

**STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION**

In Re: ROHNERT CIVIC, LLC.

FHFC Case No. : 2006-005VW

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**ORDER GRANTING VARIANCE FROM  
RULE 67-21.008(1)(b), FLORIDA ADMINISTRATIVE CODE**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation on April 21, 2006, pursuant to an Amended Petition for Variance of Rule 67-21.008(1)(b), Florida Administrative Code, (the "Amended Petition"). Florida Housing Finance Corporation ("Florida Housing") received the Petition on March 22, 2006, and received an Amended Petition on March 30, 2006, from Rohnert Civic, LLC, ("Petitioner"). On March 31, 2006, the Notice of the Petition was published in Volume 32, Number 13, of the Florida Administrative Weekly. Florida Housing did not receive any comments regarding the Petition. After careful review of the record and being otherwise fully advised in the premises, the Board of Directors (the "Board") of Florida Housing hereby finds:

1. The Board has jurisdiction over the subject matter of this case and the parties hereto.
2. In June of 1996, Florida Housing financed the construction of Sterling Palms Apartments ("The Development") with \$14,450,000 in tax-exempt Multifamily Mortgage Revenue Bonds ("MMRB") and \$600,000 in taxable bonds designated as 1996 Series D to Sterling Palms, Ltd. The Development is a 248-unit family apartment development located in Hillsborough County, Florida.

3. Petitioner requested a transfer of ownership from Sterling Palms, Ltd., and has applied for \$14,385,000 in 2006 Series Taxable Multifamily Mortgage Revenue Bonds from Florida Housing. This transfer of ownership is to be approved by the Board on April 21, 2006 and the loan closing is intended to take place on or before May 1, 2006.

4. Rule 67-21.008(1)(b), Florida Administrative Code, states in pertinent part:

(1) Each Mortgage Loan for a Development made by the Corporation shall:

(b) Provide for a fully amortized payment of the Mortgage Loan in full beginning on the earlier of 36 months after closing, or stabilized occupancy, or conversion to permanent financing under the loan documents and ending no later than the expiration of the useful life of the property, and in any event, no later than 45 years from the date of the Mortgage Loan.

5. Section 120.542(2), Florida Statutes provides in pertinent part:

Variations and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

6. Petitioner requests a variance from the above Rule to delay the start of the fully amortized payment of the mortgage loan from 36 months to ten (10) years from the date of closing of the MMRB financing.

7. Petitioner states that this variance is necessary and that denial thereof would create a substantial hardship for Petitioner, in that the viability of the Development will be threatened. Petitioner has requested MMRB funding and will invest significant sums of its own capital in purchasing the project. Granting the variance will improve the cash flow of the Development and insuring adequacy of funds to properly operate and maintain the Development. Petitioner reports that should this request for a variance be denied, the viability of the

Development will be affected and quality affordable housing in Hillsborough County, Florida could be sacrificed.

8. The granting of this variance would serve the purpose of the underlying statute, as facilitating the rehabilitation of the Sterling Palms Apartments development will further Florida Housing's statutory mandate to provide safe, sanitary and affordable housing to the citizens of Hillsborough County, Florida.

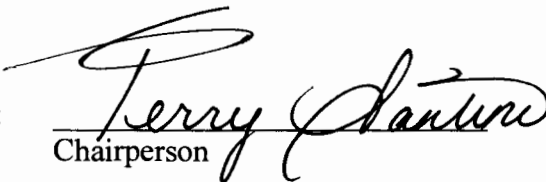
9. Moreover, not granting this variance will result in a substantial hardship to Petitioner, in that Petitioner may be unable to acquire and rehabilitate the development as anticipated per its supplemental MMRB application.

**IT IS THEREFORE ORDERED:**

The Petition for Variance from Rule 67-21.008(1)(b), Florida Administrative Code, is hereby **GRANTED**. Petitioner shall provide for a fully amortized payment of the Mortgage Loan in full beginning ten (10) years from the issuance of the Series 2006 Bonds, during which period no amortization of the Series 2006 Bonds would be required.

DONE and ORDERED this 21<sup>th</sup> day of April, 2006.

Florida Housing Finance Corporation

By:   
Chairperson

**Copies furnished to:**

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**NOTICE OF RIGHTS**

**A PARTY WHO IS ADVERSELY AFFECTED BY THIS FINAL ORDER IS ENTITLED TO JUDICIAL REVIEW PURSUANT TO SECTION 120.68, FLORIDA STATUTES. REVIEW PROCEEDINGS ARE GOVERNED BY THE FLORIDA RULES OF APPELLATE PROCEDURE. SUCH PROCEEDINGS ARE COMMENCED BY FILING ONE COPY OF A NOTICE OF APPEAL WITH THE AGENCY CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION, 227 NORTH BRONOUGH STREET, SUITE 5000, TALLAHASSEE, FLORIDA 32301-1329, AND A SECOND COPY, ACCOMPANIED BY THE FILING FEES PRESCRIBED BY LAW, WITH THE DISTRICT COURT OF APPEAL, FIRST DISTRICT, 300 MARTIL L. KING, JR., BOULEVARD, TALLAHASSEE, FLORIDA 32399-1850, OR IN THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE PARTY RESIDES. THE NOTICE OF APPEAL MUST BE FILED WITHIN THIRTY (30) DAYS OF RENDITION OF THE ORDER TO BE REVIEWED.**