

**MINUTES OF THE MEETING
SOLTERRA
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Solterra Community Development District was held on Thursday, February 16, 2023, at 10:00 a.m. at 5385 N. Nob Hill Road, Sunrise, Florida.

Present and constituting a quorum were:

Hal Eisenacher	Chairman
Alex Torres	Vice Chairman
Dario Gerszuny	Assistant Secretary

Also present were:

Ginger Wald	District Counsel
Juliana Duque	District Manager
Juan Alvarez	District Engineer
Rhonda Mossing	MBS Capital Markets (by phone)
Steve Sanford	Bond Counsel (by phone)

FIRST ORDER OF BUSINESS

Roll Call

Ms. Duque called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Organizational Matters

- A. Consideration of Appointment to Fill Unexpired Term(s) of Office for Seat #1 – 11/2025**
- B. Oath of Office for Elected/Newly Appointed Supervisor(s)**
- C. Election of Officer(s)**

Ms. Duque: The next item is the organizational matters, and we have consideration of appointment to fill the unexpired term of office for seat #1, this seat expires November, 2025. Is there any direction from the Board at this time to appoint anyone to that open seat?

Mr. Eisenacher: Do you guys have anyone else you want to put on the Board, or do you want to check and see if you have somebody?

Mr. Torres: Ok.

Ms. Duque: Ok, so we will table this item for our next meeting, and if you have any questions, please contact us so we can start the process.

THIRD ORDER OF BUSINESS

Approval of Minutes of the August 18, 2022 Meeting

Ms. Duque: Let's move forward to the approval of the minutes of the August 18, 2022 meeting. This is the moment to present any additions, corrections or deletions to those. If there is none, a motion to approve them will take place.

On MOTION by Mr. Eisenacher seconded by Mr. Gerszuny with all in favor, the Minutes of the August 18, 2022 Meeting were approved.

FOURTH ORDER OF BUSINESS

Discussion of Financing Timetable with MBS Capital Markets, LLC

Ms. Duque: The next item is the discussion of the financing timetable with MBS Capital Markets, so Rhonda, you're up.

Ms. Mossing: Good morning everyone. On your agenda today are several items for your consideration which include the engineer's report, the master assessment methodology report, and certain resolutions that will begin our assessment process to place these assessments on the property and allow you to move forward with bond validation and with the issuance of the bonds. In addition to beginning the assessment process, and setting a public hearing for the assessments, you're also going to be reviewing and approving reports of a master trust indenture and a supplemental trust indenture that will allow for the issuance of the bond anticipation notes that will represent interim financing for the construction project, for the capital improvement program that Juan has outlined in his report, and at your next meeting in March, when you have the public hearing, you'll also be considering the final documents related to the issuance of the notes, which would be your interim financing until your bonds are validated, and you're able to issue bonds to replace those notes. The bond validation complaint will be filed shortly after today's meeting in anticipation they will be provided by next week, at which time a public hearing will be set to validate the bonds, and following that public hearing and the 30-day appeal period we'll be in a position to issue the first set of bonds,

even though we don't anticipate that will happen until probably August of next year. We do anticipate you'll be closing on the note after your March meeting and prior to May 1st, which is our target date. So, if there are any questions, I'd be happy to answer them.

Ms. Duque: Do we have any questions for Rhonda? So, not hearing any, thank you so much, Rhonda.

FIFTH ORDER OF BUSINESS

Financing Matters

A. Consideration of Engineers Report

Ms. Duque: Let's move forward to the next item which is the discussion of financing matters, and the first one is consideration of the engineer's report from Alvarez Engineers. The report includes the description and the estimated value of the public improvements that will be acquired by the District, and I will let Juan present this item.

Mr. Alvarez: Thank you, Juliana. I will just give you a briefing of the engineer's report that's in your agenda package, and I think the best way to explain the report is to look at these two exhibits, exhibits 2 and 3 which are maps of the project. Exhibit 2 shows the boundary of the CDD which is 152.22 acres. The exhibit also shows a public park area, which is outside the boundaries of the CDD that measures about 7.77 acres, together the two measure about 160 acres which is the actual land the developer will purchase, and in the future, there is a .96 acre piece of land which is going to be acquired by eminent domain, and together the CDD area, the park area, and the entry area is what we call in the engineers report, the development area. Then in exhibit 3, you can see different colors there, in yellow you see the CDD area and the project that is going to be supported by some infrastructure that is going to be happening on the outside of the boundaries. Supporting the CDD project will be the public park, and some improvements on Oakland Boulevard because the project is going to generate some additional traffic, so signalization, striping, and widening, on these roads is going to provide the facilities for entering the public park and the CDD area. We came up with an estimated cost for the facilities, both on the offsite, and the onsite, and you can see them in detail in your engineer's report. The entire cost that we estimate is going to be \$69,970,000, and everything is detailed in the engineer's report. That includes hard infrastructure, soft costs, and also the CDD is going to purchase from the developer, the open areas within the CDD which are recreational areas, the stormwater management areas, areas that are used for infiltrating stormwater, recreational areas that are part of the linear parks,

everything that those areas are going to be used for are contemplated in Chapter 190 of the Florida Statutes and are applicable and eligible for CDD infrastructure. Now, in exhibit 3 you see there is an orange area where 87 affordable townhomes are located, it's possible that the CDD is going to be contracted and taking those townhomes out of the boundaries of the CDD. In such a case, I think the developer would be responsible for financing the infrastructure within that area but, that is something that is in the future. The engineer's report explains what will happen if that ever happens, and the report has already been reviewed by the developer's counsel, bond counsel, CDD counsel, and the finance people, and all of their comments have been incorporated into this report that you have in front of you but, if you have any questions, or additional comments I'll be very happy to address them at this time. No one has any questions?

Mr. Gerszuny: No questions.

Ms. Duque: Not hearing any questions, thank you so much Juan for that report. So, at this moment I need a motion from the Board to consider the engineer's report.

On MOTION by Mr. Gerszuny seconded by Mr. Torres with all in favor, accepting the Engineers Report was approved.

B. Consideration of Master Assessment Methodology

Ms. Duque: The next item is consideration of the master assessment methodology, and once again, in your agenda, you have the master assessment methodology report prepared by GMS. The purpose of this assessment is to provide the methodology that permits the amount of the District's debt to be allocated to those specific properties making the area of the District directly and specifically benefiting the public improvements, the ones described by Juan Alvarez in his engineer's report. As it's being explained on the last couple of pages of your methodology report you will find some tables. So, the development plan is shown in table 1, and as mentioned by Juan the development within the District is anticipated to contain 900 residential units, consisting of 87 affordable townhomes, 413 townhome units, and 400 single-family homes. If you move to table 2, this table outlines that public improvement needed to support the development, and this information was taken from the engineer's report. Following that you have table 3, which depicts the breakdown of the bond sizing based

on the estimated costs to be bonded, the size of the financing needed to generate funds to pay for the project, on one or more of the debt service reserve accounts, and capitalize interest, and pay the cost of issuance that was determined by the District's underwriters of approximately \$103,190,000. Moving forward we have table 4, this shows the allocation of benefits in reference to each of the product types. It is important to note that the benefit derived from the project to the residential unit lots is equal to or exceeds the cost that the unit lots will be paying for such benefits. As assigned properties become known with certainty, most likely at the time of platting, the District will refine its allocation of the assessments, or on a per acre basis to per unit as is shown in table 5. As it was mentioned also by your District engineer, if the land use plan changes, then the District will update table 5 to reflect the changes and provide the same in a supplemental report, and more specifically to the areas that are going to be contracted, the 87 units. The same way as the development process of course, then the debt assessment will be distributed against the assigned properties that are described in this report. The current assessment roll is depicted in table 6. So, unless there are any additional questions about those tables, or the master assessment methodology report, a motion from the Board would be appropriate at this time.

On MOTION by Mr. Eisenacher seconded by Mr. Gerszuny with all in favor, accepting the Master Assessment Methodology was approved.

C. Consideration of Resolution #2023-01 Declaring Special Assessments

Ms. Duque: Let's move forward then to consideration of resolution #2023-01 which is declaring special assessments. So, basically what this resolution does is it takes the engineers report, which we just went through, and we saw the costs in the methodology report allocated to the different properties based on the engineers report, and this resolution declares the special assessment for the purpose of paying for those improvements in accordance with those two documents. Once again, as stated by Juan Alvarez, the District currently has 152.22 more or less acres within the City of Sunrise, so a motion to approve resolution #2023-01 will take place.

On MOTION by Mr. Gerszuny seconded by Mr. Torres with all in favor, Resolution #2023-01 Declaring Special Assessments was approved.

D. Consideration of Resolution #2023-02 Calling for a Public Hearing to Impose Special Assessments

Ms. Duque: The next item is consideration of resolution #2023-02 calling for a public hearing to impose the special assessments. So, this resolution sets the special assessment public hearing, and we need to have at least 30 days to be able to set this public meeting. Our next meeting is scheduled for March 16th which will not give us enough time, so we will need to move this meeting. We can, if you want, we can stick to our Thursdays, and instead of having it on the third Thursday, we can have it on the fourth Thursday which is on the 23rd. We can also schedule it at any other time if you cannot attend at 10:00 a.m., and just to let you know we do need to do an ad anyway, so it's up to you. Now, another thing I would like the Board to consider is, moving forward we would like to also change the meeting because Rich has an issue with his schedule that's why he's not present with us today but, he would like to be present at these meetings moving forward too, so we're trying to see if perhaps the fourth Thursday would work for you, or earlier during the week on the third Wednesday. So, let's talk first about our meeting for the public hearing.

Mr. Torres: I'm out of the country.

Ms. Wald: And we're missing one.

Mr. Eisenacher: So, we'd have to get Joe, and I kind of lost track here, you're talking about what?

Ms. Wald: March 23rd for the public hearing on the assessments.

Mr. Eisenacher: Ok, so you need to check with Joe.

Ms. Duque: But we do need to set that date, that's important.

Mr. Eisenacher: Well, I can text him right now, so March 23rd at 10:00 a.m.?

Ms. Wald: Yes, to see if he can make it, or we have to pick another date.

Mr. Torres: I leave the 8th and come back the 27th.

Ms. Duque: So, while we wait for his response, the other request from management is to see if the Board can meet on the fourth Thursday moving forward.

Mr. Gerszuny: That's fine.

Ms. Duque: Ok, and Alex are you fine with that?

Mr. Torres: Yes.

Ms. Duque: Ok, and Hal are you ok as well?

Mr. Eisenacher: Yes.

Ms. Duque: Ok.

Ms. Wald: Why don't we do like a quick recess for 5 minutes and we can call Joe?

Ms. Duque: Ok, perfect, so we're going to take a quick recess and then we'll continue. So, we are continuing our meeting, and at this point, I will need a motion from the Board to consider resolution #2023-02 calling for the public hearing to impose the special assessments on Thursday, March 23, 2023, at 10:00 a.m. at the offices of Governmental Management Services, 5385 N. Nob Hill Road, Sunrise, Florida 33351, a motion will take place.

On MOTION by Mr. Torres seconded by Mr. Gerszuny with all in favor, Resolution #2023-02 calling for a Public Hearing to Impose Special Assessments on Thursday, March 23, 2023, at 10:00 a.m. at 5385 N. Nob Hill Road, Sunrise, Florida was approved.

Ms. Duque: I will also need a motion from the Board to change our meetings, from the third Thursday of each month to the fourth Thursday of each month.

On MOTION by Mr. Gerszuny seconded by Mr. Eisenacher with all in favor, authorizing staff to revise the Monthly Meeting Schedule to the fourth Thursday of each month starting in April at 10:00 a.m. at 5385 N. Nob Hill Road, Sunrise, Florida was approved.

Mr. Eisenacher: Just for clarification, that would begin a month after that?

Ms. Duque: Yes, after the 23rd of March, correct, nevertheless, in March we are meeting on the 4th Thursday as well.

Mr. Eisenacher: Ok, that is the fourth Thursday.

Ms. Duque: Yes, it is, but your statement is correct.

E. Consideration of Resolution #2023-03 Authorizing Resolution**1) Exhibit A – Form of Master Trust Indenture, Second Supplemental Trust Indenture (Bonds), and First Supplemental Trust Indenture (Notes)****2) Exhibit B – Note Placement Agreement**

Ms. Duque: Let's move forward to consideration of resolution #2023-03 the authorizing resolution and we have Steve Sanford here, so Steve you're up.

Mr. Sanford: Ok, thank you. Everybody this is Steve Sanford from Greenberg Traurig serving as the District's bond counsel, good morning to all. This resolution does a couple things, and I'll start with the Statute that governs CDDs, in that any debt issued by the CDD that has a maturity of more than 5 years has to be validated in the circuit court. So, in order to do that process in the court, the Board has to authorize the bonds that they want to issue for a particular purpose and then that becomes part of the proceedings to validate the bonds, so that's basically what this resolution is doing. We know we're going to issue bonds that have a term longer than 5 years, so we're issuing up to \$103,190,000 of special assessment bonds to be issued in one or more series. In addition to that authorization, we're also authorizing special assessment notes. I know in some of the earlier emails we were calling it a Bond Anticipation Note but, technically they're not Bond Anticipation Notes because the notes and the bonds can be outstanding at the same time, so the bonds are not necessarily taking out the prior notes. So, we're authorizing \$27,000,000 in special assessment notes to be issued in one or more series, as long as, I spoke to Mike Pawelczyk about this, the first series of notes is going to have a maturity of 5 years, so we don't have to validate that. (inaudible comment) In the future, if we're going to issue further series of notes, and the Board wants to have a term longer than 5 years, then Mike is going to validate the notes in that regard. In addition, we are asking the Board to approve certain documents, some of which will be part of the validation. The first is a master trust indenture and governs all debt issued by the District, both bonds and notes, and that's between the District and U.S. Bank Trust Company as your designated trustee. Then there's a first supplemental indenture, and that's between the District and the trustee, and that would govern that first and possibly other series of notes. The third exhibit is the second supplemental indenture and that would govern the issuance of bonds in the future, and all of those supplementals are also between the District and the trustee, and once the bonds or the notes are priced, that supplemental indenture would get completed with the interest rates of sorts and used to send a

redemption provision. The last exhibit is the note placement agreement and that's the document that's going to be used to privately place the notes with qualified investors, that's between the investors which right now I believe there's going to be three high-net-worth individuals buying that first series of notes, and the District being a party to that note place agreement and MBS as your designated placement agent. I just want to say on the notes, the unique feature about the notes is that they're issued on a revolving draw-down basis. So, what that means is that if the first series of notes is going to be for say, \$10,000,000, that doesn't mean that \$10,000,000 is drawn on day one, it means that as development proceeds there could be a draw for say, \$5,000,000 and then it could even be left outstanding or it could be repaid back and then you could draw another \$10,000,000 under that same set of documents, that's the revolving nature of the note issue, that would not be true when we issue the permanent bonds. So, unless any Board members have any questions, and I know there's a lot here, I'll be glad to answer any questions, otherwise, we'd be looking for a motion to approve resolution #2023-03.

On MOTION by Mr. Eisenacher seconded by Mr. Torres with all in favor, Resolution #2023-03 the Authorizing Resolution was approved.

Ms. Duque: Thank you so much, Steve.

Mr. Sanford: Ok, have a good day everybody.

Ms. Duque: Same to you.

SIXTH ORDER OF BUSINESS

Consideration of Resolution #2023-04 Contract Boundaries

Ms. Duque: The next item is consideration of resolution #2023-04, contract boundaries, so go ahead Ginger.

Ms. Wald: Yes, so as the District engineer, Juan Alvarez, had already explained in his engineer's report, this resolution would cover proceeding forward with the petition to contract the boundaries of the District for the affordable townhomes that Juan had identified, and the approximate acreage. What we're waiting for from the surveyor is the actual legal description because we're waiting for the city to also approve it as well. Once that is provided that will be attached to this resolution as exhibit A, and will lead up

to the petition that we will file with the City of Sunrise to proceed forward with the contractual boundaries of the District for that area. So, this is a motion that is for the District to proceed forward with the District filing of that petition to contract the boundaries for that area, so we need just a motion to approve that.

On MOTION by Mr. Gerszuny seconded by Mr. Torres with all in favor, Resolution #2023-04 contracting the boundaries was approved.

SEVENTH ORDER OF BUSINESS

Acceptance of Audit for Fiscal Year Ending on September 30, 2022

Ms. Duque: The next item is the acceptance of the audit for fiscal year ending September 30, 2022, and in Grau & Associates' opinion the District complied with all audit steps with the aforementioned requirements for the fiscal year ending September 30, 2022, so a motion to accept that will take place.

On MOTION by Mr. Gerszuny seconded by Mr. Eisenacher with all in favor, accepting the audit for Fiscal Year ending September 30, 2022 was approved.

EIGHTH ORDER OF BUSINESS

Ratification of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2022

Ms. Duque: The next item is a ratification of the engagement letter with Grau & Associates to perform the audit that you just accepted for fiscal year ending September 30, 2022, so a motion to ratify will take place.

On MOTION by Mr. Gerszuny seconded by Mr. Torres with all in favor, ratifying the engagement letter with Grau & Associates to perform the audit for Fiscal Year ending September 30, 2022 was approved.

NINTH ORDER OF BUSINESS

Consideration of Proposal with The Urban Group Real Estate Consultants to Provide an Appraisal of Land within the CDD

Ms. Duque: As it was mentioned by Ginger during the contract boundaries, next we have consideration of the proposal with The Urban Group Real Estate Consultants to provide the appraisal of the land within the District.

Ms. Wald: Well, this is different, this has nothing to do with the contract boundaries.

Ms. Duque: I'm sorry, correct, this will be the appraisal report on the market value for the entire development. So, we reached out to The Urban Group so that they can provide us with a proposal, and once again the appraisal report will be based on the market value for the entire development. The amount is \$3,400 and the hourly consultation fee, if requested is \$200.

Mr. Eisenacher: Does this appraiser have experience with CDDs?

Ms. Duque: They do, and actually the appraiser has been in the market since 1982, so I know this is the go-to appraiser, and Rich was the person who reached out to them.

Mr. Eisenacher: Ok, great.

Ms. Duque: And he is also a certified general real estate appraiser in the State of Florida.

On MOTION by Mr. Eisenacher seconded by Mr. Torres with all in favor, accepting the proposal with The Urban Group Real Estate Consultants to provide an appraisal for the land within the CDD in the amount of \$3,400 was approved.

TENTH ORDER OF BUSINESS

Staff Reports

Ms. Duque: Let's move forward to staff reports, attorney.

A. Attorney

Ms. Wald: So, I had a first reading of our amendment to the ordinance, the establishment ordinance on Tuesday night, the second reading will be two weeks from now, and basically that was to amend the ordinance to remove the language that the

Declaration of Restrictive Covenants has to be recorded within 30 days of the date of the effectiveness of the ordinance at the District's expense by doing so who would result in a repeal of the ordinance by the City Commission without further notice. Fortunately, we were unable to do the recordation within the 30 days due to the fact that the authorized representative for the landowner was out of the country, and it took awhile to get the signature. Once that was done, we promptly went ahead and recorded the Declaration of Restrictive Covenants, it really didn't affect anything because nobody was buying any properties during that period of time. With that, we submitted that to the city and the city agreed we should go ahead and take that language out, and acknowledge that the Declaration of Restrictive Covenants had been recorded. So, that ordinance has already started to proceed forward, amending the establishment ordinance, and then once that is completed we will go ahead and record that, so that's my report.

Ms. Duque: Thank you so much, Ginger, are there any questions? Not hearing any we can move to the next item.

B. Engineer

Ms. Duque: Let's move forward to engineer's report. Juan, any additional report?

Mr. Alvarez: Only to say that what I will do is I will remove the draft label on my engineer's report and I will put a note that the report was accepted on this day by the Board, and I will circulate it and that will become the official one.

Ms. Duque: Thank you so much, Juan, I appreciate it.

C. Manager

Ms. Duque: Nothing to report under the manager's report.

ELEVENTH ORDER OF BUSINESS

Financial Reports

A. Approval of Funding Request #12, #13, #14 & #15

B. Balance Sheet

Ms. Duque: Let's move forward to financial reports. Tab A is approval of funding requests #12, #13, #14 & #15, and tab B is the balance sheet. Unless there are any questions about those, a motion to approve them will take place.

On MOTION by Mr. Eisenacher seconded by Mr. Torres with all in favor, Funding Requests #12 through #15, and the balance sheet were approved.

TWELFTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

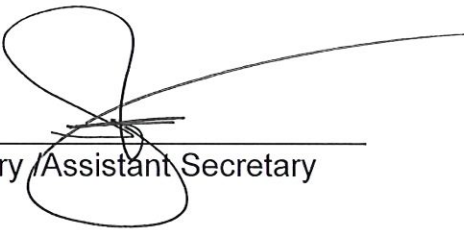
Ms. Duque: Are there any Supervisor's requests? Not hearing any, there is no audience present, so no audience comments.

THIRTEENTH ORDER OF BUSINESS

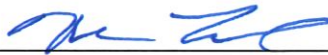
Adjournment

Ms. Duque: A motion to adjourn will take place.

On MOTION by Mr. Eisenacher seconded by Mr. Torres with all in favor, the Meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman