

RESOLUTION 2026-04

A RESOLUTION ADOPTING A RULE OF THE MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT ADOPTING CHAPTER II; PROVIDING FOR THE REVISION OF THE ASSESSMENT SCHEDULE; PROVIDING FOR AND ESTABLISHING AN UPDATED ASSESSMENT METHODOLOGY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Middleton Downtown Community Development District (District) operates and maintains certain public facilities which provide a special benefit to property located within the District and funds this work through special assessments imposed on the benefited property; and

WHEREAS, the District currently collects assessments through direct billing and may collect special assessments for the fiscal year 2027-2028 and subsequent years using the uniform method of collection described at Sect 197.3632, Florida Statutes and desires to adopt a methodology to ensure that the assessments are apportioned in a fair and reasonable manner; and

WHEREAS, The District has engaged its qualified financial advisor, PFM Financial Advisors LLC, to prepare the Operation & Maintenance Assessment Methodology Report dated September 8, 2026 (the "Report," attached hereto as Exhibit "A" and incorporated herein by reference) using recent data to recommend a methodology that will be reasonable for future years beginning with fiscal year 2027; and

WHEREAS, the Report recommends a methodology that is reasonable and appropriate for fiscal years beginning in 2027, including a list of land use categories and applicable units of measure; and

WHEREAS, the District has advertised its intent to adopt the rule implementing an assessment methodology, has advertised for a hearing to consider adoption of the same, and has held the public hearing for such adoption in compliance with all applicable statutes and rules; and

WHEREAS, the District Board of Supervisors in a Public Hearing on September 8, 2026, has considered public input of staff and the public and has determined it is in the best interests of all persons and entities to be served by the District and to adopt a rule Chapter II incorporating updates to the assessment methodology consistent with the Report;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF SUPERVISORS OF THE MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT as follows:

1. The findings in the Report are hereby adopted as the findings of the Board of Supervisors of the District.
2. The Board hereby determines that the benefits that will accrue to the properties improved and that it is in the interest of the District and the owners of property within the District that assessments be made in proportion the benefits received as set forth in the Report.

3. There is hereby adopted a Chapter II Rule incorporating the assessment methodology in accordance with the Report.
4. This rule, upon adoption, shall become effective on October 1, 2026.

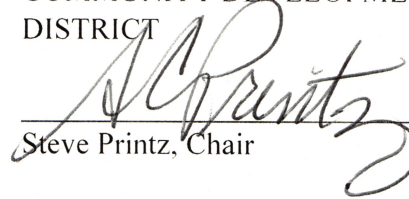
DONE AND RESOLVED at The Villages, Sumter County, Florida this 8th day of September, 2026.

ATTEST



Kenneth C. Blocker, Secretary

MIDDLETON DOWNTOWN
COMMUNITY DEVELOPMENT
DISTRICT



Steve Printz, Chair

**A RULE OF THE
MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT (DISTRICT)
CHAPTER II**

**ESTABLISHING A STRUCTURE FOR EQUITABLY DISTRIBUTING COSTS
FOR OPERATING AND MAINTAINING DISTRICT FACILITIES, SYSTEMS
AND SERVICES, AND PROVIDING FOR AN EFFECTIVE DATE**

**PART 1: GENERAL PROVISIONS AND DEFINITIONS APPLICABLE TO PROPERTIES
WITHIN AND WITHOUT MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT
DISTRICT; ESTABLISHING ASSESSMENTS FOR SERVICES PROVIDED BY MIDDLETON
DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT.**

SECTION 1: Operation and maintenance services shall be provided by the Middleton Downtown Community Development District (the “District”) for projects providing a special benefit to property within the District, including properties owned by the District or existing for the use and benefit of properties within the District. Assessments to fund those services, including necessary administration costs, shall be imposed upon properties within the District.

SECTION 2: CONTENTS

SECTION 3	PURPOSE
SECTION 4	NECESSITY
SECTION 5	BILLING
SECTION 6	MAINTENANCE AND STANDARDS
SECTION 7	ASSESSMENTS AND RATE SCHEDULES
SECTION 8	EFFECTIVE DATE

SECTION 3: PURPOSE: The purpose of this Rule is to establish assessments for the District to provide operation and maintenance services District properties and common areas to preserve the public health, safety, welfare and enjoyment of the area. The assessments will generate sufficient revenues from users benefiting from District facilities, systems and services to pay the expenses of same, and other improvements of the District, to the extent not otherwise provided for; and to provide an effective date.

SECTION 4: NECESSITY: To establish uniform and comprehensive assessments pertaining to properties within the District for facilities, systems and services provided by the District.

SECTION 5: BILLING:

- 5.1 Annual Assessments: At the direction of the Board of Supervisors, the assessments shall be charged annually and may be incorporated as a non-ad valorem assessment and placed upon the County Property Tax Bill.
- 5.2 Bills for incidental service shall be rendered monthly or periodically at intervals not to exceed ninety (90) days at the direction of the Board of Supervisors, and shall be due when rendered. A bill shall be deemed rendered when mailed United States mail, postage prepaid, or when delivered to the customer's address.

SECTION 6: MAINTENANCE AND STANDARDS: All owners of parcels within the District acknowledge that the assessments imposed by the District shall be the source of revenue to pay for ongoing operation and maintenance of owned or dedicated District facilities, systems and services not otherwise provided for.

SECTION 7: ASSESSMENT SCHEDULES:

- 7.1 Middleton Downtown Maintenance Assessment. Certain facilities have been or may be designed, constructed, acquired, operated, and maintained for the common use of, and to provide a special benefit to, parcels located within Middleton Downtown Community Development District area commonly referred to as Middleton Downtown (the "Middleton Downtown Parcels") as shown on Exhibit "A" attached hereto and incorporated herein by reference. The District Board of Supervisors may levy a maintenance special assessment (the "Downtown CAM Assessment") from time to time to maintain and preserve such facilities as authorized by Chapter 190, Florida Statutes. The Downtown Assessment shall be imposed upon those Downtown Parcels determined by the Board to receive a special benefit from such facilities and included on the applicable assessment roll adopted by the Board. The District shall apportion the Downtown CAM Assessment among the benefited Downtown Parcels in proportion to the special benefits received by each parcel, in accordance with an assessment methodology approved by the Board.

- a. It is the intent that all owners of lands designated as Downtown Parcels and their invitees and guests shall commonly utilize areas owned by or dedicated to the District outside of the actual building wall and appurtenant features and therefore the District shall maintain all properties outside of the actual building wall and appurtenant features. Where no structure has been constructed upon any portion of a Downtown Parcel, the District shall have access to maintain, but no obligation to maintain, the vacant Building Area.
- b. For Downtown Parcels, the Downtown CAM Assessment shall be the owners' pro-rata share of the total maintenance costs determined by calculating the proportion of the habitable building area owned in relation to the total habitable building area within the Downtown Parcels. For the purposes of the Downtown CAM Assessment, Habitable building area means: for Building Areas reasonably designated by the District as used for Commercial-retail activity, 100% of the actual interior square footage of improvements; for Building Areas in which the use of all or substantially all the habitable square feet are, as reasonably determined by the District, constructed primarily as or for the primary purpose of a hotel or performing arts center (uses which diverge from typical commercial-retail activity), 25% of the actual interior square footage of improvements.

7.2 Project Wide Maintenance Assessment. Certain facilities within and without the District known as "project-wide improvements" were designed and constructed as part of an interconnected project-wide system providing a special benefit to property owners in several community development districts. These districts are party to the Interlocal Governmental Agreement for Maintenance of Project Wide Improvements dated September 15, 2023, as amended. A portion of the project-wide improvements are projects of the District. Payment of the District's proportionate share of expenses to maintain project-wide improvements provides a special benefit to all properties within the District.

- a. Supervisors may levy a maintenance special assessment (the "Project Wide Assessment") from time to time to maintain and preserve such facilities as authorized by Chapter 190, Florida Statutes. The District shall apportion the Project Wide

Assessment between the benefited lands in proportion to the benefits received by each tract of land as follows:

- b. The Project Wide Schedule for building areas shall be the owners' pro-rata share of the total maintenance costs determined by calculating the proportion of the habitable building area owned in relation to the total habitable building area within the District. For the purposes of the Project Wide Assessment, habitable building area means 100% of the actual interior square footage of improvements for all uses.

7.3 Road Maintenance Assessment. Certain road facilities were designed and constructed to be for the common use of, and to provide a special benefit to, all properties within the District. The District Board of Supervisors may levy a maintenance special assessment (the "Road Assessment") from time to time to maintain and preserve such facilities as authorized by Chapter 190, Florida Statutes. The District shall apportion the Road Assessment between the benefited lands in proportion to the benefits receive by each tract of land as follows:

- a. The Road Maintenance Assessment Schedule for Building Areas shall be the owners' pro-rata share of the total maintenance costs determined by calculating the proportion of the habitable building area owned in relation to the total habitable building area within the District. For the purposes of the Road Assessment, habitable building area means 100% of the actual interior square footage of improvements for all uses.

7.4 The Downtown CAM Assessment, Road Assessment, and Project Wide Assessment Schedules may be adjusted annually by the Board of Supervisors based upon its adopted Budget. The Budget shall be adopted annually as provided for in Section 190.008 F.S.

SECTION 8: EFFECTIVE DATE: This Rule shall become effective October 1, 2026.

Specific Authority: 190.035 F.S., 190.011(5) F.S., 120.54 F.S.

Law Implemented: 190.035 F.S., 190.011(5) F.S., 120.54 F.S.

History: Adopted September 8, 2026

EXHIBIT "A"



-  MIDDLETON DOWNTOWN CAM, ROAD MAINTENANCE, AND PROJECT-WIDE ASSESSMENT AREA
-  ROAD MAINTENANCE AND PROJECT-WIDE ASSESSMENT AREA

ECONOMIC IMPACT STATEMENT

ESTABLISHING A STRUCTURE FOR EQUITABLY DISTRIBUTING COSTS FOR OPERATING AND MAINTAINING DISTRICT FACILITIES, SYSTEMS AND SERVICES, AND PROVIDING FOR AN EFFECTIVE DATE

PART 1: GENERAL PROVISIONS AND DEFINITIONS APPLICABLE TO PROPERTIES WITHIN AND WITHOUT MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT; ESTABLISHING ASSESSMENTS FOR SERVICES PROVIDED BY MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT.

1.0 Introduction

This Economic Impact Statement was prepared pursuant to Chapter 120.54, F.S. to support the rule making action of the Middleton Downtown Community Development District establishing a structure for equitably distributing the costs of operating and maintaining the District's facilities, systems and services.

The District provides operation and maintenance services to properties within the District, to common areas owned by or dedicated to the District, and to certain properties for which the District has accepted maintenance responsibility from the property owner. The maintenance special assessments and operating policies proposed to be adopted by this rule will generate revenue to pay the operating and maintenance expenses associated with these facilities, systems and services and are consistent with Chapter 190, Florida Statutes, and the District's existing obligations, including the Interlocal Governmental Agreement for Maintenance of Project Wide Improvements dated September 15, 2023, as amended.

The sections below track the requirements of Chapter 120.54, F.S. concerning economic impact statements.

2.0 Estimated Costs to the District to Implement the Proposed Rule Amendment

2.1 The proposed rule will have little if any cost impact on any federal, state or local agency outside of the District. The cost to the District in terms of paper work and similar processing fees is considered to be an insignificant amount when compared to the benefit realized by the affected property owners and the overall capital and operating costs of the District.

District costs to enact the proposed rule include:

1. Attorney's Fees
2. Advertising Costs, associated with the adoption of the rule as required by law.
3. Copying costs for any interested persons requesting the Rule, Economic Impact Statement or the notices of the adoption of said rule amendment.

2.2 Operations and Maintenance Expense

The direct costs of operating and maintaining the District's facilities, systems and services are estimated in the budget adopted annually by the District pursuant to Section 190.008, Florida Statutes, which the adoption of this rule and the establishment of the maintenance special assessments and rate schedules are meant to fund.

2.3 Findings of Fact

- 2.3.1 The District's holdings and responsibilities include facilities, systems and services operated and maintained for the common use and special benefit of properties within the District, including road facilities, project-wide improvements owned by the District, and other common areas owned by or dedicated to the District, for which the District has operational and maintenance expenses.
- 2.3.2 The maintenance costs, repair and replacement costs, and rehabilitation costs of the facilities, systems and services described in Section 2.3.1 have increased over time.
- 2.3.3 The District has undertaken a preventative maintenance program for its facilities, systems and features as reflected in its adopted general revenue budget.
- 2.3.4 The operating costs and maintenance expenses reflected in the adopted budget of the Middleton Downtown Community Development District require the establishment of maintenance special assessments and rate schedules for the referenced facilities, systems and services consistent with the marketplace and the costs related to the operation and maintenance of those facilities, systems and services.
- 2.3.5 The District is required to comply with, and benefits from compliance with, the statutory requirements for purchasing materials and services, and realizes economic benefit through access to state contracts for purchase and economies of scale through joint bidding with other governmental entities, including through the Interlocal Governmental Agreement for Maintenance of Project Wide Improvements.

3.0 Economic Costs and Benefits to all Affected Parties

- 3.1 Factors governing economic impacts through the imposition of maintenance special assessments.

The maintenance special assessments established by this rule are levied under Chapter 190, Florida Statutes, upon the properties determined by the Board of Supervisors to receive a special benefit from the District's facilities, systems and services, and are apportioned among the benefited properties in proportion to the special benefits received. Through the adoption of this rule the District will be able to fund the operation and maintenance of those facilities, systems and services, including facilities maintained pursuant to the Interlocal Governmental Agreement for Maintenance of Project Wide Improvements, and to provide those services to properties within the District at a level that preserves the public health, safety, welfare and enjoyment of the area. The economic benefit realized by the benefited properties exceeds the costs that are anticipated to be incurred through the adoption of this Rule and the establishment of the assessments and rate schedules.

3.2 Impacts on Visitors, Citizens of Florida, and Local Residents and Business.

The continued operation and maintenance of the District's facilities, systems and services will enhance and preserve the area's economy. In so doing, visitors, citizens, local residents and business should benefit. The monetary amount of these benefits is difficult to measure but they are real and are believed to be significant and positive.

4.0 Impact on Competition and the Open Market for Employment

The adoption of the rule and the implementation of the maintenance special assessments and rate schedules will have a positive impact on competition and the open market for employment. The continued operation and maintenance of properties, facilities and systems within the District will support the local economy and the utilization of those properties to their highest and best use, thereby supporting jobs and income.

5.0 Small Business Impacts

There is no estimated adverse impact on small business as defined in the Florida Small and Minority Business Assistance Act of 1985.

6.0 Data and Methodology

A detailed statement of the data and method used in preparing the Economic Impact Statement is available at the offices of the Middleton Downtown Community Development District located at 3571 Kiessel Road, The Villages, Florida.



OPERATION & MAINTENANCE ASSESSMENT METHODOLOGY REPORT FOR MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2026-2027

September 2026

Prepared for:

**Members of the Board of Supervisors,
Middleton Downtown Community Development District**

Prepared on September 8, 2026

PFM Financial Advisors LLC
3501 Quadrangle Boulevard, Ste 270
Orlando, FL 32817



OPERATION & MAINTENANCE ASSESSMENT METHODOLOGY REPORT FOR MIDDLETON DOWNTOWN COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2026-2027

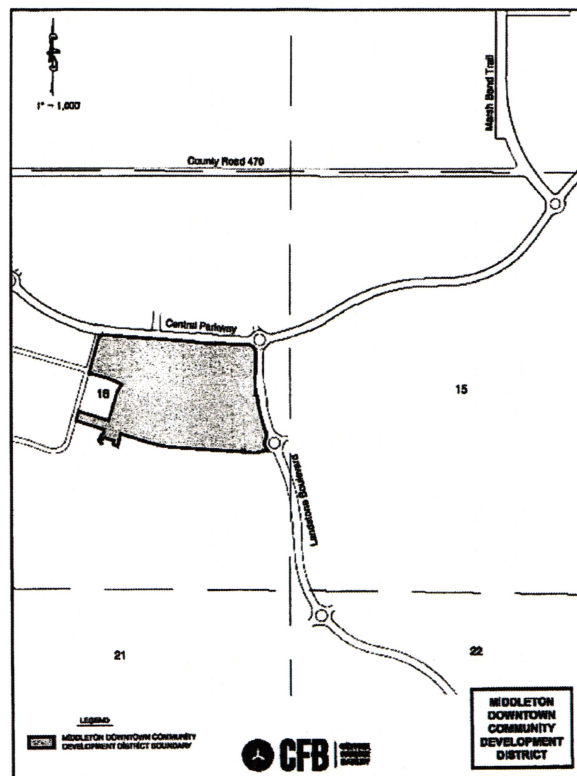
September 8, 2026

1.0 Introduction

1.1 District Overview

Middleton Downtown Community Development District ("Middleton Downtown" or "MDCDD" or "District") was established pursuant to Florida Statutes Chapter 190 and the City of Wildwood Ordinance O2023-2 on March 27, 2023. The lands that are encompassed by the District are located in the City of Wildwood, FL, and consist of approximately 61.14 acres. The geographical boundaries of the District include a mix of non-residential properties inclusive of but not necessarily limited to commercial retail, institutional, and governmental properties.

Map 1. District Map



Source: District Manager



The District currently funds Operation and Maintenance ("O&M") of its existing public improvements and community facilities (the "Improvements"). These O&M expenses are currently developer funded; however, at a future date to be determined O&M expenses will be funded via the collection of annual non-ad valorem special assessments. As the District's O&M responsibilities vary over time, the District's O&M expenses will vary to meet the District's needs. This Operation and Maintenance Assessment Methodology Report ("O&M Methodology Report") provides a methodology to allocate the annual O&M expenses among the properties within the District that receive a special benefit from the O&M of the Improvements.

Certain Improvements provide a special benefit to all properties in the District. Other Improvements primarily provide a benefit to certain property located within the portion of the District known as Middleton Downtown ("Middleton Downtown"). Accordingly, while certain elements of the budget are for the benefit of, and can be allocated across, the entire District, other elements of the O&M budget are identified as specially benefiting the properties within the Middleton Downtown (the "Downtown Parcels").

The District has acquired or constructed roads and related improvements for the benefit of all properties within its boundaries. All development in the District receives the special benefit of roads and related improvements. The roads and related improvements must be maintained and preserved, which maintenance, preservation and related services are funded in part by the imposition of a special assessment on all assessable parcels in the District (the "Road Assessment") received into the District's Middleton Special Revenue Fund.

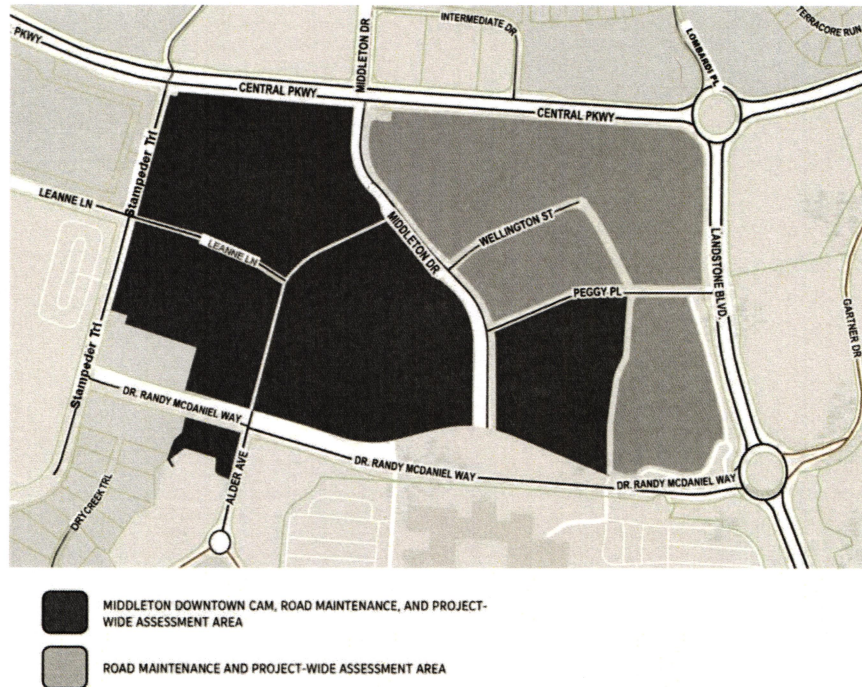
Similarly, the District has acquired or constructed various District infrastructure areas such as landscaped spaces, stormwater basins, multimodal paths, and decorative features for the benefit of all properties within its boundaries. All developable lands in the District receive the special benefit of these infrastructure areas. The related improvements, irrigation and landscaping must be maintained and preserved, which maintenance, preservation and related services are funded in part by the imposition of a special assessment on all assessable parcels in the District (the "Project Wide Maintenance Assessment") received into the District's Middleton Special Revenue Fund.

Finally, the District constructed or acquired various infrastructure improvements, equipment and public facilities within and adjacent to the Middleton Downtown CAM Assessment Area which must be maintained and preserved specifically for the special benefit of the Downtown Parcels. These improvements, equipment and public facilities provide certain services, which maintenance, preservation and services are funded in part by the imposition of a special assessment (the "Downtown CAM Assessment") within the Middleton Downtown CAM Assessment Area received into the District's Middleton Special Revenue Fund.

Map 2 below displays, with shading, all areas subject to District Assessments. All shaded areas are subject to the Road Assessment and the Project Wide Maintenance Assessment. Only the separately darker shaded Middleton Downtown area is also subject to the Downtown CAM Assessment.



Map 2. District Maintenance Assessment Area(s)



Source: District Manager

The methodology described here allocates the District's annual O&M expenses to properties based upon the benefits each receives from the infrastructure program. This report is designed to conform to the requirements of Chapters 190, F.S. with respect to special assessments and is consistent with PFM Financial Advisors LLC ("PFMFA" or "Assessment Consultant") understanding of Florida state statutes and the case law on this subject.

1.2 Budget Overview

The Board of Supervisors ("Board") of the District are in the process of establishing the District's Proposed Budget for Fiscal Year 2027 ("2026-2027 O&M Budget"). The District's Developer currently funds O&M of its existing infrastructure. These O&M expenses will ultimately be funded via the collection of an annual non-ad valorem special assessment. As the District's operation and maintenance responsibilities vary over time, the O&M expenses will vary to meet the District's needs.

The lands within the District have undergone development since 2023 and continue to develop. It is appropriate for the District to establish (or refine) the methodology for allocating the cost of its O&M operations associated with its existing infrastructure. This O&M Methodology Report is associated with the 2026-2027 O&M Budget. This O&M Methodology Report contains the recommended O&M



assessment methodology ("O&M Methodology") to be used for allocating the District's Fiscal Year 2026-2027 O&M Budget, also, for the allocation of O&M assessments in future years. Table 1 summarizes the proposed 2026-2027 O&M Budget on a net basis exclusive of estimated costs of collection via the county and tax collector as applicable.

In addition, per discussions with The Villages District Management ("District Manager"), certain infrastructure primarily benefits a certain area of the District, the Middleton Downtown. Therefore, while elements of the budget can be allocated across the entire District, certain elements of the O&M budget benefit the distinct area of the District, which is discussed in Section 2.0.

Table 1. District Fiscal Year 2026-2027 O&M Budget ⁽¹⁾

REVENUES	\$
INT INCOME - CFB	1,000
CONTRIBUTIONS FROM DEVELOPER	429,761
(ADD)/USE-WORKING CAPITAL	(88,500)
TOTAL	342,261
APPROPRIATIONS	\$
EXECUTIVE SALARIES	8,000
SOCIAL SECURITY TAXES	496
MEDICARE TAXES	116
WORKER'S COMPENSATION	25
PROPERTY MGMT SVCS	13,017
ENGINEERING SERVICES	5,000
LEGAL SERVICES	5,000
OTHER PROFESSIONAL SVCS	6,886
AUDITING SERVICES	11,363
SYSTEMS MGMT SUPPORT	3,205
ELECTRICITY	2,000
IRRIGATION WATER	10,000
CASUALTY & LIABILITY INSUR	5,723
BUILDING/STRUCTURE MAINT	1,040
LANDSCAPE MAINT-RECURRING	37,090
LANDSCAPE MAINT-NON RECURRING	3,379
IRRIGATION REPAIR	1,071
OTHER MAINTENANCE	6,020
PERMITS & LICENSES	175
LEGAL ADVERTISING	3,000
MMAC FEES	216,654
STORM WATER MANAGEMENT FEES	3,001



OPERATING SUPPLIES	0
TOTAL	342,261
NET OF REVENUES/APPROPRIATIONS	0

Source: Middleton Downtown CDD Proposed Budget for Fiscal Year 2027

(1) preliminary budget subject to change at final adoption

1.3 Requirements of a Valid Assessment Methodology

In PFMFA's experience, there are two primary requirements for special assessments to be valid under Florida law. First, the properties assessed must receive a special benefit from the improvements paid for via the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed. If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to legislative bodies, such as the District's Board of Supervisors, in approving special assessments. Indeed, Florida courts have found that the mathematical perfection of calculating special benefit is likely impossible. Our research suggests that only if the District's Board was to act in an arbitrary, capricious, or grossly unfair fashion would its assessment methods be overturned.

2.0 Assessment Methodology

2.1 Overview

The assessment methodology is a process by which the District will allocate the costs associated with its O&M activities to properties in the District benefiting from the improvements. The allocation is based upon the benefits that each property receives.

2.2 Allocation of Annual O&M Budget

As noted in Section 1.3, as long as two basic principles are adhered to, Florida law generally allows the District Board some latitude in determining the appropriate methodology to allocate the O&M budget to benefiting properties in the District. In allocating special assessments to benefiting property, Florida governments have used a variety of methods including, but not limited to, front footage, area, trip rates, building square feet, equivalent residential units ("ERU"), dwelling units, and acreage. For purposes of this analysis, non-residential commercial building square footage is used to measure benefit derived from O&M activities. This is recognized as a simple, fair, and reasonable method for apportioning benefit.

For purposes of square footage assessments, a property's proportionate share is determined using the property's heated/cooled ("habitable") square footage as provided by the county's property appraiser; however, there are exceptions made with respect to square footage associated with certain types of uses which are identified as not being primarily commercial retail (e.g., performing arts facilities, hotels, etc.) The benefit from the O&M of the District facilities is related to and generally the function of the overall traffic activity from the commercial end user combined with the mix of budget expenditures.



For example, all property owners benefit equally from general and administrative costs, while certain parcels may benefit more (or less) from infrastructure maintenance on roads based on the parcel-specific traffic activity. For purposes of allocation and use of square feet, the collection of commercial end users is viewed as a commercial-retail center assuming similar benefit and traffic activity (while acknowledging that some commercial users may generate comparatively more or less traffic).

With respect to parcels in which all or substantially all the habitable square footage is used for a hotel or performing arts center (which use diverges from typical commercial-retail activity), a more tailored unit of measure is applied (see Table 2). Based on a trips-based analysis, for purposes of the District and consistent with the other commercial districts within The Villages, a discount of 75% is applied to the reported square footage (application of 25% of the square footage) of hotel and performing arts center land use for the Downtown common area maintenance budget. Community-wide O&M budget expenses are associated with infrastructure development (and its associated maintenance) which is initially financed and allocated on acreage basis and allocated to development densities accordingly. Similarly, road maintenance is associated with extending the useful life of road/transportation infrastructure development which is initially financed and allocated on acreage basis and allocated to development densities accordingly. As a result, these budget categories will allocate assessments based on total habitable square footage of development without the discount.



Table 2. Commercial Land Use Trips / Square Footage Summary*

Comparable Benefit Review				
Code	Use	Units of Measure	Trips per Unit	
			Peak AM	Peak PM
820	Commercial Retail Center	1,000 SQFT	2.87	4.25
310	Hotel	Room	0.53	0.6
441	Live Theatre	Seats	-	0.02

Trip Estimates (Using Commercial - Retail Trip Generation)		
<u>Hotel</u>	<u>Bldg SQFT</u>	<u>Trips (Peak PM)</u>
Waterfront Inn	70,847	300.75
Hotel Eastport	91,752	389.49
Towne Place Suites Marriott	69,182	293.68
<u>Performing Arts Center / Theatre</u>	<u>Bldg SQFT</u>	<u>Trips (Peak PM)</u>
The Sharon	43,686	185.45

Trip Estimates (Using Hotel & Theatre Trip Generation)			
<u>Hotel</u>	<u>Rms</u>	<u>Trips (Peak PM)</u>	<u>% of Retail Trips</u>
Waterfront Inn	116	69.6	23.1%
Hotel Eastport	120	72.0	18.5%
Towne Place Suites Marriott	119	71.4	24.3%
<u>Performing Arts Center / Theatre</u>	<u>Seats</u>	<u>Trips (Peak PM)</u>	<u>% of Retail Trips</u>
The Sharon	1,022	20.44	11.02%

		<u>Recommended Discount Factor</u>
WTD AVG (Non-Commercial Retail Uses)	21.0%	25.0%

Source: Institute of Transportation Engineers, Trip Generation Manual, 11th Edition, Developer, and PFM Financial Advisors

*Represents The Villages data used across commercial districts for discount factor calculation purposes

The O&M activities are currently developer funded; however, consistent with the other primarily non-residential districts within The Villages, the District will apply and allocate its O&M budget categories to the benefitting properties within the District. While certain elements of the O&M budget can be allocated across the entire District various elements of the O&M budget will be allocated to benefitting areas within the District.

Based upon the analysis set forth in this O&M Methodology Report, the Assessment Consultant has determined that the allocation of the District's Fiscal Year 2026-2027 O&M Budget among the District's property owners, results in an assessment methodology that is fair, reasonable, and consistent with the requirements of Florida law. Notwithstanding material changes to the facts within the O&M Methodology Report, it is reasonable for the Board to adopt the assessment methodology for the District's Fiscal Year 2026-2027 O&M Assessments and for future fiscal years.