

The Villages®

Community Development Districts

The District has received several inquiries over the past few weeks due to some misunderstandings of the Project Wide Agreement, what common infrastructure falls within the Project Wide Agreement and specifically what the Project Wide Advisory Committee's (PWAC) responsibility is regarding the Brownwood Windmill and Water Tower structures located within the Brownwood Paddock Square.

False:

The Brownwood Windmill and Water Tower are both owned by the Developer and residents are being forced to pay for the repairs to these structures.

True:

The Brownwood Windmill and Water Tower are owned by the Brownwood Community Development District and are part of Exhibit (A) of the Project Wide Agreement, thus the Project Wide Advisory Committee is responsible for the maintenance and repair and/or replacement, as agreed to by all signatory parties to the Third Amended and Restated Interlocal Government Agreement for Maintenance of Project Wide Improvements. The parties to this Agreement include Districts 5-13, Sumter Landing and Brownwood Community Development Districts.

False:

The Brownwood Windmill and Water Tower were built with untreated pine wood.

True:

The Brownwood Windmill and Water Tower were constructed with heartwood, which is the older, harder, nonliving inner wood of a tree that is usually darker, denser, less permeable, and more durable than the outer wood. Heartwood is mechanically strong, resistant to decay and less easily penetrated by wood-preservative chemicals compared to other types of wood. However, any wood will deteriorate and decay over time when faced with the sun, heat, rain and high humidity that we experience in Central Florida.

False:

The Developer will not allow the Brownwood Windmill and Water Tower to be constructed with anything other than untreated wood, which means it will ultimately rot again and need to be repaired or replaced again at a cost to residents.

The Villages®

Community Development Districts

True:

The Villages Design Group initially requested that the Brownwood Windmill and Water Tower be constructed with pressure-treated, rough-sawn wood to maintain the original look of the structures. After the Project Wide Advisory Committee asked that other materials be considered, District Property Management met with The Villages Design Group who have agreed to use COR-TEN Steel for the Water Tower and are evaluating options for the Windmill, including heavy-duty galvanized steel or the acquisition of an actual historic galvanized windmill that could be transported and relocated to the Brownwood Paddock Square. COR-TEN Steel forms dark brown oxidation over the metal within months, negating the need for regular painting and rust-prevention maintenance. COR-TEN Steel will ultimately last upwards of several decades to over 100 years. We intend to utilize as much of the original Windmill and Water Tower design as possible in the reconstruction.

False:

The Brownwood Windmill and Water Tower came with no warranty.

True:

The Brownwood Windmill and Water Tower came with the standard one-year warranty, which is the construction industry standard. Both of these structures are nearly eleven years old, meaning they've been out of warranty for approximately ten years. All infrastructure turned over to the District from the Developer comes with a one-year warranty.

False:

The Project Wide Advisory Committee can choose to demolish and NOT replace the Brownwood Windmill and Water Tower to save money.

True:

The Project Wide Agreement requires the Project Wide Advisory Committee to utilize the Project Wide Fund to maintain common infrastructure to design intent standards. This means they must maintain, repair and restore infrastructure as close as possible to the original landscape as-builts, architect plans and other design documents. In accordance with the agreement, both structures must be repaired and replaced. There is no option for the Project Wide Advisory Committee to choose not to repair and replace these two structures. They are prominent aesthetic features of the Brownwood Paddock Square and are an integral part of what makes The Villages the wonderful community that our residents love. We must maintain the overall design standard, superior quality, design appeal and overall “look and feel” of our

The Villages®

Community Development Districts

community — the very reason many of our residents came to live in The Villages in the first place and call it home. We wouldn't stop cutting the grass, trimming our trees, planting flowers, maintaining our roads or keeping our Recreation Centers and Town Squares pristine to save money. A large part of maintenance fees from residential and commercial properties are used to allow District Property Management to maintain the community and keep it as beautiful, vibrant and pristine as the day you moved to The Villages. This includes the Brownwood Windmill and Water Tower.

False:

Resident amenity fees and maintenance fees contribute to the Project Wide Fund and are used to fund everything South of Highway 466, including all of Lake Sumter Landing, and Brownwood Paddock Square and each commercial District.

True:

Resident amenity fees pay for maintenance and upgrades to recreational amenities (recreation centers, pools, sports courts, softball complexes, postal stations, archery, Executive Golf, etc.). Amenity fees do NOT contribute to the Project Wide Fund at all. A portion of maintenance fees for residents in Districts 5-13, and commercial properties in Lake Sumter Landing and Brownwood Community Development District are applied to the District's Project Wide Fund Allocation through the allocation methodology as agreed upon by all Districts that are party to the agreement. Exhibit (A) of the Project Wide Agreement outlines what is included within the purview of the Project Wide Advisory Committee aside from common areas and infrastructure, including the Brownwood Windmill and Water Tower located in the Brownwood Paddock Square.

False:

The Project Wide Fund was created to pay for Developer-owned common infrastructure.

True:

The Project Wide Fund was created to pay for District-owned common infrastructure. It essentially acts as a risk mitigation policy where funds are pooled across Districts 5-13, Lake Sumter Landing and Brownwood Community Development District to pay for common infrastructure needs and maintenance. This ensures that all Districts pay a fair share based on assessable acreage and no District has to pay the full cost for common infrastructure maintenance and repair projects. This greatly minimizes the overall financial exposure for participating Districts.

The Villages®

Community Development Districts

False:

The “Assessable Acreage” formula used for determining the cost for each residential and commercial District is unfair and the commercial districts do not pay their fair share.

True:

The “assessable acreage” formula used for determining the cost for each residential and commercial District provides a fair and equitable basis for determining the cost-share for both commercial and residential districts. As individual units are platted, the assessable acreage is determined by each District’s Board approved engineer and officially recorded with the Plat. By the sheer geographic size of the residential Districts versus the commercial Districts, it is logical that the commercial District’s share is lesser than that of the much larger residential Districts.

The Developer is responsible for funding all repairs and maintenance to commercial areas of the Town Squares.

Project Wide Advisory Committee (PWAC) Background: As the Community Development Districts were developed, it became apparent over the years that while specific infrastructure for each District was unique, all residents benefited from infrastructure improvements — even those outside of the geographic area of their District. This may often be the case to meet regulatory agency criteria. As The Villages community progressed further, lessons were learned, multi-modal transportation systems evolved and the geographic environments changed.

It was this awareness that resulted in the initial thought process that created the Project Wide Fund. The benefits were not only for the sharing of all infrastructure maintenance costs but also the provision of a uniform set of maintenance standards, and, just as importantly, a sharing of risk. North of C.R. 466, each District is responsible for the risk and maintenance expenses of facilities such as tunnels, retention ponds and landscaping that benefit all residents. With that responsibility comes the potential for significant costs if that infrastructure were to fail. In 2003, the Sumter Landing Community Development District (SLCDD) and Districts 5-10 recognized that certain improvements and facilities constructed by the District would extend beyond the geographic boundaries of individual Districts and would benefit all residents.

At that time, SLCDD and Districts 5-10 entered into an Interlocal Governmental Agreement for Maintenance of Project Wide Improvement (Agreement). In 2006, 2008 and 2010, the Agreement was amended and restated and Exhibit “A” was revised. Exhibit “A” provides for those improvements that are maintained through the Project Wide Improvements program

The Villages®

Community Development Districts

funded through all Districts south of C.R. 466. The Agreement contemplated additional Districts being added and provided for participation by executing a Joinder and Consent. As a result, Exhibit "A" was subsequently amended when the Brownwood Community Development District became a party to the agreement via Joinder and Consent executed on September 20, 2012, District 11 on March 11, 2015, and District 12 on April 13, 2017

The most current agreement, the Third Amended and Restated Interlocal Governmental Agreement for Maintenance of Project Wide Improvements was entered into on August 15, 2019. The parties to this include Sumter Landing Community Development District, Brownwood Community Development District and Districts 5-13.

When you read something or hear a rumor while enjoying this wonderful lifestyle, please take a moment to “fact check” before you become concerned or pass along misinformation. In a community this large, misinformation being spread online and on social media can be one of our biggest challenges. For additional information or clarification, please visit DistrictGov.org or contact District Property Management at 352-753-4022.