STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

In Re: Pine Grove VOA Affordable Housing, L.P.

FHFC Case No.: 2025-022VW

/

**ORDER GRANTING WAIVER OF RULE 67-21.026(10), F.A.C. (6/28/2023)**

THIS CAUSE came for consideration and final action before the Board of Directors of the Florida Housing Finance Corporation (the "Board") on June 13, 2025. On May 21, 2025, Florida Housing Finance Corporation ("Florida Housing") received a Petition for Waiver of 67-21.026(10), F.A.C. (2023) (the "Petition") from Pine Grove VOA Affordable Housing, L.P. (the "Petitioner") to relieve Petitioner of the requirement to perform all rehabilitation work under a guaranteed maximum price ("GMP") contract. Notice of the Petition was published May 23, 2025, in Volume 51, Number 101, of the Florida Administrative Register. Florida Housing received no comments regarding the Petition. 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.

FILED WITH THE CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION
/DATE: 6/13/2025

2. Petitioner has applied for Non-Competitive Housing Credits to assist in the acquisition and rehabilitation of Pine Grove Apartments, a 97-unit development located in Alachua County, Florida (the "Development").

3. Rule 67-21.026(10), F.A.C. (2023), states in relevant part:

> (10) 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 CNA for rehabilitation units and review the Development's costs.

4. Petitioner seeks a waiver of the above rule only to the extent necessary to permit roofing costs outside of the GMP contract. After substantial completion of the GMP contract, Petitioner contracted directly with a roofing company to remove and replace the roof, recognizing a cost savings by avoiding General Contractor ("GC") mark ups and not having to keep the GC on the project while waiting for the roof approval. Petitioner states oversight by the GC was not required because the roof work was inspected by the Alachua County Department of Growth Management. The GC finished its work in March 2023. Petitioner contracted with Worthman LLC ("Worthman") for the roof work on June 26, 2023, and the work began in July 2023. Worthman's work totaled $127,518, which comprised approximately 3.9% of the total construction costs.

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

6. The Board also finds that Petitioner has demonstrated that the strict application of the rule would impose a substantial hardship if the waiver is not granted.

7. 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 waiver is granted. §420.5099, F.S.

**IT IS THEREFORE ORDERED** that Petitioner's request for a waiver of Rule 67-21.026(10), F.A.C. (2023), is hereby **GRANTED** to permit payment for the de minimis roofing work performed by Worthman LLC to be paid outside of the GMP contract, without further analysis or conditions.

**DONE and ORDERED** this 13th day of June, 2025.

Florida Housing Finance Corporation

By: _____
Chairperson

Copies furnished to:

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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.**