STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION

In Re: Morris Court III, Ltd. FHFC Case No.: 2024-024VW

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ORDER GRANTING WAIVER OF RULE 67ER06-32(3)(a), FLA. ADMIN. CODE (2006)

THIS CAUSE came for consideration and final action before the Board of Directors of the Florida Housing Finance Corporation (the "Board") on June 28, 2024. On April 25, 2024, Florida Housing Finance Corporation ("Florida Housing") received a Petition for Waiver of Rule 67ER06-32(3)(a) and the RRLP Set-Aside Requirements (the "Petition") from Morris Court III, Ltd. (the "Petitioner") to allow Petitioner to convert its Extremely Low Income (ELI) household units to units serving families at or below 60% of the area median income (AMI). Notice of the Petition was published May 1, 2024, in Volume 50, Number 86, 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
Ann McGlamory DATE: 6/28/2024

2. Petitioner successfully applied for funding to assist in the construction of Morris Court III, a 50-unit development located in Escambia County, Florida (the "Development").

3. Rule 67ER06-32(3)(a), Fla. Admin. Code (2006), provides in relevant part:

> (3) The RRLP Minimum Set-Aside Requirements are:
>
> (a) At least 15 percent of the total units must be held for ELI Households for a period of 20 years. Following the 20-year ELI affordability period, the ELI Set-Aside will then convert to serve families at or below 60 percent of the area median income…

4. Petitioner requests a waiver of the above rule to allow Petitioner to convert the ELI set-aside units to 60% AMI units approximately five years early. As justification for its request, Petitioner asserts that the Development is currently facing issues with maintaining sufficient cash flow to enable the Development to operate and make the required interest payments on the RRLP Loan. Petitioner states that allowing for the eight ELI units to convert to 60% AMI units will directly assist with the financial burdens the Petitioner is now facing. The Development is currently in year fifteen of the twenty-year term for the ELI Units. If this petition is granted, Petitioner has agreed to extend the set-aside term for all 60% AMI units from 50 years to 55 years.

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 Petitioner's request for waiver of Rule 67ER06-32(3)(a), Fla. Admin. Code (2006), is hereby **GRANTED** to allow Petitioner to convert its extremely low-income set-aside units to 60% area median income (AMI) units on the condition that the set-aside term for all 60% AMI units is extended from 50 to 55 years.

DONE and ORDERED this 28th day of June, 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.