STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

In re: EHDOC Council Towers Limited Partnership

FHFC Case No.: 2026-069VW

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**ORDER GRANTING WAIVER OF RULES 67-21.026(10), F.A.C. (2018), AND 67-21.026(13)(e), F.A.C. (2022)**

THIS CAUSE came for consideration and final action before the Board of Directors of the Florida Housing Finance Corporation (the "Board") on November 6, 2026. On October 16, 2026, Florida Housing Finance Corporation ("Florida Housing") received a Petition for Waiver of Rules 67-21.026(10), F.A.C. (2018), and 67-21.026(13)(e), F.A.C. (2022) (the "Petition") from EHDOC Council Towers Limited Partnership ("Petitioner") to allow certain construction costs incurred outside of Petitioner's guaranteed maximum price ("GMP") construction contract and self-performed work in excess of the amount allowed by Rule for purposes of the Development's Final Cost Certification. Notice of the Petition was published on October 19, 2026, in Volume 52, Number 203, of the Florida Administrative Register. Florida Housing received no comments regarding the Petition. After careful review of the record, the Board hereby finds:

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

FILED WITH THE CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION
/DATE: 11/9/2026

2. Petitioner successfully applied for funding to assist in the acquisition and rehabilitation of Council Towers North & South, a 250-unit, Elderly, Non-ALF development located in Miami-Dade County, Florida (the "Development").

3. Rule 67-21.026(10), F.A.C. (2018), states in relevant part:

> The Corporation's assigned Credit Underwriter shall require a guaranteed maximum price construction contract, acceptable to the Corporation, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units or a physical needs assessment for rehabilitation units and review the Development's costs.

4. Although the Development is otherwise subject to Rule 67-21.026(13)(e), F.A.C. (2018), on April 29, 2022, the Board authorized staff to apply the general contractor self-performance provision in Rule 67-21.026(13)(e), F.A.C. (2022) to developments already in the pipeline that were otherwise governed under prior rule versions. Accordingly, Rule 67-21.026(13)(e), F.A.C. (2022), applies and states in relevant part:

> (13) The General Contractor must meet the following conditions:...
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> (e) Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions:
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> 1. The General Contractor may perform its duties to manage and control the construction of the Development; and
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> 2. The General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of $350,000 or 5 percent of the construction contract;

5. Petitioner requests waivers of the above Rules to allow certain construction costs incurred outside of its GMP construction contract and self-performed work in excess of the amount allowed by Rule to be considered for inclusion for purposes of the Development's Final Cost Certification. Petitioner states that, as a result of local governmental COVID restrictions and protocol requirements, it became necessary to replace its general contractor early in the construction process. Petitioner further states that stresses related to COVID created additional project costs such as:

a. additional storage costs for the early purchase of materials necessary to prevent schedule delays due to increased lead times from suppliers during COVID; and

b. additional costs related to sanitation measures necessary to limit the spread of COVID to the Development's residents. These included sanitation stations, temperature screenings, additional signage, additional site cleaning, temporary separation walls, and a full-time elevator attendant.

6. Petitioner further states that, due to the June 24, 2021 Surfside, Florida condominium collapse, the Miami Beach Building Department enacted several new requirements that increased the costs of the Development.

7. Petitioner explains that, after bringing in the new general contractor, HUD would not allow any changes to the previously approved form HUD-2328 schedules of values. In order to continue the necessary work on the Development, Petitioner states that it entered into a separate side agreement for the additional costs beyond those approved by HUD. Petitioner states that the total costs incurred under the side agreement amount to $2,343,774.37, of which $778,531 represented self-performed work. Petitioner states that the general contractor did not self-perform any work under the GMP contract, which amounted to approximately $22,752,528.

8. Rehabilitation of the Development was completed in July 2025. The requested waivers are necessary to allow consideration of these costs for inclusion in its Final Cost Certification. First Housing Development Corporation, the credit underwriter assigned to this transaction, has reviewed this request and provided staff with a positive recommendation.

9. The Board finds that granting the requested waivers will not adversely impact other participants in funding programs administered by Florida Housing, nor will it detrimentally impact Florida Housing or the Development.

10. The Board also finds that Petitioner has demonstrated that strict application of the Rules under these circumstances would constitute a substantial hardship.

11. The Board further finds that Petitioner has 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 waivers are granted. §420.5099, F.S. Accordingly, the Board finds that Petitioner has satisfied the requirements of s. 120.542(2), F.S.

**IT IS THEREFORE ORDERED** that Petitioner's request for waivers of Rules 67-21.026(10), F.A.C. (2018), and 67-21.026(13)(e), F.A.C. (2022), is hereby **GRANTED** to permit consideration of up to $2,343,774.37 in costs incurred under the side agreement outside of the GMP, including $778,531 in self-performed work, for inclusion in the Development's Final Cost Certification, with the following conditions:

a) As part of the Final Cost Certification process, the General Contractor shall complete the General Contractor Cost Certification for all construction services performed outside of its GMP construction contract, including the self-performed work.

b) An independent certified public accountant shall, at a minimum:

- To the maximum extent possible, confirm or verify all costs incurred outside of the GMP using the confirmation and verification procedures outlined in the General Contractor Cost Certification Form and Instructions; and

- Confirm that the amounts reported do not include any additional General Contractor Fee, when considered with the GC contract, to exceed the maximum 14% permitted under Chapter 67-21, F.A.C. (2018).

c) All General Contractor self-performed work included in the Development Final Cost Certification shall be recognized at actual cost, with no built-in profit, administrative costs, or markup included in the self-performed line items.

d) As part of the Final Cost Certification process, the independent certified public accountant shall verify the amount paid to the General Contractor for the self-performed work in accordance with the General Contractor Cost Certification Instructions and shall confirm that all such work was performed and paid at actual cost, with no profit, administrative costs, or markup included in the self-performed line items.

e) No General Contractor Fee or Developer Fee shall be allowed on the portion of the self-performed work that exceeds the de minimis threshold. If any General Contractor Fee on the self-performed work has already been paid, the amount paid shall be treated as paid from and

reflected as a subset of the Developer Fee on the Development Final Cost Certification.

**DONE and ORDERED** this 6th day of November, 2026.

Florida Housing Finance Corporation

By: _____
Chairperson

Copies furnished to:

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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 A PETITION WITH THE CORPORATION CLERK OF THE FLORIDA HOUSING FINANCE**

**CORPORATION, 227 NORTH BRONOUGH STREET, SUITE 5000, TALLAHASSEE, FLORIDA 32301-1329. A PETITION MAY ALSO BE FILED BY FACSIMILE OR ELECTRONIC MAIL AS PROVIDED IN RULE 67-52.002, FLORIDA ADMINISTRATIVE CODE. THE PETITION MUST BE FILED WITHIN TWENTY-ONE (21) DAYS OF RECEIPT OF THIS ORDER, CONSISTENT WITH SECTION 120.569(1), FLORIDA STATUTES, AND RULE 28-106.111(2), FLORIDA ADMINISTRATIVE CODE.**