

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

In re: Pebble Hill Estates, LP

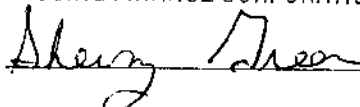
Case No. 2007-073VW

**ORDER GRANTING PETITION FOR VARIANCE FROM SECTION 11
OF THE 2005 QUALIFIED ALLOCATION PLAN**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation ("Florida Housing") on January 25, 2008, pursuant to a "Petition for Variance [from] the 2005 Qualified Allocation Plan Requirements for Returning Housing Credit Allocations and For an Immediate Allocation of 2008 Housing Credits" filed by Pebble Hill Estates, LP ("Petitioner") on December 21, 2007. Notice of the Petition was published on January 4, 2008 in Volume 34, Number 01, 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 2005 Universal Cycle, Pebble Hill Estates, LP, ("Petitioner") applied for and was awarded competitive low-income housing tax credits

I, _____, THE CLERK OF THE FLORIDA
HOUSING FINANCE CORPORATION

 /DATE. 1-28-08

(“Housing Credits”) to finance the construction of Pebble Hill Estates (the “Development”) located in Jackson County, Florida.

3. Section 11 of the 2005 Qualified Allocation Plan, provides in pertinent part:

... where a Development has not been placed in service by the date required or it is apparent that a development will not be placed in service by the date required, such failure is due to circumstances beyond the Applicant’s control, and the Applicant has returned its housing credit allocation in the last calendar quarter of the year in which otherwise required to be placed in service, the Corporation may reserve allocation in an amount not to exceed the amount of credits returned, and may allocate such housing credits to the Applicant for the year after the year in which the Development was otherwise required to be placed in service, provided the following conditions have been met...

4. Petitioner requests a variance from the above provision to allow Petitioner to return its 2007 Housing Credit Allocation now, rather than wait until the last calendar quarter of 2008, as required by the QAP, and to receive an immediate allocation of 2008 Housing Credits.

5. In March 2007, Petitioner filed a Petition for Variance from the 2005 Qualified Allocation Plan to exchange its 2005 Housing Credit Allocation for a reservation of 2008 Housing Credits. The Board granted this request in part, however instead of granting Petitioner a reservation of 2008 Housing Credits, it granted Petitioner an immediate allocation of 2007 Housing Credits.

6. Later, it was determined that Jackson County was not designated a Difficult Development Area (“DDA”) in 2007, though it had been in both 2005 and 2008. Developments located in DDAs are eligible for additional tax benefits of up to thirty percent beyond the normal tax credit subsidy. Because Petitioner exchanged 2005 Housing Credits for 2007 Housing Credits, it failed to qualify for its additional DDA subsidy. Jackson County, Florida is designated as a DDA in 2008.

7. 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.

8. The Board finds that strict application of the above Rule contained in the Qualified Allocation Plan under these circumstances would cause substantial hardship to Petitioner and violate the principles of fairness in that unless the petition is granted, Petitioner will not be able to complete construction in a cost-efficient manner because it has lost its additional DDA subsidy through no fault of its own. Thus, denial of this Petition would defeat the underlying purpose of the statute.

9. The Board finds that its March 2007 Order granting Petitioner an immediate allocation of 2007 Housing Credits rather than a reservation of 2008 Housing Credits resulted in substantial hardship and fundamental unfairness to Petitioner and that granting its Petition would serve the underlying purpose of the statute.

10. This Order is Granted below only to rectify substantial hardship and fundamental unfairness which Petitioner has suffered as a result of this Board's March 2007 Order coupled with Jackson County's lack of DDA status in 2007.

IT IS THEREFORE ORDERED:

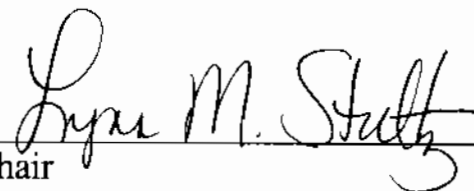
The Petition for Variance from the requirements of Section 11 of the 2005 Qualified Allocation Plan is hereby **GRANTED**, but only to the extent that Petitioner shall be permitted to return its 2007 Housing Credit allocation now, rather than wait to the last calendar quarter of 2008, and to receive an immediate allocation of 2008 Housing Credits.

DONE and ORDERED this 25th day of January, 2008.



Florida Housing Finance Corporation

By:


Chair

Copies furnished to:

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Joint Administrative Procedures Committee
Attention: Ms. Yvonne Wood
120 Holland Building
Tallahassee, Florida 32399-1300

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.