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**STATE OF FLORIDA
FLORIDA HOUSING FINANCE CORPORATION**

FLORIDA HOUSING
FINANCE CORPORATION

SANDCASTLES FOUNDATION, INC.

Petitioner,

vs

FLORIDA HOUSING FINANCE
CORPORATION,

Respondent.

FHFC CASE NO. 2026-010VW

RFA 2024-206

Application No. 2024-299SH

**PETITION FOR WAIVER OF RULE 67-48.0072(26),
FLORIDA ADMINISTRATIVE CODE**

Pursuant to Section, 120.542, Florida Statutes, and rule 28-104.002, Florida Administrative Code, Petitioner, Sandcastles Foundation, Inc. ("Sandcastles Crossing" or "Petitioner") submits this Petition to Respondent, Florida Housing Finance Corporation ("Florida Housing") for a waiver of rule 67-48.0072 (26), Florida Administrative Code (eff. 6/28/2023) (the "Rule") so that Sandcastles Crossing can get an extension of the loan closing deadline for an additional 180 days. Sandcastles Crossing Application No. 2024-299SH) applied for Live Local SAIL and HOME financing in response to *Request for Application ("RFA") 2024-206 for HOME and Live Local SAIL Financing to be used for Rental Development in Certain Hurricane Idalia Impacted Counties*. In support Sandcastles Crossing states:

PETITIONER

1. The name, address, telephone number, and email address for Petitioner is Sandcastles Foundation, Inc. 700 N. Wickham Road, Suite 205, Melbourne, Florida 32935,(321) 784-8158. For purposes of this proceeding, the contact information for Petitioner shall be that of the undersigned counsel.
2. The name, address, telephone number, and email address for Petitioner's attorney is: Maureen McCarthy Daughton, Maureen McCarthy Daughton, LLC, 1400 Village Square Blvd., Ste 3-231, Tallahassee, Florida 32312; 850-345-8251; mداughton@mmd-lawfirm.com.

BACKGROUND

3. On February 14, 2024, Sandcastles Crossing applied in response to the RFA which was specifically targeted to provide much needed family housing in Dixie County, Florida. Sandcastles Crossing requested an allocation of \$6,637,749 in HOME funding and \$1,750,000 in Live Local SAIL funds for its proposed twenty-three (23) unit affordable housing development.
4. On April 30, 2024, Florida Housing staff issued a preliminary commitment letter and invitation to enter credit underwriting giving Sandcastles Crossing a firm loan commitment deadline of April 30, 2025. On April 25, 2025, Florida Housing staff received a final credit underwriting report with a positive recommendation for funding. The Firm Commitment was issued on May 12, 2025.

5. On November 17, 2025, Sandcastles Crossing requested a 90-day closing deadline due to delays with the issuance of the Suwanee River Management District (SRWMD”) along with the issuance of the Environmental Review Report (“ERR”) from HUD and required by 24CFR Part 92.¹
6. On December 12, 2025, the FHFC Board approved the loan closing deadline extension for 90 days, extending the deadline from November 10, 2025, to February 9, 2026.
7. The Federal Fish and Wildlife Agency have not yet completed their review thus the ERR has not yet been issued. It is believed at least some of the delays are attributable to the Government shutdown that occurred in October and November of last year.
8. Florida Housing has requested the filing of this Petition for Waiver as to Rule 67-48.0072(26), FAC.

RULES FOR WHICH WAIVER IS SOUGHT

9. Rule 67-48.0072 (26) provides as follows,

(26) For SAIL and HOME, unless stated otherwise in a competitive solicitation, these Corporation loans and other mortgage loans related to the Development must close by the date of the Board of Directors meeting immediately following 180 Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the

¹ Once complete, the ERR and the corresponding Notice of Finding No Significant Impact (FONSI) has to be published for a minimum of (7) days with a comment period of fifteen (15) days .After the comment period runs the request for release of funds is sent to HUD and HUD requires an additional 15 day objection period to run before funds can be released.

loan closing deadline outlined above for a term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant's request, inclusive of the Applicant's ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable period outlined above. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the Board approves the request to extend the original loan closing deadline. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.

10. The requested waiver is permanent in nature.

STATUTES IMPLEMENTED BY RULE

11. The Rule implements, among other sections of the Florida Housing Finance Act (the "Act")² Section 420.5087 (State Apartment Incentive Loan Program), section 420.5089 (HOME Investment Partnership Program and HOME Investment Partnership Fund), and section 420.5099 (allocation of the low-income housing tax credit program).

JUSTIFICATION FOR REQUESTED WAIVER

12. Section 120.542(1), Florida Statutes, provides that "[s]trict application of uniformly applicable rule requirements can lead to unreasonable, unfair, and unintended results. The Legislature finds that it is appropriate in such cases to adopt

² The Florida Housing Finance Corporation Act is set forth in Sections 420.501 through 420.517 of the Florida Statutes.

a procedure for agencies to provide relief to persons subject to regulation.” That procedure requires those seeking a variance or waiver from, a rule to demonstrate that application of the rule would create a substantial hardship or would violate principles of fairness. § 120.542 (2), Fla. Stat.³ Petitions for variance or waiver must demonstrate the purposes of the underlying statute will be achieved. Waivers must be granted when : (1) the person who is subject to the rule demonstrates that the application of the rule would create a substantial hardship or violate principles of fairness, and (2) the purpose of the underlying statute has been or will be achieved by other means by the person §120.542(2), Fla. Stat.

13. Strict adherence to rule 67-48.0072(26) would create a substantial hardship for Sandcastles Crossing.

14. The requested waiver will not adversely affect any party, including any other party that applied to receive an allocation of Housing Credits in RFA2024-206, or Florida Housing. A denial of this waiver request will, however, result in substantial economic hardship to Sandcastles Crossing in that they will not be able to build this development, and the families of Dixie County will lose affordable housing that is so desperately needed.

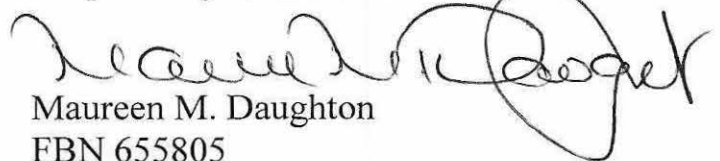
³ Substantial hardship” means a demonstrated economic, technological, legal, or other type of hardship to the person requesting the variance or waiver. For purposes of this section, “principles of fairness “ are violated when the literal application of a rule affects a particular person in a manner significantly different from the way it affects others similarly situated persons who are subject to the rule.

15. The statute underlying the rule will be served by the approval of Sandcastles Crossing's waiver request. Section 420.504(4), Florida Statutes, states that Florida faces "a serious shortage of decent, safe, and sanitary housing in the state available to persons and families of low, moderate, and middle income..." One of the primary purposes of the Act is to facilitate the availability of affordable housing. Granting the waiver request will further these goals, as Sandcastles Crossing will not be able to construct this housing if the waiver is not granted.

ACTION REQUESTED

16. For the above stated reasons, Sandcastles Crossing respectfully requests that the Florida Housing Board of Directors grant the requested waiver of rule 67-48.0072(26), Florida Administrative Code and grant an additional 180-day extension for Petitioner to close on the Live Local SAIL and HOME Loan.

Respectfully submitted.



Maureen M. Daughton

FBN 655805

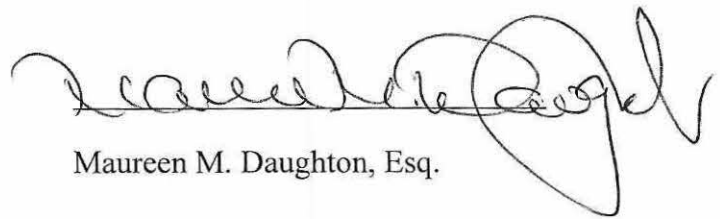
Maureen McCarthy Daughton, LLC
1400 Village Square Blvd., Ste 3-231
Tallahassee, Florida 32312
Mdaughton@mmd-lawfirm.com
Counsel for Petitioner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Petition was filed this 25th day of
February 2026 , by electronic mail to:

Florida Housing Finance Corporation
Attn: Corporation Clerk
227 North Bronough Street, Ste 5000
Tallahassee, Florida 32301
CorporationClerk@floridahousing.org

Joint Administrative Procedures Committee
680 Peppers Building
111 W. Madison Street
Tallahassee, Florida 32399
Joint.admin.procedures@leg.state.fl.us.



Maureen M. Daughton, Esq.