

MINUTES OF MEETING
KNIGHTSBRIDGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Knightsbridge Community Development District was held Monday, February 19, 2024 at 10:00 a.m. at the Oasis Club at ChampionsGate at 1520 Oasis Club Blvd., ChampionsGate, Florida.

Present and constituting a quorum were:

Adam Morgan	Chairman
Rob Bonin	Vice Chairman
Steve Greene <i>joined late</i>	Assistant Secretary
Nicole Henley <i>by phone</i>	Assistant Secretary
Josmin Martinez	Assistant Secretary

Also present were:

Jeremy LeBrun	District Manager
Kristen Trucco	District Counsel
Steve Sanford <i>by phone</i>	Bond Counsel
Alan Scheerer	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. LeBrun called the meeting to order and called the roll. There were three Board members present in person and one via Zoom constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. LeBrun: Next item on the agenda is the public comment period. For the record, there are no members of the public present, just Board and staff.

THIRD ORDER OF BUSINESS

Approval of Minutes of the December 18, 2023 Meeting

Mr. LeBrun: That brings us down to item number three. This is the approval of the minutes of the December 18, 2023 meeting. Those are included in your agenda package, and I am happy to take any comments or corrections. If not, we are just looking for a motion to approve those minutes.

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On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, the Minutes of the December 18, 2023 Meeting, were approved, as presented.

FOURTH ORDER OF BUSINESS**Public Hearing**

Mr. LeBrun: Next item on the agenda is our public hearing. This is an advertised public hearing for any members of the public to voice their opinion. If I could just get a motion to open the public hearing.

On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, Opening the Public Hearing, was approved.

A. Consideration of Engineer's Report

Mr. LeBrun: The public hearing is open. The first item under this public hearing is the consideration of the Engineer's report. This is on page 13 of your electronic agenda. Going to the phone, do we have our District Engineer on the phone? I don't believe so. I'm happy to go through the report with the Board. I don't believe it's changed much since you've last seen it.

Mr. Morgan: No, I have been reading it all morning, it's the same.

B. Consideration of Amended and Restated Master Assessment Methodology Report

Mr. LeBrun: That brings us down to item B under the public hearing which is on 39 of your electronic agenda. This is the consideration of the amended and restated master assessment methodology. I don't believe it has changed much since the Board was last sent a copy of this. I will just go through tables very briefly. And then of course, we can have discussion or answer any questions if needed. The first table is table 1, this is the development program. This just details the number of units and the ERUs factored that were used within the Master Assessment Methodology. Table #2, this is the infrastructure cost estimate. This was pulled from the Engineer's report. This just details the cost from the capital improvement plan. You can see the number there is \$24,889,529. Below that is table #3. This is your estimated bond sizing using the numbers described there below. The average coupon rate is 7.5% over 30 years and 24 months of capitalized interest. Your debt service reserve is the max annual and your underwriters discount is 2%. Going down to table #4, this is the allocation of benefit. Listed there you have the single-family 50 units. You can see the total improvements cost per product type. Table #5 is your allocation of total benefit par debt to each product type. You have your single-family 50-foot 347 units and then right

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there is listed the par debt per unit. Table #6 is your par debt and annual assessments for each product type and that's listed there as well for your reference. The gross annual debt per unit is \$8,929.70. That's also using the most conservative estimates for the sizing. That brings us to table #7 where you have your preliminary assessment roll. I am happy to take any questions on it. Like I said, I believe the Board is aware of what has been presented here. I am just reading it for the public record.

C. Public Comment & Testimony

Mr. LeBrun: That brings us down to item C, public comment and testimony. For the record, there are no members of the public present, only Board and staff members.

D. Consideration of Resolution 2024-05 Levying Assessments

Mr. LeBrun: Item D is on page 53 of your electronic agenda. This is consideration of Resolution 2024-05 levying assessments.

Ms. Trucco: Okay, great. So, for your call that we had previously had a resolution declaring special assessments in Phase 2, also referred to as the Assessment Area 2 Project, so this is the next statutory step that we have a public hearing. Notice of the public hearing was advertised in the newspaper in accordance with Florida statutes. The next step in order to issue bonds over Assessment Area 2 or Phase 2 is that the Board needs to adopt this resolution levying assessments. This would be approving the levying of special assessments. In the Assessment Area 2 Project, also known as Phase 2, in accordance with the amended and restated assessment methodology report that the Board just approved, it is also attached to this resolution. And then this also confirms the District's intention to issue bonds over Assessment Area 2, also known as Phase 2. The Board had previously gone through this process for Phase 1. George, when we knew that we were going to be issuing Bonds for Phase 1 and 2, we knew that we needed to go through this same levy process for Phase 2 as well. So, this is just going to clean up the remainder of the assessment area so that we can issue bonds for the entire thing. This is also going to direct the District manager to record a general notice of assessments over Phase 2 in the public records, which is required under the Florida statute. If you have any questions, I am happy to take them now. Otherwise, we are just looking for a motion to approve Resolution 2024-05.

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On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, Resolution 2024-05 Levying Assessments, was approved.

E. Consideration of Resolution 2024-04 Delegation Resolution

- i. Exhibit A – Form of Bond Purchase Contract**
- ii. Exhibit B – Draft Preliminary Limited Offering Memorandum**
- iii. Exhibit C – Form of Continuing Disclosure Agreement**
- iv. Exhibit D – Form of First Supplemental Trust Indenture**
- v. Exhibit E – Form of Completion Agreement**
- vi. Exhibit F – Form of True-Up Agreements**
- vii. Exhibit G – Form of Acquisition Agreement**
- viii. Exhibit H – Form of Collateral Assignments**

Mr. Morgan: Can we note that Steve Greene joined the meeting?

Mr. LeBrun: Yes, for the record, Steve has joined the meeting. That brings us down to item E. This is on page 61 of your electronic agenda. This is consideration of Resolution 2024-04 the Delegation Resolution. I believe we have Steve Sanford on the call. Steve, can you hear us?

Mr. Sanford. Thank you. For the record, this is Steve Sanford with Greenburg Traurig serving as the District's Bond Counsel. This Board might be familiar with the Delegation Resolution which is set up as the last formal resolution in order to issue the bonds. What we do in this Resolution is set certain parameters and when it comes time to market the Bonds, within the parameters set by the Board, then the Chair or the Vice Chair is authorized to sign a bond purchase contract and execute documents without the need for calling another special meeting. The parameters are that we are authorizing a principal amount of \$19,700,000 in special assessment bonds to finance a portion of the 2024 project. The interest rate guarantees the maximum rate set by statute determines the bonds not counting a capitalized interest period that is no more than 30-years principal amortization and a compensation to the underwriter is based on the bonds at a discount at 98% and then they turn around and sell the bonds, and the difference is the compensation to be paid to the underwriter which is 2%. We see it in here that we would have to go back for another meeting, but those are very conservative parameters. We'll be fine without a need for a special meeting. In addition to that, there's a number of exhibits I am asking the Board to approve. I will quickly go through what they are. The bond purchase contract that is between the District and FMS who is your underwriter. Once the bonds are marketed, this is the contract that gets signed, and it would have the final terms of the bonds and the necessary deliverables to get to a successful closing. Exhibit B is the preliminary limited offering memorandum which is

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the marketing tool used by the underwriter to write investors. Once the bonds are sold, that preliminary limited offering memorandum gets finalized and gets delivered to the ultimate investor. Exhibit C is the continuing disclosure agreement that's a document required under SCC rules that requires annual disclosure of the status of the bonds and the project and the development and disclosure of certain numerated material events. The rationale behind that agreement is that if somebody wanted to buy these bonds in the secondary market, they would have the most up-to-date information. The next exhibit is exhibit D, the first supplemental trust indenture. Every time the District issues bonds, even though there is a master trust indenture between the District and the trustee, there is a series, and every series of bonds is supplemental. This supplemental would have indenture provisions and that would get finalized after the bonds are sold. And then the next exhibits E, F, G, and H has been prepared by District Counsel and there is a completion agreement in the event that, well we know the bond proceeds won't be sufficient to complete the project, this puts an obligation on the developer to complete the project. That was standing the financing, which is not going to cover the whole project. The true-up agreement puts an obligation on the developer to make a payment to true-up the assessments that are going to be levied on platted units. The acquisition agreement that's between the District and the developer and that sets forth a mechanism for which completed aspects of the project are sold to the District. And then the last exhibit is the collateral assignment that's in the unlikely event there would ever be a default. There is a collateral assignment of all the necessary development documents that would be necessary to complete the project. The last two things this resolution does is if there is any need to modify the methodology report or the Engineer's report in connection with the marketing of the bonds, this resolution authorizes those modifications to be made without the need for a special meeting. So, unless any Board members have any questions regarding the exhibits of this resolution, I am looking for a motion to adopt 2024-04.

Mr. Morgan: Real quick, in our assessment methodology we list \$34,400,000 as our debt. But in this bond assessment it's only \$7,000,000. Is there a reason for the extreme difference between what's in the assessment methodology and what's in the resolution?

Mr. Sanford: The number \$7,000,000 is what I have gotten from the underwriter as far as what that is, I guess there have been discussions between the underwriter and the developer as far as how much debt they want to pass on. The master methodology as pointed is very conservative, it has a higher number, but this is all that we are financing at this time. Not to exceed \$7,000,000

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That was the number I was told to use for the delegation resolution. It's not unusual to have a lesser amount in the actual amount that we're issuing bonds for, but I differ.

Mr. Morgan: Okay, thanks Steve. I just wasn't aware of those conversations behind doors. Rob straightened me out on that. Thank you.

On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, Resolution 2024-04 Delegation Resolution and Exhibits A through H, was approved.

Mr. LeBrun: Can we just get a motion to close the public hearing?

On MOTION by Mr. Morgan, seconded by Mr. Greene, with all in favor, Closing the Public Hearing, was approved.

FIFTH ORDER OF BUSINESS

Consideration of Aquatic Plant Management Agreement for Ponds 1 & 2

Mr. LeBrun: That brings us down to item number five, the consideration of aquatic plant management agreement for ponds number one and two.

Mr. Scheerer: Included in your agenda pack is a proposal form Applied Aquatic for the aquatic lake services at Knightsbridge. The two ponds, pond one and pond two, located in Phase 1. As you know we already turned over the landscaping portion of that at a previous meeting. So, we are maintaining that, and this is just to get the water under control. We do have funding in the budget. This particular agreement we did extend it through 2025 so we do not have to come back in six months or so and renew it. But these funds are allocated in the 2024 budget, and we will make sure not only these two ponds but the future ponds in Phase 2 will be included as well. I can answer any questions you might have.

On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, the Aquatic Plant Management Agreement for Ponds 1 & 2, was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

- i. Discussion of Pending Plat Conveyances**
- ii. Status of Permit Transfers**

Mr. LeBrun: That brings us down to staff reports. We'll start with District Counsel.

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Ms. Trucco: The only update is we are working on conveying the remainder of tracts in Phase 1 to the CDD in accordance with the dedications and the recorded plat. That's really all we have been doing. And we're just working on the bond documents as well. Any questions for me I can try to answer them now, otherwise that's all I have for you today.

Mr. Morgan: Do we have an estimated signing date yet for the bonds?

Ms. Trucco: I do not know when they are projected to close. I would imagine probably the first week of March is what I would think.

Mr. LeBrun: I made a note to add that and to the follow up.

Mr. Morgan: Okay, thank you.

B. Engineer

Mr. LeBrun: I don't believe that District Engineer has joined us via phone.

C. District Manager's Report

i. Approval of Check Register

Mr. LeBrun: That brings us down to item C, the District Manager's report. On page 262 of your electronic agenda, you will see the Knightsbridge summary of check register. These are for checks number 46-54. The total for the check register is \$34,803.72. And then behind that you will see your line-item expenses. I am happy to take any questions on those. If not, we are just looking for a motion to approve the check register.

On MOTION by Mr. Bonin, seconded by Mr. Morgan, with all in favor, the Check Register totaling \$34,803.72, was approved.

ii. Balance Sheet and Income Statement

Mr. LeBrun: Behind that you have your balance sheet and income statement. These are your unaudited financials through December 21, 2023. No action is required on the Boards part. Those are just there for your review.

D. Field Manager's Report

Mr. LeBrun: That brings us down to the Field Manager.

Mr. Scheerer: Nothing new to report. We are keeping an eye on the progress on the parks in Phase 1 and I see Mark's been busy installing playground equipment and volleyball. We'll add those to insurance once they have been accepted and turned over.

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Mr. Bonin: The three ponds have been upkeep? The banks?

Mr. Scheerer: We just have the two ponds.

Mr. Morgan: Just the two in Phase 1 right now.

Mr. Bonin: Correct. Okay.

Mr. Scheerer: Yeah, you guys are working on everything else in Phase 2. I know I talked to Dave Reed about some adjustments on the ownership map. And I've got some other questions for him as well as far as wetlands go. I am assuming those are supposed to be CDD and not HOA.

Mr. Morgan: But those two ponds, we have turned them over. They've been turned over to the CDD. So, the pathways around the ponds and all that stuff.

Mr. Bonin: Was that that area Michelle was asking me about? Let me show you. It was intended to be CDD.

Mr. Scheerer: Well, they had this originally as HOA. Oh that? I don't know about that.

Mr. Bonin: I think on the plat that says HOA and it needs to be District. CDD.

Mr. Scheerer: Not to get off track, but we do have the meeting on Wednesday with you folks. So, some of the things we need to go over is any plat conveyances or changes. It should be for Wednesday at 11:30. We set up that meeting with all the project managers and stuff to go over it. Believe it or not, the 2025 budget.

Mr. Morgan: What time is that? 11:30?

Mr. Scheerer: Yes, sir. Do you have that, Rob?

Mr. Bonin. Yeah, it's an invitation from Carly, so we just need to make sure whatever project we're talking about, one supervisor is in that meeting.

Mr. Morgan: I am free all day, I can be there.

Ms. Trucco: Have the permits been transferred to the District for Phase 1 and 2?

Mr. Scheerer: As far as I know, yes. I believe that's what started everything. And Dave's not on the phone. But I'm pretty sure that's what started the process was that the permits were transferred, and we went ahead and set up a walk through. We did that. Now I know there is some hardscape of concrete. There are a few other things that Mark was working on.

Mr. Bonin: Mark is not doing the hardscape stuff, that's like Skid Steer, I think. Mark is just doing irrigation and landscape. That's another group that I think they are close to wrapping up.

Mr. Scheerer: And I know you have the entry monument off of Poinciana.

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Mr. Yup. They're doing that too. And I think it's for the most part complete.

Mr. Morgan: It's done.

Mr. Bonin: It just needs to be landscaped around it.

Mr. Scheerer: And that will be transferred to the District as well.

Mr. Bonin: Yeah.

Mr. Scheerer: We'll talk more about it on Wednesday. But as far as SOBs and stuff like that. So, once it is done, we can get it on insurance.

Mr. Morgan: That's the one that we built the monument right behind the fire pipe?

Mr. Bonin: There was never a good spot there. You've got the backflow TOHO apparatus above ground. And then Kissimmee had a height restriction on the sign. It's not ideal.

Ms. Trucco: Can you send me that tract number or letter so that I can add it to our deed.

Mr. Scheerer: Are you talking about the pond tracts?

Mr. Trucco: The one that the plat dedicated to the HOA but it's coming to the CDD.

Mr. Bonin: Is it W1 and W2? Up in that corner.

Mr. Morgan: WB1 and W1. Alright, thanks Alan.

SEVENTH ORDER OF BUSINESS

Other Business

Mr. LeBrun: That brings us down to other business. Do any Board members have other business to discuss?

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

Mr. LeBrun: Any Supervisor's request? Hearing none, we will move to the next item.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Morgan: I make a motion to adjourn.

On MOTION by Mr. Morgan, seconded by Mr. Bonin, with all in favor, the meeting was adjourned.

DocuSigned by:
George Flint
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Secretary/Assistant Secretary

DocuSigned by:
Adam Morgan
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Chairman/Vice Chairman