

**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

In re: MBCDC: The London, LLC

Case No. 2011-013VW

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**ORDER GRANTING PETITION FOR WAIVER OF RULE
67-38.007(5)(a), FLORIDA ADMINISTRATIVE CODE**

THIS CAUSE came on for consideration and final action before the Board of Directors of Florida Housing Finance Corporation ("Florida Housing") on September 1, 2011, pursuant to an "Amended and Restated Petition for Waiver or Variance From Rule 67-38.007(5)(a), Florida Administrative Code" (the "Amended Petition"), filed by MBCDC: The London, LLC ("Petitioner"), a Florida limited liability company, on August 2, 2011. Notice of the Petition was published in Volume 37, Number 32, of the Florida Administrative Weekly. Florida Housing received no comments regarding the Amended 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. In 2008, Petitioner applied for and was awarded Predevelopment Loan Program ("PLP") funds in the amount of \$500,000 to aid in the substantial rehabilitation of The London Apartments, located in Miami-Dade, Florida ("The

FILED WITH THE CLERK OF THE FLORIDA
HOUSING FINANCE CORPORATION

Della M. Farrell / DATE: 9/2/11

Development”). The Development consists of two buildings. To date, Petitioner has drawn a total of \$292,269.16 from the PLP loan.

3. Petitioner is in the process of closing on a partial construction loan consisting of Neighborhood Stabilization Program (“NSP”) funds from the City of Miami Beach for one of the buildings in the Development.

4. Rule 67-38.007(5)(a) Florida Administrative Code (2008), provides in pertinent part:

(5) With respect to home rental Developments, the PLP Loan’s Maturity Date shall be on the earlier of:

(a) The date of closing on the first source of permanent or construction loan for the Development.

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 requests a waiver or variance of the rule to allow it to either (1) partially repay a portion of the PLP loan based upon the square footage of the building that is to receive NSP Funds, with a full repayment of the balance of the PLP loan upon closing on construction or permanent financing on the second building; or (2) repay the entire PLP loan on the date of closing on the first source of permanent or construction loan for the entire Development.

7. Under these circumstances, strict application of the above Rule to this Petitioner would create a substantial hardship and violate the principals of fairness. Petitioner demonstrated that the NSP funds are to be allocated solely for the rehabilitation of one of the buildings in the Development, with the NSP loan mortgage encumbering the one building. However the rule would trigger the repayment of the entire PLP loan, causing the redevelopment of the Development to be financially unfeasible, as it would lead to a substantial financing gap that would jeopardize the completion of the Development. Granting the waiver serves the purpose of the statute in that the PLP Loan will be repaid in its entirety once permanent or construction financing is received for the entire Development.

IT IS THEREFORE ORDERED:

The “Amended Petition” requesting a waiver of Rule 67-38.007(5)(a), Fla. Admin. Code (2008) is hereby **GRANTED**, but only to the following extent: Petitioner shall pay the amount of \$76,977.12 (based upon the closing on the NSP construction loan from the City of Miami Beach.) This amount is equal to approximately 25% of the outstanding balance on the PLP loan and is commensurate with the percentage of the total square footage of the development represented in this building.

Petitioner shall pay remaining outstanding balance on the PLP Loan upon closing of the first source of permanent or construction financing for the second building on the development site.

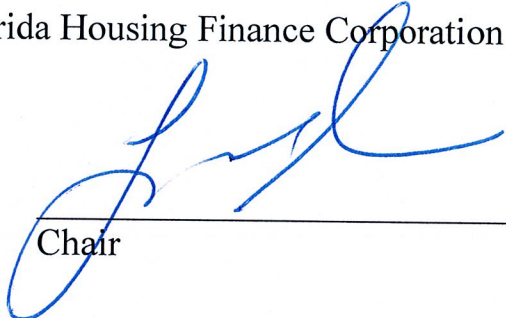
Petitioner shall not request remaining undisbursed PLP funds for costs related to the portion of the development receiving funding through the NSP loan.

DONE and ORDERED this 1st day of September, 2011.



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.