



# Levy County SHIP Program

Marlon Gayle  
Housing Planner  
Levy County SHIP Office

# What is the Levy County SHIP Program

S.H.I.P. stands for State Housing Initiative Partnership

The State provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing.

The program was designed to provide very low, low, and moderate-income families with assistance to purchase a home, money to repair or replace a home, and many other types of housing assistance.

# SHIP Program and Funding

The primary source of funding for the SHIP Program is a portion of new and existing documentary stamp taxes on deeds. Which are channeled directly to local governments for the development and maintenance of affordable housing.

The other source of funding is through the Local Government's General Revenue. This portion is usually a much smaller portion.

# Levy County SHIP Program

The Levy County SHIP Program offers the following types of assistance:

- ▶ **Purchase Assistance:**

- ▶ This is for both new construction homes and existing homes
- ▶ This is not for mobile, manufactured or modular homes

- ▶ **Owner Occupied Rehabilitation**

- ▶ This is repairs to both manufactured/ mobile homes and site built homes
- ▶ Manufactured or mobile homes must be built after June 1994

# Levy County SHIP Program

The Levy County SHIP Program offers the following types of assistance:

- ▶ Disaster Assistance

- ▶ This only occurs after special designation by the Governor of the State of Florida or the President of the United States of America.
- ▶ The level and scope of assistance is limited and is general disaster specific

- ▶ Demolition/ Reconstruction

- ▶ SHIP funds will provide for the demolition of uninhabitable or dilapidated houses or mobile homes and the construction of a replacement house (site built only) where the cost of rehabilitation of the home is fifty one percent (51%) or more that the existing market value of the home as listing on the County's Property Appraiser's website.

# Other forms of Assistance that may be offered by a SHIP Office

## Homeownership

| Code | Strategy Name                     | Instruction  |
|------|-----------------------------------|--|
| 1    | Purchase Assistance with Rehab    | Use only when SHIP funds are being used for DPA and rehab.   |
| 2    | Purchase Assistance without Rehab | Use for new or existing homes, but no rehab paid with SHIP.  |
| 3    | Owner Occupied Rehabilitation     | Use for general rehab of owner-occupied homes.   |
| 4    | Demolition/Reconstruction         | Use for homes that are beyond reasonable repair.   |
| 5    | Disaster Assistance               | Use for immediate activities during/after a disaster or emergency. Can be combined with code 16 if rent assistance is being provided.  |
| 6    | Emergency Repair                  | Use for a very specific list of items such as windows, roofing, etc. that cannot wait for more major rehab.  |
| 7    | Foreclosure Prevention            | Use for 3-6 months mortgage assistance.  |
| 8    | Impact Fees                       | Use only to pay fees that are required to be paid prior to purchase.   |
| 9    | Acquisition/Rehabilitation        | Use if the LG is purchasing homes for rehab and sale within the expenditure period.  |
| 10   | New Construction                  | Use this strategy only if you are awarding funds to a sponsor/developer who will build homes for resale to eligible buyers using some of the funds for DPA.  |
| 11   | Special Needs                     | Use this code if you have a strategy for Special Needs that includes activities that are not eligible under any other strategy. For example, you can use code 11 if you have a barrier removal activity that only Special Needs are eligible for. Otherwise, that could be done under Code 3 or 6. |

# Other forms of Assistance that may be offered by a SHIP Office

## Rental

| Code | Strategy Name                    | Instruction   |
|------|----------------------------------|---|
| 12   | Special Needs                    | Use this if you are awarding funds to a developer specifically for units for Special Needs.   |
| 13   | Rental Assistance (Tenant)       | Use this for eviction prevention payments up to 6 months for households that qualify under 420.9072 (7) (b).  |
| 14   | Rehabilitation                   | Use if you are awarding funds to a developer/landlord to repair rental units for rent to eligible households. Can be combined with code 21.   |
| 15   | Demolition/Reconstruction        | Use only if you are awarding funds to a developer/sponsor to demolish and build new rental units for eligible households.   |
| 16   | Disaster Assistance              | Use for direct rental assistance to renters or to landlords/developers to repair rental units of eligible households.   |
| 17   | Emergency Repair                 | Use for a very specific list of items such as windows, roofing, etc. that cannot wait for more major rehab.   |
| 18   | Foreclosure Prevention           | Use this only for assisting sponsors/landlords of units for eligible households.  |
| 19   | Impact Fees                      | Use only to pay fees that benefit eligible units.   |
| 20   | Land Acquisition                 | Use this only if funds are going to purchase land for units to be developed for eligible households. Keep in mind that this is very difficult to do within the expenditure deadline due to the timeline to develop large rental developments. |
| 21   | New Construction                 | Use if you are awarding funds to a developer/landlord to build rental units for rent to eligible households. Can be combined with code 14.  |
| 23   | Security and/or Utility Deposits | Use in conjunction with codes 13 and 26.  |
| 26   | Rapid Re-Housing                 | Use for rental subsidy up to 12 months for households that qualify under 420.9072 (7) (b).  |

# Terms of Assistance

For the most part the Assistance provided through the Levy County SHIP Program is the form of a Deferred Payment Loan Agreement secured through a Mortgage. The exception is for the Disaster Assistance which is in the form of a grant not exceeding \$15,000.

- ▶ Purchase Assistance: Maximum Award \$30,000 with a 10 year lien
- ▶ Owner Occupied Rehabilitation: Maximum Award \$30,000 with a 10 year lien
- ▶ Demolition/ Reconstruction: Maximum Award \$170,000 with a 15 year lien



# How to qualify for Assistance

Qualification for Assistance is based on three main factor:

1. Type of Housing Unit
2. Gross Annual Household Income
3. Total value of unit cannot exceed \$340,000

# Type of Household Unit

To qualify for assistance the housing unit must be an eligible unit.

For Purchase Assistance the unit must be:

- ▶ A site built home. No mobile/ manufactured / modular units

For Owner Occupied Rehabilitation:

- ▶ Can be either a Site built home or a Manufactured Home.

If unit is a Manufactured Home it must have been built after June 1994

# Type of Household Unit

For Demolition/Reconstruction

- ▶ Can be either a Site built home or a Manufactured Home.

If unit is a Manufactured Home it must have been built after June 1994

Real and personal property designed and intended for the primary purpose of providing decent, safe, and sanitary residential units that are designed to meet the standards of the Florida Building Code or previous building codes adopted under chapter 553, or manufactured housing constructed after June 1994 and installed in accordance with the installation standards for mobile or manufactured homes contained in rules of the Department of Highway Safety and Motor Vehicles.

# Levy County SHIP Income Limits

| Family Size                          | Extremely Low<br>Income 30%                           | Very Low<br>Income 50%                                | Low<br>Income 80%                                     | Moderate<br>Income 120%                               |
|--------------------------------------|---|---|---|---|
| # of persons living in the household | Maximum Annual Income (before taxes are taken out) \$ | Maximum Annual Income (before taxes are taken out) \$ | Maximum Annual Income (before taxes are taken out) \$ | Maximum Annual Income (before taxes are taken out) \$ |
| <b>1 Person</b>                      | 0 to 15,600   | 15,061 to 22,850                                      | 22,851 to 36,550                                      | 36,551 to 54,840                                      |
| <b>2 Persons</b>                     | 0 to 20,440   | 20,441 to 26,100                                      | 26,101 to 41,750                                      | 41,751 to 62,640                                      |
| <b>3 Persons</b>                     | 0 to 25,820   | 25,821 to 29,350                                      | 29,351 to 46,950                                      | 46,951 to 70,440                                      |
| <b>4 Persons</b>                     | 0 to 31,200   | 31,201 to 32,600                                      | 32,601 to 52,150                                      | 52,151 to 78,240                                      |
| <b>5 Persons</b>                     | 0 to 35,250   | 35,250 to 35,250                                      | 35,251 to 56,350                                      | 56,351 to 84,600                                      |
| <b>6 Persons</b>                     | 0 to 37,850   | 37,850 to 37,850                                      | 37,851 to 60,500                                      | 60,501 to 90,840                                      |
| <b>7 Persons</b>                     | 0 to 40,450   | 40,450 to 40,450                                      | 40,451 to 64,700                                      | 64,701 to 97,080                                      |
| <b>8 Persons</b>                     | 0 to 43,050   | 43,050 to 43,050                                      | 43,051 to 68,850                                      | 68,851 to 103,320                                     |

**Median Income for Levy County:**  
**\$64,700.00.**

**(effective 4/1/2024).**

**Subject to change without notice**

**Figures provided by HUD via  
 FHFC**



# Levy County SHIP

The Levy County SHIP Program has predominantly focused on Purchase Assistance and Owner Occupied Rehabilitation.

The amount of funds devoted to each form of assistance has generally been split even between both Purchase Assistance and Owner Occupied Rehabilitation.

# Levy County SHIP Allocation

| Year      | Allocation (\$)         |
|-----------|-------------------------|
| 2019-2020 | 350,000                 |
| 2020-2021 | 434,680 (Vetoed-Covid)  |
| 2021-2022 | 350,000                 |
| 2022-2023 | 422,117                 |
| 2023-2024 | 513,826                 |
| 2023-2024 | 1,267,000 (HHRP-Idalia) |
| 2024-2025 | 359,609 (estimated)     |

For each allocation of under \$350,000 there is 10% administration fee while allocation over \$350,000 the administration fee is 5%

SHIP Funds are required to be fully expended within 3 years. The SHIP year starts July 1 and ends June 30.

Each year's allocation should be fully encumber by the end of the 2<sup>nd</sup> year.

# SHIP Program Requirements- Set Asides

## Homeownership Set-aside

**65% of Allocation + Recaptured Funds**

- Housing Counseling expenditures do not count

## Construction/Rehab Set-aside

**75% of Allocation + Recaptured Funds**

## Income Set-aside

- a) **At least 30% of all Revenue for Very Low**
- b) **At least 60% for VLI and Low combined**

# SHIP Program Requirements- Set Asides

## **SPECIAL NEEDS SET ASIDE**

A minimum of **20%** of the total allocation must be spent on Special Needs Households.



# Special needs Set Aside

A Special Needs household is defined as:

\*s. 420.0004 (13) "Person with special needs" means an adult person requiring independent living services in order to maintain housing or develop independent living skills and who has a disabling condition; a young adult formerly in foster care who is eligible for services under s. 409.1451(5); a survivor of domestic violence as defined in s. 741.28; or a person receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits.

s.420.0004 (7) "Disabling condition" means a diagnosable substance abuse disorder, serious mental illness, developmental disability, or chronic physical illness or disability, or the co-occurrence of two or more of these conditions, and a determination that the condition is:

- (a) Expected to be of long-continued and indefinite duration; and
- (b) Not expected to impair the ability of the person with special needs to live independently with appropriate supports.

s. 393.063 (9) "Developmental disability" means a disorder or syndrome that is attributable to retardation, cerebral palsy, autism, spina bifida, or Prader-Willi syndrome; that manifests before the age of 18; and that constitutes a substantial handicap that can reasonably be expected to continue indefinitely.

# Levy County SHIP Application Process

The Intake portion of the Levy County SHIP Program is similar regardless of the type of assistance being sought.

1. Applicant makes contact to the SHIP Office ( in person/ telephone/ email)
2. Applicant expressed the need for assistance ( repairs/Purchase assistance etc.)
3. Eligibility requirements are explained. This includes stating assistance is only for twice in lifetime.
4. Staff does background check such as previous assistance, type of unit, funds availability based on household income indicated by applicant.
5. Applicant is provided with relevant documentation to include SHIP brochure.

# Levy County SHIP Application Process- Purchase Assistance

1. Applicant is instructed to complete the Home Buyers Education Class and submit copy of certificate to SHIP office on Completion.
2. On receipt of Certificate Application Package is provided to Applicant
3. Once Application is received the review begins. This includes ensuring all the required documents including a Lenders Preapproval letter is received.
4. Contact is made with employers of all adult members of household, all financial institutions with which households conduct business. All eligible household assets are verified etc.
5. The applicant is then income certified and funds are reserved for that household.
6. Once certified there is contact with lender providing a award/ eligibility letter. There is at minimum 4 more contact with the lender.

# Levy County SHIP Application Process- Purchase Assistance

7. There is also contact with the other members of the purchasing team such as the realtors, title company and in some instances the home inspector.
8. There are also site inspections to the home being purchased if it is an existing unit.
9. Review of Lender and pre-closing documents to include:
  - Loan Estimates
  - Closing Disclosure
  - Commitment Letter
  - Appraisal
  - Home Inspection Report

# Levy County SHIP Application Process- Purchase Assistance

10. Prepare Deferred Payment Loan Agreement
11. Draft SHIP Mortgage and provide to Closing Agent/ Title Company
12. Obtain BOCC Approval
13. Review Post Closing Documents
14. Update internal Tracking Sheet

# Levy County SHIP Application Process- Owner Occupied Rehabilitation

In order to determine eligibility of the unit a site visit is general required. This is usual to ascertain if the level of repairs expressed by the applicant is beyond the scope of the program. If repairs are too extensive then the Demolition Rehabilitation Program might be considered.

1. Once an application is received it is reviewed for completeness.
2. Contact is made with employers of adult household members to determine household income.
3. Contact is also made with all financial institutions to determine assets etc. All eligible household assets are verified etc.
4. Once application is fully process the household is then income certified. Funds are then reserved for the household.
5. Another site inspection is undertaken to review and determine what repairs will be undertaking.
6. A project scope/ work write up is prepared and then presented to the applicant.

# Levy County SHIP Application Process- Owner Occupied Rehabilitation

7. Project Costing ( Not done)
8. The bidding process commences.
9. Contractor Selections and Contract award.
10. 3 to 4 site visits throughout the project at minimum.
11. Process change orders, payments etc.
12. Prepare Mortgage documents etc.
13. Recorded relevant documents.
14. Update internal tracking spreadsheet use to populate reports to State funders.

# SHIP Project completed by Programs

| Year       | Program             | Completed | Amount (\$) |
|------------|---------------------|-----------|-------------|
| 2018-2019  | Purchase Assistance | 8         | 179,483.06  |
| 2018-2019  | Rehab               | 6         | 130,734.00  |
| 2019-2020  | Purchase Assistance | 6         | 153,221.38  |
| 2019-2020  | Rehab               | 9         | 231,838.00  |
| 2020-2021* | Rehab               | 2         | 49,306.00   |

\*- No allocation received.

Preliminary 2021-2022

Rehab : 9 units \$201,258

Purchase Assistance: 5 units \$150,000

Preliminary 2022-2023

Rehab : 5 units \$107,630

Purchase Assistance: 4 units \$120,000



# SHIP Projects in Progress as of July 1, 2024

1. Purchase Assistance: 10
2. Rehab : 13

These are all at different stages. From application review to project completion/ final inspection.

# SHIP Office Staffing

An informal review of Staffing complement for a SHIP/Housing Office in various jurisdiction was done. This involved dialogue with our State Technical Advisors from the Florida Housing Coalition as well as feedback at various workshops attended by other SHIP office staffs.

The information garnered was that for an office to operate optimally there needs to be a key staffing of at minimum of three ( 3) individuals. These should be as follows:

1. SHIP Administrator/ Director
2. SHIP Administrative Assistant/SHIP Intake Officer
3. SHIP Program Specialist

# SHIP Office Staffing

## **SHIP Administrator/ Director:**

- ▶ Oversees the day to day operations of the Program/ Programs
- ▶ Ensures that the various Statutory and Regulatory requirements are being met etc. for the various Programs
- ▶ Prepares various reports to include updates for special programs such as HHRP and State Annual Reports for SHIP, CDBG, HOME etc.

## **SHIP Administrative Assistance/ Intake Officer:**

- ▶ Focuses on Prescreening of potential clients/ applicants
- ▶ Ensures eligibility and provides guidance of types and sources of assistance.
- ▶ Helps in maintaining applicant files.

# SHIP Office Staffing

**SHIP Program Specialist:** ( the number varies depending on the amount of Programs each office provides)

## **Rehabilitation Specialist:**

- ▶ Determines what repairs the home needs and if those repairs qualify under the program guidelines.
- ▶ Provide clear work specifications to contractors as a means to reduce the likelihood of change orders
- ▶ Ensure that the work is of good quality and in accordance with the specifications
- ▶ Ensure that disputes about the quality of work or unforeseen obstacles to project completion are resolved in a manner that is fair to all parties
- ▶ Evaluate the need for change orders to the work scope
- ▶ Balance the relationship between the local government, the homeowner and the contractor

# Things to Consider regarding Subrecipient for Owner Occupied Rehabilitation Program

A person or non-state organization contracted by a SHIP eligible local government and compensated with SHIP funds to provide **administration** of any portion of the SHIP program.

- 67-37.002 Definitions.

# Things to Consider regarding Subrecipient for Owner Occupied Rehabilitation Program

## Subrecipient Example

---

- A SHIP jurisdiction enters into a contract/agreement with a Subrecipient to implement any portion of its SHIP Program.
- The responsibilities can include advertising, keeping a waiting list, processing applications, tracking, and annual reports.
- The sub recipient may perform applicant intake, counseling, income qualification, issuing award letters and underwriting, agreements.

# Things to Consider regarding Subrecipient for Owner Occupied Rehabilitation Program

## Criteria for Subrecipients

---

|                   |                      |                     |                       |
|-------------------|----------------------|---------------------|-----------------------|
| Financially Sound | Program              | Project Team        | Outcomes              |
| Experience        | Staff/Board Capacity | Program Budget      | Timeline              |
| Funding Source    | Reputation           | Program Description | Other Funding Sources |

# Things to Consider regarding Subrecipient

## Subrecipient Agreements

---

- Detail all responsibilities of the subrecipient
- Include pertinent references required by the SHIP rule
- Time of performance – recommended contract term coincides with term of the LHAP
- Budget
- Project schedule/milestones
- Compensation and method of payment
- Records and reporting requirements
- Financial Management
- Suspension and termination
- Monitoring



# Things to Consider regarding Subrecipient

## Managing Subrecipients

---

- Hold regular meetings with staff/subrecipients to discuss program timeline, changes, expenditures, deadlines.
- Give staff/subrecipients an opportunity to share experiences, issues and concerns.
- Require staff/subrecipients to attend regular training.
- Provide staff/subrecipients copies of policies and procedures, LHAP, updates.

# Additional Resources for Affordable Housing

## ► Community Development Block Grants (CDBG)

The Community Development Block Grant (CDBG) Program was created by Title I of the Housing and Community Development Act of 1974. The primary statutory objective of the program is to develop viable communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low- and moderate-income.

This general objective is achieved by concentrating on activities which benefit low- and moderate-income families. The program can also aid in the prevention or elimination of slums or blight, and under unique circumstances, the State may also use its funds to meet urgent community development needs. A need is considered urgent if it poses a serious and immediate threat to the health or welfare of the community and has arisen in the past 18 months.

# CDBG-Florida Small Cities CDBG Program

The Florida Small Cities Community Development Block Grant Program is a competitive grant program that awards funds to eligible cities, counties, towns and villages. There are approximately 249 eligible communities in Florida. To be eligible for the Small Cities CDBG Program, a city must have a population under 50,000, and a county's population must be under 200,000. The Program awards subgrants in four categories:

- ✓ Economic Development
- ✓ Neighborhood Revitalization
- ✓ Housing Rehabilitation, and
- ✓ Commercial Revitalization.

## **The Small Cities CDBG Application Cycle**

**Cycle Opens:** March 20, 2023

**Cycle Closes:** May 5, 2023

# Additional Resources for Affordable Housing

## Neighborhood Stabilization Program

- ▶ The Neighborhood Stabilization Program (NSP) provides emergency assistance to stabilize communities with high rates of abandoned and foreclosed homes, and to assist households whose annual incomes are up to 120 percent of the area median income (AMI).
- ▶ The program received funds in 2008 and 2010 to distribute to targeted communities. Levy County utilized this program for the develop a multifamily rental property in Chiefland commonly called the Pines on SW 2<sup>nd</sup> Avenue.

# Additional Resources for Affordable Housing

## ▶ HOME Investment Partnerships Program (HOME)

HOME provides formula grants to states and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people.

It is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

Communities that do not qualify for an individual allocation under the formula can join with one or more neighboring localities in a legally binding consortium whose members' combined allocation would meet the threshold for direct funding. Other localities may participate in HOME by applying for program funds made available by their State.

Thank you for your attention.