



Hurricane Ian SHIP Response

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Catalyst Training Schedule



Fine Tune Your SHIP Program
REGISTER NOW FOR

CATALYST TRAINING

Register Now for SHIP Catalyst Training!

The Coalition is Florida's affordable housing training and technical assistance provider.

www.flhousing.org

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Preparing for the SHIP Monitor

Part 1:
November 8 at 2:00 pm

<https://attendee.gotowebinar.com/register/8052178173132246541>

Part 2:
November 10 at 2:00 pm

<https://attendee.gotowebinar.com/register/4929340849876663820>



Fannie Mae®



Proficiency in Income Qualification

Part 1: November 15 at 2:00 pm

<https://attendee.gotowebinar.com/register/2444307132149471501>

Part 2: November 17 at 2:00 pm

<https://attendee.gotowebinar.com/register/5478113700369582093>

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Introduction by Robert Dearduff, State SHIP Administrator



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Overview

Part 1:

- Providing Deductibles Assistance with SHIP-DR funding

Part 2:

- Providing Disaster Assistance with unencumbered SHIP funds
- Executive Order and SHIP Disaster Strategy
- Applicant Intake
- Types of SHIP Assistance



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Providing Deductibles Assistance with SHIP-DR funding



Governor Announces Deductible Assistance

SHIP Disaster Recovery (SHIP-DR) distributions:

• Charlotte County	\$513,084
• Punta Gorda	\$58,916
• Collier County	\$317,932
• Naples	\$16,768
• DeSoto County	\$250,000
• Hardee County	\$250,000
• Lee County	\$1,990,648
• Cape Coral	\$819,941
• Ft. Myers	\$372,411
• Sarasota County	\$358,848

For Immediate Release: October 22, 2022

Contact: Governor's Press Office,

Governor Ron DeSantis Announces Support for Ian-Impacted Homeowners Insurance Deductibles

Funding will Close the Financial Gap to Recovery for Families, Seniors

FORT MYERS, Fla. — Today, Governor Ron DeSantis announced that Florida Housing Finance Corporation (Florida Housing) is awarding \$5 million to local housing partners to help Floridians impacted by Hurricane Ian pay their home insurance deductibles in the six hardest hit counties. Funding assistance is available to individuals, families, and seniors living in Charlotte, Collier, DeSoto, Hardee, Lee, and Sarasota counties who apply and qualify through Florida Housing's local housing partners. Homeowners are encouraged to contact their local SHIP office directly for more information: [Local Government Information \(floridahousing.org\)](https://www.floridahousing.org).

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What is an Insurance Deductible?

- The deductible is the amount a homeowner pays before home insurance coverage kicks in.
- The insurance claim check is the total amount to repair damage MINUS the amount of the deductible.
- The deductible is not paid to the insurance company.
- Instead, the applicant pays the deductible to the contractor hired to fix the damage.





Example

- If the deductible is \$1,000 and the insurance claim is \$6,000 to repair damaged siding, the insurance company will pay \$5,000 for that claim.
- The applicant is responsible for paying the remaining \$1,000 (the deductible) to the siding company repairing the damage.
- The \$1,000 can be paid with SHIP-DR funds.

Types of Deductibles

Standard Deductible

- A fixed dollar amount. The amount the owner pays stays the same, no matter the coverage value or cost of damage.

Percentage Deductible

- A percentage of home's insured value. Usually saved for wind-, hail-, hurricane-related claims.
- Example: A home insured for \$200,000 has a 1% deductible, so the owner pays \$2,000.
If the claim is for \$10,000, the insurance would cover \$8,000.



How much is the Deductible?



- The amount will vary depending on the insurance policy.
 - If the deductible is less than the claim the insurance company will not pay anything.
 - If the applicant has flood and hazard insurance, there may be two deductibles.
- ***Avoid cases that exceed the maximum award by setting it at \$20,000**

Flood Insurance

- There are two types of Flood Insurance
 1. National Flood Insurance Program (NFIP)
 2. Private flood insurance
- Most plans offer two deductibles: one for building damage- and one for damage to the contents.
- These deductible amounts vary depending on the policy.



SHIP-DR Assistance

- SHIP-DR can only be used to pay the deductible
 - Consider whether to pay the full amount or only a portion
 - One possible approach: pay 100% for VLI, 75% for Low Income, and 50% for Moderate Income
- Must be paid to the contractor, not the owner or the insurance company
- Your LHAP Disaster Strategy must identify the payment of insurance deductibles as eligible
 - If not clearly stated in the LHAP, submit the technical revisions for approval to robert.dearduff@floridahousing.org



Only Assist Cases Involving Repairs

- Some claims are not construction-related, such as claims to replace household contents.
- Only pay the deductible for claims that involve hiring a licensed contractor for repairs.

Question: What if the insurance company is paying for repairs that the owner wants to do themselves (paint, repair the fence, etc.)?

Answer: You can pay the deductible so long as a contractor is involved for at least some repairs. The applicant should provide receipts and pictures that his/her work has been completed and SHIP or building department staff should inspect it.

Pay deductibles even in cases when a home is not fully repaired



- Hazard Insurance does not pay for flood damage, only flood insurance does
- Homeowners without flood insurance may still receive SHIP-DR to pay hazard insurance repair deductibles
- Other sources can help pay for remaining repairs: SHIP unencumbered funds, CDBG, Small Business Administration loan

SHIP Pays Last for Repairs

SHIP pays only after claim check money is exhausted.

Consider these two scenarios:

- **SHIP might pay LESS than the deductible:** Some repairs cost less than the insurance company's estimate. Some claims checks might entirely pay repairs so that no SHIP is needed.
- **Final repairs cost MORE than the deductible:** Insurance companies may reduce the claims check for depreciation and other reasons.
 - First, SHIP-DR pays up to the amount of the deductible
 - Next, regular SHIP funds may pay for additional repair costs

Selection of Applicants



- Option: First come, First served
- Option: Priority for some. Example: owners in documented hardest hit areas

How many owners will be assisted?

- The average hurricane deductible is \$5,000
- Citizens Insurance deductibles might be as low as \$500, but most Citizens deductibles are 2% of the insured value--For example: \$5,000 deductible for a home insured for \$250,000

Contractor Selection

- Option: local government staff can select a contractor according to local procurement policy
- Option: owner may select a contractor
- Either approach is acceptable, so long as the contractor is licensed and in good standing.
- Early on, local government staff should review the contractor's scope of work to confirm it will address all disaster damage.



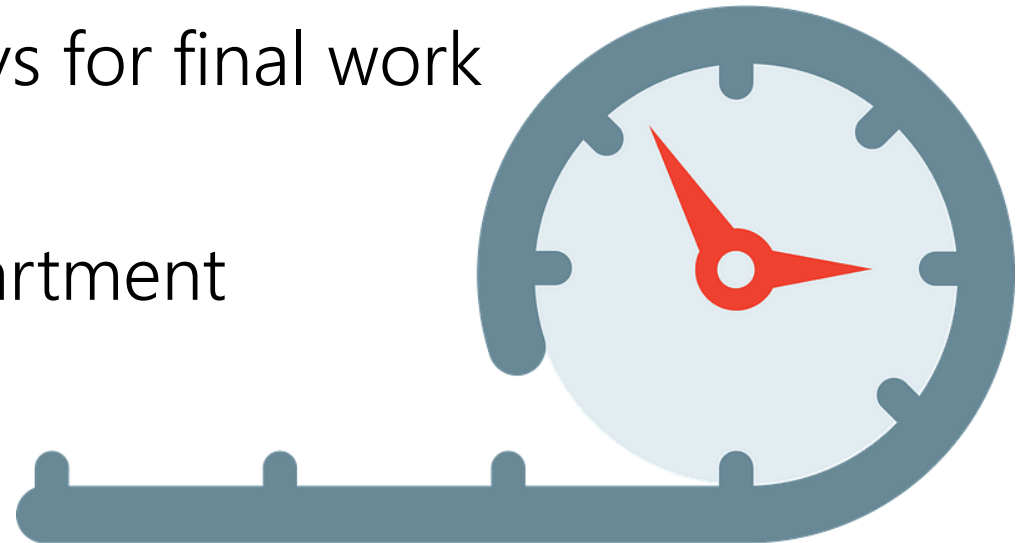
Owners must learn about their Insurance Policies

- Insurance Company and 1st Mortgage Lender Form
- Owner calls insurance company to get answers for the form
 - Does the insurance company estimate the repair cost, subtract the deductible amount, and send a claim check for the remainder?
 - Is the claim check made out to the policy holder only? Is the homeowner's first mortgage provider also listed on the check?
 - Does the insurance company require you to use their approved contractor, or may the homeowner find a contractor?



Timeline of Assistance

- Owner Files a Claim
- Owner applies for SHIP-DR assistance
- Insurance adjuster estimates total repair cost
- Owner receives Claim Check or assigned approved contractor
- SHIP staff or Owner select a Contractor
- Contractor is first paid by the claims check
- SHIP staff inspect work before SHIP pays for final work
- Last repairs are paid with SHIP
- Final inspection from the Building Department



What Documents to Collect

- Self-Certification of Income, or regular income qualification documents
- Insurance Company and 1st Mortgage Lender Form
- Repair documentation:
 - Copies of permits
 - Inspection reports
 - Payments from the claim check
 - Final inspection from the Building Department
- FEMA: Written Consent to Share Client Information (Handout)

DISASTER SELF- CERTIFICATION OF INCOME FORM (Provided for use by Florida Housing Finance Corporation) (To be completed by <u>adult</u> household members only, if appropriate.)		
Household Name _____ Local Government _____		
1. <input type="checkbox"/> I hereby certify that I am a victim of _____		
2. I will receive income from the following sources over the next 12 months: (Circle Y (yes) or N (no) for each statement):		
Y	N	Wages from employment (including commissions, tips, bonuses, fees, etc.);
Y	N	Income from operation of a business;
Y	N	Rental income from real or personal property;
Y	N	Interest or dividends from assets;
Y	N	Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
Y	N	Unemployment or disability payments;
Y	N	Public assistance payments;
Y	N	Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
Y	N	Sales from self-employed resources (For example: Avon, Mary Kay, Shaklee, etc.);
Y	N	Any other source not named above.
Y	N	I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.
Please explain any Y (yes) answers and list the annual amounts: _____		
3. <input type="checkbox"/> I certify that I have provided income documentation for all income sources (For example: W-2 Forms, paycheck stubs, earnings statements, etc.); <u>or</u>		
<input type="checkbox"/> I certify that I am unable to provide complete: 3 rd party verification or income documentation.		
4. I will be using the following sources of funds to pay for rent and other necessities: _____		
Therefore I certify my anticipated gross annual income for the next 12 months to be: \$ _____.		
Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement. The information provided is subject to verification by the county or eligible municipality.		
Signature of Applicant _____		Printed Name of Applicant _____ Date _____
Witness _____ or _____		Witness _____
<u>FOR AN OATH OR AFFIRMATION:</u>		
STATE OF FLORIDA COUNTY OF _____		
Sworn to (or affirmed) and described before me this ____ day of ____, 20 ____, by _____.		
(NOTARY SEAL)		Signature _____
Personally Known _____ OR Produced Identification _____		Name of Notary (Typed, Printed, or Stamped) _____
Type of Identification Produced _____		



If there is a Mortgage on the Property

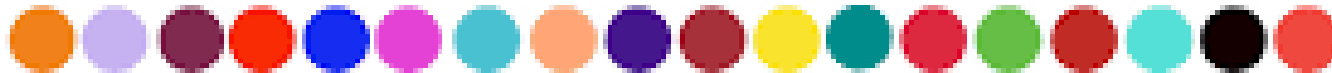
- Most homeowners have a mortgage
- The claim check may list the name of the first mortgage lender next to the owner's name.
- Owner should contact lender for next steps
 - Lenders will deposit check into a restricted escrow account
 - Funds will be released in increments when the property passes inspections
 - Final payment will be made when all the work is completed and has passed all inspections



More Deductible Program Training
coming in November



COMING SOON



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Questions & Answers

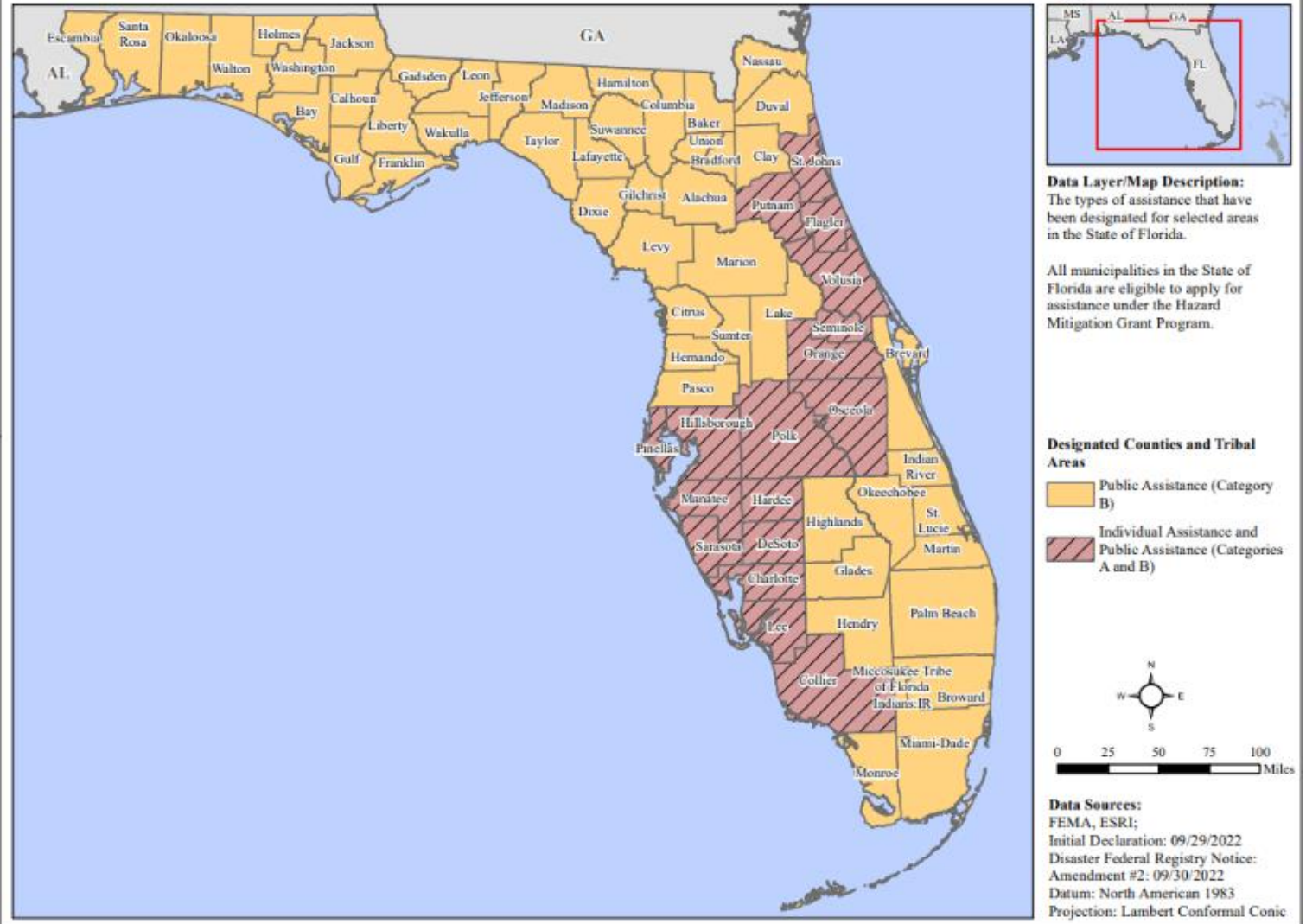


Disaster Assistance with Unencumbered SHIP funds



FEMA-4673-DR, Florida Disaster Declaration as of 09/30/2022

FEMA-4673-DR, Florida Disaster Declaration as of 9/30/2022



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Specifics of the Hurricane Ian Executive Order

“Suspend the effect of any statute, rule, or order that would in any way prevent, hinder, or delay any response or recovery action.”

- Exemption from requirement to advertise Disaster Strategy
- Waiver requests



Statutory Language about SHIP Disaster Recovery

420.9075 (5) (n) 4 Each county and each eligible municipality may award funds as a grant for construction, rehabilitation, or repair as part of disaster recovery... to remedy accessibility or health and safety deficiencies.



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SHIP Disaster Strategy

- For Federally or State declared disasters
- May provide Temporary Stabilization along with repair and recovery assistance
- Maximum Assistance for Disaster Strategies range from \$5,000 to \$60,000



SHIP offers Temporary Measures and Long-Term Repairs

- Temporary: Blue Tarps, Repairs to prevent further damage
- Long Term: Home Repair, Relocation or Replacement
- Ideally: First temporary assistance, later follow up with long term repairs



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Intake for Disaster Assistance



- Intake may be twice as intensive
- Affected households have housing needs plus more.
 - Stay Connected to your local network: Who is offering what?
- There is a **Balance**: Help people **But** Ensure that SHIP assists only eligible households and follows all rules

Handout: Disaster Application

- Includes all regular SHIP program questions plus disaster-related questions.
- Addresses False Statements
- Notice for Collection Social Security Numbers

6. ELIGIBILITY INFORMATION: - If the answer to any of the following questions is NO, you are not eligible for assistance:			
i. Was the unit damaged or destroyed by Disaster:			<input type="checkbox"/> YES
ii. Was the unit a single-family residence (including manufactured housing units)?			<input type="checkbox"/> YES
iii. At the time of the disaster, were you the Homeowner of this residence (including manufactured housing units)?			<input type="checkbox"/> YES
iv. Was the unit the primary residence of the applicant on the date of the disaster?			<input type="checkbox"/> YES
<i>The following question will require a special review to determine eligibility:</i>			
v. Did you register with FEMA for disaster related assistance for structural damage to the home?			<input type="checkbox"/> YES
7. DAMAGED PROPERTY INFORMATION - Provide basic information concerning the damaged property (including the address of damaged property, floodplain information, and other names on the deed).			
Damaged Property Address:			
City:	State:	Zip:	

Work with a Sub Recipient

- Contract out disaster strategy implementation
- Follow local procurement policy or request disaster-time exceptions
- Disaster Subrecipient Agreement
- Page 6: Advance payment or reimbursement basis
- Page 7: Duplication of Benefits

TEMPLATE – SUBRECIPIENT AGREEMENT

AGREEMENT BETWEEN [Local Government] And [Subrecipient] for the State Housing Initiatives Partnership Program (SHIP) Disaster Assistance Strategy

THIS AGREEMENT is entered this ____ day of _____, 20____ by and between the _____ (the Local Government) and _____ (the Subrecipient).

I. RECITALS

WHEREAS, on September 10, 2017, Florida Governor Rick Scott issued a Disaster Assistance Declaration (FEMA-4337-DR); and

WHEREAS, the Local Government wishes to engage the Subrecipient to assist the Local Government in utilizing its SHIP funds to carry out a part of the Local Government's Disaster Strategy. The amount of the award is \$_____ and is pursuant to the terms and

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Type of SHIP Assistance: Home Repair

- Owner-Occupied Rehabilitation of roof, windows, electrical system, fences and more
- Some Cases require relatively little SHIP funds:
- SHIP pays the homeowner's deductible
 - Obtain proof of homeowner's insurance

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A large silhouette illustration on the left side of the slide depicts three construction workers on a dark, sloped roof. One worker stands at the top left, holding a long beam. Two other workers are further down the slope, one appearing to assist the other. A ladder leans against the right side of the roof. The background is white, and the roof structure is dark gray.

Use Licensed Contractors

- Disaster Contractors Network Portal:
<http://www.dcnonline.org/>
- Use of the website is free and is funded by a state grant.
- Search by Florida County
- The DCN registration system will not allow a contractor to select work that requires a license and register without a valid license.

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Home Repair Topic: Reimburse Applicant for Eligible Expenses

- Reimbursement is not normal SHIP practice—only for disaster response
- Before reimbursing, collect valid receipt, invoice, and checks or statement showing payment
- Work requiring inspection or permits must be done to code before reimbursing

Examples of Reimbursing Applicant

- Permanent repairs of damage performed according to code
- Temporary repairs to avoid additional damage
- Cost of a Blue Tarp or other temporary measures
- Removal of a tree fallen on a house, in the yard or on a fence
- Temporary Rent Assistance



Home Repair Topic: Duplication of Benefits

Duplication of benefits (DOB) occurs when:

- A beneficiary receives assistance, and
- the assistance is from multiple sources,
and
- the assistance amount exceeds the need for a particular recovery purpose

Identify Potential Duplication of Benefits

Applications should identify funds from:

- FEMA (document with letter or data provided by FEMA)
- Insurance (document with letter from insurance company)
- Other sources, such as CDBG, HOME, Small Business Administration, or private/nonprofit relief assistance

Reimburse SHIP if FEMA Comes Through

- Applicant agrees to reimburse SHIP if FEMA, Insurance, or other help is later received
- Handouts: FEMA Written Consent to Share Client Information and FEMA Tracking Form
- Handout: SHIP Applicant Agreement Form



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Handout: SHIP Applicant Agreement Form

This document addresses:

- Duplication of benefits
 - Scenario if SHIP assistance is complete
 - Scenario if assistance is underway
 - If he/she receives further insurance proceeds and/or federal benefits, report this by emailing or calling
- Agree to owner occupancy
- Certify income eligibility

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Type of SHIP Assistance: Temporary Rent Assistance

- Inspect damaged property to confirm applicant is disaster affected
- Pay rent for a month-to-month rental, or
- Shelter in a hotel, \$100 or more daily with no discounts.
Find pet friendly hotels
- SHIP rent limits do not apply
- Remember 65% Homeownership Set-aside –
do not spend “too much” on rent assistance

Type of SHIP Assistance: Purchase Assistance

SHIP helps
displaced households
with home
purchase assistance



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Type of SHIP Assistance: Demolition and Home Replacement



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www.flhousing.org

In Publications Section of
Florida Housing Coalition website

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Disaster Resources on www.flhousing.org

- Contacts for FL Division of Emergency Management, FEMA, Veterans Affairs, Enterprise Community Partners
- Florida Bar Foundation Assisting Floridians
- Also: “Hurricane Member Updates”, weekly call on Friday, 1:30 to 2:30pm

To participate on November 2022- January 2023

webinars: https://us02web.zoom.us/webinar/register/WN_RtjQEpSJTEuXHImgSZmFUg





Questions & Answers and Evaluation

Technical Assistance is Available Daily: 1 (800) 677-4548

Options for Further Assistance Include:

- Phone and Email consultation
- Site Visits

Register at www.flhousing.org for:

- Workshops
- Webinars



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