



Dear Landowner/Resident of Santa Rosa Groves,

The Indian Trail Improvement District (District) Board of Supervisors (Board) unanimously requested that the Board President, Betty Argue, along with key staff hold an informational meeting with the landowners of Santa Rosa Groves. Over the past several years, the homeowners have requested that the District consider the activation of the Unit 20 known as Santa Rosa Groves. Many current and past homeowners have spent considerable time, effort and money to achieve this point. Frank Palen, Assistant District Attorney, has written a synopsis about the legal process that the District has undertaken at considerable expense along with the Property Owner Association attorney's effort to correct easement issues. The summary letter is included with this mailer for those who may be new to the area or have not followed the process.

The District Board will now consider the full activation of Unit 20 at a Public Hearing on March 31, 2021 at the Administration Building starting at 6:00pm (EST). The Public Hearing will have limited seating due to the COVID-19 restrictions. However, it will be broadcast on a Zoom Meeting platform that will allow public comment and will be recorded.

On Saturday, March 13, 2021, the Board President along with staff invite property owners to participate in an open forum at 9:00am (EST). A flyer is also included in this mailer with more details. If the Board approves the Unit Activation, then the staff will begin the legal, survey, engineering, project planning, procurement, resource allocation, billing and other logistics to initiate activation and the eventual capital infrastructure installation for the Unit's drainage and roads.

For your convenience a Santa Rosa Groves (SRG) page has been created on the District website. If you cannot attend these meetings in person and wish to attend via Zoom, on the day of meeting please go to the District website and click on [Join Live Meeting] and follow instructions.

We look forward to meeting with you personally on March 13<sup>th</sup> at 9:00am.

Sincerely,

Burgess Hanson,  
Executive Director



EST. 1957

**Board of Supervisors**

Betty Argue,  
President

Jennifer Hager,  
Vice President

Joni Martin,  
Treasurer

Michael Johnson,  
Assistant Secretary

Keith Jordano

**District Staff**

Burgess Hanson,  
Executive Director

Mary Viator,  
District Attorney &  
District Secretary

Jay Foy,  
District Engineer

CALDWELL PACETTI  
EDWARDS SCHOECH & VIATOR LLP

ATTORNEYS AT LAW

MANLEY P. CALDWELL, JR.  
KENNETH W. EDWARDS  
CHARLES F. SCHOECH  
MARY M. VIATOR  
WILLIAM P. DONEY  
FRANK S. PALEN  
JOHN A. WEIG

SYNOVUS BANK BUILDING  
1555 PALM BEACH LAKES BOULEVARD  
SUITE 1200  
WEST PALM BEACH, FLORIDA 33401

www.caldwellpacetti.com

TELEPHONE: (561) 655-0620  
TELECOPIER: (561) 655-3775

OF COUNSEL  
BETSY S. BURDEN

March 2, 2021

**Re: Status Report: Formation of a District Unit of Development for Santa Rosa Groves (SRG)**

Dear Santa Rosa Groves Landowner

I am writing to inform you of the current status of Indian Trail Improvement District's (the "District") continuing effort to assist your community in solving its problems with SRG's road and drainage systems (the "Common Areas"). In general, the technical legal issues that have held up progress have been resolved. The District is moving forward to assist the community solve its access and drainage problems.

SRG has a complicated history and it will take some time to explain our current status. SRG's Common Areas are all easements that provide road access, drainage, utility service and similar purposes to every lot in the development. The easements were created by the original developer and are identified on a "Plot Plan" for Santa Rosa Groves which was approved by Palm Beach County in 1979. They are also included in a Declaration of Restrictions for Santa Rosa Groves recorded in the Palm Beach County Public Records in 1979. All Common Area easements limit the use or "encumber" portions of the lots and every landowner purchased their property subject to their terms. The problem has been assigning responsibility for their maintenance and creating a reliable financing mechanism for that purpose.

Unlike the Acreage, SRG's developer did not choose to use the District for road and drainage maintenance. Instead, as originally conceived, maintenance of the Common Areas was to be provided by Santa Rosa Home-Owners Association, Inc. (SRHOA), a private, non-profit corporation organized and administered as provided in Florida law. SRHOA's purpose and functions are defined in the Declaration, which gives SRHOA the power to assess landowners for the cost of maintaining the Common Area easements. Because this option was never exercised, SRHOA's power to assess landowners lapsed by operation of law. An effort to revive it was rejected by the landowners. As a result, only a few SRG landowners are able to fully use and enjoy their property on a limited or conditional basis. If all SRG landowners are to use and enjoy the full benefits of their property, the Common Area easements must be substantially reconstructed and provision made for their continual maintenance thereafter

Fortunately, while it cannot collect assessments, SRHOA exists as a legal entity and has been given the power by the SRG Declaration to transfer its right to access the Common Area easements and its duty to maintain them to a government agency, like the District. In March 2019, the District received a request from SRHOA to resolve the issue by forming a Unit of Development for SRG. This would permit the District to replace SRHOA by exercising its statutory power to assume maintenance of the Common Areas. However, the District cannot reconstruct infrastructure or conduct maintenance operations unless it has the right of access. SRHOA offered to convey its property rights in the Common Area Easements (and related state drainage permits) to the District, but the District raised legal concerns regarding the conveyance. In addition, while majority of SRG landowners agreed with SRHOA's request, they expressed significant reservations about the security of the transfer process.

In September 2019, the District's Board of Supervisors accepted SRHOA's and the landowners' request in principle by adopting a Resolution identifying SRG as the District's Unit of Development Number 20. This is the first step in a multi-step process required by Florida law before the District may assume maintenance of the Common Areas and begin to collect assessments for that purpose. However, the Board of Supervisors directed that no further action be taken until certain issues regarding SRHOA's legal authority to convey the Common Area Easements free and clear were clarified and landowner security concerns were addressed.

In January, 2020, after extensive negotiations with SRHOA and discussions with landowner representatives, the District Board of Supervisors approved an Agreement with SRHOA (the "Escrow Agreement") that addressed both the District's legal and the landowners' security concerns. According to the terms of the Escrow Agreement, SRHOA would at its own expense pursue a determination by a Circuit Court judge (called a "Declaratory Judgment") confirming SRHOA's power to transfer its property rights and maintenance responsibilities without restriction.

Landowner representatives agreed to encourage individual landowners support this effort by voluntarily consenting to SRHOA's pursuant of a Declaratory Judgment provided their consents were held by this Firm as Escrow Agent and not physically delivered to SRHOA. Landowner consents were to be in the form of new easement deeds confirming the existence of Common Area easements on their property and the authority of the SRHOA to convey its property rights and maintenance responsibilities to the District. The existence of consents greatly reduced the burdens of pursuing a Declaratory Judgment. (Between January 2020 and December 2020, approximately 80 of 100 SRG landowners voluntarily consented to SRHOA's transfer of its property rights and maintenance responsibilities to the District by providing easement deeds to our Firm to be held in escrow.)

The Escrow Agreement also provides that SRHOA will convey its property rights in the Common Area easements to the District by immediately delivering a fully executed deed to them with our Firm to be held in escrow. **This deed is currently in our Firm's possession and will be held until a Water Control Plan is adopted by the District's Board of Supervisors, as required by the Escrow Agreement.**

Finally, the Escrow Agreement provides that the District will suspend the process of forming a Unit of Development for SRG until Circuit Court issues a non-appealable Declaratory Judgment affirming SRHOA's authority to convey its property rights and maintenance responsibilities to the District. If the Circuit Court does not issue an affirmative Declaratory Judgment, this Firm as Escrow Agent is required to return the landowners' deeds to them and the District will terminate all further action to form a Unit of Development. If the Circuit Court issues an affirmative, final Declaratory Judgment, once it becomes non-appealable (i.e., no appeal is filed within 30 days), the District will resume formation of a Unit of Development for SRG according to the steps outlined in Florida Statutes.

**On January 7, 2021, Palm Beach County Circuit Court issued a Declaratory Judgment affirming the validity of the Common Area easements and SRHOA's authority to assign its property rights in and maintenance responsibilities for them to the District. The Declaratory Judgment became non-appealable on February 9, 2021.**

This information was conveyed to the District's Board of Supervisors at its Meeting of February 17, 2021. At that meeting, the Board took the following actions:

- Received our Firm's recommendation that the terms of the Escrow Agreement have been substantially satisfied.
- Accepted receipt of the landowner deeds being held by our Firm in escrow and directed that they be recorded in the Public Records as provided in the Escrow Agreement. **All landowner deeds held by our Firm have now been recorded.**
- Directed our Firm to continue to hold SRHOA's deed conveying its property rights to the District in escrow. This deed will not be released from escrow and recorded until the District completes the steps required to form a Unit of Development outlined in Florida Statutes. **Until that event occurs, the District has not assumed maintenance of the SRG Common Area easements or legal responsibility therefore.**
- Directed the District's Staff and Professional Consultants to resume the process of forming a Unit of Development as provided in Florida Statutes, Chapter 298. This process will involve opportunities for SRG landowners to provide comment and consider alternative levels of road and drainage services for Santa Rosa Groves.

The terms of the January 22, 2021 Escrow Agreement having now been largely satisfied, all landowner deeds have been released and recorded in the Public Records. At this time, our Firm's role as Escrow Agent will be to hold SRHOA's deed of conveyance until completion of the Unit formation process. Our Attorneys will be involved in the legal aspects of the Unit formation process, but primary responsibility now shifts to the District's administrative Staff and the District Engineer, with the advice and direction of the District's Board of Supervisors.

By separate letter you will receive additional information from the District's Executive Director regarding the next steps in the process of resolving your community's access and drainage problems.

It has been a pleasure serving you as Escrow Agent pursuant to the Agreement of January 22 2020.

Sincerely yours,

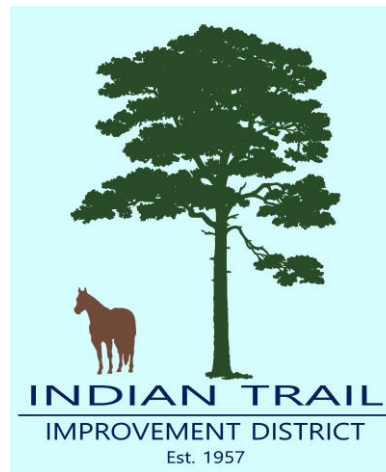
**FOR THE FIRM**

/s/ *Frank S. Palen*

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Frank S. Palen, Esq., AICP  
Attorney at Law

cc. Board of Supervisors, Indian Trail Improvement District  
Mary M. Viator, Esq.  
Burgess Hanson, Executive Director, ITID  
Jay G. Foy, P.E., District Engineer



# **MEETING**

**Saturday – March 13<sup>th</sup>**

**9:00 A.M. – 10:00A.M.**

**Indian Trail District & Santa Rosa Groves Landowners**

**At Barky Pines  
6521 Carol Street**

**[www.indiantrail.com](http://www.indiantrail.com)**

**(561) 793-0874**