

Celebration CDD Board Issuance for Island Village

The Celebration Community Development District (CCDD) is currently in the process of facilitating the issuance of bonds to help Mattamy Homes fund the cost of the infrastructure (roads, alleys, lights, etc.) in Island Village.

This article will try to explain what the CCDD's role is in this process and clear up some misconceptions about how it might impact existing villages in Celebration. Community development districts are limited-purpose governmental entities that were established by the State legislature to facilitate tax-free financing of community infrastructure and then operate and maintain that infrastructure.

CDDs have very little authority outside of that. Osceola County has governmental authority over what Mattamy Homes can or cannot put in Island Village.

One question we get is, does the CCDD take on any risk by facilitating the financing.

We do not.

Mattamy Homes works with a financial entity to sell the bonds, and they are purchased by qualified investors who take on that risk.

An important process that directly impacts purchasers of property is the assessment on each property of a portion of the total amount financed.

Each property will have an annual assessment attached to it that will be used to pay off the bond with larger properties paying more than smaller ones.

Mattamy Homes will decide how much of that assessment they will pay and how much the purchaser will pay.

Purchasers will pay their portion on their County property tax bill for 30 years.

Again, the CCDD has no power over how much Mattamy Homes chooses to pass on to the purchaser.

The annual amount is fully disclosed when the property is purchased.

One thing the CCDD does determine is the operating and maintenance costs of Island Village that will be charged to each property owner.

In the past, we have kept the same fee in place for each product type every time the CCDD has issued a new bond series, and it is our goal to do that in Island Village as well.

However, to do that, we will need to ensure that the infrastructure is consistent with that in place in existing villages.

With Celebration being 25 years old, we have learned quite a bit about what drives our costs up, and the CCDD is actively working with Mattamy Homes to make sure we don't face costly maintenance issues 10 to 15 years from now.

The CCDD Board is looking forward to welcoming the residents of Island Village to Celebration.

We think the addition of a new elementary school and five acres of parks and recreational space will be great for the whole community.