



State Housing Initiative Partnership (SHIP) Grant

Mission

To ensure that eligible residents of the City have access to safe and affordable housing.

Goals

To provide assistance to very low, low, and moderate-income households toward home ownership, necessary repairs, affordable rental, and foreclosure prevention.

Objectives

To provide assistance to qualified applicants for first-time home buyers, financial assistance, necessary repairs, loans for acquisition, rehabilitation, or construction of affordable rental housing, and foreclosure prevention.

Major Functions and Activities

The State Housing Initiative Partnership has nine programs:

- ~ Administration
- ~ Minor Home Repair/Weatherization
- ~ Foreclosure Prevention
- ~ First-Time Home Buyer Assistance
- ~ Finance Assistance
- ~ Home Ownership Counseling
- ~ Public Facility (Children's Harbor)
- ~ Acquisition-Rehabilitation or New Construction
- ~ Multifamily Rental Housing
- ~ Rental Deposit-Eviction Protection

The State Housing Initiative Partnership Grant does not pay for City personnel costs. The administration of the program is a contractual service provided by Community Redevelopment Associates of Florida, Inc. (CRA).

Eligibility and Recapture Provision:

Eligible homeowners are selected on a first-come, first-qualified basis, within the very low, low and moderate income groups.

The maximum allowable income is based on household size and 120% of annual Median Family Income (MFI) for Broward County, provided by the Department of Housing and Urban Development (HUD). Except for the First-Time Home Buyer Program, all properties must be owner-occupied. Verification of ownership, income, homeowners insurance, payment of property taxes, and any other

criteria to determine an applicant's eligibility will be conducted by CRA.

Eligible homeowners are required to sign the City's Home Loan Agreement and Promissory Note, which establishes a lien on the property, in favor of the City. On February 18, 2009, the City Commission approved an amended provision for 2007-2008, 2008-2009, and 2009-2010 Local Housing Assistance Plan (LHAP).

The major provisions are:

1. New or Existing Homes: The maximum purchase price is \$429,620.
2. Minor Home Repair: The maximum award for very low, low, and moderate income is \$50,000. The City's lien for Home Repair is 15 years with full repayment and no annual forgiveness during this period. However, if the Home Repair is related to special-needs households, the recapture period is reduced to a 10-year forgivable lien written down 1/10 each year until the loan is 100% forgiven. Also, in the event the homeowner refinances and obtains funds as a result of the refinancing, the City will not require repayment of the entire loan so long as the City's interest is properly acknowledged in any documents related to the refinancing.
3. First-Time Home Buyer Assistance: Maximum award for very low income is \$50,000, low income is \$40,000, and moderate income is \$30,000. The City's lien for the First-Time Home Buyer is 15 years with full repayment and no annual forgiveness during this period. In addition, in the event the homeowner refinances and obtains funds as a result of the refinancing during the first ten years of the agreement, the homeowner shall pay back the full amount of the loan at the time of the refinancing. After the first ten years, in the event the homeowner refinances the debt obligations with respect to the property, the City will not require repayment of the entire loan so long as the City's interest is properly acknowledged in any documents related to a refinancing.
4. Acquisition-Rehabilitation or New Construction Development: This construction program is designed to promote the acquisition or construction of affordable housing for home ownership opportunities. Funds will be provided as deferred or low interest loans to support the acquisition and rehabilitation, or the new construction of multifamily or single family housing, or the housing portion of a mixed-use facility. The program is also designed to promote infill housing and mixed-income



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projects/neighborhoods for home-ownership opportunities. For-profit and not-for-profit developers will be requested to submit proposals to provide housing that conforms with the City's RFP, neighborhood redevelopment plans, and comprehensive plan.

5. Multifamily Rental Housing: This program is designed to promote the production of affordable multifamily housing in the City. Funds may be provided as deferred loans or low-interest loans to support the acquisition and rehabilitation, or the new construction of multifamily housing, including single room occupancy, transitional/group home housing, senior rental facilities or the housing portion of a mixed-use facility. Strategy is designed to promote mixed income projects and neighborhoods.

6. Rental Deposit-Eviction Protection Program: The program provides upfront financial assistance for households to obtain quality, safe, decent, and affordable rental housing. The families must have the income to afford the monthly rental payments. Guidelines similar to debt-to-income or affordability ratios will be utilized to determine the affordability of the payments. The program may pay for such items as first month's rent, security deposit, utility connection/start-ups, up to a maximum of \$3,000. Funds may also be provided to those tenants in danger of being evicted from their current occupied rental unit.

7. Financial assistance for first-time homebuyers: This program is under Fiscal year 2009-2010 Florida Homebuyer Opportunity Program (FHOP). It provides financial assistance to first-time homebuyers eligible to receive the federal first-time homebuyer tax credit established through the American Recovery and Reinvestment Act of 2009. Eligible FL HOP applicants can receive up to \$8,000 in purchase assistance, which is expected to be repaid by the applicant upon receipt of his/her federal tax refund.

Budget Highlights

The Housing Bill which included the removal of the cap on the Housing Trust Fund was not approved during the 2010 regular session of the Florida Legislature. In addition, the 2010-11 funding for SHIP was swept into the State's general revenue, therefore no 2010-11 allocation is reflected in the City's budget. The balance of SHIP funds from previous years will be carried over to 2010-11 after the budget is adopted.

2009-10 Accomplishments

As of September 8, 2010, the City has provided services in the amount of \$1,044,138 through the SHIP grant. Of this amount, approximately \$842,533 has assisted 27 individuals with home repairs, \$124,361 has replaced 4 individuals' mobile homes at Holly Lake, \$10,000 assisted 1 individual with foreclosure prevention, \$27,000 assisted 1 individual with first-time home buyer, and \$2,919 assisted 1 individual with rental deposit-eviction protection program.

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State Housing Initiative Partnership (SHIP) Grant Performance Measures

Indicator	2007-08		2008-09		2009-10	2010-11
	Actual	Goal	Actual	Goal	Goal	Goal
Outputs						
Home repairs	30	9	38	9	0^	0 #
First-time home buyer	21	4	0	4	0^	0 #
Foreclosure prevention	0	8	0	8	0^	0 #
Rental deposit / eviction protection	0	10	1	10	0^	0 #
Acquisition-rehabilitation or new construction	0	2	0	2	0^	0 #
Financial Assistance for first-time home buyers.	0	0	0	0	13	0 #
Effectiveness						
% of funds spent to total funds available	25%	25%	31%	25%	0%^	0 #
Efficiency						
Average cost per household assisted:						
Home repairs	\$26,330	\$50,000	\$31,274	\$50,000	\$0^	0 #
Purchase assistance	\$58,095	\$56,666	0	\$56,666	\$0^	0 #
Foreclosure prevention	\$0	\$10,000	0	\$10,000	\$0^	0 #
Rental deposit / eviction protection	\$0	\$3,000	\$1,807	\$3,000	\$0^	0 #
Acquisition-rehabilitation or new construction	\$0	\$100,000	0	\$100,000	\$0^	0 #

^ Undeterminable until carryover, this is a post adoption process.

No fiscal year 2010-11 funds will be available, therefore there will be no fiscal year 2010-11 goals.

State Housing Initiative Partnership (SHIP) Grant - Budget Summary

Revenue Category	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Budget
State Grants	2,292,309	1,263,809	2,892,956	-
Investment Income	-	-	27,000	13,400
Beginning Surplus	-	-	-27,000	-13,400
Total	2,292,309	1,263,809	2,892,956	-

Expenditure Category	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Budget
Operating Expenses				
Professional Services	131,840	73,605	76,329	-
Other Contractual Services	788,648	1,190,204	2,603,230	-
Other Current Charges and Obligation	1,221,050	-	213,397	-
Operating Expenses Subtotal	2,141,538	1,263,809	2,892,956	-
Capital Outlay				
Improvements Other Than Buildings	150,782	-	-	-
Capital Outlay Subtotal	150,782	-	-	-
Total	2,292,320	1,263,809	2,892,956	-