



# If SHIP Is Not Funded.....

 *What will the consequences be in your county?*

## Citrus

Citrus County receives about \$1,250,000 of State Housing Initiatives Partnership (SHIP) program dollars annually. A loss of this funding could result in an economic impact in Citrus County that would run in the tens of millions every year because of the leveraging of our SHIP dollars within the local economy.

Without this funding we would be unable to provide subsidies to Habitat for Humanity or Community Housing Development Organizations (CHDO's), which would virtually eliminate very low income home ownership.

Progress Energy is getting ready to start construction on a nuclear facility just north of Citrus County. When construction workers start coming into this county, most market rate rentals will disappear, leaving only limited affordable rental units for our current workforce. We have been able to supply hundreds of rental units in Citrus County with our match program. This has been the first year in a long time where we did not receive a single application mainly due to the elimination of State Apartment Incentive Loan (SAIL) dollars. More than half a dozen developers were considering development in Citrus County until this State program was modified. The stimulus package will provide more favorable Tax Credit Funding this next year but without local match, rental and employment opportunities will be lost.

We are also the primary organization in the County able to bring substandard housing up to code or demolish and construct replacement homes eliminating blighted housing in the county. When housing stock deteriorates so does the quality of life and that erodes Citrus County's reputation as being a desirable place to retire. Service industry jobs are our mainstay employment, with over 40% of the county being classified as elderly. Our environment and water quality are two of our greatest assets and would deteriorate without the ability to provide low income residents the means to connect to central utilities.

Citrus County's SHIP Program is minor from a State funding standpoint but it is a large and integral component to the well being of this community and provides local jobs within the Citrus County construction industry in. It is one of our major "Economic

Stimulus Programs." We can not afford for the state to cut any funding to housing during these difficult times. Our local economy's recovery is contingent upon the survival of programs funded by SHIP.

As housing replacement clients Charlie and Betty Bunting state, "A world without SHIP grants is a world without hope. People like us without the resources to buy or build a home would be left homeless for all their lives. God forbid something this tragic would ever occur in a country as great as America."

*Joe Monroe, Director Housing Services Division  
Citrus County*

## Marion

We had about 200 low and moderate income people on a waiting list for SHIP funds. Those people were given first chance to get their applications updated to be first in line for one of these NSP houses (foreclosures). Dozens of phone calls come in on a daily basis from people interested in the NSP and SHIP Program. The need is definitely still out there for affordable housing.

Right now we have enough SHIP & HOME funds to be able to assist 50 NSP clients, with some funds left over for the other SHIP strategies. If our funding is cut significantly next year, we may have to direct all of our SHIP/HOME funds towards NSP which will mean that all first-time homebuyers are limited only to NSP homes in limited target areas. It would also mean that current low-income homebuyers could not get assistance with rehabilitation of their existing homes which means we are not improving or even maintaining the condition of our current housing stock. If SHIP is not funded at all in the 2009 session - then we lose staff with significant experience; NSP funds will only go half as far and there will be less and less project income to recycle, and the job losses will multiply down the line. And later on - if SHIP is funded again in the following years - we will not be able to get the staff back, so the program starts again from the beginning training staff.

*Shawna Chancey, HHS Manager  
Marion County*

**All 67 counties and CDBG entitlement communities have SHIP programs. SHIP typically provides down payment and closing cost assistance to help move families into homeownership, and housing rehabilitation needed to keep people in their homes. The Sadowski Act provides local governments flexibility in their programs to meet the needs at the local level. With the massive diversion of Sadowski Act monies away from housing in the 2008 session (\$250 million taken from housing) and the 2009 special session (\$190 million taken from housing), we asked a few SHIP Administrators to let us know what the consequences would be if SHIP were not funded in the 2009 regular session.**

## Sarasota

The elimination of SHIP funding would mean that Sarasota would have to delay essential community projects. In the City's Newtown Neighborhood there are 424 seriously deteriorated public housing units. For years, the neighborhood has discussed the need to demolish these units and replace them with a mixed use project as the first step in the overall revitalization of the neighborhood.

Last summer, the dream began to be realized when the first 24 public housing units were demolished and the construction of the replacement units was started. SHIP, CDBG, local tax dollars and other Florida Housing Finance Corporation funds were used on the first phase of the development.



Now however, the second phase of this project is in jeopardy because the City and the County are no longer confident that they will receive the needed SHIP

funding to continue with the redevelopment of the site. More than \$20 million in construction is being delayed because of the uncertainty that the \$1 million in 2010 SHIP funds necessary to proceed with the development will be provided by the state.

On the surface, the possible cancellation of this project means that 50 families will continue to live in substandard conditions. But this project means much more than just 50 units of housing. It will mean that the Newtown residents that hired to work on the reconstruction of this housing will again become unemployed. It will mean that the residents who live adjacent to the housing authority properties will continue to see their property values stagnate. And to those who believed that Newtown would finally have the opportunity to share in the prosperity enjoyed by the rest of the community, it means another broken promise.

SHIP is a housing program that has enabled families throughout Florida to own homes and reside in safe, affordable housing. But for the Newtown Neighborhood, SHIP is a job and economic stimulus program that brings hope to the entire community.

*Don Hadsell, Community Development Director,  
Sarasota County*

## Brevard

My first thought is the economic loss to the community, the contractors, sub-contractors, supply stores, realtors, lenders, title companies, labors and our non-profit partners, who will not be employed thus will not be spending those funds in our community. It is important to note that SHIP funds do not go directly to anyone homeowner or project, instead they go out into the community and get spent over and over in many areas.

Not spending these funds in the community also becomes a net loss in property taxes and other fees going back into the community.

Second I think about the elderly homeowners on our waiting lists looking for assistance that will fix their leaking roof, repair that plumbing problem or electrical hazard. Assisting the elderly homeowners in our communities helps to keep their homes safe, allowing them to remain in their homes and at the same time helps the entire neighborhoods property values when the home is brought up to code.

My next thought is that this is an opportune time for many of our lower income families who have been renting and looking to buy a home over the past several years to buy a home. Without the ability to have a down payment at this time will disqualify most of our low income families who have not been able to save up that 10 or 20 percent down payment now required by most lenders.

Finally, Brevard County offers security rent and utility deposit assistance to our lowest income families and we are the only source of financial assistance to keep homeowners in their home through our Foreclosure Prevention Program.

*Sam Dettra, SHIP Administrator  
Brevard County*