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This instrument Prepared by
and return to:

Paseo Community Development District
c/o Rizzetta & Company, Inc.
9530 Marketplace Rd., Suite 206
Fort Myers, FL 33912

PASEO
COMMUNITY DEVELOPMENT DISTRICT

**Disclosure of Public Financing and Maintenance of
Improvements to Real Property Undertaken by the Paseo
Community Development District**

March 23, 2016

Board of Supervisors*
Paseo
Community Development District

Frank Dengler
Chairman

Emanuel "Manny" Samson
Vice Chairman

Bill Shulha
Assistant Secretary

James "Jim" Heether
Assistant Secretary

Kristen Suit
District Manager
Rizzetta & Company, Inc.
9530 Marketplace Rd., Suite 206
Fort Myers, FL 33912
(239) 936-0913

District records are on file at the District Office, and are available for public inspection upon request during normal business hours.

* - This list reflects the composition of the Board of Supervisors as of March 23, 2016. For a current list of Board members, please call the District Manager.

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INTRODUCTION

On behalf of the Board of Supervisors of the Paseo Community Development District, the following information is provided to give you a description of the District's services, the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The Paseo Community Development District is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. The District provides facilities and community services, which would otherwise be the responsibility of the private sector, a homeowners association, or another unit of local government. Unlike city and county governments, the District has only certain limited powers and responsibilities. Pursuant to statute, these powers and responsibilities include construction, operation and/or maintenance of certain types of infrastructure, which may include roads and streetlights, water management and drainage control facilities, bridges, culverts, parks and recreational facilities.

The District is here to serve the needs of the community and we encourage your participation in District activities.

**DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE
OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY
THE PASEO COMMUNITY DEVELOPMENT DISTRICT**

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information describing the **Paseo Community Development District** and the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure is provided to fulfill this statutory requirement.

What is the District and how is it governed?

The District is an independent special taxing district established on December 16, 2004 by Ordinance No. 3243 of the City of Fort Myers. The powers of the District were expanded by Ordinance No. 3687 of the City of Fort Myers on October 7, 2013. A local unit of special-purpose government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, the District encompasses approximately 444 acres of land. The District is located at the northwest quadrant of Palomino Lane and Penzance Boulevard, and is generally bordered on the north and west by the Six Mile Cypress Preserve, on the east by Palomino Lane and on the south by Penzance Boulevard in the City of Fort Myers, Lee County, Florida. The District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors that is initially elected by the landowners of the District. The members must be residents of the State of Florida and citizens of the United States. Pursuant to the provisions of Chapter 190, the Board will transition to be filled and elected by qualified electors. A "qualified elector" in this instance is any person at least 18 years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Lee County.

Board meetings are noticed in the Cape Coral Breeze Newspaper and are conducted in a public forum in which public participation is invited. Consistent with Florida's public records laws, the records of the District are always available for public inspection during normal business hours at the District Office. Elected members of the Board are similarly bound by the State's open meetings law and are subject to the same disclosure requirements as other elected officials under the State's ethics laws.

What infrastructure improvements does the District provide?

Infrastructure improvements necessary for the development of residential tracts within the District include the following:

Earthwork

Earthwork consists of the excavation of storm water management lakes within the excavated material being used to construct District Improvements and the balance disposed of on-site. The roadways, perimeter berms and development parcels require fill to provide minimum elevations for flood protections. Roads are designed to the five-year storm event elevation as a minimum and finished floor elevations are also established equal to or greater than the 100-year, 3-day, zero discharge storm event.

Stormwater management lakes, at a minimum, have been and will be excavated to the size and depth requirements established by the South Florida Water Management District ("SFWMD").

Drainage and Stormwater Management

The stormwater management system for the District consists of excavated stormwater management lakes, culverts, inlets, and water control structures as well as restoration and preservation of jurisdictional wetlands. South Florida Water Management District has permitted the stormwater management system for the entire Paseo development pursuant to Environmental Resource Permit (ERP) number 36-04092-P and Dewatering Water Use Permit (WUP) number 36-04085-W.

At project build-out, the stormwater management facilities will consist of approximately 65.7 acres of on-site lakes with an interconnected pipe system. Stormwater runoff from the lands within the District are and will be contained on-site via a constructed perimeter berm and routed to the stormwater management lakes for water quality treatment and attenuation. The treated stormwater will subsequently be released through conveyance systems and control structures to the Six Mile Cypress Slough.

The stormwater management system has been designed in accordance with the South Florida Water Management District Basis of Review. These regulations set minimum criteria for water quality treatment and flood protection. The stormwater management areas are designed to attenuate 25-year, 3-day rainfall events.

Roadways

Roadways within the District consist or will consist of two-lane undivided, two-lane divided and four-lane divided sections. The roadways are intended to serve the entire Paseo community with access to and from the community via existing Penzance Boulevard. While most roadways within the District are public, an estimated 2.5 miles of private roadways (consisting of alleys and internal drive aisles) have been or will be constructed. The public roadways within the District will be operated and maintained by the District, while the private roadways within the District will be owned, operated and maintained by others. All public roadways within the District are or will be constructed within platted right-of-ways dedicated to the District for operation and maintenance. Although identified on the Phase I plat as private, right-of-ways underlying the roadways dedicated to the District are open to the public, as required by State and Federal law.

Construction of the roadways consists of stabilized subgrade, limerock, asphalt, signing and striping. The roadways are designed in accordance with City of Fort Myers requirements. The right-of-ways also include landscaping, master electrical and street lighting, irrigation, and sidewalks. At project build-out, approximately 7.9 miles of public roadway will have been constructed. The public roadway system within the District includes a constructed bridge crossing over the slough arm bisecting the southern and northern portions of the Paseo community.

Water and Wastewater Improvements

The potable water distribution and wastewater collection systems serving lands within the District are or will be designed in accordance with standards established by the City of Fort Myers, the Florida Department of Environmental Protection and Lee County Department of Health standards. Construction of the potable water distribution and wastewater collection systems for Phase I was in part funded by the District in accordance with the Original Improvement Plan. The completed potable water distribution system and wastewater collection improvements were conveyed from the District to the City of Fort

Myers for ownership, operation, and maintenance in July 2009, June 2010, March 2014, August 2015, and October 2015.

The potable water improvements include both transmission and distribution lines along with the necessary valves and fittings, fire hydrants and water services to individual lots and development parcels. It is estimated that over 40,000 lineal feet of water main will be constructed upon completion of the Improvements. The wastewater system will, upon completion of the Improvement Plan, include approximately 32,500 lineal feet of gravity collection main; approximately 7,500 lineal feet of force main; 3 collection system pump stations; and a master pump station.

Irrigation Improvements

The Original Improvement Plan established the irrigation distribution system as a private utility to be funded by the Developer. However, it was subsequently decided by the Developer and the District's Board of Supervisors, under the guidance of previous District Counsel, that the irrigation system would be operated and maintained by the District. Therefore, both the source of irrigation water and the irrigation distribution system were in part funded by the District in accordance with the explicit direction of the District's Board of Supervisors and former Counsel.

The District has two intended sources of irrigation water. The primary source is via groundwater wells pursuant to South Florida Water Management District (SFWMD Irrigation Water Use Permit WUP (Number 36-04092-W. The secondary source is through an Agreement with the City of Fort Myers for the use of reclaimed water to supplement the groundwater source. The intention is that the primary source of irrigation will be via the City of Fort Myers reclaimed water once the City is capable of generating the required volumes.

Security Gates and Fences

A manned guardhouse has been constructed at the main entrance from Penzance Boulevard to the Paseo community. Roadways behind the manned guardhouse are public, and therefore, access by the general public cannot be prohibited. To ensure access is permitted at all times, the guardhouse is either manned 24 hours a day, 7 days a week, or the gate is left open. The community is further secured by a combination of fences and walls. These security features are public facilities which were funded in part by the District. No additional public security features are currently anticipated at this time.

Landscaping and Hardscaping

Landscaping and various hardscaping features have been or will be constructed or installed within the roadway right-of-ways or designated easements, along perimeter berms and at the main entrance. Upon completion of the Paseo community, landscaping will consist of sod, annual flowers, shrubs, groundcover, littoral plants and trees. Existing native vegetation has been and will be preserved and incorporated into the landscape plan where possible. The public portion of the landscaping has been or will be conveyed to the District for operation and maintenance.

Sidewalks and Paths

Paseo is a pedestrian friendly community that includes extensive constructed and proposed sidewalk and paths navigating most roadways and wetland conservation areas. The sidewalks and paths are a combination of concrete, pavers and/or asphalt depending upon their locations within the community, some of which will be owned and maintained by the District and some by others. Only those constructed and proposed sidewalks and crossings within public property or designated public right-of-way or

easements are to be included within the Original Improvement Plan funded by the District. All public portions of the sidewalks and paths have been or will be conveyed to the District for operation and maintenance.

Off-Site Infrastructure

Off-site improvements completed by the District include construction of a potable water transmission main, a force main extension (pursuant to the Annexation Agreement between the City of Fort Myers and Parker Daniels, Inc.), auxiliary lanes and a roadway connection to Penzance Boulevard.

A 24" potable water transmission main was extended through the project to Penzance Boulevard. This water main extension was constructed as part of a City of Fort Myers Master Utility Improvement Plan. A short section of 10" sanitary force main also has been constructed in the Penzance Boulevard intersection. These improvements were funded by the District in accordance with the Original Improvement Plan. The completed potable improvements were conveyed to and accepted by the City of Fort Myers for ownership, operation and maintenance in June 2010.

Auxiliary lane improvements at Penzance Boulevard and access into the project were also in part funded by the District under the Original Improvement Plan, including related street lighting, landscaping and amenities. Construction of these Improvements was within designated Lee County Public right-of-way and/or easements.

No additional off-site improvements constructed or acquired by the District are anticipated at this time.

Bonds, Assessments, Fees, and Charges

As of the date of this Disclosure the costs of infrastructure improvements were financed by the District through the sale of bonds. The remaining principal on the Bonds is as follows:

- * Series 2011 A-1 Infrastructure Improvement Bonds \$3,680,000
- * Series 2011 A-2 Infrastructure Improvement Bonds \$12,243,670

The primary source of payment for the Series 2011 A-1 Bonds and the 2011 A-2 Bonds is the annual levy of benefit special assessments against those lands within the District which benefit from the construction, acquisition, establishment, and operation of the District's infrastructure facilities. The bonds are secured equally and ratably being a first lien and pledge of benefit special assessments levied on the lands within the District.

All areas are assessed for the improvements based upon the average density of the proposed ultimate land uses. The Series 2011 A-1 and 2011 A-2 Infrastructure Bond Assessments are as follows:

Series 2011 A-1 Infrastructure Improvement Bond Assessment (Net)

Single Family	\$1,116.00
Multi Family	\$558.00
Villas	\$1,116.00

Series 2011 A-2 Infrastructure Improvement Bond Assessment (Net)

Single Family	\$1,116.00
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Multi Family	\$558.00
Villas	\$1,116.00

There will also be an operations and maintenance assessment levied against CDD properties. The funds received from this assessment are used to operate and maintain CDD assessment and to comply with all the required legislation as dictated in the Florida Statutes. O & M responsibilities include, but are not limited to, the stormwater system, alleys, landscaping, and recreational amenities. The operations and maintenance assessment is adopted annually in a public hearing, and the amount may vary annually based upon the adopted budget. For updated information on the current operations and maintenance assessment, please contact the District Office.

A detailed description of all costs and allocations which result in the formulation of assessments, fees and charges are available for public inspection upon request.

Method of Collection

The District's debt service and maintenance assessments will be directly billed by the District Manager or appear on that portion of the annual real estate tax bill entitled "non-ad valorem assessments," and will be collected by the County Tax Collector in the same manner as County and other ad valorem taxes. Each property owner must pay both County and other ad valorem taxes and District non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates which, if not timely redeemed, may result in the loss of title to the property.

This description of the Paseo Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please contact:

Kristen Suit, District Manager
Rizzetta & Company, Inc.
Paseo Community Development District
9530 Marketplace Road., Suite 206
Fort Myers, FL 33912
(239) 936-0913

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken has been executed as of the 23rd day of March, 2016, and recorded in the Official Records of Lee County, Florida.

PASEO COMMUNITY DEVELOPMENT DISTRICT

By: Frank Denyer
Chairman

Karin Hardwick
Witness

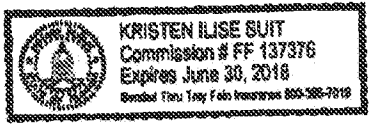
Gladys Salemi
Witness

Karin L. Hardwick
Print Name

Gladys Salemi
Print Name

STATE OF FLORIDA
COUNTY OF Lee

The foregoing instrument was acknowledged before me this 23rd day of March, 2016, by Frank Denyer, Chairman of the Paseo Community Development District, who is personally known to me or who has produced as identification, and did or did not take the oath.



Kristen Ilise Suit
Notary Public, State of Florida

Print Name: Kristen Suit

Commission No.: FF 137376

My Commission Expires: June 30, 2018