

**MINUTES OF MEETING
MIAMI WORLD CENTER
COMMUNITY DEVELOPMENT DISTRICT**

A Special Meeting of the Miami World Center Community Development District's Board of Supervisors was held on **Wednesday, August 3, 2016 at 11:00 a.m.**, at the offices of **Greenberg Traurig, P.A., 333 S.E. 2nd Ave., 44th Floor, Room 44-020, Miami, Florida 33131.**

Present at the meeting were:

John Chiste	Chair
Neil Eisner	Vice Chair
Joseph DiCristina	Assistant Secretary
Cora DiFiore (<i>via telephone</i>)	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Cindy Cerbone	Wrathell, Hunt & Associates, LLC
Sue Delegal	District Counsel
Bob Gang	Bond Counsel
Henry Fishkind (<i>via telephone</i>)	Fishkind & Associates, Inc.
Pedro Hernandez (<i>via telephone</i>)	Underwriter's Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 11:07 a.m., and noted, for the record, that Supervisors Chiste, DiCristina and Eisner were present, in person. Supervisor DiFiore was attending via telephone. Supervisor Colamarino was not present.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Consideration of Revised Engineer's Report

Mr. Wrathell stated that one of the most significant changes to the Engineer's Report was on Page 13, with the reduction of the Capital Improvement Plan (CIP) to \$55,982,500. There would be a corresponding reduction in the amount of bonds issued.

Mr. Gang stated that there are plazas and paseos that would remain private; there would be improvements to the rights-of-way (ROW), plazas, public areas, landscaping and hardscape, which would have restaurants and other outdoor businesses. The developers felt that it made sense to keep the property private, to alleviate worries about restrictions and Internal Revenue Service (IRS) code on bond financed improvements. The public spaces were reduced significantly.

Mr. Chiste asked for clarification that these were all public purpose improvements. Mr. Gang concurred. A Board Member reiterated that the original CIP was \$72 million, reduced to approximately \$56 million. Mr. Gang stated the amount did not include "gross ups" for the bond issue. This was over both phases; there would be second phase, in a couple of years. The CIP included the Metro Mover stations, etc., which would be in the second phase.

Mr. DiCristina asked if any members or property owners were removed from the boundaries of the project. Mr. Wrathell stated that the Boundary Amendment, itself, was in process and was expected to be on the September 7 agenda. As he understands it, Dr. Fishkind's methodology included the acreage numbers consistent with the Boundary Amendment being effectuated. With the lower number in the methodology, the District was in "good shape".

Mr. Gang asked Ms. Delegal to confirm that the total acreage in the Report was the current acreage of 23,934. Ms. Delegal replied affirmatively and added that 23.095 total acres were in the Introduction of the first Report.

Mr. Wrathell believed that Mr. Kessler wanted the Revised Engineer's Report, Methodology and offering documents, related to the bonds, to circulate to investors. The Engineer's Report could be approved, in substantial form, and Mr. Buchler could be asked to ensure that the contemplated improvements are those that would ultimately be in the District, when the boundaries are amended. In response to a question, Mr. Wrathell explained that the approval, in substantial form, was primarily for Staff to correct Scrivener's errors, etc.; however, revisions would be circulated to the Board. If a change was material, it would be presented to the Board.

Ms. Delegal stated that, with regard to the acreage, the petition was for 23,095 acres. At the last meeting, the original Report was heavily scrutinized. As Mr. Wrathell suggested, the

Board could approve the Report, subject to confirmation and amendment of Scrivener’s errors regarding acreage, because the other aspects of the Report were not affected.

Mr. Wrathell recommended confirming that the costs were consistent with the boundaries to be amended and ensuring that there were no acreage discrepancies. The details would be emailed to Mr. Buchler and Mr. Chiste. Further adjustments would be emailed to the Board.

On MOTION by Mr. DiCristina and seconded by Mr. Chiste, with all in favor, the Revised Engineer’s Report, dated July 30, 2016, in substantial form, was approved.

FOURTH ORDER OF BUSINESS

Consideration of Revised Supplemental Master Assessment Methodology Report

Dr. Henry Fishkind, of Fishkind & Associates, Inc., (Fishkind), recalled that the Board previously approved a Master Assessment Methodology Report, which established a methodology by which the debt would be allocated across the benefitting properties. The methodology was an Equivalent Residential Units (ERU) method. Subsequently, an updated CIP was approved at a lower total. In the Revised Supplemental Master Assessment Methodology Report, the assessments correspond to the now lower CIP. The CIP was reduced but the land use and methodology did not change; therefore, the bond amount was reduced. The assessments were reduced for all of the proposed benefitting properties to correspond with the reduction. The other changes reflected refinements to the process by which the District would administer its tax lien book. It was established that the District approved its methodology that would attach assessments, first to all gross private acreage and, then, as properties were platted, the allocations would be refined, from a gross acre basis to a land use basis. As platting begins, Fishkind would be informed by the developers and their attorneys that platting occurred, along with the conveyance of particular entitlement, which defines the actual land use. Language was included to reflect the refinement. The final update was to refine the true-up test. Originally, the true-up test was based on acreage; now, with the addition of the plat and conveyance process, the CDD wants to be certain that, if a property was platted to be an apartment and receives ten entitlements for ten apartment units, the owner is responsible to pay for those ten units. If an owner only builds eight units, the District does not want the underdevelopment of a particular plat to affect

anyone else; therefore, the true-up test was added to reflect and to keep track of the conveyances and entitlements.

With regard to “Table 3. Allocation of the Series 2016 Bonds to Benefitting Properties”, on Page 5, “Block G Apartments”, Mr. Chiste asked if it was true that overall debt of \$12 million was being allocated to that particular entity. Most tracts within the development plan would be sold to individual owners of these particular properties and assumed that the bond encumbrance, on a particular property, would be specific to the dollars associated with that property. Mr. Gang replied affirmatively, based on the plat and conveyance of the specific entitlements to that property. That transaction was defined to be a new landowner with associated responsibilities. Mr. Chiste stated that a three-year interest reserve was contemplated within this bond issue and asked if, for some reason, one or two of the allocations, such as the Block A and B Condos, takes longer than three years to be constructed and sold, and there is nowhere to allocate the future bond payments to a real estate tax bill, per say, relative to the individual owners and, if the entities who purchased the tracts have a problem making those payments, does the whole issue go into default or just a portion of the issue ascribed to that particular debt. Mr. Gang responded that the bond issue would not go into default. Tax certificates would be sold to pay the unpaid taxes. If certificates were not sold in the first year, the District would tap into the debt service reserve fund to make up for the payment. Bonds would still not default and the process would be repeated in the second year. If the debt service reserve fund was not exhausted, no monetary default would exist on the bond.

Mr. Wrathell stated that, with respect to the indenture, typically, if the master developer owned the property, it is billed off-roll, to foreclose quicker. He asked, if the master developer sells to another party, would it remain off-roll until the property was developed. Dr. Fishkind stated that, as of now, they would go on-roll, unless that is changed. Mr. DiCristina thought that the issue was not specifically dealt with yet. Mr. Chiste stated that, currently, all of these assets were held within one entity. The concern was that most CDD defaults that occurred, over the past four to five years, were master developers who had all of their properties off-roll. The delivery of homes ceased to zero, the developer did not have the wherewithal to cover all of their debts and the reserve fund was not large enough to contemplate reaching into the debt service fund.

Mr. Wrathell felt that there was an advantage to having the indenture spell out that the master developer is billed off-roll and believed that bulk sales should be off-roll, as well, to

protect the master developer from selling to entities who failed. The District could foreclose if the bulk buyer fails. Mr. Gang would review the indenture to determine what was specified. There was often a provision allowing the District flexibility to bill off-roll if it was deemed to be in the best interest of the bondholders. Ms. Delegal stated that the assessment resolutions provided that flexibility, either way.

Mr. Wrathell commented that, in the Midtown Miami CDD, when individual units are on the tax bill, they are placed on the roll. Otherwise, even if the master developer sells a parcel, the other parcels remain off-roll, until they are built and assessable. Ms. Delegal stated that it was set up to use the uniform method but was not assigned to specific properties.

Mr. Wrathell stated that Management would research the subject and suspected that Mr. Kessler would approve because it would be in the bondholder's best interest.

With regard to phasing, Mr. Chiste asked, how much would be in the first takedown of bonds and if one-half or all of the bonds would be sold or funds would be placed in reserve. Dr. Fishkind did not know. Mr. Wrathell stated that there was discussion of \$45 million, which might still be in play. Mr. Chiste believed that, to provide a comfort level to minimize the risk of the three-year reserve period, the later the second portion of the bonds are sold, the better.

Mr. Wrathell pointed out that, on the bottom of Page 3, "Source: Kimley Horn (August 2016)", should be July, as the Engineer's Report was dated July 31, 2016. Mr. Buchler would be encouraged to keep the July 31 date, for consistency.

On MOTION by Mr. Chiste and seconded by Mr. Eisner, with all in favor, the Revised Supplemental Master Assessment Methodology Report, dated August 2, 2016, as amended, was approved.

*****Dr. Fishkind left the meeting.*****

With regard to the timing of the second bond issue, Mr. Gang stated that it would depend on the needs of the infrastructure and when those expenditures would be incurred. Mr. Wrathell stated that it would likely be one year between issues. Mr. DiCristina stated that there was a schedule, for the infrastructure, on Page 14, of the Engineer's Report, laying out the workflow. Mr. Wrathell stated that the District Engineer developed an estimated timetable; the schedule was an educated estimate and subject to change.

FIFTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

SIXTH ORDER OF BUSINESS

Board Members' Comments/Requests

There being no Board Members' comments or requests, the next item followed.

SEVENTH ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

EIGHTH ORDER OF BUSINESS

**NEXT MEETING DATE: August 16,
2016 at 11:00 A.M.**

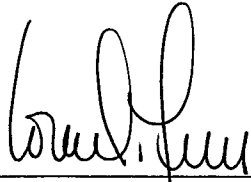
Mr. Wrathell stated that the next meeting will be held on August 16, 2016 at 11:00 a.m., at this location.

NINTH ORDER OF BUSINESS

Adjournment

There being no further business to discuss, the meeting adjourned.

**On MOTION by Mr. Eisner and seconded by Mr. Chiste, with
all in favor, the meeting adjourned at 11:35 a.m.**



Secretary/Assistant Secretary



Chair/Vice Chair