

BEFORE THE CITY COMMISSION OF THE
CITY OF HAINES CITY, FLORIDA

IN RE: PETITION TO ESTABLISH THE)
 WHITE CLAY COMMUNITY)
 DEVELOPMENT DISTRICT)

AFFIDAVIT ADOPTING WRITTEN, PRE-FILED TESTIMONY

STATE OF FLORIDA
COUNTY OF Polk

I, Warren K. (Rennie) Heath, II, of CH Dev, LLC being first duly sworn, do hereby state for my affidavit as follows:

1. I have personal knowledge of the matters set forth in this affidavit.
2. My name is Warren K. (Rennie) Heath, II, and I am an authorized signatory and representative of CH Dev, LLC (“Petitioner”).
3. The prepared written, pre-filed testimony consisting of seven (7) pages, submitted under my name to the City Commission of the City of Haines City, Florida relating to the Petition to Establish the White Clay Community Development District, as supplemented (“Petition”), and attached hereto, is true and correct.
4. If I were asked the questions contained in the pre-filed testimony orally at the White Clay Community Development District establishment hearing, my oral answers would be the same as the written answers presented in my pre-filed testimony.
5. My credentials, experience and qualifications concerning the Petition, its exhibits and the reasons for establishing the District are accurately set forth in my pre-filed testimony.
6. My pre-filed testimony addresses the various statutory requirements and an overview of the proposed development within the boundaries of the District.

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

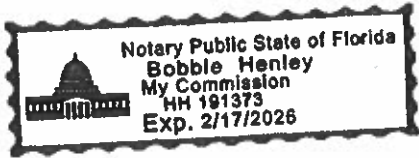
Under penalties of perjury, I declare that I have read the foregoing and the facts alleged are true and correct to the best of my knowledge and belief.

Executed this 20th day of December 2023.

Warren K. Heath, II
Warren K. Heath, II

STATE OF FLORIDA
COUNTY OF Polk

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 20th of December 2023, by Warren K. Heath, II, who is personally known to me or who has produced _____ as identification.



Bobbie Henley
(Official Notary Signature & Seal)
Name: Bobbie Henley
Personally Known X
OR Produced Identification _____
Type of Identification _____

1 **TESTIMONY OF WARREN K. (RENNIE) HEATH, II FOR ESTABLISHMENT OF**
2 **THE WHITE CLAY COMMUNITY DEVELOPMENT DISTRICT**

3
4 **1. Please state your name and business address.**

5
6 My name is Warren K. “Rennie” Heath. My business address is 346 E. Central Ave.,
7 Winter Haven, Florida 33884.

8
9 **2. By whom are you employed and in what capacity?**

10
11 I am Director of Development for Heath Construction and Management, LLC. I have been
12 employed in my current position for over 30 years.

13
14 **3. Briefly summarize your duties and responsibilities.**

15
16 I am responsible for the overall management of permitting, design, land use and
17 entitlements for all of the developments for the above entity.

18
19 **4. Briefly describe your educational background.**

20
21 I hold a Bachelor of Arts Degree in Business with a minor in Economics from the
22 University of South Florida.

23
24 **5. Who is the Petitioner in this proceeding?**

25
26 The petitioner is CH Dev, LLC. (“Petitioner”).

27
28 **6. Are you familiar with the Petition filed by the Petitioner seeking the establishment of**
29 **a community development district?**

30
31 Yes. I assisted in the preparation of the petition filed on November 21, 2023, with the City
32 of Haines City, Florida (the “City”) and accompanying exhibits (the “Petition”) and worked
33 with members of the consultant team we hired to prepare the filing. I reviewed the Petition
34 and exhibits prior to its filing.

35
36 **7. What is the proposed name of the District?**

37
38 The proposed name is the White Clay Grove Community Development District
39 (“District”).

40
41 **8. Have you reviewed the contents of the Petition and approved its findings?**

42
43 Yes, I have.

44
45 **9. Are there any changes or corrections to the Petition at this time?**

46

1 No.

2
3 **10. Are there any changes or corrections to any of the exhibits submitted to the City at**
4 **this time?**

5
6 No.

7
8 **11. Please generally describe each of the exhibits attached to the Petition.**

9
10 Exhibit 1 is the map showing the general location of the proposed District.

11
12 Exhibit 2 is the metes and bounds description of the external boundary of the proposed
13 District.

14
15 Exhibit 3 are the Consents of Landowners to CDD Establishment, executed by CH Dev,
16 LLC, Lake Hamilton Holdings, LLC, and Cassidy Holdings, LLC, which represent the
17 consent of one hundred percent (100%) of the owners of the lands to be included within
18 the District.

19
20 Exhibit 4 contains a map depicting the existing use for the lands contained in the proposed
21 District and surrounding areas.

22
23 Exhibit 5 contains a map depicting the distribution, location, and extent of the public and
24 private land uses proposed by the District by the future land use plan element of the City's
25 Future Land Use Plan.

26
27 Exhibit 6 contains map identifying the location of major outfall canals and drainage basins
28 for the lands withing the proposed District as well as the existing major trunk water mains
29 reuse water mains and wastewater interceptors within the undeveloped lands contained in
30 the proposed District.

31
32 Composite Exhibit 7 contains a list of the facilities and services the proposed District is
33 expected finance, fund, construct, acquire and/or install, as well as the anticipated entity
34 responsible for the ownership and maintenance thereof in addition to the estimated costs
35 of construction the infrastructure serving the land within the proposed District.

36
37 Exhibit 8 is the Statement of Estimated Regulatory Costs ("SERC"), required by statute.

38
39 Exhibit 9 is the authorization of agent form, which authorizes Jennifer L. Kilinski to act as
40 agent for the Petitioner.

41
42 **12. Were these Exhibits attached to the Petition prepared by you or under your**
43 **supervision?**

44
45 Yes.

1 **13. Are the contents of the Petition and the Exhibits, attached to it and referenced above**
2 **true and correct to the best of your knowledge?**

3
4 Yes.

5
6 **14. Are you familiar with the area that is proposed to be included within the District?**
7 Yes, I am familiar with the general area and the site specifically.

8
9 **15. Approximately how large is the proposed District in acres?**
10
11 The proposed District is located entirely within the City of Haines, City, Florida, which is
12 situated within Polk County. The proposed District covers approximately 181 acres of
13 land.

14
15 **16. What steps were taken with respect to filing the Petition with the City?**
16
17 On November 21, 2023, the Petitioner filed the original Petition with the City.

18
19 **17. Has notice of the hearing been provided in accordance with Section 190.005, Florida**
20 **Statutes?**
21
22 Yes. A notice of hearing is being published in The Ledger, a newspaper of general
23 circulation in Polk County and of general interest and readership in the community, on
24 December 21, December 28, January 4, and January 11 as a display ad for the four (4)
25 consecutive weeks immediately preceding the hearing. Proof of publication has been
26 requested and will be available by the time of the establishment hearing.

27
28 **18. Who are the five persons designated in the Petition to serve as the initial Board of**
29 **Supervisors?**
30
31 The five persons include: myself, Lauren Schwenk, Jessica Petrucci, Daniel Arnette, and
32 Lindsey Roden.

33
34 **19. Do you know each of these persons personally?**
35
36 Yes, I do.

37
38 **20. Are each of the persons designated to serve as the initial Board of Supervisors**
39 **residents of the State of Florida and citizens of the United States?**
40
41 Yes, they are.

42
43 **21. Are there residential units planned for development within the proposed District?**
44

1 Yes. There are approximately 803 residential units planned for development within the
2 proposed District, which are anticipated to be constructed in two phases beginning in 2023
3 and ending in 2025.

4
5 **22. Are there residents currently living within the areas to be included within the District,**
6 **and, if so, have they been notified about the creation of the District?**

7
8 No, there are no residents currently living within the areas to be included within the
9 District.

10
11 **23. What steps will be taken to ensure that prospective purchasers of the District receive**
12 **notice of the existence of the District and its assessments?**

13
14 There are certain state law disclosure requirements that all community development
15 districts (“CDDs”) must meet.

16
17 First, within thirty (30) days of the establishment of the District, a Notice of Establishment
18 is required to be recorded in the property records. The notice contains a legal description
19 of the boundaries of the District and discloses, as required by Section 190.0485, *Florida*
20 *Statutes*, through inclusion of the bold-faced language set forth in the paragraph
21 immediately below, that the District may levy assessments. The document also provides
22 contact information for members of the public to obtain more information about the
23 District. This document should appear on a title search typically prepared when someone
24 intends to purchase a home after a District has been established.

25
26 Second, Section 190.048, *Florida Statutes*, requires certain contractual language to appear
27 in bold-faced and conspicuous type immediately prior to the signature line on every initial
28 purchase contract. The following language will be required: **The White Clay Community**
29 **Development District may impose and levy taxes or assessments, or both taxes and**
30 **assessments, on this property. These taxes and assessments pay the construction,**
31 **operation, and maintenance costs of certain public facilities and services of the**
32 **District and are set annually by the governing board of the District. These taxes and**
33 **assessments are in addition to county and other local governmental taxes and**
34 **assessments and all other taxes and assessments provided for by law.**

35
36 Third, when assessments are levied for the first time or when previously levied assessments
37 are raised, notice of a public hearing is required to be given by publication in a local
38 newspaper and by mail to all property owners within the District. The assessments are then
39 considered at a public hearing.

40
41 Fourth, the District will be required to adopt and record in the Polk County Public Records
42 a Disclosure of Public Financing and Maintenance of Public Improvements. This
43 Disclosure summarizes the financing plan the District has undertaken, the existence, if any,
44 of capital and operation and maintenance assessments, and the facilities and services that
45 the District provides and maintains. This Disclosure is then provided by the District to the

1 developer to satisfy the requirements of Section 190.009, *Florida Statutes*, and is also
2 available for inspection by residents and prospective residents.

3
4 **24. Would you please describe the proposed timetable for development of land within the**
5 **proposed District?**

6
7 It is anticipated that the District improvements will be made, acquired, constructed and/or
8 installed from 2023-2025.

9
10 **25. Has all of the developable land within the proposed District been planned as a single**
11 **community?**

12
13 Yes, the developable land, along with the master infrastructure to be maintained by the
14 proposed District that will service the developable land, although anticipated to be
15 constructed in multiple phases, is planned as a single community.

16
17 **26. Would you generally describe the services and facilities you currently expect the**
18 **proposed District to provide?**

19
20 The Petitioner presently intends for the District to be involved in providing the following
21 services and facilities: stormwater management system, roadway improvements, water and
22 sewer improvements, landscape, streetlights, and related improvements. The facilities are
23 outlined in Composite Exhibit 7 of the Petition.

24
25 **27. Did you cause the cost estimates identified in Composite Exhibit 7 to be prepared?**

26
27 Yes, the cost estimates were prepared under my supervision and direction.

28
29 **28. What methods were used to estimate these costs?**

30
31 The estimates are based on research regarding historical costs of constructing similar
32 infrastructure and current market conditions.

33
34 **29. In your opinion, are the cost estimates for the facilities for the proposed District**
35 **reasonable?**

36
37 Yes, to the best of my knowledge and based on the information available.

38
39 **30. In general, what financing methods does the Petitioner propose the District may use**
40 **to pay for the anticipated facilities and services?**

41
42 Petitioner presently expects that the District will finance facilities and services through the
43 issuance of tax-exempt bonds, special assessments and through other available financing
44 mechanisms. The debt issued by the proposed District is expected to be retired by non-ad
45 valorem assessments (also known as "special assessments") on benefitted property within
46 the proposed District. Ongoing maintenance and operation of the District and its facilities

1 and services are expected to be funded by non-ad valorem special assessments. Any
2 facilities not financed with a bond issue may be funded by the developer using conventional
3 financing options.
4

5 **31. Who will be responsible for paying the proposed District’s assessments?**

6
7 Only current property owners and those who choose to acquire property within the
8 proposed District will be responsible for paying District assessments.
9

10 **32. Will these proposed District debts be an obligation of the City, County, or the State**
11 **of Florida?**

12
13 No. The debts will be solely the District’s obligation and secured by non-ad valorem
14 assessments levied against property owners. Florida law provides that CDD debt cannot
15 become the obligation of a county, a city, or the state without the consent of that
16 government.
17

18 **33. Why is the Petitioner seeking to have a CDD established for this area?**

19
20 There are hundreds of CDDs throughout the State of Florida. CDDs are an efficient,
21 effective way to provide infrastructure and have become accepted in the marketplace to
22 homebuyers. CDDs have the ability to assist in the streamlined and efficient maintenance
23 and operation of infrastructure and services to developing communities.
24

25 From our perspective, the establishment of a CDD is logical for this project. It provides a
26 long-term, stable, financially secure entity. The proposed District is a structured, formal
27 entity with the legal ability to respond to future changes in the circumstances and desires
28 of its residents. Under Florida law, the proposed District has access to Polk County’s tax
29 collection mechanisms, which helps ensure that the facilities will be maintained. In that
30 sense, it is preferable over control by a property owners association.
31

32 Additionally, a CDD has the ability to enter into interlocal agreements with other
33 government entities. These allow a CDD to work with other government entities to
34 complete projects that benefit residents within the CDD boundaries while also assisting
35 local governments in completing infrastructure necessary to serve growth.
36

37 A CDD has the financial capability to assist in the provision of necessary capital
38 improvements sooner than may otherwise be the case. The City, developers, builders and
39 residents will all benefit from these improvements in terms of access, traffic flow, safety
40 and general property enhancement. Additionally, a CDD is the entity preferred by many
41 regulatory agencies, including many water management districts, to operate and maintain
42 the stormwater management and other similar systems. This is because the CDD is a
43 perpetual entity, operating in open meetings, with the financial ability to ensure that the
44 maintenance of these important environmental facilities and amenities is accomplished.
45 Given the nature of this project, in my opinion, a CDD is a logical, prudent, and desirable
46 way to ensure this needed infrastructure is maintained.

1 **34. Does this conclude your testimony?**
2
3 Yes.