

**STATE OF FLORIDA  
FLORIDA HOUSING FINANCE CORPORATION**

In Re: HIDDEN GROVE, LTD.

FHFC Case No. : 2008-114VW

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**ORDER GRANTING PETITION FOR WAIVER OF  
RULE 67-48.010(6)(a), FLORIDA ADMINISTRATIVE CODE**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation on March 13, 2009, pursuant to a "Petition for Waiver of Rule 67-48.010(6)(a)'s Requirement to Provide the 2006 Financial Statement," (the "Petition"). Florida Housing Finance Corporation ("Florida Housing") received the Petition on December 16, 2008, from Hidden Grove, Ltd. ("Petitioner"). On December 26, 2008, the Notice of the Petition was published in Volume 34, Number 52, of the Florida Administrative Weekly. Florida Housing received no comments regarding the Petition. After careful review of the record and being otherwise fully advised in the premises, the Board of Directors (the "Board") of Florida Housing hereby finds:

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

2. During the 2000 Combined Cycle, Petitioner was awarded an allocation of SAIL funds for the construction of Hidden Grove Apartments, a 222-

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HOUSING FINANCE CORPORATION

*Lilla O'H Harrell* / DATE: *3/13/09*

unit garden apartment development intended to serve the Family demographic to be located in Miami-Dade County, Florida (the “Development”).

3. Petitioner requests a waiver of Rule 67-48.010(6)(a), Florida Administrative Code (2000), (“Rule”) which provides in pertinent part as follows:

By April 15 of each year of the SAIL loan term, the Developer shall provide the Corporation and its servicer with a certification detailing the information needed to determine the annual payment to be made...The certification shall require submission of audited financial statements and the SAIL annual reporting form...The financial statements are to be prepared in accordance with generally accepted accounting principles for the 12 months ended December 31...Failure to submit the required financial certifications by April 15 of each year of the SAIL loan term shall constitute an event of default on the SAIL loan.

4. Specifically, Petitioner requests that Florida Housing waive the requirement to provide a certification of information, including an audited financial statement and the SAIL annual reporting form for the Development for the year ending December 31, 2006.

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

Variations 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.

6. Petitioner demonstrated that Greater Miami Neighborhoods, Inc., the Applicant’s parent entity suffered significant financial and administrative issues,

resulting in its seeking protection under Chapter 11 of the United States Bankruptcy Code.

7. In addition to the bankruptcy of Greater Miami Neighborhoods, Inc., there was a lack of documentation necessary to prepare the 2006 Financial Statement and Petitioner has not been able to reconstruct the information necessary to provide the 2006 Financial Statement and is in technical default on the SAIL loan as a result.

8. Petitioner demonstrated that during 2006, at least two management companies were responsible for the management of the Development and these management companies failed to provide documents and information necessary for the 2006 Financial Statement. Representatives of Greater Miami Neighborhoods were unable to certify the accuracy of information and representations necessary for the 2006 Financial Statement.

9. Petitioner remains a viable provider of affordable housing and is not part of the bankruptcy proceedings. Petitioner provided a certification of information, including an audited financial statement and the SAIL annual reporting form for the Development for the year ending December 31, 2007. Additionally, audited financial statements were provided for the years 2003, 2004,

and 2005 for the Development and it did not report sufficient cash flow for those years to service its debt on its SAIL loan.

10. Denial of the Petition would result in a substantial economic hardship for Petitioner as it is in technical default on the SAIL loan due to the failure to provide the 2006 Financial Statement. The time, effort and costs necessary to reconstruct the Development's financial information are financially prohibitive. Granting the waiver will serve the purpose of the underlying statute, Chapter 420, Part V, Florida Statutes, by making it possible for Petitioner to continue to provide decent, safe and affordable housing for those families in Miami-Dade County.


**IT IS THEREFORE ORDERED:**

The Petition for Waiver of Rule 67-48.010(6)(a), Florida Administrative Code (2000), is hereby **GRANTED**, to waive the requirement that Petitioner provide submission of audited financial statements and the SAIL annual reporting form for the year ending December 31, 2006. To implement this waiver, Florida Housing staff is to account for SAIL interest as if there were no SAIL available Cash Flow for the year ending December 31, 2006.

DONE and ORDERED this 13th day of March, 2009.



Florida Housing Finance Corporation

By:   
Chairperson

**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 ORDER IS ENTITLED TO JUDICIAL 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.**