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Rossin & Burr, PLLC
The Forum -- Suite 101
1665 Palm Beach Lakes Blvd
West Palm Beach, FL 33401

RE: CYPRESS CREEK GOLF COURSE PROPOSED REDEVELOPMENT

Dear Mr. Burr:

Thank you to you, Aaron, Mikel and Jennifer for taking the time to meet with Toll Brother's representatives (Lindsay Parsons and Adam Rule), as well as myself and our civil engineer, Jeff Schnars, at Toll Brother's offices on Thursday, December 7, 2023. The intent of this meeting was to continue the discussions from our September 27, 2023 meeting (as documented by the attached October 10, 2023 letter) and provide updates on the status of the proposed site plan and other development concerns expressed by the community, most notably related to drainage and environmental issues. Although no specific data was presented concerning either drainage or environmental matters, Jeff Schnars offered updates on drainage calculations and discussions with Palm Beach County, Lake Worth Drainage District (LWDD) and South Florida Water Management District (SFWMD), while I provided general information related to environmental due diligence being performed by Toll's consultants, as well as Toll's environmental attorney Michael Goldstein. Toll understands the concerns raised by the HOA Board concerning both of these items and remains committed to openly and transparently communicating with the HOA Board throughout the approval and permitting process to ensure that all drainage and environmental issues are addressed pursuant to all regulatory and government standards necessary to develop the property in accordance with Toll's proposed single-family development plans.

To that end, Toll has agreed to have Jeff Schnars prepare and provide preliminary drainage calculations for review by the HOA Board and a reputable local civil engineer who has successfully permitted residential subdivision projects within the jurisdiction of LWDD, SFWMD and Unincorporated Palm Beach County. Toll has further offered to reimburse the Association up to \$10,000.00 toward the cost of such civil engineering services. In addition, Toll has agreed to provide further information from Toll's environmental attorney that will assist in better describing the environmental condition of the subject property and the likely

approach for addressing offsite contamination in soil and groundwater. Specifically, Toll has requested Mr. Goldstein to prepare a draft summary of the FDEP regulatory process that will outline the specific environmental issues and remediation process. Following your review of this information you can advise as to any specific Association concerns, which we will further address and clarify as needed.

Although the majority of our meeting was spent discussing drainage and environmental concerns, the latter portion of the meeting focused on the other “requested” items outlined in the Association’s September 12, 2023 letter and Toll’s October 10, 2023 response. For brevity purposes, I have summarized each of the points in the original letter with a brief response based on Toll’s understanding of the discussion that occurred during our most recent meeting:

Association Concerns:

1. Reduce density below 160 units – Toll remains committed to developing and constructing 160 homes considering it is already a significant reduction below the 245 units permitted on the subject property in accordance with the underlying LR-2 future land use designation. That said, Toll has since been studying the site plan in more detail and is considering locations within the subject property where it may make sense to lose a couple of lots in an effort to address certain community concerns.
2. Distribute the proposed development and homes across more of the subject property - Toll explained that it’s proposed site plan offers efficient development of the subject property with the location of lots and large lake areas required to accommodate the proposed development and historic drainage flow from the community at large. For example, reallocating lots to other parts of the golf course would require substantially more roadway and other impervious surfaces, which would significantly impact drainage requirements for the proposed development. Knowing that drainage was one of the Association’s top concerns, Toll chose a more efficient development pattern in order to ensure sufficient drainage is available to accommodate both the proposed development and existing community.
3. Restrict two-story homes – Toll cannot agree to restrict a buyer’s choice of home type to one or two stories. In Toll’s experience, approximately 60 % of homes within the community will likely be two-stories, but the market will ultimately dictate what sells at the time the community opens for sale. Toll will ensure that all homes (one or two stories) are appropriately buffered from neighboring homes within the new or existing community.
4. Increase perimeter buffers – Toll appreciates this is a sensitive topic and why very early on we planned for larger buffers along Palo Verde, as well as increasing lot depths that back up to Palo Verde 10’ deeper than the other lots within the community, recognizing the impacts to those homes. Although our buffers far exceed what would otherwise be required by Palm Beach County for single-family residential uses abutting other single-family residential, we will continue to evaluate ways to improve the buffers, lot depths and widths as much as

possible. A look at the site plan will show that there are large landscape buffers or lake features surrounding most of the proposed development.

5. Install buffers early in development phase – Toll previously agreed that it would install buffers as early in the development phase as possible. Please bear in mind that some land development activity and infrastructure will need to be in place prior to installation of the perimeter buffers to ensure what we install will be adequately irrigated.

6. Distribution of lakes and retention ponds – As noted above, there was lengthy discussion concerning this issue and Jeff Schnars explained that the proposed development plans include sufficient lake and stormwater management area to accommodate the proposed development and historic drainage flow from the community. Toll has agreed to have Mr. Schnars prepare and provide preliminary drainage calculations for peer review by a local civil engineer hired by the Association. It is important to note that Toll is following the established development process in Palm Beach County concerning review of drainage impacts. Although detailed permit and construction plans are not required at this point in the process, Toll recognizes the Association’s request for more detail now and as noted above, is willing to connect Mr. Schnars with a reputable local civil engineer retained by the Association who has successfully permitted residential subdivision projects within the jurisdiction of LWDD, SFWMD and Unincorporated Palm Beach County. It is also important to note that Toll’s reputation is what makes its brand so special and unique. Toll’s division office is just a few miles from the subject property and drainage impacts that would be detrimental to the Association are not an option for a company of Toll’s caliber. The same applies for Jeff Schnars, as he is a very well respected local civil engineer with significant experience in Palm Beach County. In Mr. Klein’s 12/21/23 email he mentions the possibility of “potential property damage as a result in the shift in flooding risk caused by your proposed infill development.” Please understand that both Toll and Mr. Schnars understand that such damage would negatively affect both their brands and reputations, which is something neither is willing to risk. If there is any question, Mr. Schnars suggests reaching out to Joanne Keller at the County to learn more about his work product and reputation.

7. Preparation of a hydrologic analysis – As noted above, Toll has agreed to prepare preliminary drainage calculations for peer review by a local civil engineer hired by the Association.

8. Relocate recreation area – Toll’s latest plan presented during our meeting relocated the recreation area closer to Military Trail. As discussed during our meeting, a separate site plan with individual lot lines is not created with each plan that is submitted with the pending zoning applications. We recognize the need for a colored, easy to read site plan identifying individual lot lines, which we will ensure is presented during our next meeting.

9. Environmental assessment – Toll had previously agreed undertake a comprehensive environmental investigation of onsite and offsite soil and groundwater contamination and

share the results of the investigation with the community once such information is submitted for review by applicable regulatory agencies. In addition, if Toll moves forward with the proposed development, Toll remains fully committed to working closely with state and local environment officials and members of the Association to design, obtain regulatory approval of, and implement an appropriate remedial action plan for addressing onsite and offsite contamination. During the meeting, I provided a general summary of environmental assessment and remedial planning activities Toll has conducted to date through its consultants and environmental attorney and offered to provide supplemental information and a more thorough and current briefing from Mr. Goldstein. While we understand the significance of the Association's environmental concerns, it is important to note that any environmental issues associated with the subject property or within the community pre-exist Toll's involvement. Toll understands the amount of time, resources, and expense necessary to remediate such conditions and, if Toll proceeds with the proposed development, will be proceeding with such remedial efforts to the benefit of all involved.

Association Requests:

1. Perimeter improvements to Cypress Creek Community – Toll remains committed to working with the HOA Board and Association on certain aesthetic improvements along the perimeter of the existing community assuming the Association remains cooperative in working collectively toward achieving the proposed redevelopment of the subject property. Toll suggested that the Board work with the Association to propose a detailed plan of their request and work on obtaining bids for same. Toll also suggested that the HOA Board begin working with the homeowners along Lawrence Road to understand whether there is an appetite for easements to install one continuous wall. It will also be necessary to coordinate with the Association's management company to determine whether any improvements will impact the Association's budget and whether residents would be open to a possible budget increase associated with such improvements and long-term maintenance of same.
2. Additional buffering – Toll is actively studying the site plan to identify strategic areas for increased buffering and increased planting within such buffers.
3. Access to open spaces – Toll remains willing to further discuss options that would result in providing access to the Association's residents over specific portions of open space within Toll's proposed development. As discussed, any such shared-access agreement would include language whereby the Association would need to insure and indemnify Toll for any such use of the property by community residents.
4. Drainage into C. Stanley Weaver Canal – Toll addressed this previously explaining that direct outfall into the canal will not be permitted by regulatory agencies.
5. Access to open spaces – same as Number 3 above.

6. Conveyance or use of existing maintenance parcel – this was discussed at length during our meeting as well and a number of options were identified. Toll recently shared a concept plan proposing to realign Palo Verde and replace the existing gated entrance to the community with additional aesthetic and landscaping improvements. We believe this upgrade is a mutual benefit to both communities. Although you mentioned in the meeting and the most recent email that this is a “low priority” item for the Association, we wanted to note that this particular item is one that affects the actual plan being processed for approval by Palm Beach County. As such, time is of the essence, as we cannot go back and make the change following County approvals. We are looking for the Association’s confirmation that they are desirous of proposing this change as part of the pending development applications. Importantly, supporting the roundabout does not serve as acknowledgement that the Association is supportive of the overall project. However, if this project does move forward, this is an improvement that would benefit the community at Toll’s expense.

7. With respect to irrigation, it would be greatly appreciated if you could ask the residents who do irrigate from the lakes to provide their name and address, as we would like to see a list of whom this affects so we can begin planning for a solution.

8. In Mr. Klein’s 12/21/23 email he mentions “ that Palo Verde Drive is a private road and easements associated with golf course operation and maintenance will be terminated if your request to abandon the development order for the golf course is ultimately approved by the County. This will eliminate your access from the south across Palo Verde Drive to the noncontiguous residential lots to the north of Palo Verde Drive which have been used for a maintenance area by the golf course owners.” As referenced during our December meeting, Toll has consulted with counsel and its title company and reaffirmed that access rights over portions of Palo Verde under the original 1969 agreement run to the benefit of the subject property. If the subsequent agreement noted in Mr. Kline’s email is revoked based on a change of use, we are confident that the access rights under the 1969 agreement would remain. We only mention this to advise that our plans will be revised to relocate the emergency access road back to its original location. If you would like to discuss this specific issue with Toll’s in-house counsel, we would be happy to make him available for those discussions.

As discussed at the conclusion of our meeting, Toll continues to study the proposed development plan in an effort to address many of the various concerns outlined in our two prior meetings. It is Toll’s desire to schedule a follow up meeting with the HOA Board just before the next community-wide meeting to provide further updates before presenting the same information and offering a Q&A opportunity with the community at large.

We believe the information provided above accurately reflects the various discussion points covered during our meeting. Please contact me immediately by phone or email in the event anything contained herein is inaccurate or does not conform to your understanding of what was discussed. We very much look forward to meeting with you again to continue our ongoing dialogue concerning Toll’s proposed development plans.

Sincerely,

Scott Backman

Scott Backman

Enclosures

cc: Cypress Creek HOA
Toll Brothers, Inc.