STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

In Re: Beachwood Preservation LP	FHFC Case No. 2024-005VW
In Re: Forest & Village Preservation LP	FHFC Case No. 2024-006VW
In Re: Federation Gardens Preservation LP	FHFC Case No. 2024-007VW
In Re: Federation Towers Preservation LP	FHFC Case No. 2024-008VW
In Re: Sable Palms Preservation LP	FHFC Case No. 2024-009VW
In Re: Federation Sunrise Preservation LP	FHFC Case No. 2024-010VW
In Re: Federation Davie Preservation LP	FHFC Case No. 2024-011VW
In Re: Federation Gould Preservation LP	FHFC Case No. 2024-013VW

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ORDER GRANTING WAIVERS OF RULE 67-21.003(1)(b), FLA. ADMIN. CODE, AND A PORTION OF THE NON-COMPETITIVE APPLICATION

THIS CAUSE came for consideration and final action before the Board of Directors of the Florida Housing Finance Corporation (the "Board") on March 26, 2024. On February 28, 2024, Florida Housing Finance Corporation ("Florida Housing") received several Petitions for Waiver of Rule 67-21.003(1)(b), F.A.C, and the Non-Competitive Application Instructions (the "February Petitions") from Beachwood Preservation LP, Forest & Village Preservation LP, Federation Gardens Preservation LP, Federation Towers Preservation LP, Sable Palms Preservation LP, Federation Sunrise Preservation LP, and Federation Davie Preservation LP (the "February Petitioners"); On March 1, 2024, Florida Housing received a Petition for Waiver of Rule 67-21.003(1)(b), F.A.C, and the Non-Competitive

FILED WITH THE CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION
Tom McKlamery DATE: 3/27/2024

Application Instructions (the "March Petition") from Federation Gould Preservation LP (the "March Petitioner") (Collectively, the February Petitions and March Petition are referred to as the "Petitions" and the February Petitioners and March Petitioner are referred to as the "Petitioners"). Petitioners request this Waiver of the referenced rules to allow the release of IRS Form 8609 for their respective developments prior to the resolution of an ongoing ownership structure dispute that similarly affects each Petitioner. Notice of the February Petitions was published on February 29, 2024, in Volume 50, Number 42, of the Florida Administrative Register. Notice of the March Petition was published on March 5, 2024, in Volume 50, Number 45, of the Florida Administrative Register. Florida Housing received no comments regarding any of the Petitions. After careful review of the record and being otherwise fully advised on the premises, the Board hereby finds:

1. The Board has jurisdiction over the subject matter of this case and the parties hereto.

2. Petitioners successfully applied for funding to assist in the rehabilitation of their respective developments.

3. Rule 67-21.003(1)(b), Fla. Admin. Code, incorporates by reference the Non-Competitive Application Package ("NCA"). The NCA states in relevant part:

The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter Credit Underwriting.

For purposes of (1) and (2) below, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

(1) For Applicants requesting Non-Competitive Housing Credits only:

The Applicant entity shall be the recipient of the Housing Credits and the ownership structure of the Applicant entity as set forth in the Principal Disclosure Form and cannot be changed in any way (materially or non-materially) until after the Preliminary Determination is issued. Once the Preliminary Determination has been issued, (a) any material change in the ownership structure of the named Applicant will require Board approval prior to the change, and (b) any non-material change in the ownership structure of the named Applicant will require Corporation approval prior to the change. The ownership structure of the Applicant entity may be changed without Corporation or Board approval after a Final Housing Credit Allocation Agreement has been approved and the IRS Forms 8609 have been issued; however, the Corporation must still be notified in writing of the change. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the ownership structure of the Applicant entity prior to the issuance of the Preliminary Determination or without Board approval or Corporation approval, as applicable, prior to the approval of the Final Housing Credit Allocation and issuance of the IRS Forms 8609 shall result in a disqualification from receiving funding and shall be deemed a material misrepresentation. Changes prior to the issuance of the Preliminary Determination to the officers or directors of a Public Housing Authority, officers or directors of

a Non-Profit entity, or the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification, however, the Corporation must be notified of the change. Changes to the officers or directors of a Non-Profit entity shall require Corporation approval.

(2) For Applicants requesting MMRB, with or without Non-Competitive Housing Credits:

The Applicant entity shall be the recipient of the Non-Competitive Housing Credits and the borrowing entity for the MMRB Loan and cannot be changed in any way (materially or non-materially) until after the MMRB Loan closing. After loan closing, any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes to the limited partner of an investor limited partnership or an investor member of a limited liability company owning the syndicating interest therein will not result in disqualification.

4. Petitioners state that the renovations of each of Petitioners' developments have been completed, the Extended Use Agreements have been executed, and Florida Housing is in the process of completing its final evaluations and determinations of the Housing Credit Allocations for each respective development. An issue has arisen related to two of the Petitioners' principals that may result in a material change (as defined in the NCA) to the ownership structure. Petitioners request a waiver of the above rule to avoid further impact on the financial stability of the transaction that may result if the IRS Form 8609 issuance is delayed. Specifically, Petitioners state that delays

in the issuance of the IRS Form 8609 may cause a significant reduction in the tax credit equity financing for their respective developments and Petitioners may be required to repay capital contributions to their tax credit investors with interest and penalties. Petitioners have agreed that any change in ownership resulting from the dispute would be subject to Board approval.

5. The Board finds that granting the requested waiver will not impact other participants in funding programs administered by Florida Housing, nor will it detrimentally impact Florida Housing.

6. The Board also finds that Petitioner has demonstrated that the waiver is needed because of circumstances beyond its control and that it would suffer a substantial hardship if the waiver is not granted.

7. The Board further finds that Petitioner has also demonstrated that the purpose of the underlying statute, which is to "encourage development of low-income housing in the state," would still be achieved if the waiver is granted. §420.5099, Fla. Stat.

IT IS THEREFORE ORDERED that

A. Beachwood Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2021), and section A.6.b of the Non-Competitive Application Package (2021) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership

structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

B. Forest & Village Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2019), and section A.6.b of the Non-Competitive Application Package (2019) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

C. Federation Gardens Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2018), and section A.5.b of the Non-Competitive Application Package (2018) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

D. Federation Towers Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2018), and section A.5.b of the Non-Competitive Application Package (2018) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

E. Sable Palms Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2021), and section A.6.b of the Non-Competitive Application Package (2021) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

F. Federation Sunrise Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2019), and section A.6.b of the Non-Competitive Application Package (2019) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

G. Federation Davie Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2020), and section A.6.b of the Non-Competitive Application Package (2020) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

H. Federation Gould Preservation LP's request for waiver of Rule 67-21.003(1)(b), Fla. Admin Code (2019), and section A.6.b of the Non-

Competitive Application Package (2019) is hereby **GRANTED** to allow the release of IRS Form 8609 prior to the resolution of its ongoing ownership structure dispute on the condition that any changes to the ownership structure will be subject to Board approval.

DONE and ORDERED this 26th day of March, 2024.

Florida Housing Finance Corporation

By: _____
Chairperson

Copies furnished to:

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Joint Administrative Procedures Committee
Attention: Ms. Yvonne Wood
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NOTICE OF RIGHT TO ADMINISTRATIVE REVIEW

A PARTY WHO IS ADVERSELY AFFECTED BY THIS ORDER IS ENTITLED TO ADMINISTRATIVE REVIEW PURSUANT TO SECTIONS 120.542(8), 120.569, AND 120.57, FLORIDA STATUTES. SUCH PROCEEDINGS ARE COMMENCED PURSUANT TO CHAPTER 67-52, FLORIDA ADMINISTRATIVE CODE, BY FILING AN ORIGINAL AND ONE (1) COPY OF A PETITION WITH THE AGENCY CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION, 227 NORTH BRONOUGH STREET, SUITE 5000, TALLAHASSEE, FLORIDA 32301-1329.