



Required Updates for SHIP Plans



By Michael Chaney

Although SHIP has not been funded for the 10/11 fiscal year, the Florida Housing Coalition will join with local government housing staff to advocate for future SHIP funding. If we are successful in obtaining SHIP funding for the 11/12 fiscal year, it will be available only to those jurisdictions in compliance with all SHIP requirements. Updates to the Local Housing Assistance Plan (LHAP) are among the newest SHIP requirements.

This is a topic that 62 SHIP jurisdictions have already had to address, since more than half of all SHIP jurisdictions were scheduled to provide Florida Housing with updated LHAPs in 2010. This article provides guidance for other jurisdictions, who should update their plan in response to new SHIP requirements. These changes can be made on the next occasion when a jurisdiction changes its LHAP or when it sends Florida Housing an updated LHAP.

The LHAP requirements result from Senate Bill 360, which was signed into law in the summer of 2009. Among the several housing-related topics addressed by this legislation were several SHIP changes. For some of the SHIP topics covered, the Legislature is simply encouraging SHIP jurisdictions to offer specific types of assistance. But SB 360 requires each jurisdiction to take action regarding the topics of Green Housing, Special Housing Needs, and Manufactured Housing.

Green and Innovative Design

Each jurisdiction's LHAP must now describe how one or more strategies address green building principles, innovative design, storm-resistant construction, or other elements that reduce long-term costs relating to



The Viridian Apartments in St. Petersburg serves as an example of both Green and Special Needs housing. This 11 story high-rise was rehabilitated by Sage Partners with SHIP and other funding and offers housing for elderly and disabled residents. Green features include a community garden that provides food for community meals.

maintenance, utilities, or insurance. Florida Housing has not detailed what constitutes minimum compliance with this new requirement. Yet some jurisdictions have been able to classify as a 'green activity' some aspect of a strategy that they have been implementing for years, and many have easily identified an activity that will illustrate their compliance.



Young adults aging out of foster care is one group with special housing needs. Brevard County has recently provided SHIP rehabilitation assistance for this population with a new 12 unit facility at the nonprofit organization Country Acres.

Among the LHAPs that have already been updated, some plans explain that owner occupied rehabilitation projects will include an air conditioner tune up or replacement, the addition of attic insulation, or other energy efficient or green-related improvements.

Some jurisdictions are requiring the inclusion of green housing features in any rental or homeownership units constructed with SHIP assistance. Features include the use of drought tolerant landscaping, energy efficient appliances, and foundation slabs made with recycled concrete. An abundance of other green features are available in the green home certification checklist created by the Florida Green Building Coalition. The checklist is primarily focused on new construction; it may be reviewed at floridagreenbuilding.org.

Other SHIP offices are integrating the subject of energy efficiency into homebuyer education classes. SHIP staff can invite a representative from the local utility company to share energy saving tips and provide information about energy audits and home improvement rebate programs. The maintenance session of the class can emphasize the importance of regularly replacing air filters; many buyers should benefit from a review of how to efficiently operate a central air conditioner.

Special Housing Needs

Each jurisdiction's LHAP must also now describe how one or more strategies make affordable residential units available to eligible persons with special housing needs, like homeless people, the elderly, migrant farmworkers, and persons with disabilities.

There are a diverse variety of special needs groups that can benefit from SHIP assistance. For example, some

groups provide SHIP funds to partially finance the construction of a homeless shelter. Other jurisdictions are providing transitional housing assistance to youth who are aging out of foster care. Perhaps the most common type of special needs strategy involves providing priority assistance to elder households seeking owned-occupied housing rehabilitation.

There are some central LHAP considerations to keep in mind as your jurisdiction decides how to show compliance. Consider that the household income for special needs households may be lower than the rest of the households you assist. Many of those with special housing needs have very low or extremely low incomes. Rather than helping such low income households to purchase homes, a jurisdiction may more successfully provide assistance through a rehabilitation strategy or a rental housing strategy.

Special needs strategies can also benefit from the inclusion of universal design principles. Some special needs populations have limitations on their strength or range of motion. Some applicants are in wheelchairs. Accessible housing is of central importance to such households. Choose designs and features that require low physical effort. For example, door handles are more universally usable than are door knobs. Consider the approach and equitable use for home features. Ovens should have knobs in the front, for example. In addition, storage and working surfaces in kitchens and bathrooms should ideally be located at a lower level.

Manufactured Homes

The SHIP definition of "eligible housing" now includes "manufactured housing constructed after June 1994 ... for home ownership or rental" although no more than 20 percent of a jurisdiction's funds may be used for

manufactured housing. Each jurisdiction should consider whether or not to provide assistance for manufactured homes. If a jurisdiction opts to assist manufactured homes, it must further decide whether to offer any type of assistance from the LHAP, or to limit assistance to only certain types of assistance. One jurisdiction, for example, may decide to only provide repair assistance, while another jurisdiction will only permit the purchase of



new manufactured homes. Regardless of what decisions are made on this topic, each jurisdiction will need to update and clarify its LHAP.

If you provide assistance on a manufactured home, your jurisdiction will likely want to secure this assistance with a recapture agreement. Most SHIP jurisdictions place liens on units that are assisted. A manufactured home may have a lien placed on it whether it is Personal Property or Real Property. A manufactured home has a title under the DMV system for vehicles when it is personal property. The DVM system is administered by each county’s tax collector’s office. A unit has a title when it is located on leased land in a mobile home park, or is on private land but the home and land are owned under different names. If you place a lien on such a home, it is filed in the local county tax collector’s office against the title.

Conversely, the owner of a manufactured home may transfer the home from Personal Property to Real Property. If the unit is on private land that the same person owns, he or she may “retire” the manufactured home’s title with the tax

collector’s office by surrendering it to real estate. There may be title transfer fees and the combined land and home would then be subject to real estate taxes. In such a case, the title “is retired” and the unit is inextricably bound to the land. If you place a lien on such a unit, it is filed with the Clerk of Court in the county land record.

SHIP jurisdictions should consider how best to secure their SHIP assistance. Manufactured homes that have become real property have a lien tied to land, which cannot be moved away. Some jurisdictions may consider this to be a more secure SHIP investment in contrast to placing a lien on the title of the manufactured home title alone. SHIP administrators should also consider the option of assisting manufactured homes that are located on leased land owned by a nonprofit. Assistance to such units could be secured and monitored by the nonprofit.

Additional Guidance

Beyond the required changes outlined above, Senate Bill 360 also addressed SHIP in other ways. For example, the Legislature also encouraged SHIP jurisdictions to offer a housing strategy to support the preservation of subsidized rental housing. In addition, the Legislature encourages SHIP offices to address the housing needs of youth aging out of foster care. All of these topics are addressed on the Florida Housing Coalition’s website, which contains a video summary of the recent changes from Senate Bill 360. The main topics each contain a video from the Coalition’s February 2010 workshop, accompanied by relevant handouts or powerpoint slides. This information is on the ‘news & updates’ section of flhousing.org under the title “SHIP LHAP Resources.” HNN

SHIP Administrators

Don’t miss the 2010 Florida Housing Coalition Conference

It includes a:

SHIP Caucus- September 20 from 2 - 5pm

SHIP Roundtable- September 22 from 10am - Noon

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