



**DESOTO COUNTY DEVELOPMENT DEPARTMENT
STAFF REPORT**

REQUEST: Dissolution of a Community Development District (CDD)

PROPERTY OWNER: Oak Stone, LLC
2502 N. Rocky Point Drive, Suite 1050
Tampa, Florida 33607

APPLICANT: Oak Stone East Community Development District
2502 N. Rocky Point Drive, Suite 1000
Tampa, Florida 33607

ATTORNEY: Vivek K. Babbar, Esq.
Straley Robin Vericker, P.A.
1510 W. Cleveland Street
Tampa, Florida 33606

TOTAL PARCEL SIZE: 330.01 acres

DEVELOPMENT REVIEW REPORT

The agenda request before the Board of County Commissioners is a petition to dissolve or terminate the existing 330.01-acre Oak Stone East Community Development District (CDD), approved by the Board in 2019. The agenda request is before the Board because Florida Statutes Section 190.046(10) provides the district may be dissolved by a nonemergency ordinance of the general-purpose local governmental entity that established the district.

I. Background

Since 1980, Community Development Districts (CDDs) have been used throughout Florida as cost-effective tools to develop, finance, and manage the infrastructure systems and services needed to support the development of new communities. There are over 1,000 CDDs in Florida.

A CDD is governed by a Board of Supervisors which is elected initially by the landowners, then begins transitioning to residents of the CDD after six years of operation and there are 250 qualified electors residing within the CDD boundaries. Like all municipal, county, state, and national elections, the Office of the Supervisor of Elections oversees the vote, and CDD Supervisors are subject to state ethics and financial disclosure laws. They basically serve as publicly elected officials. The CDD's business must be conducted in the "Sunshine," which means all meetings and records are open to the public. Public hearings are held on CDD assessments, and the CDD's budget is subject to annual independent audit.

Florida Statutes Section 190.011 provides for the general powers of a CDD. It is a legal entity that has the power and right to enter into contracts; own both real and personal property; adopt policies, rules and regulations and orders; sue and be sued; obtain funds by borrowing; issue bonds; and impose assessments and levy taxes on property within the district. Actions against a CDD are subject to the sovereign immunity provisions of section 768.28, Florida Statutes. Section 190.012, Florida Statutes gives special powers of the CDD to a defined set of services and facilities. They are to finance, fund, plan, establish, construct or operate the following within the district:

- Water management and control;
- Water supply, sewerage, and wastewater management;
- Bridges and culverts;
- District roads and street lights;
- Public transportation and parking;
- Investigation and remediation of environmental contamination;
- Conservation areas, parks and recreational facilities;
- Fire prevention and control;
- School buildings and related structures;
- Security, but not the exercise of any police power;
- Waste collection & disposal; and
- Mosquito control

The cost of operating a CDD is borne by those who benefit from its services. A CDD allows the developer to finance the costs of construction with a CDD bond through tax-free municipal bonds. The property owners in the CDD are then subject to a non-ad valorem assessment, which appears on their annual property tax bill from the county tax collector and may consist of two parts: (1) an annual assessment for operations and maintenance, which can fluctuate up and down from year to year based on the budget adopted for that fiscal year; and (2) an annual capital assessment to repay bonds sold by the CDD to finance community infrastructure and facilities. The bond repayment portion is generally fixed for the term of the bonds.

On July 26th, 2005, the Board of County Commissioners (BOCC) adopted Ordinance No. 2005-24, which established the procedures governing the creation but not dissolution of a CDD, therefore, guidance of the process is provided by Florida Statutes, Section 190.046, "Termination, Contraction, or expansion of district".

On January 22, 2019, the Board of County Commissioners adopted Ordinance 2019-3, which established the 330.01 acres Oak Stone East Community Development District, which allowed the district to exercise additional powers to "finance, fund, plan, establish, acquire, construct, reconstruct, enlarge or extend, equip, operate, and maintain additional systems and facilities for security, including, but not limited to, guardhouses, fences and gates, electronic intrusion-detection systems, and patrol cars." (See Attachment A).

In addition to the subject CDD Dissolution, the County Commission will consider the establishment of a new CDD for the Oakstone project immediately following Board authorization of the dissolution. Should the CDD dissolution not receive Board authorization, then creation of the new Oakstone CDD cannot be heard.

This Development Review Report addresses the petition for dissolution of the Oak Stone East Community Development District while the companion report addresses the establishment of the Oak Stone Community Development District.

II. PROPOSED ORDINANCE

Attachment B is a proposed Ordinance of DeSoto County, Florida, repealing Ordinance 2019-3, dissolving the Oak Stone East Community Development District and providing an effective date.

III. DATA & ANALYSIS

Neither the Land Development Regulations nor Ordinance No. 2005-24, establishes a procedure for dissolving a Community Development District. Notwithstanding, Florida Statutes Section 190.046 addresses the termination, contraction, or expansion of a CDD.

- I. **Pre-filing requirements.** A filing fee of \$1,500 is required to be paid to process the petition to dissolve a CDD. The petitioner shall submit a copy of the petition to the same entities entitled to receive the filing fee. In addition, if the district is not the petitioner, the petitioner shall file the petition with the district board of supervisors.

A check for the dissolution filing fee of \$1,500.00, was processed by the Development Department on February 17, 2026.

- II. **Staff review.** As noted previously, LDR County Ordinance 2005-24, does not provide guidance for the dissolution or termination of a CDD. Chapter 190, FS, outlines that the district may be dissolved through a formal petition and public hearing process by the authority that originally created the district, which is the Board of County Commissioners.

1. *LDR Section 20-1345(b) requires an application be made in writing by the owner of the property or by the owner's designated agent and be filed with the Development Department.*

The Development Director finds the petition was filed in writing with the Development Department and that Oak Stone, LLC is the property owner of the property.

2. *The LDR Section 20-1345(c) requires the Development Department to determine if the application/petition is complete. If the application is complete, it shall be accepted and processed for review. LDR Section 20-1379(b) grants the Department five working days of receipt of an application to determine whether the application is complete.*

- III. The application was received February 3, 2026, and the Development Department accepted it as complete.

- IV. **Petition filing requirements.** Florida Statutes Subsection 190.046(2) provides the district shall remain in existence unless:

- The district is merged with another district as provided in subsection (3) or subsection (4);
- All of the specific community development systems, facilities, and services that it is authorized to perform have been transferred to a general-purpose unit of local government in the manner provided in subsections (5), (6), and (7); or
- The district is dissolved as provided in subsection (8), subsection (9), or subsection (10).

The three subsections pertaining to dissolution provide:

1. *If, within 5 years after the effective date of the rule or ordinance establishing the district, a landowner has not received a development permit, as defined in chapter 380, on some part or all of the area covered by the district, then the district will be automatically dissolved and a judge of the circuit court shall cause a statement to that effect to be filed in the public records.*

Florida Statutes Subsection 380.031(3) defines “Development order” as any order granting, denying, or granting with conditions an application for a development permit.” Florida Statutes Subsection 380.031(4) defines “Development permit” as including any building permit, zoning permit, plat approval, or rezoning, certification, variance, or other action having the effect of permitting development as defined in this chapter.”

Not applicable.

2. *In the event the district has become inactive pursuant to s. 189.062, the respective board of county commissioners or city commission shall be informed and it shall take appropriate action.*

The Florida Department of Commerce maintains a website of all Florida special districts and that website shows that Oak Stone East CDD is active (See Attachment D). Therefore, this option is not applicable.

3. *If a district has no outstanding financial obligations and no operating or maintenance responsibilities, upon the petition of the district, the district may be dissolved by a nonemergency ordinance of the general-purpose local*

governmental entity that established the district or, if the district was established by rule of the Florida Land and Water Adjudicatory Commission, the district may be dissolved by repeal of such rule of the commission.

The Petition to Dissolve Oak Stone East Community Development District was executed by Vivek K. Babbar as District Counsel to the Oak Stone East Community Development District, on January 29, 2026, as revised. Oak Stone East Community Development District Resolution No. 2026-01 authorizes the District Counsel to submit the Petition to DeSoto County (See Attachment C). Thus, the Development Director concludes Mr. Babbar, as District Counsel for the District, is authorized to file the petition with DeSoto County.

The applicant asserts the CDD has not constructed any capital improvements, does not have any outstanding financial or contractual obligations, has not levied any special assessments or issued any non-ad valorem bonds, and has no operating or maintenance responsibilities.

- V. Public notice.** Florida Statutes Subsection 190.046(10) provides that if a district has no outstanding financial obligations and no operating or maintenance responsibilities, upon the petition of the district, the district may be dissolved by a nonemergency ordinance of the general-purpose local governmental entity that established the district. Florida Statutes 125.66(2)(a) provides that the regular enactment procedure shall be as follows: The board of county commissioners at any regular or special meeting may enact or amend any ordinance, except as provided in subsection (5), if notice of intent to consider such ordinance is given at least 10 days prior to said meeting by publication in a newspaper of general circulation in the county. A copy of such notice shall be kept available for public inspection during the regular business hours of the office of the clerk of the board of county commissioners. The notice of proposed enactment shall state the date, time, and place of the meeting; the title or titles of proposed ordinances; and the place or places within the county where such proposed ordinances may be inspected by the public. The notice shall also advise that interested parties may appear at the meeting and be heard with respect to the proposed ordinance.

The proof of publication is included herein as Attachment E.

VI. ATTACHMENTS

- Attachment A: Ordinance 2019-3
- Attachment B: Proposed Ordinance dissolving the Oak Stone East CDD
- Attachment C: Petition to Dissolve Oak Stone East CDD
- Attachment D: Official List of Special Districts Online
- Attachment E: Proof of Publication

VII. FINDINGS AND CONCLUSIONS

Based upon the information contained in this Development Review Report, the following findings of fact and conclusions of law are offered:

1. A Petition for Dissolution of the Oak Stone East Community Development District and the associated filing fee has been filed with the Development Department. The Development Director concludes the petition and fee are in conformance with legal requirements for petition filing.
2. The LDR requires the application or petition be complete. The Development Director concludes the petition is complete and has been processed in conformance with legal requirements.
3. The Development Director finds the petition was distributed to the DRC for review and comments. Thus, it is concluded the petition has been processed in conformance with LDR Section 20-1497(b).
4. The Development Director finds this document is the required written Development Review Report on the petition and the petition has been scheduled for the June 23, 2026 Board of County Commission hearing. Thus, the Development Director concludes the application has been processed in conformance with requirements.
5. The due public notice requirements in Chapter 190 have been satisfied.

VIII.ALTERNATIVE ACTIONS

The Board of County Commissioners has one of the following alternative actions at its disposal:

- A. Enter into the record the Development Review Report and all other substantial competent evidence presented at the hearing, adopt the findings and conclusions contained herein and adopt the proposed Ordinance.
- B. Enter into the record the Development Review Report and all other substantial competent evidence presented at the hearing, amend the findings and conclusions contained herein deny the proposed Ordinance.
- C. Enter into the record the Development Review Report and all other substantial competent evidence presented at the hearing, amend the findings and conclusions contained herein to support any necessary conditions, and adopt the proposed Ordinance with conditions.
- D. Enter into the record the Development Review Report and all other substantial competent evidence presented at the hearing, identify any additional data and analysis needed to support the proposed Ordinance, and table the action for up to six months in order to allow staff time to provide the identified data and analysis needed to make an informed decision on the proposed Ordinance.