

**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
FLORIDA REAL ESTATE COMMISSION**

IN RE: Petition for Declaratory Statement  
by Sarasota Housing Authority

**DS 2024-017**

**FINAL ORDER GRANTING IN PART AND DENYING IN PART  
PETITION FOR DECLARATORY STATEMENT**

Sarasota Housing Authority (“SHA”) filed a Petition for Declaratory Statement (“Petition”) on May 13, 2024, which was assigned No. DS 2024-017. Notice of the receipt of the Petition was published in the Florida Administrative Register in Vol. 50, No. 104, on May 28, 2024. The Commission considered the Petition at its meeting in Orlando, Florida on June 26, 2025.

By its Petition, SHA seeks the Commission’s opinion whether, by its status as a Chapter 421 entity, it is exempt from the licensing requirements of Chapter 475, F.S., and if not, whether it’s employees qualify for an exemption from licensure under Section 475.011(2), F.S.

**FINDINGS OF FACT**

1. The Sarasota Housing Authority is a public housing authority organized pursuant to Chapter 421, Florida Statutes. Other facts about this Authority are as set forth in the Petition.
2. The Commission accepts the facts and circumstances as detailed in the Petition and as represented by Petitioner’s legal counsel without further investigation.
3. Petitioner asks whether, under the powers granted by Chapter 421, F.S., and specifically s. 421.08(2) and/or (8)(a), F.S., SHA, its affiliates, and instrumentalities, are able to lease and manage certain housing units “without the need to obtain licensure from the Commission.”
4. In addition, Petitioner asks whether the following exemption to Part 1, Chapter 475,

applies to their operations described in their petition and as detailed by the testimony of Petitioner and representations of Petitioner's legal counsel. The exemption in Section 475.011(2), F.S., provides as follows:

(2) Any individual, corporation, partnership, trust, joint venture, or other entity which sells, exchanges, or leases its own real property; however, this exemption shall not be available if and to the extent that an agent, employee, or independent contractor paid a commission or other compensation strictly on a transactional basis is employed to make sales, exchanges, or leases to or with customers in the ordinary course of an owner's business of selling, exchanging, or leasing real property to the public.

5. No person or entity sought intervention or otherwise provided comment on the Petition.

#### **CONCLUSIONS OF LAW**

6. The Commission is authorized to issue this Declaratory Statement by Section 120.565, Florida Statutes.

7. The Commission has no jurisdiction or authority to interpret or implement the cited provision of Chapter 421, F.S. Accordingly, it would be inappropriate for the Commission to issue any statement regarding the interpretation of that statutory provision, and the Commission declines to do so.

8. However, in contrast, the Commission does have authority and jurisdiction over the implementation and interpretation of provisions within Chapter 475, F.S., including the cited provision.

9. Under the facts and circumstances outlined by the Petitioner in its Petition for a Declaratory Statement regarding section 475.011, F.S., the Commission states that Petitioner SHA and its affiliates and instrumentalities, including McCown Towers, McCown Tower, LLP, and McCown Tower Preservation Corporation, qualifies for the exemption set forth in Section 475.011(2), F.S., provided that the involved employees are NOT compensated on a commission

or per transaction basis. It is, therefore,

ORDERED that the Commission DENIES the Petition to the extent it requests a statement regarding Chapter 421, F.S., and declines to issue any such statement. It is further

ORDERED that the Commission GRANTS IN PART that portion of the Petition for Declaratory Statement relating to Chapter 475, F.S., and ISSUES THE STATEMENT ABOVE.

**DONE AND ORDERED** this 2<sup>nd</sup> day of August, 2024.

  
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For the Florida Real Estate Commission  
For Giovanna Corona, Executive Director

#### **NOTICE OF RIGHT TO JUDICIAL REVIEW**

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 DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION AND A SECOND COPY, ACCOMPANIED BY FILING FEES PRESCRIBED BY LAW, WITH 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.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order has been provided by U.S. Mail to **William O. Russell, III**, CEO, Sarasota Housing Authority, 269 South Osprey Avenue, Suite 100, Sarasota FL 34236 and **Alec J. Stone, Esq.**, Fox Rothschild, LLP, 500 Grant Street, Suite 2500, Pittsburgh, PA 15219; and by hand/interoffice delivery to the **DBPR, Division of Real Estate**, 400 West Robinson Street, Suite 801, North Tower, Orlando, Florida 32801-1757 on this 13<sup>th</sup> day of ~~July~~, 2024.

*August*  
*ama*

*Brandon M. Nichols*  
Office of the Agency Clerk

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order has been provided by e-mail to William Russell, III at wrussell@sarasotahousing.org and Alec Stone, Esq, at ajstone@foxrothschild.com; and Lawrence Harris, Esq. at Lawrence.Harris@myfloridalegal.com and Cassandra.Fullove@myfloridalegal.com on this \_\_\_\_ day of July, 2024.

\_\_\_\_\_  
Florida Real Estate Commission



**FILED**  
Department of Business and Professional Regulation  
Senior Deputy Agency Clerk  
CLERK: Brandon Nichols  
Date: 5/13/2024  
File #:

William O. Russell III President & CEO

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269 S. Osprey Ave. Sarasota, FL 34236

May 6, 2024

**DS 2024-017**

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To the Florida Real Estate Commission:

The Sarasota Housing Authority, a public body corporate and politic established pursuant to Fla. Stat. Ch. 421 (2023) ("SHA"), and Sarasota Housing Management Corporation, a Florida not-for-profit corporation (the "Not-For-Profit" and, together with SHA, the "SHA Entities"), respectfully request that the Florida Real Estate Commission ("FREC") issue a declaratory statement, pursuant to Fla. Stat. § 120.565 (2023) stating that: (i) the licensing requirements established by Fla. Stat. Ch. 475 (2023) for Brokers (as defined in Fla. Stat. § 475.01(1)(a) (2023)) (the "Licensing Requirements") do not apply to the SHA Entities because the SHA Entities are authorized to lease housing projects pursuant to Fla. Stat. Ch. 421 (2023); or (ii) if the Licensing Requirements apply to the SHA Entities, the SHA Entities qualify for an exemption to the Licensing Requirements, pursuant to Fla. Stat. § 475.011(2) (2023).

The Not-For-Profit is an instrumentality of SHA. SHA owns, in fee simple, the affordable housing project known as McCown Towers, a Rental Assistance Demonstration and Low-Income Housing Tax Credit property (the "Project"). SHA is currently leasing the Project to McCown Tower, LLLP, a Florida limited liability limited partnership (the "Partnership"), where a separate SHA instrumentality, McCown Tower Preservation Corp., a Florida not-for-profit corporation (the "General Partner"), serves as the general partner of the Partnership. The Project is within SHA's area of operation, and the Not-For-Profit will manage the Project. No employee of SHA, the Not-For-Profit, the Partnership or the General Partner will receive any income on a commission basis.

- i. **The SHA Entities are exclusively governed by the provisions of Fla. Stat. Ch. 421 (2023), therefore the Licensing Requirements are not applicable to the SHA Entities.**

"We are committed to providing quality affordable housing  
to enhance the lives of our residents and promote independence."




A public housing authority ("PHA") is empowered under Fla. Stat. § 421.08 (2023) to exercise the public and essential governmental functions set forth in Fla. Stat. Ch. 421 (2023). A PHA is empowered under Fla. Stat. § 421.08(2) (2023) to operate, manage and lease a housing project physically located within the PHA's area of operation. Fla. Stat. § 421.08(8)(a) (2023) further authorizes a PHA to organize a not-for-profit corporation, limited liability company or a similar business entity to facilitate the development and operation of a housing project. Nowhere in Fla. Stat. Ch. 421 (2023), is there any reference to the Licensing Requirements.

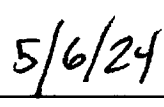
Here, SHA is a PHA established pursuant to Fla. Stat. Ch. 421 (2023), and SHA is authorized to operate and lease the Project, which is within SHA's area of operation. SHA was further authorized under Fla. Stat. § 421.08 (8)(a) (2023) to organize the Not-For-Profit to manage and lease the Project. Given that SHA is expressly authorized to lease the Project, and there is no reference to the Licensing Requirements in Fla. Stat. Ch. 421 (2023), the SHA Entities respectfully request that FREC agree that the Licensing Requirements are not applicable to the SHA Entities, which are instead exclusively governed by the requirements of Fla. Stat. Ch. 421 (2023).

**II. The SHA Entities are exempt from the Licensing Requirements because they will lease their own property.**

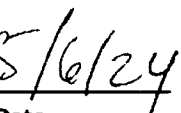
The Licensing Requirements apply to Brokers, which are defined by Fla. Stat. § 475.01 (2023) as: "a person who, for another, and for a compensation ... directly or indirectly paid or promised ... or with an intent to collect or receive a compensation ... takes part in the procuring of ... leases." However, Fla. Stat. § 475.011(2) (2023) provides an exemption to the Licensing Requirements for any "individual, corporation, partnership, trust, joint venture, or other entity which sells, exchanges, or leases its own real property[.]" This exemption exists, so long as no employee or agent is paid a commission.

Here, SHA owns the Project, in fee simple, and the Project is leased to the Partnership, which is controlled by the General Partner, an SHA instrumentality. SHA would then manage the Project through the Not-For-Profit and no employee of SHA, the Not-For-Profit, the Partnership or the General Partner will be paid a commission. Therefore, the SHA Entities respectfully request that FREC agree that the SHA Entities are exempt from the Licensing Requirements pursuant to Fla. Stat. § 475.011(2) (2023).

  
\_\_\_\_\_  
Petitioner's Signature

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Petitioner's Attorney's Signature

  
\_\_\_\_\_  
Date





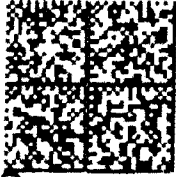
500 Grant Street, STE 2500  
Pittsburgh, PA 15219

**DIVISION OF REAL ESTATE**

**MAY 13 2024**

COMPLIANCE  
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