

**IN THE CIRCUIT COURT OF THE TWELFTH JUDICIAL CIRCUIT
OF THE STATE OF FLORIDA, IN AND FOR MANATEE COUNTY, FLORIDA
GENERAL CIVIL DIVISION**

**NORTH RIVER RANCH IMPROVEMENT
STEWARDSHIP DISTRICT, a local unit of
special-purpose government organized and
existing under the laws of the State of Florida,**

Plaintiff,

**CASE NO.: 2021-CA-3106
Circuit Civil Division: D**

v.

**THE STATE OF FLORIDA, AND THE
TAXPAYERS, PROPERTY OWNERS AND
CITIZENS OF THE NORTH RIVER RANCH
IMPROVEMENT STEWARDSHIP DISTRICT,
INCLUDING NON-RESIDENTS OWNING
PROPERTY OR SUBJECT TO TAXATION
THEREIN, AND OTHERS HAVING OR
CLAIMING ANY RIGHTS, TITLE OR
INTEREST IN PROPERTY TO BE AFFECTED
BY THE ISSUANCE OF THE BONDS HEREIN
DESCRIBED, OR TO BE AFFECTED IN ANY
WAY THEREBY,**

Defendants.

MAGISTRATE’S REPORT AND RECOMMENDED FINAL JUDGMENT

This cause came on to be heard on the 4th day of October, 2021, at the hour of 9:00 A.M. by virtual and/or telephonic communications media technology, in the Twelfth Judicial Circuit of Florida in and for Manatee County, Florida, before the Honorable David P. Caskey, on the complaint of the North River Ranch Improvement Stewardship District, a local unit of special purpose government, created and existing under and by virtue of Chapter 2020-191, Laws of Florida (the "Act"), Plaintiff herein, for the validation of not to exceed \$289,130,000 North River Ranch Improvement Stewardship District Revenue Bonds (the "Bonds") to be issued in one or

more series, to be payable from and secured by, *inter alia*, certain special assessments which will be declared, equalized, levied and collected, as well as other revenue sources, in connection with the Projects to be financed with the proceeds of the Bonds (the "Special Assessments"), pursuant to a Notice and Order to Show Cause heretofore issued by this Court requiring the Defendants to show cause at said time and place why the Bonds and the proceedings theretofore taken by the Plaintiff therefore, all as described in the Complaint, should not be validated and confirmed as prayed in said Complaint and it appearing that copies of said Order to Show Cause and of said Complaint were served on the State Attorney of this Twelfth Judicial Circuit of Florida as required by law and that said Order to Show Cause was published as required by law and that said State Attorney has filed an Answer as required by law, that no one except the State Attorney and the Plaintiff have made any appearance or filed any pleading of any kind whatsoever in said matter, that the Court has jurisdiction in this cause and of the subject matter hereof and of the parties hereto, and evidence having been introduced, the Court having received and reviewed a Joint Stipulation of the Parties as to certain facts and matters of law as to which the Court may take judicial notice, and the cause submitted for consideration and decision, the Court having heard and determined all the questions of law and fact in this cause, finds as follows:

1. That all the material allegations of said Complaint filed herein are true, the issuance of the Bonds has been duly authorized.

2. That the Plaintiff is a local unit of special-purpose government organized and existing in accordance with the Act and that the District has properly recorded the Notice of Creation and Establishment required by Section 6(30) of the Act within thirty (30) days of the election of the first governing board of the District. The District is also an independent special district in accordance with the Uniform Special District Accountability Act of 1989, Chapter

189, Florida Statutes, as amended, and a political subdivision of the State of Florida as defined in Section 1.01(8), Florida Statutes.

3. That the Board of Supervisors of the Plaintiff (the "Board of Supervisors") is lawfully constituted and authorized under the Act to exercise all powers of a board of supervisors of an independent special district.

4. That the Plaintiff is authorized to bring this action pursuant to Chapter 75, Florida Statutes.

5. That Plaintiff is authorized by the Act, and particularly by Sections 6(12)(b) and 6(12)(e) of the Act and Chapter 170 and Sections 197.3632 and 197.3635, Florida Statutes (2021), as amended, and other applicable provisions of Florida law (collectively, the "Assessment Statutes"), to declare, assess, equalize, levy and collect special assessments on property within the District specially benefited by assessable improvements (the "Special Assessments") and to issue, sell and deliver assessment bonds and revenue bonds payable from and secured by such Special Assessments and other revenue sources as provided in Section 6(10) of the Act.

6. The District was established for the purpose of financing and managing the acquisition, construction, installation, maintenance, and operation of facilities, services, and improvements within and without the boundaries of the District, permitted by the Act, including but not limited to public roadways; stormwater improvements; water and sewer facilities; master irrigation facilities; public roadway landscape, lighting, signage, and furnishings; entry features; drainage; lakes; parks, an amenity center, and other improvements (the "Capital Improvement Program").

7. On July 28, 2021, the District Board duly adopted Resolution 2021-31, attached as Exhibit B to the Complaint, entitled:

"A RESOLUTION OF NORTH RIVER RANCH IMPROVEMENT STEWARDSHIP DISTRICT AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$289,130,000 AGGREGATE PRINCIPAL AMOUNT OF NORTH RIVER RANCH IMPROVEMENT STEWARDSHIP DISTRICT BONDS, IN ONE OR MORE SERIES, FOR THE PURPOSE OF FINANCING THE CONSTRUCTION AND/OR ACQUISITION BY THE DISTRICT OF THE IMPROVEMENTS AND FACILITIES PERMITTED BY THE PROVISIONS OF CHAPTER 2020-191, LAWS OF FLORIDA, AS AMENDED FROM TIME TO TIME; APPROVING AND APPOINTING A TRUSTEE; AUTHORIZING THE COMMENCEMENT OF VALIDATION PROCEEDINGS RELATING TO THE FOREGOING BONDS; AUTHORIZING AND APPROVING OTHER MATTERS RELATING TO THE FOREGOING BONDS; AND PROVIDING AN EFFECTIVE DATE."

(the "Bond Resolution") pursuant to which the District proposes to issue not to exceed \$289,130,000 North River Ranch Improvement Stewardship District Bonds in one or more Series under and pursuant to a Master Trust Indenture, to be dated as of the first day of the month in which Bonds are first issued thereunder (the "Master Indenture"), from the District to U.S. Bank National Association, and its successors in trust under the Indenture, as trustee (the "Trustee"), to be amended and supplemented with respect to each Series of Bonds issued thereunder by a Supplemental Indenture (the "Supplemental Indenture" and collectively with the Master Indenture, the "Indenture"), which are subject to such changes as shall be approved by the District Board and which are not material to the matters validated hereby, and which are attached as an exhibit to the Resolution.

8. That the Indenture constitutes a trust agreement within the meaning of Section 6(11) of the Act.

9. That the proceeds of the Bonds will be expended to pay for the cost of the planning, acquisition, construction, reconstruction, equipping and installation of such systems,

facilities and improvements comprising the Capital Improvement Program. Proceeds of Bonds will be deposited with the Trustee in accordance with the Bond Resolution and the Indenture, and, after payment of expenses of issuing the Bonds and after making certain deposits required by the Supplemental Indenture, the remaining proceeds will be disbursed by the Trustee to pay for the cost of the planning, acquisition, construction, reconstruction, equipping and installation of such systems, facilities and improvements comprising the Capital Improvement Program. The principal of and interest on the Bonds shall be payable from, and secured by, the special assessments to be levied and collected by the District with respect to the Capital Improvement Program, and any other revenues permitted by the Act, and certain other amounts, all as provided in the Resolution and Indenture.

10. That the cost of the planning, acquisition, construction, reconstruction, equipping and installation of such systems, facilities and improvements comprising the Capital Improvement Program will constitute "assessable improvements" and/or any "projects" within the meaning of the Act, and as to assessable improvements the Assessment Statutes, and the District is authorized to issue the Bonds and to apply the proceeds received from the sale of the Bonds in the manner and for the purposes described above and in the Indenture. It is necessary and proper for the health, safety and economic welfare of the District and of its landowners and inhabitants that the improvements comprising the Capital Improvement Program be planned, financed, acquired, constructed, reconstructed, equipped and installed by the District. The District is empowered and authorized by Sections 6(6) and 6(7) of the Act to plan, finance, acquire, construct, reconstruct, equip and install, in one or more stages, and, thereafter to operate and maintain, the facilities comprising the Capital Improvement Program, or any portions of the systems, facilities and improvements comprising the Capital Improvement Program, and is

further empowered and authorized to incur indebtedness and to issue Bonds for the purpose of financing the cost of the planning, acquisition, construction, reconstruction, equipping and installation of such systems, facilities and improvements comprising the Capital Improvement Program.

11. That the District, through the District Board, has lawful power and authority to declare, assess, levy, and collect the Special Assessments and to impose and collect other revenues to defray the cost of the planning, acquisition, construction, reconstruction, equipping and installation of such systems, facilities and improvements comprising the Capital Improvement Program pursuant to and in accordance with the procedure set forth in the Act and as to Special Assessments in the Assessment Statutes.

12. That authority is conferred upon the District by the Constitution and laws of the State of Florida, specifically pursuant to Sections 6(6)(i), 6(8), 6(10)(b), 6(10)(h), 6(10)(o), 6(12)(b), 6(13), and 6(14) of the Act, to issue, without the approval of the qualified electors of the District, the Bonds for the purposes and in the amounts set forth herein, and to secure and make each series of such Bonds, including the principal thereof, redemption premium, if any, and interest thereon, payable from the Special Assessments to be levied on the lands within the District subject to assessment and benefited by the systems, facilities and improvements comprising the Capital Improvement Program in respect of which the Bonds are being issued, or such other rates, fees, charges or revenues, pursuant to Sections 6(12)(b), 6(13) and 6(14) of the Act.

13. That, when equalized, approved, and confirmed in accordance with the Act and the Assessment Statutes, the Board has the lawful power and authority to levy, collect and pledge the Special Assessments and to take the other acts contemplated hereby in connection with the

issuance, sale, delivery, and payment of the Bonds, and, the Special Assessments shall, when equalized and confirmed in accordance with the Act and the Assessment Statutes, constitute liens co-equal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims.

14. That the Indenture and the Bonds provide that neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District, of Manatee County, or of the State of Florida or any other political subdivision thereof within the meaning of the Constitution and laws of Florida; that the Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or a lien upon any property of the District other than as provided in the Indenture authorizing the issuance of the Bonds; that no Owner (as defined in the Indenture) or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the District or any other public authority or governmental body to pay debt service or to pay any other amounts required to be paid pursuant to the Indenture or the Bonds; and that debt service and any other amounts required to be paid pursuant to the Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to the respective Series of Bonds, all as provided in the Bonds of each Series and in the Indenture.

15. That the Bonds will be in the principal denomination or denominations; will be dated, will be stated to mature on such date or dates in such year or years as permitted by Florida law; will be subject to the right of prior optional, mandatory and extraordinary redemption, if any, on the dates and in the principal amounts as specified in the Supplemental Indenture relating to each Series; will bear interest at the rate or rates not exceeding the maximum rate permitted by

Florida law at the time of issuance; will have such other details and may be secured in whole or in part by a credit facility as shall be determined by subsequent resolution or resolutions of the District Board. The Bonds may be issued as bonds bearing interest at a variable rate and a liquidity facility may be issued in respect of such Bonds. Bonds or other obligations of the District may be issued up to the aggregate principal amount set forth herein as payment, or evidence of payment for, Costs of the Project (as defined in the Indenture), and such Bonds or other obligations may be subordinate in lien and pledge of the Series Trust Estate to other Bonds or other obligation issued by the District and secured by the Trust Estate or any part thereof.

16. That Section 6(10)(a) of the Act authorizes the District to sell its Bonds at public or private sale and the Bonds, and any series thereof, may be sold by the District at public sale by competitive bids or by negotiated sale or pursuant to a private placement, as shall be set forth in a subsequent resolution of the District Board pertaining to the series of Bonds in question; provided, however, that no Bonds shall be sold at a price of less than ninety percent (90%) of the par value thereof, together with accrued interest thereon, unless otherwise permitted by the Act.

17. That the Bonds will be executed by the Chairman of the District Board and attested by the Secretary or a member of the District Board designated for such purpose, and that the signatures of said Chairman and of said Secretary or member to be printed by facsimile signature on the Bonds, so that the only manual signature thereon will be the authenticating signature of the Trustee or its duly designated agent, is in accordance with Section 116.34 and Section 279.06, Florida Statutes. Said Section 116.34 and Section 279.06, Florida Statutes, having been enacted pursuant to Chapter 63-441, Laws of Florida 1963 and Chapter 83-271, Laws of Florida 1983, respectively, prevail over any conflicting provision in Section 215.43,

enacted by Chapter 57-763, Laws of Florida 1957, with respect to the need for a manual signature of at least one official of the District Board.

18. That prior to the issuance and delivery of any series of Bonds, the District shall have undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of hearings, the adoption of resolutions and the establishment of all necessary collection procedures, in order to be able to levy and collect Special Assessments upon the lands within the District subject to assessment and to impose any other Pledged Revenues, all as more specifically required and provided for by the Act and the Assessment Statutes, as the same may be amended from time to time, or any successor statutes.

19. That, pursuant to the Indenture, the District shall covenant to levy and collect revenues in an amount sufficient to pay the debt service on the Bonds and to meet the requirements for debt service reserves as established in the Indenture.

20. That the revenues to be collected by the District in each year are expected to pay the principal of, premium, if any, and interest on the Bonds to be issued, as well as to fund all debt service reserves required to be maintained under the Indenture. Said principal, premium, if any, interest, and debt service reserve obligations will be secured by a first lien upon and pledge of such revenues, as provided in the Indenture.

21. That the Plaintiff has acted in accordance with the law in all respects and particulars, and when issued and sold, the Bonds will be valid and binding special revenue obligations of the Plaintiff, secured by a pledge of and payable solely from the Series Pledged Revenues and the Series Trust Estate as set forth in the Indenture, that the Indenture will be the valid, legal and binding obligation of the Plaintiff enforceable in accordance with its terms.

22. That the Trustee, US Bank National Association, is an acceptable Trustee within the meaning of Section 75.04(2), Florida Statutes, as amended.

23. The Court reserves jurisdiction for the implementation, enforcement, or modification of this order.

24. A record of the proceedings before the Magistrate was established by electronic means pursuant to Fla. R. Civ. P. 1.490.

25. Should you wish to seek review of the Magistrate's Report and Recommendation, you must file exceptions in accordance with Fla. R. Civ. P. 1.490(i). You will be required to provide the court with a record sufficient to support your exceptions or your exceptions will be denied. A record ordinarily includes a written transcript of all relevant proceedings. The person seeking review must have the transcript prepared if necessary for the court's review. The party filing exceptions is required to send copies of the exceptions directly to the Judge assigned to this case, as well as to the undersigned Magistrate.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Bonds and the proceedings heretofore taken for the authorization and issuance of the Bonds, and the execution and delivery of the Indenture and the performance by the Plaintiff of its obligations thereunder be and the same are hereby validated and confirmed.

FOUND AND RECOMMENDED in Manatee County, Florida, this 4th day of October, 2021.



David P. Caskey, Circuit Court Magistrate

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was sent by electronic service to all counsel of record below on this 4th day of October, 2021:

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By: 
Magistrate's Assistant