



Following the meeting held at Town Hall on Wednesday September 27, 2016 about the proposed annexation of the Black East property into the Town; many citizens have asked that we put together some information outlining both the background to the application and also the benefits to the Town should it go ahead.

The 117 acre parcel of land is located just outside the Town's limits. This is the triangular shape that starts at the corner of Blackstill Lake Road and Fosgate Road and goes down Blackstill to the under pass of the Turnpike and then north up the Turnpike to the corner of Fosgate and the Turnpike and then east back to the corner of Fosgate and Blackstill.



The Town of Montverde has been approached to annex this 117 acre parcel. Although it is not contiguous to the Town's geographic boundary, the property owner is required to give first opportunity to Montverde, before pursuing additional development rights in Lake County or annexation into Minneola. This is based on the authority of the Interlocal Service Boundary Agreement (ISBA) signed in 2010 between Montverde, other South Lake cities and Lake County.

The applicant, Pineloch Management Corporation (PMC) wants to develop in Montverde and is proposing annexation into the Town which requires an amendment to the Future Land Use Map to the Town's Residential - Low Future Land Use (FLU) designation. This will allow single family development, with a gross density of up to two dwellings units per acre.

The annexation application is accompanied by an agreement with the Town which includes the density of two dwellings units per gross acre as set forth in the Town's Comprehensive Plan. It also includes the provision of water and sewer by the Town itself or by the Town entering into an agreement with another utility provider (Clermont, Minneola etc.) for which the Town would receive a fee for what the residents of Black East would use each month.

This development is forecasting to build 100 homes in the first year, 100 homes in the second year and the remaining 34 homes in the third year. Shown below are the different revenue sources the Town would receive from this development both when it is being built and after completion.

**Below is what the Town would receive in revenues during construction:**

- 234 homes times the \$4,500.00 per home in Water impact fees would equate to \$1,053,000.
- 234 homes times the estimated impact fees we are in the process of preparing (Parks and Rec, Fire, Roads, Admin, Library) totaling around \$2,000 each home would equate to \$468,000.
- 234 homes on the water hook up fee gross of \$2,100 per home and net around \$1,500 per home would equate to \$351,000 net.

**Below is what the Town would receive in revenues per year after completion of the development:**

- 234 homes times the water each home uses a month (Our engineer is coming up with number and we will input soon).
- 234 homes times the sewage each house would use per month (Our engineer is coming up with number and we will input soon).
- 234 homes times the fire assessment fee each year equate to \$18,700.

The anticipated average price of a home in Black East is \$285,000, based on the sale price of the new constructed homes in the area. Using the worst case scenario that all the homes have homestead exemption we estimate the taxable value to be \$200,000 and based on this the ad valorem taxes Montverde would receive is around \$130,000 per year.

So the construction part of the revenue will bring in around \$1,872,000 over three years and the yearly revenues when completed will come in around \$148,700 plus what our engineer adds with water and sewage revenues. This of course is not the most important reason to proceed with this annexation. For me it all comes down to if we do not choose to annex this in, we open the door for Lake County and or Minneola to take control and of course neither of these entities will have Montverde or its Residents in their best interest.

Please come to the meeting on October 11th at Town Hall at 7 pm and join in with Council in their discussion.

Many Thanks.

Joe Wynkoop

Mayor of Montverde