

CDD 101

Rivers Edge II

What is a Community Development District (CDD)?

- Local unit of special purpose government
- Established under the Uniform Community Development Act of 1980 (Chapter 190, F.S.)
- Primary functions:
 - Provide a mechanism to finance, construct and maintain high-quality improvements and amenities
 - Issue tax-exempt bonds to finance cost of public infrastructure
 - Maintain roadways, facilities, amenities, common areas, and other public improvements
 - Collect revenues and pay operating expenses
 - Levy assessments on lands benefited by improvements

Powers of a CDD

Allowed by Chapter 190

- Construct and maintain public infrastructure
- Issue long-term and short-term bonds
- Levy and collect non-ad valorem assessments for debt service and operations and maintenance
- Contract for services
- Provide security/recreational services

Not Allowed by Chapter 190

- Regulate land use/zoning
- Issue building permits
- Issue development orders
- Provide police services
- Enforce code compliance
- Enforce traffic regulations

Unit of Government

As a unit of government, a CDD is:

- Subject to the Government in the Sunshine Law
- Subject to Public Records laws
- Subject to certain reporting and disclosure requirements
- Subject to bidding requirements for certain projects
- Able to issue tax-exempt bonds to finance public improvements
- Able to enjoy the protections of sovereign immunity
- Exempt from sales tax

Benefits of Living in a CDD

- High-quality improvements and amenities.
- Entity outlives the developer and maintenance is ensured as opposed to County maintenance.
- Resident participation and input is encouraged, and a forum is provided for the same, accountability apparent.
- Stability of collection of payments/assessments.
- Liability for annual assessments is limited only to individual property owner.
- Meetings advertised and held in the public.
- Property values maintained at a higher level.
- In economic downturn, CDDs are typically first to come out of recovery.
- Sovereign immunity protection.

CDDs vs. HOAs

CDD

- Unit of government.
- Subject to open government and public records laws.
- CDD assessments are co-equal with County taxes, making them very secure.
- Able to finance large improvements through bonds, resulting in less financial burden on homeowners.
- Required to hold public hearings for certain actions.
- Board begins turnover to resident Board members as early as 6 years from establishment.
- Tax-exempt.

HOA

- Private entity (not-for-profit corporation).
- Financing limited to annual assessments, shorter-term loans, and other private financing.
- Required to hold homeowner votes for certain actions.
- Turnover to resident control usually occurs over a longer period.
- Has control over deed restrictions on private lots.

Board of Supervisors

- The CDD is controlled by an elected 5-member Board of Supervisors.
- Phase 1: Landowner Elections
 - Initially, Supervisors are elected on an at-large basis by those owning property within the CDD (the developer).
 - 1 acre of land = 1 vote (partial acres are rounded up)
- Phase 2: General Qualified Electors
 - Beginning six years after the initial appointment of Supervisors and once the CDD has at least 250 qualified electors, Supervisors begin to be elected through the General Election process.
 - Supervisors elected through the General Election process must be qualified electors (residents of the District who are at least 18 years old and registered to vote in St. Johns County) and serve four-year terms with staggered expiration dates.

Rivers Edge II Board of Supervisors

- The Rivers Edge II CDD was established in 2018.
- Beginning with the 2024 General Election, two qualified electors were elected to the CDD Board (James Reid, Seat 5 and Donna WeMett, Seat 3).
- After the 2026 General Election, two more qualified electors will be elected to the CDD Board (Gary Carlin, Seat 1 and Kenneth Lahr, Seat 2 were elected unopposed). The landowner retains one seat (D.J. Smith, Seat 4).
- For the 2028 General Election, the two 2024 General Election seats and the one landowner seat will be open for election. At this point, the entire Board will be residents of the District.

Roles of the Board of Supervisors

- “The board shall employ, and fix the compensation of, a district manager. The district manager shall have charge and supervisor of the works of the district and shall be responsible for preserving the maintaining and improvement or facility constructed or erected pursuant to the provisions of this act, for maintaining and operating the equipment owned by the district, and for performing such other duties as may be prescribed by the board.” (Chapter 190.007, F.S.)
- “The Board shall consider the proposed budget item by item and may either approve the budget as proposed by the district manager or modify the same in part or in whole.” (Chapter, 190.008, F.S.)
- The Board makes policy, and the District Manager implements the Board’s policies.

What are Bonds?

- Long-term, tax-exempt financing available to the CDD because it is a unit of government with authority to issue long-term, tax-exempt debt.
- Must be validated by a court and comply with Florida law.
- May be repaid over up to 30 years.
 - Spreading costs over a longer period makes costs more manageable.
 - Costs only paid at the time you own your house.
 - The District may be able to refinance to obtain better interest rates.

Rivers Edge II Bonds

The Rivers Edge II CDD has issued three bonds as of October 21, 2026:

- Capital Improvement Revenue Bonds, Series 2020
 - Maturity Date: 5/1/2050
 - Interest Rate: 4.5%-5.3%
- Capital Improvement Revenue Bonds, Series 2021
 - Maturity Date: 5/1/2051
 - Interest Rate: 2.47%-3.75%
- Capital Improvement Revenue Bonds, Series 2026
 - Maturity Date: 5/1/2056
 - Interest Rate: 4.0%-5.7%
- Bond documents can be found at: <https://emma.msrb.org>

Rivers Edge II Bonds cont.

Special Benefits and General Benefits (from the Series 2026 Assessment Methodology):

- “The improvements undertaken by the District create both general benefits to the public at large, as well as special and peculiar benefits to the property within its borders, different in kind and degree than the general benefits.”
- “The improvements enable properties within the District boundaries to be developed. Without the improvements, there would be no infrastructure to support development of land within the District and regulations, and other laws would also prohibit development of property within the District.”
- “Properties outside the District do not depend upon the District’s Master Improvement Plan to obtain or maintain their development entitlements. This fact alone clearly distinguishes the special benefits that District properties receive from the benefits received by properties lying outside of the District’s boundaries.”

Rivers Edge II Bonds cont.

Special Benefits and General Benefits (from the Series 2026 Assessment Methodology):

- The Capital Improvement Plan (CIP) can be shown to be creating special and peculiar benefits to the property:
 - a. Drainage and Storm Water systems result in special and peculiar benefits such as the added use of the property, decreased insurance premiums, added enjoyment of the property, and likely increased marketability of the property.
 - b. Transportation Roadway Improvements result in special and peculiar benefits such as the added use of the property for development, added enjoyment of the property, avoidance of stormwater management issues and increased marketability of the property.

Interlocal Agreement

- Rivers Edge, Rivers Edge II, and Mattamy entered into the *Tri-Party Interlocal and Cost-Share Agreement Regarding Shared Improvement Operation and Maintenance Services and Providing for the Joint Use of Amenity Facilities* on November 1, 2019 (reference Book 4832, Pages 854-884).
- The agreement was amended on November 19, 2025, to replace Mattamy with Rivers Edge III (this CDD wasn't established until March 5, 2020).
- The amendment also updated the Exhibit maps and some of the terminology used in the methodology report (reference Book 6295, Pages 884-936).

Interlocal Agreement cont.

- The costs for Grounds Maintenance and Amenities are grouped together for each part and then allocated based upon the relative ratio of equivalent residential units (ERUs) in each party's boundary to the total ERUs of RiverTown.
- The Parties shall each be individually responsible for providing for the operation, management and maintenance of their respective Amenity Facilities, including contracting for such services, but such costs shall be part of the Shared Costs.

Interlocal Agreement cont.

From the Rivers Edge II, Series 2026 Limited Offering Memorandum:

- “Pursuant to the Interlocal Agreement among the District [Rivers Edge II], District I, and District III, all residents within the Development have access to the recreational amenities other than those for the WaterSong neighborhoods located within the District.”
- “The Developer has also established a homeowners’ association for WaterSong residents, which will impose an annual fee on homeowners within WaterSong only. The WaterSong HOA’s role includes maintenance of amenities, common areas, roads, landscaping, gate monitoring, and exterior maintenance of the paired villa product.”

Annual Budget

- Fiscal year runs from October 1 to September 30.
 - Proposed budget must be adopted before June 15th each year.
 - Final budget must be adopted after a public hearing before October 1 each year.
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- The annual budget estimates expenditures and sources of funds.
 - Fund may be moved amongst line items by motion, but large changes may require an amendment by resolution.

Assessments

- Debt Assessments
 - Fixed amount, levied to repay the bonds.
 - Mailed and published notices and public hearing required.
 - Usually collected on the tax roll.
 - This portion can be paid off early.
 - This portion will expire when the bond matures.
- Operations & Maintenance (O&M) Assessments
 - Variable amount*, levied to pay the annual administrative, operational, general maintenance, and capital reserve funding of the District.
 - *Adopted annually with the budget.
 - Mailed and published notices and public hearing required
 - Usually collected on the tax roll.
 - This portion cannot be paid off.

Annual Audit

- Required by statute.
- Must be completed by June 30 each year.
- Available on the Florida Department of Financial Services – Florida Auditor General website:
https://flauditor.gov/pages/efile_reports.html.
- Audits are also available on the Rivers Edge II website.

Rivers Edge II Responsibilities

- Public roadways (including Mist Flower Drive from Keystone to WaterSong entry gates).
- Landscaping (including Mist Flower Drive from Keystone to WaterSong entry gates).
- Stormwater management system
- Entry features
- RiverClub
- Pocket parks

RIVERTOWN

CDD Boundary Line

LEGEND

- CDD Boundary
- SJC Road
- HOA Road
- CDD Road
- Rivers Edge CDD
- Rivers Edge II CDD
- Rivers Edge III CDD
- School Site



Site Plan for parcels under construction shown for reference only and are conceptual in nature. This plan is solely for illustrative purposes of roadway maintenance and CDD Boundaries and should not be relied upon.

**RE CDD,
REII CDD & RE III CDD
Stormwater Pond Locations**

LEGEND

-  RECCD Boundary
 RE II CDD Boundary
 RE III CDD Boundary
 Existing Stormwater Ponds
 Future Stormwater Ponds
FF Pond Name/Number



Rivers Edge II Neighborhoods

- Five (5) residential neighborhoods:
 - HighPointe = (82) single-family homes
 - WaterSong = (772*) age-restricted homes
 - Shores = (214*) single-family homes
 - Meadows = (285*) residential lots
 - Manor = (33) single-family homes
 - **TOTAL = (1,386*) residential units**

*Planned

Rivers Edge II Neighborhoods

Parcel	Neighborhood	# of Units	Developed Lots	Lots Under Development	Development Completion	Platted	Homes Closed	Homes Under Contract
Series 2020 Assessment Area								
Parcel 16	Manor at RiverTown	33	33	0	Complete	Yes	33	0
Parcel 17-1	HighPointe at RiverTown	40	40	0	Complete	Yes	40	0
Parcel 17-2	HighPointe at RiverTown	42	42	0	Complete	Yes	39	n/a**
Parcel 47-1	Shores	106	106	0	Complete	Yes	106	0
Watersong (Phase 1)*	Watersong	133	133	0	Complete	Yes	127	0
Watersong (Phase 2A)*	Watersong	85	85	0	Complete	Yes	85	0
Watersong (Phase 2B)*	Watersong	22	22	0	Complete	Yes	22	0
Subtotal		461	461				452	0
Series 2021 Assessment Area								
Watersong (Phase 2B)	Watersong	48	48	0	Complete	Yes	48	0
Watersong (Phase 3)*	Watersong	163	163	0	Complete	Yes	128	6
Watersong (Phase 4)	Watersong	166	166	0	Complete	Yes	72	34
Parcel 47-2	Shores	108	108	0	Complete	Yes	48	n/a**
Parcel 19-1*	Meadows at RiverTown	150	150	0	Complete	Yes	85	6
Parcel 19-2	Meadows at RiverTown	35	35	0	Complete	Yes	0	0
Subtotal		670	670				381	46
Series 2026 Assessment Area								
Parcel 19-2	Meadows at RiverTown	100	100	0	Complete	Yes	0	0
Watersong (Phase 5)	Watersong	155	0	155	Est. 3Q2026	No	0	0
Subtotal		255	100	155			0	0
Total		1,386	1,231	155			833	46

* Certain parcel owners within each Assessment Area have elected to prepay their respective assessments in full.

** Homes under contract not reported as homes are being sold by other builders.

*Information pulled from the Series 2026 Limited Offering Memorandum

Rivers Edge II CDD Website

<https://riversedge2cdd.com/>

- Agendas
- Meeting Minutes
- Audits
- Budgets
- Maps
- Policies
- Reserve Study
- Board contact information
- Meeting Dates