



State Housing Initiatives Partnership (SHIP) Program Local Housing Assistance Plan (LHAP) 2017-2020



160874A

SHIP Program Purpose

To provide funds to local governments as an incentive to create partnerships to produce and preserve affordable housing (homeownership and rental housing).

SHIP Program Funding

- * **Funded by a portion of the documentary stamps collected (1992 Sadowski Affordable Housing Act)**
- * **Distributed to Cities/Counties by the Florida Housing Finance Corporation (FHFC), as appropriated by the Florida Legislature.**
- * **Governed by State Statute (420.907), State Rule (Chapter,67-37)**
- * **Work w/Affordable Housing Advisory Committee (AHAC)**

SHIP Program LHAP

- * **Submit New LHAP (Every 3 Years)**
 - * **AHAC/Public Input (4 Meetings w/in Community)**
- * **LHAP Contains:**
 - * **Program Descriptions and Housing Strategies to address preservation/production of affordable housing**
 - * **AHAC Incentive Recommendation Report(IRR)**
 - * **3 year report addressing the impacts on affordable housing of specific regulations and incentives**
 - * **Accepted by City/County Commission (December 2016)**

SHIP Program Allocation*

Allocation	City of Gainesville
FY 2017-2018	\$815,270
FY 2018-2019	\$815,270
FY 2019-2020	\$815,270

(estimated based on current FY2016-2017 funding levels)*

SHIP Program Eligible Households

U.S. Department of Housing & Urban Development (HUD)
2016 Income Limits For Gainesville MSA

Family Size (Persons)	Extremely Low (30% MFI)	Very Low (50% MFI*)	Low (80% MFI*)	Moderate (120% MFI*)
1	\$12,750	\$21,250	\$34,000	\$51,000
2	\$16,020	\$24,300	\$38,850	\$58,320
3	\$20,160	\$27,350	\$43,700	\$65,640
4	\$24,300	\$30,350	\$48,550	\$72,840
5	\$28,440	\$32,800	\$52,450	\$78,720
6	\$32,580	\$35,250	\$56,350	\$84,600
7	\$36,730	\$37,650	\$60,250	\$90,360
8	\$40,100	\$40,100	\$64,100	\$96,240

*Fiscal Year 2016 Median Family Income (MFI)=\$59,700
Effective 3/28/2016



SHIP Program Funding Thresholds

Each SHIP Dollar is Required to Meet the Following Criteria:



CONSTRUCTION

At least 75% must be spent on construction (including new construction & rehabilitation)



HOMEOWNERSHIP ACTIVITIES

At least 65% must be spent on homeownership activities



LOW AND VERY LOW INCOME HOUSEHOLD ASSISTANCE

At least 60% must be used to assist low-income households. Of this amount, at least half (30% of the total) must be used to assist very low-income households.



ADMINISTRATION

No more than 10% may be used on administration



Other: Min. 20% Special Needs Households/ Max. 15% Rental Housing

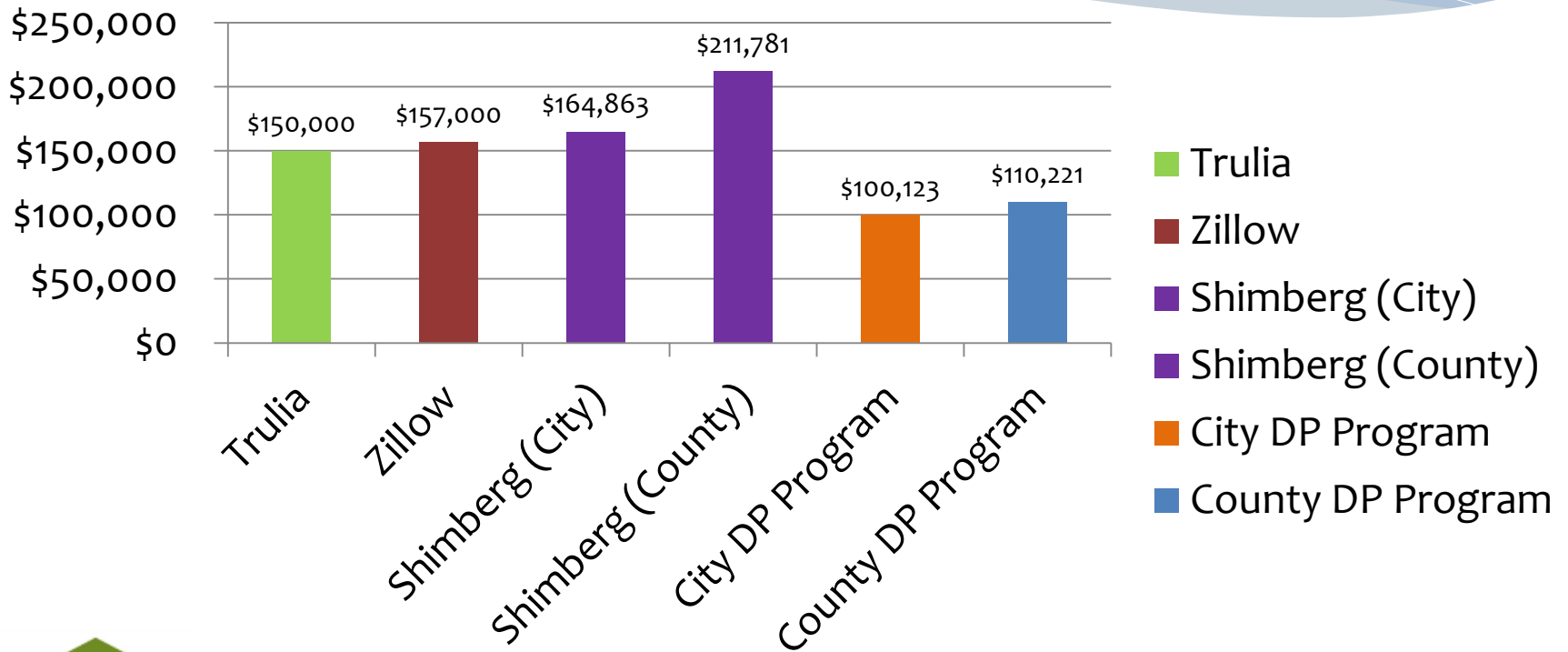
SHIP Program Other Thresholds

- * Sales Price or Value of New/Existing Unit may not exceed 90% of the Average Area Purchase Price established by the U.S. Treasury Department:
 - * **\$255,574** (Gainesville Area)
- * Staff recommends utilizing HUD Purchase Price Limits for Gainesville Area:
 - * **\$152,000** (Existing)
 - * **\$224,000** (New)

* Purchase Price Limits are updated annually by HUD

SHIP Program Average Sales Price

City/County



SHIP Program

LHAP Homeownership Programs

Strategy	Current Max. Award (per unit)	Proposed Max. Award (per unit)	Program Changes
Homeowner Rehabilitation	\$50,000	\$50,000	-----
House Replacement	\$125,000	\$125,000	-----
Roof Replacement	\$15,000	\$15,000	-----
Down Payment	\$10,000	\$10,000	Includes Minor Repairs
Infill Housing	\$35,000	\$25,000	Not Funded
Foreclosure Prevention	\$5,000	\$5,000	Awarded as a Grant Due to Hardships
Disaster Mitigation	\$5,000	\$5,000	Funded only if Declared Natural Disaster

SHIP Program

LHAP Rental Housing Programs

Strategy	Current Max. Award (per unit)	Proposed Max. Award (per unit)	Program Changes
Rental Development	\$100,000	\$37,500	Not Funded/Reduced to match State Housing Tax Credit Program
Special Needs	\$6,000	-----	Joint Program w/ County Phased Out
Rapid Rehousing Rental Assistance	-----	\$6,000	New Strategy for persons who are homeless and/or with special needs
Eviction Prevention	-----	\$3,000	New Strategy to prevent homelessness

2016 Florida Legislature

F.S. 420.6265 Rapid Rehousing

- * **SB 1534 Housing Assistance (Law 7-1-2016)**
- * Rent subsidies for **very-low income** households with at least one adult who is a person with **special needs** as defined in s. 420.0004 or a person who is **homeless** as defined in s. 420.621 when the person initially qualified for a rent subsidy. The period of rental subsidy may not exceed 12 months for any eligible household or person.

City/County Rental Assistance Program (Pilot)

Using SHIP to Help End Homelessness

* Program Goals:

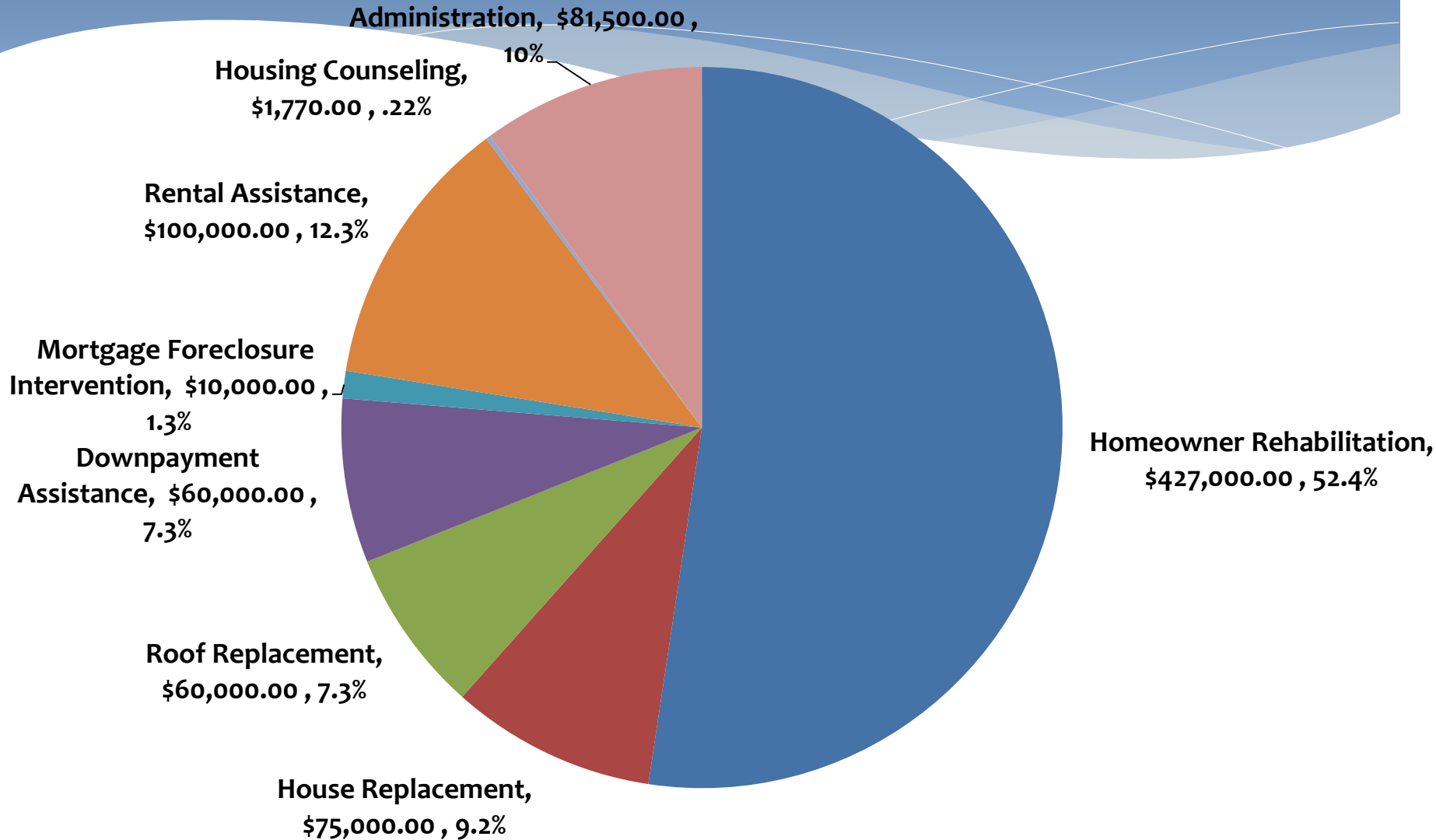
- * Reduce length of time a person experiences homelessness
- * Reduce returns to homelessness
- * Minimize trauma due to homelessness
- * **SHIP funds designed to complement CoC funding and other service provider funding**

City/County Rental Assistance Program (Pilot)

- * Jointly funded by City and County (Inter-local Agreement)
 - * SHIP FY 16-17 Allocation (Max. 15% Rental Housing)
 - * County \$120,000/City \$120,000
 - * Includes Rent Subsidy Funding and Case Manager
 - * Projected to fund in FY2017-2020, based on SHIP funding appropriations

SHIP Program Annual Allocation

(based on current \$815,270 FY2016-2017 funding level)*



2017-2020



LHAP Approval Timeline

- * **November 15, 2016: Joint AHAC- Public Input LHAP**
- * **January 9, 2017: Joint AHAC- Public Input LHAP**
- * **January-February 2017: LHAP Submitted to FHFC for Approval**
- * **March 2017: LHAP Approved by FHFC**
- * **April 6, 2017: LHAP Submitted to City Commission for Approval**
- * **April 2017: LHAP Submitted to FHFC for Final Approval**
- * **July 1, 2017- LHAP Implementation**



Recommendation

The City Commission:

1. Adopt the resolution approving the State Housing Initiatives Partnership Program Local Housing Assistance Plan for State Fiscal Years 2017/2018, 2018/2019 and 2019/2020;
2. Authorize the submission of the 2017-2020 Local Housing Assistance Plan to the Florida Housing Finance Corporation;
3. Authorize the Mayor to execute the Interlocal Agreement Between the City of Gainesville and Alachua County for the Rental Assistance Program; and
4. Authorize the Mayor and/or City Manager or designee to execute all necessary documents related to the 2017-2020 Local Housing Assistance Plan, subject to review by the City Attorney as to form and legality.