsch was paid?

13 A. I do not.

14 Q. Were you aware that Mr. Owen Beitsch's report --
15 hold on one second. Do you see the report with the
16 letterhead Community Solutions Group on the screen?

17 A. I see that.

18 Q. Were you aware that this report was attached to the
19 assessment resolution 2019-17?

20 A. I don't remember that.

21 Q. Do you know why it would have been, why it was
22 included as an attachment to the resolution?

23 A. I have no idea. I have a guess.

24 Q. Okay. What's your guess.

25 A. My guess is because Mr. Beitsch had come up with a

1 0-based assessment and that we wanted to show in good
2 faith we were not going to go in that direction, that we
3 were going in a different direction with another analysis
4 that actually provided some level of relief to the bond
5 debt. That's my recollection. I don't recall at this
6 point.

7 Q. Was your goal singularly to reduce the amount of
8 debt assessment allocated to the District?

9 A. I don't have that authority. It's a Board
10 decision.

11 Q. Referring to you personally.

12 A. I'm going to tell you again, I don't have that
13 authority. It's a Board decision.

14 Q. I understand it's a Board decision. But Don Dwyer,
15 as a member of the Board of Supervisors, was it your
16 intent to reduce the level of assessment -- well, strike
17 that question. I'll come back to it.

18 Do you see the page Exhibit B2, the 2006 engineer's
19 report.

20 A. Yep.

21 Q. It says Amended and Restated Engineer's Report for
22 Master Infrastructure dated November 28, 2005.

23 A. I believe you showed me that earlier, didn't you?

24 Q. I did. This report is attached to the Resolution
25 2019-17 but my recollection is that you stated that you

1 had never seen this report. Is that accurate?

2 A. I don't think that's accurate. I think I stated I
3 had seen this report.

4 Q. Which report was it that you said you had not seen
5 before?

6 A. The Second Supplemental.

7 Q. The Second Supplemental, okay.

8 A. But if memory serves me right that's the one I
9 hadn't seen. This one I believe I told you I have seen at
10 least once or twice.

11 Q. Were you aware that this report was being attached
12 to Resolution 2019-17?

13 A. I don't recall.

14 Q. Now, in 2019 the District filed Chapter 9
15 bankruptcy; is that correct?

16 A. That is correct.

17 Q. And from your perspective what was the purpose of
18 filing Chapter 9?

19 A. You want me to answer that, right?

20 Q. Yes.

21 A. To stop your harassment.

22 Q. Stop my harassment, what does that mean?

23 A. To stop your harassment. You were bombarding us
24 with Public Records Requests at a rate that nobody could
25 keep up with. That's what you were doing. And if it was

1 legal for us to file bankruptcy to stop that from
2 happening, yes, I did pursue that and that's the reason it
3 happened and it was to stop your harassment.

4 Q. Who was your counsel, District counsel in the
5 bankruptcy?

6 A. I can't -- Dan? I don't know. I don't remember
7 the gentleman's name.

8 Q. Does Mr. Soriano ring a bell?

9 A. That would be it.

10 Q. How much cost in fees and expenses did the District
11 incur in prosecuting the Chapter 9?

12 A. I don't recall but it was significant.

13 Q. More than six figures?

14 A. Probably right at that.

15 Q. So the District incurred six figures' worth of
16 legal expenses to avoid Public Records Requests?

17 A. No. Harassment.

18 Q. Who was the first person that suggested that the
19 District hire Mr. Soriano to file Chapter 9 bankruptcy?

20 A. I believe that was a joint decision between myself
21 and Mr. Molloy. I'm not certain of that. But it was
22 certainly my idea to pursue it and it was certainly my
23 idea to take it up with Mr. Molloy and it was certainly
24 Mr. Santoro's recommendation that we had a valid basis for
25 filing and that's why we did it.

1 Q. When you just mentioned Mr. Santoro, were you
2 referring to Mr. Soriano?

3 A. Yes. Get the two confused. I'm getting old.

4 Q. So was there any other basis for, in your mind, for
5 filing Chapter 9 bankruptcy by the District?

6 A. Bankruptcy provides protection while you go through
7 a process and we were trying to get through an assessment
8 process that you were clearly in my opinion trying to
9 obstruct with the records requests that was prohibiting us
10 from moving forward within the timeframe that we needed to
11 complete the assessment methodology.

12 Q. Mr. Dwyer, do you know how much from the 2018
13 assessment process to the 2019 assessment process, do you
14 know how much the debt assessments were reduced by the
15 District's action?

16 A. I don't recall.

17 Q. Would you have any reason to believe it's less than
18 a million dollars?

19 A. I don't remember what it is.

20 Q. Would you agree with me that Invesco as the owner
21 of the bonds is a stakeholder in the amount of assessments
22 levied by the District?

23 A. Yes, I guess they are now. They weren't when this
24 process started.

25 Q. So in 2019 as the District moved forward with the

1 re-levy of the assessments, behind the shield of
2 bankruptcy, in your opinion the bond trustee nor, neither
3 the bond trustee nor Invesco had an interest in the
4 assessment process or the resulting assessments?

5 MR. BARNES: Object to form.

6 A. I didn't say that.

7 Q. Then I guess reframe it for me. What would you
8 say? What interest, in your opinion, what interest did
9 the trustee have during the assessment process in 2019?

10 A. I'm guessing it would have had an interest because
11 they had bought out Oppenheimer, so of course. Am I
12 right?

13 Q. I'm referring to U.S. Bank the trustee for this
14 question.

15 A. I thought you were -- rephrase the question again.

16 Q. Did U.S. Bank have a vested interest in the
17 assessment process in 2019?

18 MR. BARNES: Object to form. Calls for a legal
19 conclusion.

20 A. I would guess so.

21 Q. In your opinion did Invesco have a vested interest
22 in the resulting assessments levied in 2019?

23 A. That was the question I just answered, that would
24 be yes, based on the fact that they had purchased
25 Oppenheimer Funds.

1 Q. Would you agree that the only parties harmed as a
2 result of the 2019 assessment process were U.S. Bank and
3 Invesco?

4 MR. BARNES: Object to the form. Predicate.

5 MR. MOLLOY: Same objection.

6 A. I don't have an opinion.

7 Q. If the assessment, if the assessments in 2018 --
8 levied in 2019 were less than the assessments levied in
9 2018, in your opinion would Invesco have been harmed?

10 MR. BARNES: Same objection.

11 A. I don't really have an opinion. I don't really
12 have an opinion. I believe that what we did with that
13 assessment was legal. I believe that we followed the
14 Court's instructions. I believe that we had multiple
15 professionals involved in the process. And I believe that
16 we as a Board did what we believed was the right thing to
17 do, based on the professional information and guidance we
18 were getting, not only from legal counsel but also from
19 industry professionals.

20 Q. Are you aware that the Santoro 2019 assessment
21 report was not provided to representatives of Invesco,
22 including myself, in advance of the assessment hearing?

23 A. No, I was not aware of that.

24 Q. Were you aware that --

25 A. I probably got --

1 Q. Go ahead.

2 A. You possibly got it at the same time we did. I
3 told you it was very close to the meeting date when we
4 received that. It was either the day before or the day
5 of. So you may have gotten it at the same time that I
6 did.

7 Q. Were you aware that -- well, that answers that
8 question.

9 Were you aware that representatives of U.S. Bank
10 did not receive a copy of Santoro's report until the day
11 of the assessment hearing?

12 A. I didn't know that.

13 Q. Mr. Dwyer, were you aware that one of the required
14 publications or notices in advance of the assessment
15 hearing was not timely published?

16 A. I vaguely remember you making that argument and I
17 think counsel rebutted it and argued against your
18 position. That's my recollection.

19 Q. Do you recall seeing a letter that Mr. Santoro sent
20 me in response to a Public Records Request refusing to --
21 let me rephrase that. Let me pull up this letter.

22 Mr. Dwyer, do you see this letter?

23 A. Give me a minute. Scroll down.

24 Q. Yes, sir. (Obliging). It's a letter dated August
25 2, 2019.

1 A. I mean, it's got my name on it, I must have seen
2 it, but I don't remember right off the bat.

3 Q. It's DD 23, Cindy. Go ahead.

4 A. I'm not certain but I believe this is the one that
5 all the information was provided to you through Mr. Teague
6 and his office after an extensive amount of work that was
7 done to pull together all those documents.

8 Q. When was that information provided? When were the
9 documents responsive to that Public Records Request
10 provided?

11 A. I don't recall, Brian.

12 Q. To your knowledge, were they provided prior to the
13 2019 assessment hearing?

14 A. I do not recall, Brian.

15 Q. DD24 we'll label as Exhibit 8. It's a letter from
16 Mr. Soriano dated September 4, 2019.

17 Mr. Dwyer, do you recognize this letter?

18 A. (Perusing document).

19 Q. I'll scroll down. It's 2 pages.

20 A. Back up. (Perusing document). I vaguely remember
21 seeing it but I don't remember the basis of it.

22 Q. In the first paragraph it's referring to -- I have
23 highlighted -- my Public Records Request dated October 2,
24 2019 to members of the Board. Do you see that statement?

25 A. I do.

1 Q. So you agree with me that Mr. Soriano's letter
2 references back to the Public Records Request that was
3 sent to you dated August 2, 2019?

4 A. It appears that way.

5 Q. Were you aware that Mr. Soriano opined that my
6 request violated the bankruptcy stay and therefore would
7 not be honored?

8 A. I think I remember that in Bankruptcy Court.

9 Q. So going back to my earlier question, do you have
10 any reason to believe that the documents responsive to the
11 August 2 Public Records Requests were provided prior to
12 the assessment hearing?

13 A. You know, Brian, you asked for so many documents so
14 many times and I may not be clear on the dates on what you
15 received and what you didn't. Based on what you just
16 showed me, I do remember there being your argument in
17 front of the bankruptcy Judge, and I don't remember the
18 outcome of that.

19 Q. DD26 is a letter to the Board of Supervisors dated
20 September 10, 2019. Do you see that document.

21 And Cindy, we'll mark that as No. 9.

22 This was the actually a fairly lengthy document.
23 But do you recall seeing this on the date of the hearing?

24 A. I believe this was provided to us at the hearing if
25 my memory serves me right.

1 Q. Did you review this correspondence at all in
2 advance of the hearing?

3 A. Say that again. I'm sorry. You broke up.

4 Q. Did you review this correspondence in advance of
5 the hearing?

6 A. You're asking me did I see it in advance of the
7 hearing?

8 Q. Yes, sir.

9 A. I don't recall but I vaguely do remember that legal
10 documents were provided to us at the hearing as we sat
11 down at the table. That's what I remember.

12 Q. And when you went for Resolution 2019-17, did you
13 take into account any of the information contained within
14 this letter?

15 A. I don't believe I had even read the letter at that
16 point.

17 Q. Thank you. Going back to the involuntary or
18 Voluntary Petition of Bankruptcy, what was your role
19 within that bankruptcy?

20 A. What was my role?

21 Q. Strike that question.

22 A. I don't know how to answer that question.

23 Q. Let me actually share this. DD22, Exhibit 10.

24 Mr. Dwyer, do you recall seeing, this is a
25 Voluntary Petition for Non-Individuals Filing for

1 Bankruptcy. Is this document familiar to you?

2 A. I don't see a document yet.

3 Q. Okay. I shared the screen.

4 A. It just popped up. I don't remember it.

5 Q. Now, the bottom of the document Section 17 states a
6 Declaration and Signature of Authorized Representative of
7 Debtor.

8 It says "signed Don Dwyer". Do you see that?

9 A. I do see that, yes.

10 Q. That's Page 4?

11 A. Yeah.

12 Q. And do you recall how you came or how you were
13 appointed to be the authorized representative of the
14 District?

15 A. I believe that there was a vote taken that I would
16 be the one who represented the District in any of the
17 proceedings. Mr. Teague would have that record of proof.

18 Q. And did you authorize your signature to be applied
19 to the Voluntary Petition?

20 A. I'm sure that I did. I have to stand up for a
21 minute. I'll adjust this. I have hip issues and been
22 sitting too long.

23 Q. Mr. Dwyer, I want to circle back to the garages for
24 a just a moment. You mentioned that, I think you
25 mentioned, correct me in I'm wrong, I believe you

1 mentioned in January 2020 the lease with the COA was ended
2 or terminated. Is that correct?

3 A. Yeah, exact timeframe I'm not certain of but it was
4 in that range.

5 Q. And so who is currently leasing the garages, the
6 leasing agent, or is the District leasing to current
7 tenants of the garages, or what is the current structure
8 of the use and lease of those freestanding garages that we
9 were discussing earlier?

10 A. The District is currently not leasing the garages.
11 The garages that are currently leased run through the
12 first of the year and until that lease expires, the
13 District will not assume issuing new leases for those
14 garages.

15 Q. And for those individuals -- are the garages that
16 are not the subject of a lease right now, are there still
17 individuals that are still using those garages?

18 A. That is correct.

19 Q. Are they just carried over from the leases with,
20 the subleases from COA to the users of those garages?

21 A. Hang on. Let me clarify. The freestanding garages
22 that had tenants in them prior to January 1, or January
23 whenever it was we terminated the lease, we agreed to
24 allow them to continue to use the garages through the term
25 of their current lease with the COA.

1 Effective this year those leases will now be
2 written by Mr. Molloy and the District will take
3 responsibility for those garages. That is the current
4 intent.

5 Q. Has there been some discussion with the HOA
6 regarding the transfer or turnover of those garages linked
7 to O&M assessments?

8 A. Yes, there have been multiple conversations.

9 Q. And explain to me the link between O&M assessments
10 and the garages.

11 A. Because there's a maintenance component with
12 whoever is going to take responsibility for the garages;
13 the bigger issue that we've been trying to deal and still
14 don't have a resolution is the issue of the power that is
15 supplied to the garages comes off of the buildings that
16 are owned by the HOA or COA.

17 So essentially right now if we were to take
18 possession of the garages away from the community, they
19 would have every legal right to cut the power off to the
20 garages and now nobody has access. Nobody would have
21 access.

22 That's the reason that we haven't taken any further
23 action at this point.

24 Q. With respect to, there has been certainly many
25 statements regarding the failure to build a waterpark. Is

1 it your belief that the residents have been assessed for a
2 waterpark that hasn't been completed?

3 A. I really don't have an opinion on that right now.

4 Q. Do you have any reason to believe that the
5 residents have been assessed for anything but for what the
6 District still owns?

7 A. I believe that's probably a true statement.

8 Q. Believe it or not I may be pretty close to being
9 done. Let's take 5 minutes.

10 (A brief recess was taken)

11 THE COURT REPORTER: Back on the record.

12 Q. Okay. Mr. Dwyer, during the break did you speak
13 with Mr. Molloy or Mr. Barnes regarding your deposition?

14 A. No. I just asked him if maybe he thought this
15 would be over soon and he said he thought maybe it would
16 be.

17 Q. Yeah, I think so.

18 I just want to circle back on 1 or 2 items. First
19 of all, as a continuation of where we left off, so from
20 2008 to 2015 Judge Jirotko's order confirmed that public
21 improvements -- well, confirmed the special assessments
22 during that term, during that period and the allocation of
23 the assessments. Would you agree?

24 A. Yeah, I believe so.

25 Q. In 2015 we previously discussed the transfer of

1 certain property from the District to the Special Purpose
2 Entity that was established for the benefit of the
3 bondholders; is that correct? Do you recall that?

4 A. Yes.

5 Q. Do you recall that conversation, correct?

6 A. Yes.

7 Q. And I believe, please correct me if I'm wrong, I'm
8 paraphrasing from memory, but your understanding of Judge
9 Jirotko's order was that the 2015 property transfer from
10 the District to the SPE or Special Purpose Entity, that
11 that was the catalyst for his determination that the
12 assessments were in 2015 arbitrary; is that correct?

13 MR. BARNES: Object to form.

14 A. That is pretty much my recollection.

15 Q. And are you aware of any other events that occurred
16 in 2015 or after 2015 that would undermine the assessments
17 or is that solely based upon the 2015 transfer of
18 property?

19 A. I believe it was based on the transfer of property.

20 Q. And so to the extent that the District owned, I
21 won't say next, but the property, the land and
22 improvements prior to 2015 or up to 2015 and the lands and
23 improvements that the District owned after the transfer of
24 the property, to your knowledge were landowners assessed
25 for any improvements that the District did not own after

1 2015?

2 A. I don't know. I don't know the answer to that.

3 Q. And were you aware that in 2015 when the property
4 was transferred from the District to the Special Purpose
5 Entity that Oppenheimer at that time canceled \$2.675
6 million worth of bonds?

7 A. I knew there was a cancellation but I don't know
8 the amount.

9 Q. And do you know the basis for the cancellation
10 amount of \$2.675 million?

11 A. I do not.

12 Q. When the Special Purpose Entity transferred the
13 Flournoy site to Flournoy, were you aware that the
14 bondholders canceled an additional \$11 million, \$11 plus
15 million more than, or approximately \$11 million
16 contemporaneously with that closing?

17 A. I'm not aware of that.

18 Q. You were not aware of that. So you also were not
19 aware that the cancellation of the additional bonds
20 contemporaneously with that sale would serve as a
21 prepayment of debt assessments against the Flournoy
22 parcel?

23 A. I don't know what that translation, I mean
24 transaction looked like. You know, it was a long 5 days
25 in that hearing. I remember there being a lot of

1 documents discussed. I remember a whole lot of
2 conversation about what was paid and what was not paid,
3 and I remember a lot of arguments. But the specifics I
4 don't recall.

5 Q. I think substantively I'm not wrapped up but are
6 there any answers to my questions that you want to change
7 before we close at least my portion of the deposition?

8 A. No, I don't think so.

9 Q. Is there any information that I asked about that
10 you remember now that you didn't recall when I asked the
11 question about earlier?

12 A. The only thing I would say is that if in regards to
13 the bankruptcy, one thing that I do remember and I didn't
14 discuss was that we were -- we as a District, and I'm
15 referring to Mr. Teague specifically, was constantly
16 trying to acquire documents from U.S. Bank regarding the
17 different accounts related to the District.

18 And we kept coming up with nothing from them, while
19 at the same time we were being berated by Fishkind &
20 Associates, along with Gray Robinson, for payment for
21 bills that they were insisting that they were due.

22 My position at that point was that they weren't due
23 them without a review and without an explanation as to
24 what a lot of the charges were for. And that was another
25 part of the basis from my perspective on why to file for

1 bankruptcy.

2 Q. Were you aware that the District, are you aware
3 that the District -- let me rephrase.

4 Are you aware if the District received monthly
5 account statements for each of the accounts of the Trust
6 Estate held at U.S. Bank?

7 A. I do know that they do, but I also know that in
8 each of the annual reviews that we get, the audits, that
9 there's always a finding for lack of detail on the
10 expenditures and it's not the expenditures of the
11 District, it's expenditures on U.S. Bank's bank accounts.

12 And that's what we, and to this date, I don't
13 believe that we ever got an appropriate accounting from
14 U.S. Bank for those expenditures. I could be wrong but
15 that's my recollection.

16 Q. Based on the testimony earlier today regarding the
17 trust indenture, isn't the District obligated to pay
18 trustee fees and expenses?

19 MR. BARNES: Object to the form. Predicate.

20 Q. You can answer, Mr. Dwyer.

21 A. According to the documents, yes, that's what it
22 says.

23 Q. And to your knowledge has the District paid trustee
24 fees and expenses associated with -- or let me end it
25 there. Period, question mark.

1 A. (No response).

2 Q. Are you aware of the District having paid trustee
3 fees and expenses without the trustee having to draw from
4 the Trust Estate?

5 A. I'm not aware.

6 Q. Are you aware that the District is in default under
7 its obligations under the Trust Indenture?

8 MR. MOLLOY: Object to the form. Calls for a legal
9 conclusion.

10 Q. I'm sorry, Mr. Dwyer.

11 A. I said I have heard that.

12 Q. And to the extent that the trustee has incurred
13 fees and expenses associated with events of the default --
14 strike that question.

15 Would you agree that to the extent that if the
16 District were to fund the trustee's fees and expenses
17 incurred to date in relation to any events of default,
18 that those monies would be deposited into the Trust
19 Estate?

20 MR. BARNES: Object to the form.

21 A. I don't have an opinion.

22 Q. So I'm going to use an example. If the trustee
23 pulls \$10 out of the Trust Estate to fund trustee fees and
24 expenses associated with events of default, that the
25 District is obligated to replenish the \$10 drawn from the

1 Trust Estate, correct?

2 MR. BARNES: Object to the form.

3 MR. MOLLOY: Object. Assumes fact not in evidence.

4 Q. Mr. Dwyer, I think you said yes but you got stepped
5 on.

6 A. Can you repeat the question again. I'm getting
7 tired.

8 Q. So if \$10 was withdrawn from the Trust Estate in
9 order for the trustee to fund fees and expenses associated
10 with any events of default by the District, the documents
11 provide that the District will then deposit that \$10 back
12 in the Trust Estate, correct?

13 MR. MOLLOY: Same objection.

14 A. The document does say that.

15 Q. So if the trustee provides you an accounting of
16 trustee fees and expenses incurred by the trustee since
17 events of defaults have occurred in relation to the bonds,
18 will you agree to, or as a member of the Board of
19 Supervisors would you support levying an assessment in
20 order to fund those trustee fees and expenses and
21 redeposit the money back into the Trust Estate?

22 MR. MOLLOY: Objection. Facts not established and
23 calls for a conclusion.

24 MR. CRUMBAKER: I'm asking for whether he would
25 support it.

1 A. That is a Board decision, not mine.

2 Q. You understand there are 5 members of the Board of
3 Supervisors, and that it's 5 by majority vote. I'm asking
4 whether you, Don Dwyer, would support it?

5 MR. BARNES: Object to the form. Predicate.
6 Foundation.

7 A. At this point I don't have an opinion. I would
8 definitely want to talk to counsel about that and
9 understand what our legal rights are regarding not paying
10 those fees.

11 Q. Are there any documents not discussed or produced
12 today, and we'll deal with production later, that you
13 believe are relevant to the matters we have discussed
14 today?

15 A. Brian, I'm telling you, I think you got everything
16 you want and if you want that hard drive, I will be glad
17 to give it to you. It's a ZIP drive with over 10,000
18 documents in it.

19 Q. Up to today have you destroyed any documents to
20 your knowledge or recollection?

21 A. Have not. Have not.

22 MR. CRUMBAKER: I will adjourn my portion of the
23 deposition with the right to recall whenever -- Dan, off
24 the record we can have a quick conversation regarding
25 production of documents and whether it's complete but

1 subject to the right of recall, I'll turn it over to Mr.
2 Molloy.

3 MR. MOLLOY: I have no questions of this witness.

4 MR. BARNES: I don't have any questions now but I
5 do reserve the right to recall Mr. Dwyer if necessary.

6 MR. CRUMBAKER: I believe we are done.

7 THE COURT REPORTER: Do you want to read or waive
8 if this gets typed?

9 MR. MOLLOY: I'm going to let Bruce take this one,
10 I think.

11 MR. BARNES: Mr. Dwyer, when assuming this
12 deposition gets transcribed, you have the right to read
13 through the transcript and there are some pages where if
14 you want to change an answer, elaborate on an answer,
15 clarify an answer, you have the right to do that, as
16 opposed to waiving that right.

17 A. I'm sorry. It cut out right in the middle of what
18 Bruce was saying.

19 MR. BARNES: Can you hear me okay now?

20 A. Now I can hear you. I heard you say that -- it got
21 to the part where the transcript will be produced and that
22 there are certain pages and then it cut out.

23 MR. BARNES: Assuming the transcript gets
24 generated, you have the right to before your deposition
25 gets finalized, you have the right to read through that

1 testimony and then there are pages where if you want to
2 make a change to your testimony, modify your testimony,
3 clarify your testimony, you have a right to do that.

4 A. Thank you.

5 MR. BARNES: So it's your decision whether you go
6 ahead and reserve that right or you waive that right.

7 A. No, I would like to reserve.

8 THE COURT REPORTER: Very good.

9 MR. CRUMBAKER: Housekeeping, if I can use your
10 Zoom.

11 S T I P U L A T I O N

12 It was stated by the witness that the exercise of
13 reading and signing the deposition testimony would not be
14 waived.

15

16 (Whereupon the taking of the deposition
17 adjourned at 2:30 PM).

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CERTIFICATE OF OATH

STATE OF FLORIDA

COUNTY OF PINELLAS

I, the undersigned notary authority, certify
that THE WITNESS in the aforesaid proceedings personally
appeared before me and was duly sworn under oath.

WITNESS my hand and official seal this 9th day
of September 2020.



CYNTHIA A. CIANCIOLO
Notary Public, State of Florida
Commission No. GG 172623
Expires: 2/28/22

1 CERTIFICATE OF REPORTER
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7 I, Cynthia A. Cianciolo, Court Reporter, Notary
8 Public for the State of Florida at large, do hereby
9 certify I stenographically reported the proceedings at
the time and place so indicated and that my notes were
hereinafter reduced to a computer-generated transcript.

10 I further certify that I am not an employee or
11 relative of any of the parties and am not an employee or
12 relative of either counsel, and further certify that I
am not financially interested in the outcome of this
litigation.

13 I hereby affix my signature this 18th day of
14 September 2020, in Tampa, Hillsborough County, Florida.

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CYNTHIA A. CIANCIOLO
Court Reporter

1 CORRECTIONS AND AMENDMENTS

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1 I HAVE READ THE FOREGOING TRANSCRIPT OF
2 DEPOSITION OR PROCEEDINGS AND EXCEPT FOR ANY CORRECTIONS
3 AND/OR AMENDMENTS APPENDED HERETO, AND UNDER PENALTY OF
4 PERJURY, I HEREBY SUBSCRIBE TO THE TRANSCRIPT AS AN
5 ACCURATE RECORD OF THE TESTIMONY.

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10 _____
SIGNATURE OF DONALD DWYER

11

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17 RETURN TO CYNTHIA A. CIANCIOLO, COURT REPORTER

18

19 DATE: 9/10/20

20 CASE STYLE: Grand Venezia

21 WITNESS: Donald Dwyer

22

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25

Holland & Knight

701 Brickell Avenue, Suite 3300 | Miami, FL 33131 | T 305.374.8500 | F 305.789.7799
Holland & Knight LLP | www.hklaw.com

April 25, 2019

Via E-Mail (dan@mjlaw.us)
and Overnight Mail

EXHIBIT V

Mr. Dan Molloy
Molloy & James
325 South Boulevard
Tampa, Florida 33606-2150

Re: Clearwater Cay Community Development District
Access to and Use of Bond Funded Land and Improvements

Mr. Molloy:

The undersigned is legal counsel to U.S. Bank National Association, the trustee (the "Trustee") for the holders of the District's Capital Improvement Revenue Bonds, Series 2006A (the "Series 2006 Bonds"). It has recently been brought to our attention that the Clearwater Cay Community Development District (the "District") and its Board Supervisors (the "Board") (i) may directly or indirectly be restricting public access to lands and improvements acquired and maintained using public funds; and (ii) may have ceded control of the District owned garages to the Grand Venezia Condominium Association (the "GVCOA"), who in turn, we understand, may be leasing the garages to residents/owners of the GVCOA only and retaining lease revenues generated therefrom. The purpose of this letter is, in part, to demand the District and its Board immediately cease and desist from restricting access to the Bond Funded Land and Improvements (hereinafter defined) and reassert control of the garages for use and enjoyment by the general public.

As you are well aware, the District used proceeds from its sale of the Series 2005 BAN, subsequently refunded using proceeds from its sale of the Series 2006A Bonds,¹ to acquire one hundred percent (100%) of the land and improvements the District presently owns behind and in front of the GVCOA gate (the "Bond Funded Land and Improvements").² Further, the District is annually levying and collecting special assessments on *all* real property within the boundary of the District – including real property owned by FDC Clearwater SPE, LLC, Harbourside Grande Crossings, LLC, and TIA Property Holdings, Inc. – to fund the District's ongoing maintenance of the Bond Funded Land and Improvements. Finally, the public nature of the Bond Funded Land and Improvements and the prohibition upon the District being able to restrict, either directly or

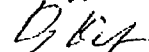
¹ \$30,650,000 Bond Anticipation Notes, Series 2005, and \$33,840,000 Capital Improvement Revenue Bonds, Series 2006A, respectively.

² Upon information and belief based on the *Amended and Restated Engineer's Report for Master Infrastructure*, dated November 28, 2005, as amended and restated October 2006, and the *Adopted Master Assessment Methodology*, dated December 7, 2005, as supplemented by the *Supplemental Assessment Methodology for the Series 2006 Bonds*, dated November 8, 2006, the District acquired the Bond Funded Land and Improvements for \$10,876,340.30 (\$8,097,115.30 for land and \$2,779,225.00 for improvements), not including financing costs.

indirectly the use of such land by the general public was acknowledged by and covenanted to contemporaneously with the District's sale of its Series 2005 BAN and Series 2006A Bonds as described in Attachment A hereto. Inarguably, the Bond Funded Land and Improvements are *public* and, therefore, open to the *general public*.³

In the event the District is involved in the actions described in the first paragraph of this letter, we, on behalf of U.S. Bank National Association, in its capacity as indenture trustee for the Series 2006A Bonds, demand: (i) the District immediately cease from restricting or enabling the restriction of access to the Bond Funded Land and Improvements and reassert control of the garages for use and enjoyment by the general public; and (ii) that the District immediately pursue disgorgement of all lease revenues the GVCOA received *via* its leasing of Bond Funded Land and Improvements and deposit same into the trust estate for the Series 2006A Bonds. Should the District fail to comply with the forgoing demands, or should interest on the Series 2006A Bonds ever be deemed by the Internal Revenue Service as taxable income on the basis of the District's loss of control and/or non-conforming use of such lands and improvement, the Trustee, in consultation with the owners of the Series 2006A Bonds, will explore the pursuit of any rights and remedies it may have under the financing documents for the Series 2006A Bonds and the law.

Sincerely,


Douglas F. Darbut

CC: Chris Gehman, Trustee for the Series 2006A Bonds
Brian Crumbaker, Counsel for Oppenheimer
Scott Steady, Counsel for FDC Clearwater SPE, LLC

³ This underscores the fallacy of repeated statements of certain members of the Board and representatives of the GVCOA that the condominium units do not derive any benefit from the Bond Funded Land and Improvements – *while ignoring* the inconvenient truths that the District (i) acquired the land and improvements within and outside of the gated entrance to Grand Venezia using proceeds from the sale of the Series 2006A Bonds; (ii) maintains the land and improvements using public monies derived from special assessments levied on real property outside the gated entrance to Grand Venezia; and (iii) prevents the general public, including residents and landowners outside the gated entrance to Grand Venezia to use and enjoy the Bond Funding Land and Improvements.

ATTACHMENT A
FINANCING DOCUMENT PROVISIONS REGARDING THE
STATUS AND USE OF BOND FUNDED LAND AND IMPROVEMENTS

Section 809 of the Master Trust Indenture - Arbitrage and Other Tax Covenants.

"The District hereby covenants that it will not take any action, and will not fail to take any action, which action or failure would cause the Tax Exempt Bonds to become "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986. The District further covenants that it will take all such actions after delivery of any Tax Exempt Bonds as may be required in order for interest on such Tax Exempt Bonds to remain excludable from gross income (as defined in Section 61 of the Internal Revenue Code of 1986) of the Owners. Without limiting the generality of the foregoing, the District hereby covenants that it will, to the extent not remitted by the Trustee, remit to the United States the Rebate Amount at the time and place required by this Master Indenture and any Supplemental Indenture." (Emphasis added).

Section 5 of the Federal Tax Certificate – Use of Bond-Financed Facilities⁴

(a) The District has covenanted in the Indenture that it shall not take or permit any action or fail to take any action which would cause the Series 2006 Bonds to be classified as "private activity bonds" within the meaning of section 141 (a) of the Code.

(b) All of the Series 2006 Project will be owned and operated by governmental units throughout the term of the Series 2006 Bonds and any refinancings thereof, and will be used only for "essential governmental functions" within the meaning of section 141 (c)(2)(A) of the Code. Areas of the Series 2006 Project that are available for use by residents will be reasonably available for use by all members of the general public (including nonresidents) on a nondiscriminatory basis. The District will not lease or give priority rights to use any portion of the Series 2006 Project to any nongovernmental person, and will not enter into a management contract or similar arrangement with any nongovernmental person with respect to any portion of the Series 2006 Project during the term of the Series 2006 Bonds and any refinancings thereof unless the contract satisfies the safe harbor requirements of Revenue Procedure 97-13.

(d) If an action is taken that would (absent remedial action) cause the Series 2006 Bonds to be treated as private activity bonds (within the meaning of Section 141 of the Code), the District will take remedial action under 26 CFR § 1.141 -12 to the extent necessary to preserve the exclusion from gross income of interest on the Series 2006 Bonds.

(emphasis added).

#67348108v2

⁴ The cited provision is from the Federal Tax Certificate for the Series 2006A Bonds; however, the Federal Tax Certificate for the Series 2005 BAN, which remains binding on the District, includes the same provision.

Filing # 38807811 E-Filed 03/09/2016 02:22:20 PM

IN THE SIXTH JUDICIAL CIRCUIT
IN AND FOR PINELLAS COUNTY, FLORIDA

GRAND VENEZIA COA, INC.,

Plaintiff,

vs.

CASE NO. 16-_____

CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT, OPPENHEIMER
ROCHESTER AMT-FREE MUNICIPAL FUND,
OPPENHEIMER ROCHESTER HIGH YIELD
MUNICIPAL FUND, OFI GLOBAL ASSET
MANAGEMENT, INC., and
OPPENHEIMERFUNDS, INC.,

Defendants.

COMPLAINT

Plaintiff, GRAND VENEZIA COA, INC., sues Defendants, CLEARWATER CAY
COMMUNITY DEVELOPMENT DISTRICT, OPPENHEIMER ROCHESTER AMT-FREE
MUNICIPAL FUND, OPPENHEIMER ROCHESTER HIGH YIELD MUNICIPAL FUND, OFI
GLOBAL ASSET MANAGEMENT, INC., and OPPENHEIMERFUNDS, INC., and states:

1. This is an action for damages and other relief wherein the amount at stake exceeds the sum of \$15,000.00.

2. Plaintiff, GRAND VENEZIA COA, INC. ("Grand Venezia"), is the condominium association for that condominium project located in Pinellas County, Florida, and commonly referred to as "The Grand Venezia at Baywatch."

3. Grand Venezia brings this action on behalf of the condominium association for The Grand Venezia at Baywatch and also on behalf of all unit owners in The Grand Venezia at Baywatch.

4. Clearwater Cay Community Development District (hereinafter the “CDD”) holds itself out as a special-purpose government organized under Chapter 190 of the Florida Statutes.

5. The Oppenheimer Rochester AMT-Free Municipal Fund and the Oppenheimer Rochester High Yield Municipal Fund (sometimes collectively referred to as the “Oppenheimer Funds”) are mutual funds created through registered management investment companies.

6. OFI Global Asset Management, Inc., acts as the Manager and Investment Advisor of the two Oppenheimer Mutual Funds.

7. OppenheimerFunds, Inc., acts as the sub-adviser for the Oppenheimer Funds.

8. Oppenheimer Rochester AMT-Free Municipal Fund, Oppenheimer Rochester High Yield Municipal Fund, OFI Global Asset Management, Inc., and OppenheimerFunds, Inc., will sometimes collectively be referred to as “Oppenheimer.”

9. As set forth more fully below, the Oppenheimer Funds are the owners of bonds issued by the CDD, and unit owners in the Grand Venezia are being assessed by the CDD, primarily for the purpose of providing a source of revenues for the partial repayment of the bonds.

10. With respect to the CDD, as codified in Chapter 190 of the Florida Statutes, the Legislature enacted a statutory scheme whereby special purpose community development districts could be created, primarily for the purpose of providing the means to finance and construct infrastructure in proposed developments.

11. The financing of infrastructure in community development districts is typically done through the issuance of bonds, which generally enjoy a tax free status in the same

vein as municipal bonds.

12. The CDD is not functioning as a legitimate community development district, and therefore the Grand Venezia seeks to have the CDD dissolved or otherwise contracted such that the unit owners in the Grand Venezia are no longer burdened with special assessments levied by the CDD.

13. Digressing, in 2004, F. Davis Clark, Jr. ("Clark"), together with one or more other individuals, began forming various limited liability companies that did business under the umbrella name "Cay Clubs."

14. Cay Clubs held itself out as a developer of "five star resorts."

15. At all material times, Clark controlled various Cay Clubs' related limited liability companies.

16. In late 2004, Cay Clubs began marketing its first project, which it referred to as "Clearwater Cay Club."

17. Clearwater Cay Club primarily consisted of the 336 units in The Grand Venezia at Baywatch.

18. The Grand Venezia is located in Clearwater, Florida, to the east of U.S. 19 and off of Belleair Road.

19. Notwithstanding the fact that the City of Clearwater did not allow short term rentals at the Grand Venezia complex, Cay Clubs marketed Clearwater Cay Club as a resort style condominium hotel.

20. Although Clark was held out as a successful developer, long before he created the Cay Clubs' entities, he was actually a failed developer with many millions of dollars in judgments outstanding against him.

21. Clark and the Cay Clubs entities he controlled did not have the financial wherewithal to acquire the Grand Venezia apartment complex.

22. Instead, in late 2004, the Grand Venezia apartment complex was acquired by an affiliate of the "Sunvest" companies.

23. The Sunvest entity that acquired the Grand Venezia complex and Cay Clubs entered into a takedown and option agreement whereby Cay Clubs agreed to purchase the units in the Grand Venezia from Sunvest over time at predetermined prices.

24. Thereafter, Clark and Cay Clubs caused the Grand Venezia apartment complex to be converted into a condominium.

25. Beginning in late 2004 and continuing thereafter, Cay Clubs engaged in a pernicious fraudulent flipping scheme whereby Cay Clubs, using the funds of buyers and their lenders, would acquire a unit from the Sunvest affiliate and then contemporaneously deed the unit to unsuspecting buyers at artificially inflated prices.

26. As a part of this fraudulent scheme, Cay Clubs marketed Clearwater Cay Club as a "destination resort" that would one day have a water park, high end retail, a convention center and other amenities that supposedly would be constructed on commercial parcels situated between U.S. Highway 19 and the Grand Venezia complex.

27. In boasting about how the amenities would be constructed on the commercial parcels, Cay Clubs informed the prospective buyers that it was Cay Clubs' plan to have a community development district created in conjunction with the grandiose scheme.

28. The creation of a community development district would, according to Cay Clubs, help to facilitate the construction of the proposed high end amenities.

29. On or about March 1, 2005, a Cay Clubs' entity, DC703, LLC ("DC703"), filed with the City of Clearwater a Petition to Establish the Clearwater Cay Community Development District.

30. A Supplemental Petition for Establishment of Clearwater Cay Community Development District was submitted to the City on or about June 17, 2005.

31. By City of Clearwater Ordinance No. 7515-05, passed on September 15, 2005, Clearwater Cay Community Development District was created.

32. At all material times in the earlier years, the CDD was controlled by individuals affiliated with Clark and Cay Clubs.

33. Community developments districts are governed by a Board of Supervisors.

34. Even though Clark was not a member of the Board of Supervisors, he nevertheless controlled the CDD in that the Board members were handpicked by Clark and all were affiliated with Cay Clubs.

35. Effective December 6, 2005, Prager, Sealy & Company, LLC, a securities brokerage firm, generated a Limited Offering Memorandum in connection with a \$30,650,000 Bond Anticipation Notes offering for the CDD.

36. The notes were scheduled to come due on December 1, 2006.

37. Upon information and belief, it was one or more of the Oppenheimer Funds that funded the initial offering.

38. With the funding in place, on December 14, 2005, the CDD entered into an Acquisition Agreement with various Cay Clubs' limited liability companies, including DC703.

39. Cay Clubs' related entities that were parties to the Acquisition Agreement with the CDD held title to commercial parcels in proximity to the Grand Venezia complex.

40. In addition to the commercial parcels that were the subject of the Acquisition Agreement, it was further contemplated that the CDD would acquire certain real property within the Grand Venezia complex.

41. With regard to the real property located within the Grand Venezia that was to be acquired by the CDD, those lands were not even owned by any Cay Clubs' entity at that time.

42. Instead, the lands were actually owned by Grand Venezia Clearwater, LLC, the Sunvest related entity that acquired the entire Grand Venezia complex in or about September of 2004.

43. Notwithstanding the fact that the Acquisition Agreement was entered into on December 14, 2005, the closing on the commercial properties and the lands within the Grand Venezia transpired on December 14, 2005, as well.

44. Out of the \$30,650,000 notes offering, some \$20,366,000 was disbursed in conjunction with the sales of the real property from the Cay Clubs' entities to the Cay Clubs' controlled CDD.

45. With respect to the lands within the Grand Venezia that were acquired by the CDD, bond proceeds were disbursed to the Sunvest affiliate in exchange for a deed to Cay Clubs (more particularly, DC703), which, in turn, contemporaneously flipped the real property within the Grand Venezia to the CDD.

46. The real property within the Grand Venezia that was contemporaneously flipped to the CDD consisted of roadways, parking areas and the like.

47. The legal description for the lands lying within Grand Venezia that were deeded to the CDD is set forth in Exhibit A attached hereto.

48. As previously noted, the initial bond anticipation notes were scheduled to come due in December of 2006.

49. The CDD, with the assistance of Prager, Sealy and Oppenheimer, moved forward on a subsequent bond deal for the purpose of refinancing the 2005 notes.

50. To that end, on or about May 24, 2006, in the case styled *Clearwater Cay Community Development District v. The State of Florida, et al.*, Case No. 06-3632-CI, in the Circuit Court of the Sixth Judicial Circuit in and for Pinellas County, Florida, the CDD filed a complaint for the purpose of having the CDD bonds validated.

51. By Order on Motions and Final Judgment entered by The Honorable Mark I. Shames, the bonds for the CDD were validated.

52. The CDD, with the assistance of Prager, Sealy, then proceeded with the bond offering.

53. Effective November, 2006, Prager, Sealy generated its Limited Offering Memorandum in connection with a \$33,840,000 Capital Improvement Revenue Bonds Series 2006A, for the CDD.

54. In connection with both offerings, the CDD went through a process and methodology whereby, *inter alia*, unit owners in the Grand Venezia were assessed by the CDD, which assessments were primarily geared to provide revenue to the CDD for the purpose of making debt service payments on the bonds.

55. Even though the units in the Grand Venezia were and are burdened by virtue of the assessments levied by the CDD on the units, the actual Grand Venezia condominium units themselves are not even technically located within the CDD.

56. At no time were the lands on which the buildings in the Grand Venezia are located were ever owned by the CDD.

57. The \$33,840,000 bond offering closed shortly after the November 8, 2006, Limited Offering Memorandum was generated.

58. The bonds do not mature until May 1, 2037.

59. The Oppenheimer Funds were the purchasers of the bonds.

60. The assessment methodology previously referenced resulted in each unit in the Grand Venezia potentially being burdened over the years with many tens of thousands of dollars in special assessments, which special assessments do virtually nothing but provide a funding mechanism for bond debt service payments.

61. Collectively, the unit owners in the Grand Venezia have paid millions of dollars in special assessments, with no corresponding benefits that have been conferred or will be conferred on the unit owners.

62. The unit owners in the Grand Venezia continue to be assessed between \$1,400 and \$1,500 (or even more) per year by the CDD.

63. Although the CDD exists on paper, it has not been functioning as a legitimate community development district.

64. As previously alleged, Clark controlled the CDD through his handpicked Board of Supervisors.

65. Eventually, the Cay Clubs' "house of cards" fell, and thereafter Clark fled the country.

66. Clark eventually was apprehended in a foreign country and was recently sentenced to 40 years in federal prison as a result of his conviction on bank fraud charges arising

out of the Cay Clubs' scam he masterminded.

67. Clark's cronies on the CDD Board of Supervisors eventually resigned.

68. Thereafter, individuals who had no connection to Cay Clubs became members of the Board of Supervisors of the CDD.

69. At no time – either while Clark controlled the CDD or thereafter – did the CDD secure a development permit from the City of Clearwater.

70. No public purpose is being served by the CDD.

71. Again, the CDD is not conferring any benefits on the unit owners in the Grand Venezia.

72. On January 27, 2015, and thereafter, the Grand Venezia demanded that the CDD no longer assess the units in the complex, as no benefits had been conferred on the unit owners as a result of the assessments and no legitimate community development district was functioning.

73. The CDD refused that demand.

74. Demand was further made on Oppenheimer during 2015 to acquiesce to the notion that the CDD stop assessing the units in the Grand Venezia.

75. Oppenheimer refused that demand.

76. Thus, as it now stands, unit owners in the Grand Venezia continue to be burdened with the CDD assessments, without any justification.

COUNT I – STATUTORY CLAIM

77. This is a claim for statutory relief pursuant to Section 190.046 of the Florida Statutes.

78. Grand Venezia realleges paragraphs 1 through 76 above.

79. Pursuant to Section 190.046(7) of the Florida Statutes, in the event no development permit has been secured within five years after the creation of a community development district, “then the district will be automatically dissolved and a judge of a circuit court shall cause a statement to that effect be filed in the public records.”

80. No development permit was ever procured.

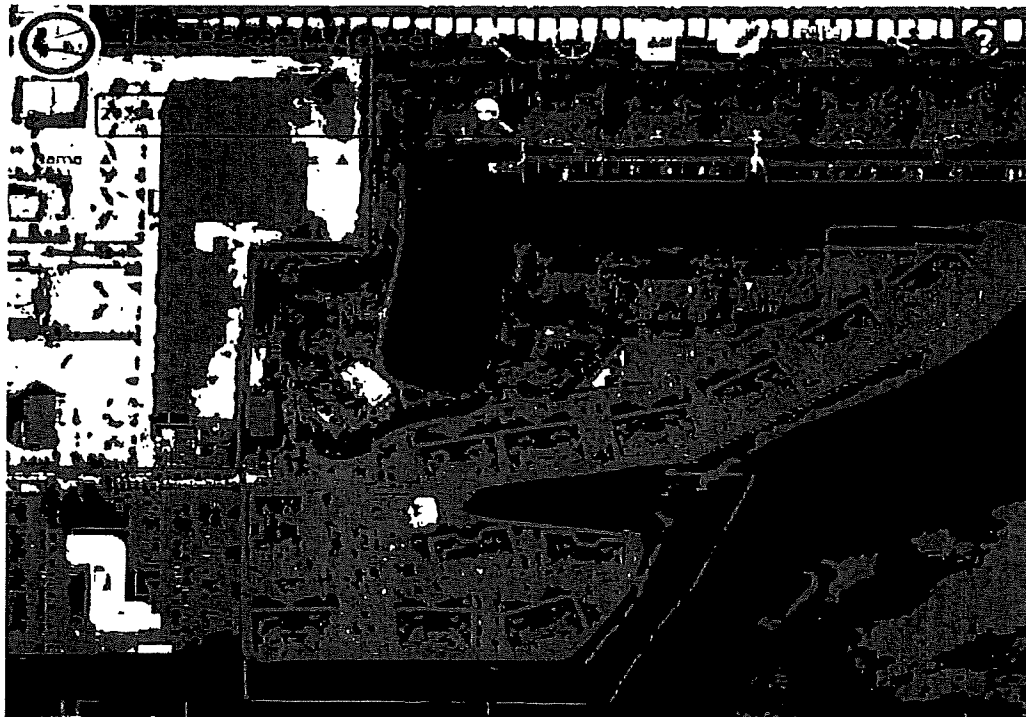
81. Moreover, the CDD is not functioning as a legitimate community development district.

82. From its inception forward, the CDD was a “hodgepodge” of commercial parcels and the lands within the Grand Venezia that consisted of roadways, parking areas and the like.

83. At the present, the CDD does not remotely resemble a viable community development district. In fact, in 2015, commercial lands that previously had been owned by the CDD were deeded to Clearwater Cay Holdings, LLC, an Oppenheimer owned and controlled entity.

84. Thus, that the CDD has spun off commercial parcels to Oppenheimer is further evidence of the fact that the CDD does not function as a community development district and has no reason to exist.

85. The CDD now consists only of a parking area adjoining a commercial building adjacent to the Grand Venezia and the roadways, parking areas and the like within the Grand Venezia complex, which are depicted as follows:



86. Regardless, inasmuch as no development permit was procured, the CDD should have been deemed “automatically dissolved” at the time the CDD failed to comply with Section 190.046(7) of the Florida Statutes.

87. Oppenheimer has an interest in this matter in that, as previously noted, the Oppenheimer Funds hold the CDD bonds.

WHEREFORE, the Grand Venezia respectfully requests that this Honorable Court declare that the CDD be dissolved and that a statement to that effect be filed in the public records of Pinellas County, Florida. The Grand Venezia further prays that the lands within the Grand Venezia which are technically titled in the name of the CDD and more particularly described on Exhibit A be deemed vested in the name of the Grand Venezia. The Grand Venezia further requests that it be awarded costs and such other relief as the Court deems appropriate.

COUNT II –DISGORGEMENT

88. Grand Venezia realleges paragraphs 1 through 76 above.

89. This is an action for disgorgement.

90. The Grand Venezia unit owners have conferred benefits on both the CDD and the Oppenheimer Funds with regard to previously paid assessments.

91. Not only did the CDD and the Oppenheimer Funds voluntarily accept those benefits, they required that the benefits be paid, without justification.

92. The circumstances are such that it would be inequitable for the CDD and the Oppenheimer Funds to retain the benefits without disgorging those benefits to the Grand Venezia.

93. The CDD continued to assess Grand Venezia unit owners, notwithstanding the fact that the CDD and its agents knew that the CDD should have been dissolved years ago,

whether automatically, voluntarily or otherwise.

94. As set forth more particularly in Count I, the CDD failed to comply with the statutory requirements of Section 190.046(7) of the Florida Statutes in that no development permit was procured by the CDD.

95. Oppenheimer, a multi-billion dollar financial services company, was well aware of the risks associated with the funding of community development district bonds.

96. In the event a community development district ceases to exist, there is no vehicle for the assessments to be made.

97. Oppenheimer fully recognized that, in the event the CDD failed to comply with statutory requirements, there existed the potential for an inability to collect assessments.

98. More particularly, the November 8, 2006, offering memorandum generated by Prager, Sealy, on page 15, specifically noted:

The 2006 Assessments securing the 2006 Bonds will be payable in annual installments. The determination, order, levy and collection of 2006 Assessments must be done in compliance with procedural requirements and guidelines provided by State law. **Failure by the District** or the Tax Collector or the Property Appraiser to comply with such requirements could result in delays in the collection of, or the **complete inability** to collect, 2006 Assessments during any year. Such delays in the collection of, or complete inability to collect, 2006 Assessments could have a material adverse effect on the ability of the District to make full or punctual payment of Debt Service on the 2006 Bonds. (emphasis added)

99. As used in the offering memorandum, the “2006 Assessments” refer to all assessment that would be levied by the CDD (a/k/a the “District”), from the issuance of the bonds forward.

100. Over the years, after the CDD should have been dissolved but was not, the Grand Venezia unit owners were assessed and paid millions of dollars in assessments.

101. Again, both the CDD and Oppenheimer reaped the benefits of those unlawfully charged and paid assessments.

WHEREFORE, the Grand Venezia demands judgment against the CDD and the Oppenheimer Funds, jointly and severally, for the assessments paid by the Grand Venezia unit owners during whatever period the Court deems appropriate, together with costs of this action and such further relief as the Court deems appropriate.

COUNT III – DECLARATORY ACTION

102. This is an action for declaratory relief that is in the alternative to the relief set forth in Counts I and II.

103. Grand Venezia realleges paragraphs 1 through 76 above.

104. As previously alleged, it is the position of Grand Venezia that, as a result of the CDD's failure to comply with Section 190.046(7) of the Florida Statutes, this CDD should be deemed "automatically dissolved."

105. Accordingly, it is the position of the Grand Venezia that the CDD effectively does not exist, and, consequently, has no power to assess units in the Grand Venezia.

106. Notwithstanding these positions and without waiving the same, the Grand Venezia alternatively requests declaratory relief in this Count III.

107. With regard to the Grand Venezia, on one side, and the CDD and Oppenheimer on the other, there is a bona fide, actual, present and practical need for a judicial declaration relative to the parties' rights and interests.

108. There is a present, ascertained and/or ascertainable state of facts or present controversy as to the present facts.

109. The powers, privileges and rights of the parties depend on the facts and/or the law that applies to the facts.

110. The parties, collectively, have actual, present, adverse and antagonistic interests in the subject matter.

111. All persons with adverse and antagonistic interests are before the Court.

112. The declaratory relief sought by Grand Venezia is not in the nature of mere legal advice.

113. In pertinent part, Section 190.021 of the Florida Statutes provides:

(2) BENEFIT SPECIAL ASSESSMENTS.—The board (referring to a Board of Supervisors of a community development district) shall annually determine, order, and levy the annual installment of the total benefit special assessments for bonds issued and related expenses to finance district facilities and projects which are levied under this act.

...
These benefit special assessments shall be a lien on the property against which assessed until paid and shall be enforceable in like manner as county taxes.

114. It is the position of Grand Venezia that the CDD must justify each and every annual assessment, and each assessment must bear a reasonable relationship to the benefits conferred and to be conferred on the burdened unit owners as a result of the assessment.

115. It is the position of the CDD and Oppenheimer that there is no need to justify the dollar amounts of the assessments or otherwise demonstrate how any benefits have been conferred or will be conferred as a result of the assessments.

116. The Grand Venezia seeks to have this Honorable Court declare that no assessments should be levied on the Grand Venezia unit owners going forward.

117. The Grand Venezia further seeks to have this Honorable Court declare that the unit owners in the Grand Venezia have been improperly assessed in the past.

118. The Grand Venezia further seeks to have this Honorable Court declare that the CDD and Oppenheimer be required to disgorge the assessments paid by the Grand Venezia unit owners, given the fact that there was never any justification for those assessments.

119. The Grand Venezia further seeks to have this Honorable Court declare that the lands within the Grand Venezia complex that are titled in the name of the CDD should instead vest in the Grand Venezia unit owners, whether through the condominium association or otherwise.

WHEREFORE, the Grand Venezia requests the above-referenced declaratory relief, together with costs of this action and such further relief as this Court deems appropriate.

s/ Bruce W. Barnes
Bruce W. Barnes
BRUCE W. BARNES, P.A.
100 Main Street, Suite 204
Safety Harbor, FL 34695
(727) 726-1444; Facsimile (727) 726-1814
Primary Email: bwbarnes@tampabay.rr.com
Secondary Email: dmtaylor@tampabay.rr.com
Counsel for Plaintiff
Florida Bar No. 503312/SPN 02234599

andersonlaneinc.

INNOVATIVE SITE DESIGN

July 23, 2020

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

Re: Vue at Belleair
ALI Job No. 20006

Mr. Clark:

The following information is provided in reference to the apartment project completed in 2019, known as The VUE at Belleair (f.k.a. Clearwater Cay Apartments). I, Cole Y. Lane, P.E.; was retained by the developer (FDC Clearwater SPE, LLC) to be the Engineer of Record for the project. My primary responsibility was for design, permitting and certification as related to layout, paving, grading, utilities and drainage of the project.

The project's drainage design was reviewed and permitted by both the City of Clearwater and the Southwest Florida Water Management District (SWFWMD) in order to meet local and state stormwater criteria. The project is designed to collect and convey stormwater runoff from the development into two on-site ponds where treatment occurs. From the ponds, the stormwater is then discharged into the City maintained culverts that are within the adjacent Grand Bellagio property within an easement granted to the City. Since the VUE's stormwater system is on-site it is not reliant on any ponds or infrastructure provided by the Clearwater Cay CDD. As part of the City criteria the VUE's management company was required to provide a signed letter acknowledging that the on-site ponds and stormwater ponds are required to be self-maintained.

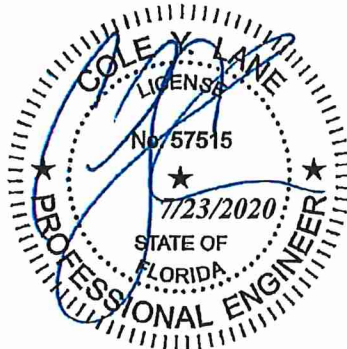
Attached for reference are the following:

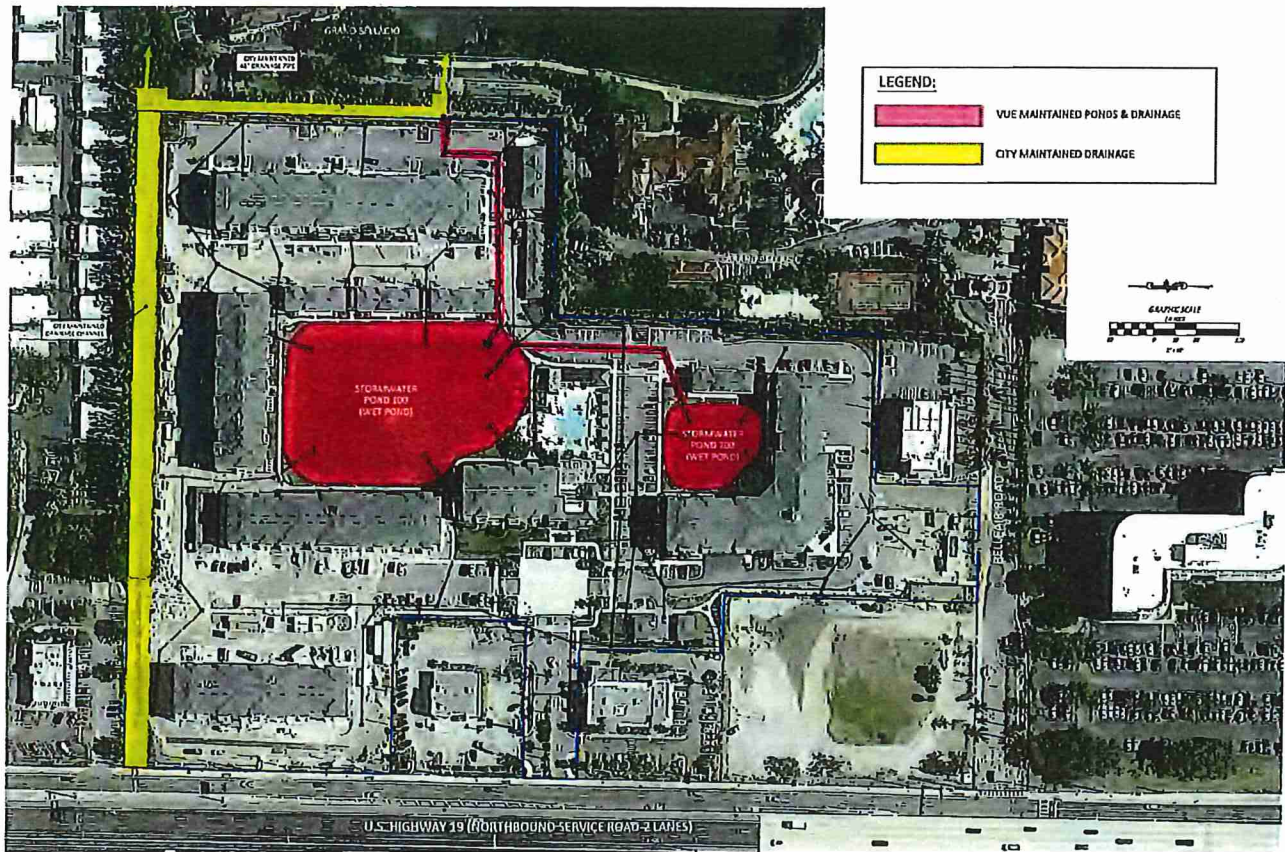
- Drainage Exhibit – highlights the stormwater ponds and pipes owned and maintained by the VUE as well as the City of Clearwater owned culverts
- Copy of the Signed Letter from the VUE Property Manager – acknowledges responsibility for operation and maintenance of the stormwater ponds and connected drainage system
- Copy of SWFWMD Transfer to Operation Phase – letter which confirms the project was constructed in compliance with the permit, approved drawings and drainage design calculations
- Copy of City of Clearwater Conditions – letter which confirms there are no remaining conditions open related to stormwater

If you have any questions, please do not hesitate to contact me at or (727) 797-5050 extension 221 or clane@andersonlaneinc.com.

Sincerely,

Coley Y. Lane, P.E. #57515
Vice President





VUE AT BELLEAIR DRAINAGE EXHIBIT

andersonlane inc.
INNOVATIVE SITE DESIGN
2004 MACALISTER ROAD, SUITE 100, ST. LOUIS, MO 63105
PH: 314.774.0000 | FAX: 314.774.0000



May 30, 2019

City of Clearwater

100 S. Myrtle Avenue

Clearwater, FL 33756

Re: The Vue at Belleair (f.k.a. Clearwater Cay)

BCP2016-07191

1551 Flournoy Circle

ALI Job No. 15003

To whom It may concern:

This letter is to serve as confirmation that I, Yvonne Shea, am the property manager for the recently completed VUE at Belleair luxury apartments. As property manager I am responsible for operations and maintenance of the property which include the stormwater ponds and the connected drainage system. We understand that the ponds and drainage system need to be periodically inspected and may require maintenance at times. Anderson Lane, the Engineer of Record for the project, has provided the attached as a general guideline. Please accept this letter as our acknowledgement that we have received and accepted the Maintenance Schedule and Procedures provided.

If I can be of any further assistance, please do not hesitate to contact me at (727) 507-8587.

Sincerely,

A handwritten signature in black ink, appearing to read 'YS', written over the word 'The Vue at Belleair'.

The Vue at Belleair

Property Manager

cc: Joel Mies, Flournoy

Cole Y Lane, PE; Anderson Lane



An Equal
Opportunity
Employer

Southwest Florida Water Management District

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)

Sarasota Service Office
6750 Fruitville Road
Sarasota, Florida 34240-9711
(941) 377-3722 or
1-800-320-3503 (FL only)

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
TDD only: 1-800-231-6103 (FL only)
On the Internet at WaterMatters.org

August 08, 2019

FDC Clearwater SPE, LLC
Attn: Joel Mies
900 Brookstone Centre Parkway
Columbus, GA 31904

Subject: **Transfer to Operation Phase**
Project Name: Clearwater Cay
Permit No.: 43042602.000
Compliance No.: 404672
County: Pinellas
Sec/Twp/Rge: S20/T29S/R16E

Dear Mr. Mies:

The request to transfer the subject permit to the operation phase has been approved. District staff have reviewed the submitted information, inspected the project and determined that the stormwater management system was in compliance at the time of our inspection. The District reserves the right to inspect the project in the future to ensure continued compliance with state law and District rules. The permit, approved drawings and other documents are available for viewing through the District's Application and Permit Search Tools at <http://watermatters.org/wmiserp>.

The subject permit contains a condition requiring periodic inspection and maintenance. The inspections are required every five (5) years. A record of each inspection (including the date of inspection, the name and contact information of the inspector, whether the system was functioning as designed and permitted) must be maintained, and must be made available to the District upon request. Within 30 days of any failure of a stormwater management system or deviation from the permit, an inspection report shall be submitted using Form 62-330.311(1), Operation and Maintenance Inspection Certification available on the District's website, <http://www.watermatters.org/permits/erp>, describing the remedial actions taken to resolve the failure or deviation.

As outlined in Subsection 62-330.340, F.A.C., "A Permittee shall notify the Agency in writing within 30 days of a change in ownership or control of the entire real property, project, or activity covered by the permit. This notification can be submitted on Form 62-330.340(1) --Request To Transfer Permit available on the District's website, <http://www.watermatters.org/permits/erp>.

If you have questions, please contact Martin Russum, P.E. at the Tampa Service Office.

Sincerely,

Michelle K. Hopkins, P.E.
Bureau Chief
Environmental Resource Permit Bureau
Regulation Division

MKH:GMR:jjm

cc: Cole Y. Lane, P.E., Anderson Lane Inc.



CITY OF CLEARWATER

PLANNING & DEVELOPMENT DEPARTMENT
POST OFFICE BOX 4748, CLEARWATER, FLORIDA 33758-4748
MUNICIPAL SERVICES BUILDING, 100 SOUTH MYRTLE AVENUE, CLEARWATER, FLORIDA 33756
TELEPHONE (727) 562-4567

Conditions Associated With

BCP2016-07191

1551 FLOURNOY CIR

No pending reviews.

The following conditions must be satisfied before the permit can be processed.

ALL RESPONSES MUST INCLUDE A RESPONSE LETTER ADDRESSING EACH OF THE OUTSTANDING CONDITIONS.

C of O Condition - Engineering

ORDER	STATUS DATE	CONDITION OF APPROVAL	STATUS
	9/27/2016	<p>That prior to the issuance of any Certificate of Occupancy, that any/all easements required by the city shall be approved by the Engineering department and recorded with Pinellas County.</p> <p>That prior to the issuance of any Certificate of Occupancy, that any/all easements required to be vacated shall be recorded with Pinellas County and provided to the Engineering Department.</p>	Not Met

AFFIDAVIT OF PROPERTY MANAGER

STATE OF FLORIDA)

COUNTY OF PINELLAS)

Before me, the undersigned authority, duly authorized to administer oaths and take acknowledgements, personally appeared Janet Chavis, who, being duly sworn states as follows:

1. I am the community manager assigned to the Vue at Belleair Apartments, 1551 Flourney Circle West, Clearwater, Florida 33764 (the "Apartment Property").

2. In my capacity as community manager, I am responsible for the physical maintenance and upkeep of the Apartment Property.

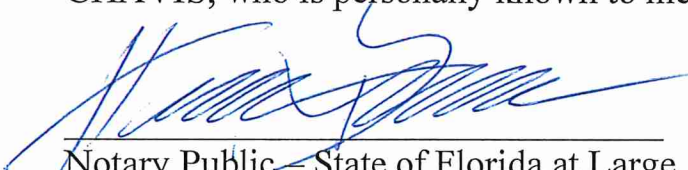
3. All aspects of the Apartment Property, including landscape maintenance, maintenance of the stormwater system, maintenance and repair of pavement and parking areas and maintenance of utilities is handled under my direction at the expense of the owners of the Apartment Property.

4. The Clearwater Cay Community Development District does not perform any maintenance within the Apartment Property of the foregoing items or any other items. The owners of the Apartment Property bear that entire responsibility and expense.

5. The landscape contractor engaged by the owners of the Apartment Property maintain all of the landscaped areas within the Apartment Property, including those immediately adjacent to Belleair Road which are contiguous with the Apartment Property.

Janet Chavis . 2/26/21

SWORN TO AND SUBSCRIBED before me by means of ☒ physical presence or ☐ online notarization, this 26th day of February, 2021, by JANET CHAVIS, who is personally known to me.


Notary Public - State of Florida at Large



3
Return to Brooke McCranie
Chicago Title Insurance Company
5690 W Cypress St., Ste A
Tampa, FL 33607
File # 5489511

PBS -
\$35.50
**This Instrument Prepared by
and return to:**

Jason E. Merritt, Esq.
HOPPING GREEN & SAMS, P.A.
119 South Monroe Street, Suite 300
Tallahassee, FL 32301

**PARTIAL RELEASE AND SATISFACTION OF LIEN FOR CAPITAL
IMPROVEMENT REVENUE BONDS, SERIES 2006A**

PLEASE TAKE NOTICE that before me, the undersigned authority, personally appeared Joseph MacLaren, who, being duly sworn, states that he is the District Manager of the lienor herein, the Clearwater Cay Community Development District, a local unit of special purpose government (the "District"), whose address is 12051 Corporate Boulevard, Orlando, Florida 32817, and who affirms that the District, having received payment or other consideration sufficient to satisfy the lien of those certain special assessments levied by the District upon the lands described in Exhibit A attached hereto (the "Property") securing repayment of the District's obligations under its \$33,840,000 Capital Improvement Revenue Bonds, Series 2006A (the "2006A Assessments"), hereby releases the lien of the 2006A Assessments imposed by the District upon the Property and cancels the same of record.

This Partial Release shall also release any and all rights of the District arising from that certain Declaration of Consent to Imposition of Special Assessments recorded in Official Records Book 14835, Page 89, and that certain Declaration of Consent to Imposition of Special Assessments recorded in Official Records Book 15552, Page 626, all of the public records of Pinellas County, Florida, so far as, and only to the extent that, the same relate to the Property. Nothing herein shall relieve the owners' of the Property from the lien and obligation to pay the annual operations and maintenance assessments or assessments not related to the 2006A

Assessments levied by the District. Further, this Partial Release shall not affect the lien of the Series 2006A Assessment levied upon any lands within the District not included within the description of the Property.

EXECUTED this 19th day of October, 2016.

**CLEARWATER CAY COMMUNITY
DEVELOPMENT DISTRICT**

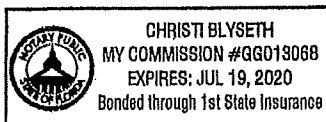
By: _____

Joseph MacLaren, District Manager
Clearwater Cay Community Development
District
c/o Fishkind & Associates, Inc.
12051 Corporate Blvd.,
Orlando, Florida 32817

STATE OF FLORIDA)
COUNTY OF ORANGE)

SWORN TO AND SUBSCRIBED, before me, an Officer duly authorized in the State and County aforesaid to take oaths, by Joseph MacLaren, District Manager of the Clearwater Cay Community Development District, a special-purpose unit of local government created pursuant to and governed by Chapter 190, *Florida Statutes*, organized under the laws of the State of Florida. He is personally known to me or has produced _____ as identification.

WITNESS my hand and official seal in the State and County aforesaid this 19 day of October, 2016.



Print Name: Christi Blyseth
Notary Public, State of Florida
Commission No.: GG013068
My Commission Expires: July 19, 2020

EXHIBIT A**Legal Description of the Property****PARCEL 1:**

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 344.37 FEET, TO THE SOUTHWEST CORNER OF SAID PLAT; 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 47.29 FEET, TO THE SOUTHEAST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 18387, PAGE 422 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE N.01°23'14"E., ALONG THE EAST LINE OF SAID PROPERTY, A DISTANCE OF 121.07 FEET, TO THE NORTHEAST CORNER OF SAID PROPERTY; THENCE N.88°34'42"W., ALONG THE NORTH LINE OF SAID PROPERTY, A DISTANCE OF 147.00 FEET, TO THE NORTHWEST CORNER OF THE SAID PROPERTY; THENCE S.01°25'18"W., ALONG THE WEST LINE OF SAID PROPERTY, A DISTANCE OF 123.00 FEET, TO THE

SOUTHWEST CORNER OF SAID PROPERTY; 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 163.10 FEET, TO THE POINT OF BEGINNING.

PARCEL 2:

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 447.99 FEET, TO A POINT ON THE SOUTHERLY LINE OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 18387, PAGE 422 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA AND THE POINT OF BEGINNING; THENCE N.01°26'21"E., ALONG THE SAID SOUTHERLY LINE, FOR 24.03, TO THE SOUTHWEST CORNER OF PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 15316, PAGE 1616 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.88°29'04"E., ALONG THE SOUTH LINE OF SAID PROPERTIES, A DISTANCE OF 50.00 FEET, TO THE SOUTHEAST CORNER OF SAID PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 15316, PAGE 1616 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE S.01°26'21"W., ALONG THE SAID SOUTHERLY LINE OF SAID PROPERTY AS DESCRIBED IN OFFICIAL RECORDS BOOK 18387, PAGE 422 OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA, FOR 23.30 FEET; THENCE N.89°19'48"W., ALONG A LINE THAT IS 5.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 20, A DISTANCE OF 50.00 FEET, TO THE POINT OF BEGINNING.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Deed Book 1483, Page 285, First Amendment to Grant of Easement recorded in Official Records Book 10652, Page 534, Development Agreement recorded in Official Records Book 10958, Page 299, Second Amendment to Grant of Easement recorded in Official Records Book 11233, Page 1812 and Easement Agreement recorded in Official Records Book 12557, Page 2644, all being of the Public Records of Pinellas County, Florida.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Easement Agreement recorded in Official Records Book 4517, Page 1842, of the Public Records of Pinellas County, Florida.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Agreement of Reciprocal Easements recorded in Official Records Book 5037, Page 1634, of the Public Records of Pinellas County, Florida.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Cross-Parking and Utility Easement Agreement recorded in Official Records Book 5127, Page 573, of the Public Records of Pinellas County, Florida.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Easement Agreement recorded in Official Records Book 9946, Page 1963 and Official Records Book 9946, Page 1970, of the Public Records of Pinellas County, Florida.

TOGETHER WITH non-exclusive appurtenant easements as set forth in Access Easement Agreement recorded in Official Records Book 18747, Page 644, of the Public Records of Pinellas County, Florida.