



The Sadowski Act SHIP Program: *What's Happening Now*

The Sadowski Act Local Housing Trust Fund monies fund the local SHIP program in all 67 counties and 50 entitlement cities in Florida. Having a dedicated revenue source for locally administered affordable housing programs has created a housing delivery infrastructure in Florida like none other in the United States. And when that infrastructure of public private partnerships has the benefit of expert training and technical assistance, the success is unequivocal. Florida's communities are promoting home ownership, building quality rental housing, preserving existing housing through rehabilitation, preventing foreclosure, responding to hurricane

disasters, and developing creative strategies such as community land trusts to respond to changing economic environments.

These same communities remain aware that full funding of trust fund dollars would enable their programs to increase needed down payment assistance, develop additional multi and single-family units and increase their permanent stock of affordable housing units. This article highlights just a few of the SHIP programs that have an impressive story to tell about what they have been able to accomplish through the SHIP program and what they could accomplish with additional funds.



George Romagnoli,
Manager
**PASCO COUNTY
COMMUNITY
DEVELOPMENT**



Dade City's Bethany Apartments were the first permanent homeless rental apartments developed in Pasco County. Funding for the apartments came from HUD and Pasco County SHIP funds.

Current SHIP Funding: \$3,765,231

Current SHIP Strategy: down payment assistance, impact fee assistance, rehabilitation purchase assistance, homeowner rehabilitation, rental housing increases, foreclosure prevention, and disaster strategy

Q. What SHIP funded program would you say is your most successful?

A. Our most successful is probably homebuyer assistance. We have assisted over 2,500 families through SHIP.

Q. What about this program makes it successful?

A. It is highly leveraged, the lenders do most of the work for us, and we have made it very easy for the lenders to use. There is always the need for the program, so when we need to spend more, we just open the spigot and the money moves.

Q. What would you be able to accomplish with full funding?

A. We would triple our homebuyer assistance, to around 600 families a year. We could replace one of the buildings of the worst public housing complex. And we would do more of a program that we are expanding, housing replacement (replacing substandard and dilapidated mobiles and homes with new homes).



THE FLORIDA HOUSING COALITION PROVIDES EXPERT TRAINING AND TECHNICAL ASSISTANCE TO EVERY SHIP PROGRAM IN FLORIDA THROUGH THE CATALYST PROGRAM OF TRAINING AND TECHNICAL ASSISTANCE, ADMINISTERED BY THE FLORIDA HOUSING FINANCE CORPORATION, WITH FUNDING FROM THE SADOWSKI ACT.



When Pasco County wrote its new 3 year plan in May of 2006, Community Development staff went on a listening tour of people involved in the housing industry. We listened to lenders, realtors and builders, housing authorities, nonprofit agencies, homeless and domestic violence shelters. We talked not only to the staff, but also to the people being served.

We also were extremely aware of what was happening in the community. The insurance revolt in Florida started in Pasco County. Not because of windstorm like the rest of the state, but sinkholes. Sinkhole danger made Pasco a county to be avoided, and insurance companies pulled out of Pasco first. Citizens had exorbitant prices, and people were being forced out of their homes. The flexibility of the SHIP program enabled us to help save these homeowners from losing their homes. We beefed up our rehab and foreclosure prevention program and started a program to pay taxes and insurance for low income people on fixed incomes. We are now processing our first 30 applications.

That is one of the great characteristics about the SHIP Program - local communities can look at the needs of their area and create their own plan to meet their area's needs.

George Romagnoli



**Randy Wilkerson,
Executive Director
NEIGHBORHOOD
ENTERPRISE
FOUNDATION, INC.**



Four new homes were constructed on Guillemard Street in downtown Pensacola using SHIP funding.

Current SHIP Funding: \$2,809,133

Current SHIP Strategy: down payment assistance, new developments, special needs developments, disaster mitigation, and rehabilitation

Q. What SHIP funded program would you say is your most successful?

A. The Escambia/Pensacola SHIP First Time Homebuyers Program has directly enabled over 1,800 families to reach the goal of first time homeownership, with over 75 percent having total household incomes below 80 percent of median.

Q. What about this program makes it successful?

A. Strong community buy-in by lenders, realtors, builders and homebuyers. The program is well integrated into the local mortgage-lending arena and streamlined to minimize bureaucracy, client processing time, and paperwork duplication. It's also highly leveraged with private lender and builder participation, a proven success that is well known in the local market.

Full funding for your community would result in a SHIP allocation of \$10,349,477.

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Q. What would you be able to accomplish with this level of funding?

A. Funding estimates provided below reflect projected use of “additional/full funding” dollars on an annual basis and are provided for illustrative purposes only:

\$4.0 Million: New Affordable Homeownership Housing (with priority for infill sites) **(Production: 80-90 new single family homes annually)**

Funds would be used to expand our successful Infill Housing Development Initiative. At present, SHIP funds for this targeted “neighborhood revitalization” initiative are exhausted within 6-8 months of the beginning of each SHIP Program Year, resulting in an inability to provide continuous funding commitments for homebuyers, participating builders and lenders.

\$750,000: Emergency Housing Repair Assistance for ELI, VLI and LI Owner Occupied Housing **(Production: Code related repairs to 60-65 homes annually)**

Funds are routinely exhausted for this strategy, resulting in long waiting lists for assistance. This strategy supports preservation of existing housing stock.

\$1.5 Million: Replacement Housing (Severely dilapidated owner occupied units) **(Production: 20-25 modest new replacement homes annually)**

At current funding levels, given the extensive waiting list for the local HOME Replacement Housing Program, an applicant must wait approximately 3 years to receive funding for replacement of their severely substandard owner occupied home. Additional SHIP funding could effectively double the production of these homes on an annual basis.

\$1.0 Million: New Workforce Multi-Family Housing **(Production: 100-125 new rental units annually)**

Continual development of new quality rental units is critical to maintaining a diverse, adequate affordable housing stock. Escambia/Pensacola continues to need additional rental units, especially those targeting ELI and VLI families; affordable assisted living for the elderly; and persons with special needs. This level of additional annual funding would enable us to potentially secure at least 100 additional workforce rental units per year.

\$250,000: Special Needs: Transitional or Permanent Housing for the Homeless **(Production: 4 new units or 12 new beds annually)**

Since Hurricane Ivan we have witnessed a marked increase in demand for housing alternatives within the local consortium of agencies providing services to homeless families and individuals. There is a need to consistently increase the number of beds available for short and long term occupancy by the homeless. Additional SHIP funds would allow us to add at least 12 new beds annually.



Jill E. Minnen,
Housing Coordinator
CITY OF ST.
PETERSBURG



This home in St. Petersburg was purchased through the A+ Teacher Housing Program, a SHIP funded program designed to attract and retain teachers committed to teaching and living in their neighborhoods.

Current SHIP Funding: \$2,346,040

Current SHIP Strategy: loan guarantee program for newly constructed/newly rehabilitated housing, emergency

repair, rehabilitation assistance program, lead-based paint abatement program, barrier free program, housing replacement/reconstruction, purchase and teacher purchase assistance, bond and barrier free programs, acquisition and

development program, multi-family rental, predatory lending, foreclosure prevention, post disaster housing recovery

Q. What SHIP funded program would you say is your most successful?

A. The SHIP funded program that is the City's most successful would have to be the purchase assistance program that assists low to moderate income households acquire a home, and the A+ Teacher Housing Program that enables Instructional Personnel to acquire home-stead property in the City.

Q. What about this program makes it successful?

A. The Purchase Assistance Program has provided low- to moderate-income households who would otherwise, not have the ability to purchase a home, the opportunity to obtain the American dream and to raise their children in environments that provide a better quality of life. For the period 2001-2005, \$4,903,839 was spent to leverage millions of dollars in private funding that enabled 481 households to purchase homes. In addition, the City expended \$225,000 and assisted 79 households to

purchase homes through a partnership between the City and Pinellas County with its First Time Homebuyers Bond Program, during the same period.

The A+ Teacher Housing Program has enabled the City to partner with the Pinellas County School Board to offer a recruitment incentive to prospective teachers who are considering teaching in the district. The program has been very successful and has resulted in the expenditure of \$460,800 that has been allocated over the past three years to assist 31 Teachers to purchase homes in the City.

Q. What would you be able to accomplish with full funding?

A. If the City were able to receive full funding of its SHIP allocation, it will enable us to provide more affordable housing single-family units, and to assist developers with the development of more large-scale multi-family affordable units. Additional funding would also make it possible for the City to partner with local nonprofit agencies to build affordable single-family and multi-family units throughout the City.



**Don Hadsell,
Director
SARASOTA OFFICE
OF HOUSING &
COMMUNITY
DEVELOPMENT**



The Grande Court apartments in Sarasota provide 128 new garden style rental units for families and individuals with incomes below 60 percent of the area median income. Sarasota SHIP funds ensured the projects completion.

Current SHIP Funding: \$3,402,100

Current SHIP Strategy: down payment assistance, impact fee assistance, housing partnership program, housing rehabilitation program, special needs housing, disaster mitigation

Q. What SHIP funded program would you say is your most successful?

A. The down payment assistance program. This year, 104 families received down payment assistance totaling \$4,735,859. The average purchase price was \$166,671. The funds leveraged \$13,219,760 in private financing. Another 19 families received loans to purchase homes in the Rosemary Park Condominiums developed by the Sarasota Public Housing Authority. The average purchase price of these homes was \$92,842.

Q. What about this program makes it successful?

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The Willow Creek apartments at North Port in Sarasota County provide 55 affordable units for seniors.



A. The streamlined process with our local lenders - our process is very customer friendly and the lenders have little additional work to apply and receive our funds. More than 2,000 families have used our funding (both SHIP and HOME) to purchase their first home. However, this program is also out of funds. On July 5 (2006) at 8:00 (a.m.) we accepted applications for the FY 2007 SHIP funds. By noon, we had received 60 applications and again closed the program to new applications. We anticipate reopening the program in February (2007) with HOME funds and will assist another 33 families.

Q. What would you be able to accomplish with full funding?

A. We could assist an additional 320 families purchase a home next year.



**Elizabeth Alpert,
Community
Development
Administrator
CITY OF DELRAY BEACH**



SHIP funds were used to assist a first time homebuyer purchase this home in Delray Beach.

Current SHIP Funding: \$590,567

Current SHIP Strategy: purchase assistance, owner-occupied housing rehabilitation, land acquisition, disaster relief

Q. What SHIP funded program would you say is your most successful?

A. Creating home ownership opportunities with SHIP down payment assistance funds has been the most successful SHIP program at the City of Delray Beach. The program's success began with a dynamic infill-housing program, which created ownership opportunities throughout the City. However, as land and construction prices raised, diminishing the stock of affordable units, the City partnered with the Delray Beach Community Land Trust (established in 2006), by subsidizing the cost of construction for land trust homes in order to create even more affordable prices.

Q. What about this program makes it successful?

A. By partnering with the Community Land Trust not only is the land subsidized but the construction cost is as well. This leverages the dollars and maximizes the benefit to the homeowner by creating an affordable unit, not just an affordable payment. What makes the program so successful is that it creates an affordable housing stock in the City of Delray Beach in perpetuity.

Q. What would you be able to accomplish with full funding?

A. Additional SHIP dollars would allow Delray Beach to increase its permanent stock of affordable housing units. Funds would be utilized to purchase lots for the Community Land Trust program and buy down construction costs through the strategy mentioned above. Additionally, this would allow for construction of affordable rental, which would also remain a part of the Delray Beach Community Land Trust.

SHIP funds were used to assist a first time homebuyer purchase this home in Delray Beach.

