STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

In re: Arbours at Crestview, LLC FHFC Case No.: 2025-062VW

_____/

ORDER GRANTING WAIVER OF RULE 67-48.0072(17)(i), F.A.C. (2025)

THIS CAUSE came for consideration and final action before the Board of Directors of the Florida Housing Finance Corporation (the "Board") on December 12, 2025. On November 19, 2025, Florida Housing Finance Corporation ("Florida Housing") received a Petition for Waiver of Rule 67-48.0072(17)(i), F.A.C. (2025), (the "Petition") from Arbours at Crestview, LLC (the "Petitioner"). The Petition seeks a waiver of the referenced rule allowing its General Contractor (the "GC") to engage an affiliated subcontractor in connection with the Development. Notice of the Petition was published on November 20, 2025, in Volume 51, Number 226, 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: 12/15/2025

2. Petitioner successfully applied for funding to assist in the construction of Arbours at Crestview, a 96-unit mid-rise development located in Okaloosa County, Florida (the "Development").

3. Rule 67-48.0072(17)(i), F.A.C. (2025), states:

> (17) The General Contractor must meet the following conditions:
>
> (i) Ensure that no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor, Developer, or Applicant. For purposes of this paragraph, "Affiliate" has the meaning given it in subsection 67-48.002(5), F.A.C., except that the term "Applicant" therein shall mean "General Contractor."

4. Petitioner requests a waiver of the above rule to allow Petitioner's General Contractor to engage an affiliated entity as a subcontractor. Petitioner explains that, during the General Contractor's Cost Certification process, it became aware that subcontractor, Livingston Construction, Inc. ("Subcontractor"), was an Affiliate (as defined in Florida Housing's Rules) of Petitioner's General Contractor. As justification for its requested waiver, Petitioner states that the Subcontractor was selected through a competitive bid process and was the lowest bidder. Petitioner further states that labor shortages in the region have contributed to a limited pool of qualified framing subcontractors, and that the Subcontractor was available and able to timely perform the work without delay to the project schedule. Petitioner also notes

that construction was completed in 2024 and the affiliation was identified only after receipt of the GC's Cost Certification. The credit underwriter, Seltzer Management Group, Inc., has reviewed this request and provided staff with a positive recommendation.

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 strict application of the rule would impose 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, F.S.

IT IS THEREFORE ORDERED that Petitioner's request for waiver of Rule 67-48.0072(17)(i), F.A.C. (2025), is hereby **GRANTED** allowing Petitioner's General Contractor to engage an affiliated subcontractor in connection with the Development under the following conditions:

(1) The general contractor shall not receive any fee on the costs subcontracted to its affiliated entity;

(2) The developer shall not receive any developer fee on the costs subcontracted to the affiliated entity; and

(3) As part of the cost certification process, an independent CPA will confirm and/or audit all payments between the affiliated entities in addition to the eight (8) subcontractors representing 40% of the Development's costs which is already required to be confirmed and/or verified per the Final Cost Certification Application Package.

DONE and ORDERED this 12th day of December, 2025.

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. 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.