

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

In Re: LIBERTY CENTER IV, LTD.

FHFC Case No.: 2005-033VW
Application No.: 2003-077CS

**ORDER GRANTING WAIVER OF RULE 67-48.002(111), FLORIDA
ADMINISTRATIVE CODE**

THIS CAUSE came for consideration and final action before the Board of Directors of Florida Housing Finance Corporation on October 14, 2005, pursuant to a Petition for Waiver of Rule 67-48.002(111), Fla. Admin. Code, specifically, a portion of the 2005 Universal Application Instructions incorporated by reference into said rule ("Petition"). Florida Housing Finance Corporation ("Florida Housing") received the Petition on September 13, 2005, from Liberty Center IV, Ltd., a Florida limited partnership ("Petitioner"). On September 23, 2005, the Notice of the Petition was published in Volume 31, Number 38, of the Florida Administrative Weekly. Florida Housing received no comments regarding the Petition. After review and consideration of the record, and being otherwise fully advised, the Board of Directors ("Board") of Florida Housing hereby finds as follows:

1. The Board has jurisdiction over the subject matter of this case and the parties hereto.
2. Rule 67-48.002(111) defines the "Universal Application Package" and incorporates the 2005 Universal Application Instructions ("Instructions") by reference. Part II.A.2.a(1) of the 2003 Instructions provides, in pertinent part:

If applying for HC, the Applicant must be a limited partnership (including a limited liability limited partnership) or a limited liability company. The Applicant

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HOUSING FINANCE CORPORATION

2005-033VW /DATE: 10/14/05

entity shall be the recipient of the Housing Credits and cannot be changed until after a Final Housing Credit Allocation has been issued. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving an allocation and shall be deemed a material misrepresentation. Changes to the limited partner of a limited partnership will not result in disqualification.

If applying for MMRB, SAIL or HOME, the Applicant entity shall be the borrowing entity and cannot be changed until after loan closing. Replacement of the Applicant or a material change (33.3% or more of the Applicant, a General Partner of the Applicant, or a member of the Applicant) in the ownership structure of the named Applicant prior to this time shall result in disqualification from receiving funding and shall be deemed a material misrepresentation. Changes after loan closing require Board approval.

4. Section 120.542(2), Florida Statutes provides in pertinent part:

Variances and waivers shall be granted when the person subject to the rule demonstrates that the purpose of the underlying statute will be or has been achieved by other means by the person and when application of a rule would create a substantial hardship or would violate principles of fairness.

5. In 2003 Florida Housing Petitioner awarded \$2 million in SAIL funds and \$410,534 in low income housing tax credits to finance the development of Liberty Center IV Apartments (also known as “Liberty Studio Apartments”), a 100-unit Single Room Occupancy development located in Jacksonville, Duval County, Florida.

6. At the time of the Petitioner’s submittal of its 2003 funding Application, the sole general partner of Petitioner was Liberty Center for the Homeless, Inc., a Florida corporation not-for-profit.

7. Subsequent to the filing of the 2003 Application and the selection of Petitioner for funding, Petitioner’s investment limited partner, Boston Capital Corporate Tax Credit Fund XXI, required Petitioner to form a new single-purpose entity, Liberty Center IV, Inc., a Florida corporation, to replace Liberty Center for the Homeless, Inc., as the sole general partner of

Petitioner. Petitioner accomplished this change via the filing of an amendment to its certificate of limited partnership with the Florida Secretary of State on or about May 24, 2004.

8. Through oversight, Petitioner failed to seek or obtain a waiver to the requirements of paragraph 3 above before performing the change of general partner. Petitioner seeks to remedy this oversight by obtaining such a waiver, allowing Petitioner to replace Liberty Center for the Homeless, Inc., with Liberty Center IV, Inc., as its sole general partner.

9. Petitioner closed on the SAIL financing for this development on or about June 4, 2004, and has since completed construction of the development. Florida Housing participated in this loan closing and also overlooked the change in the Petitioner's general partner.

10. The purpose of the underlying statute, Chapter 420, Part V, Florida Statutes, is to encourage development of affordable housing. Permitting Petitioner to replace Liberty Center for the Homeless, Inc., with Liberty Center IV, Inc., allows the purpose of the underlying statute to be achieved.

11. The purpose of the underlying statute is served by allowing Petitioner to change its ownership structure. Petitioner has demonstrated that the change in ownership structure will not adversely impact the Development.

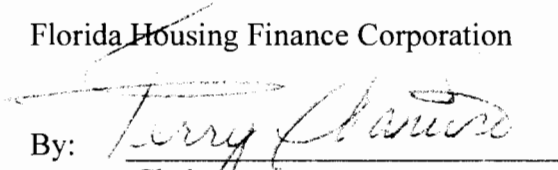
12. Moreover, denying this waiver would create a substantial hardship for Petitioner and may result in unintended consequences, as its investment partner, Boston Capital, has required such a change as a part of the tax credit syndication agreement.

IT IS THEREFORE ORDERED:

The Petition for Waiver is hereby **GRANTED** and the provisions of the 2003 Universal Application Instructions set forth in paragraph 3 above (and incorporated by Rule 67-48.002(111), Florida Administrative Code), are waived to the following extent: (i) permitting the removal of Liberty Center for the Homeless, Inc. as sole general partner of Petitioner and permitting Liberty Center IV, Inc., to be identified for purposes of the Application and all other purposes as the Petitioner's sole General Partner. For the purposes of these proceedings, the approval of change in the sole general partner shall be considered to have been granted *nunc pro tunc*.

DONE and ORDERED this 14th day of October, 2005.

Florida Housing Finance Corporation

By: 
Chairman

Copies furnished to:

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Joint Administrative Procedures Committee
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NOTICE OF RIGHTS

A PARTY WHO IS ADVERSELY AFFECTED BY THIS FINAL ORDER IS ENTITLED TO JUDICIAL REVIEW PURSUANT TO SECTION 120.68, FLORIDA STATUTES. REVIEW PROCEEDINGS ARE GOVERNED BY THE FLORIDA RULES OF APPELLATE PROCEDURE. SUCH PROCEEDINGS ARE COMMENCED BY FILING ONE COPY OF A NOTICE OF APPEAL WITH THE AGENCY CLERK OF THE FLORIDA HOUSING FINANCE CORPORATION, 227 NORTH BRONOUGH STREET, SUITE 5000, TALLAHASSEE, FLORIDA 32301-1329, AND A SECOND COPY, ACCOMPANIED BY THE FILING FEES PRESCRIBED BY LAW, WITH THE DISTRICT COURT OF APPEAL, FIRST DISTRICT, 300 MARTIL L. KING, JR., BOULEVARD, TALLAHASSEE, FLORIDA 32399-1850, OR IN THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE PARTY RESIDES. THE NOTICE OF APPEAL MUST BE FILED WITHIN THIRTY (30) DAYS OF RENDITION OF THE ORDER TO BE REVIEWED.