



Affordable Housing Study Commission Annual Stakeholders Meeting September 7, 2006

Meeting Summary

The purpose of this meeting was to solicit public comment and input on the Commission's 2006-2007 study topic, which is a review of the State Housing Initiatives Program (SHIP). Chair Helen Feinberg opened the meeting at 8:45am with a welcome and then introduced staff director, Odetta MacLeish-White, for a 10 minute presentation of the findings and recommendations contained in the 2006 final report. The floor was then opened for public input.

The Commission posed the following questions to the audience:

- 1) Are there local needs that impact housing, such as insurance relief, that the SHIP program could be supporting?
- 2) What challenges, if any, has your local government met with in implementing expedited permitting?
- 3) Several of you have received hurricane housing recovery program funds, a portion of which must be used for extremely low income families. As Florida moves towards serving ELI families in other programs, there is interest in asking local governments to address this population. What challenges would you face in serving this population?
- 4) What successes have you had in regulatory reforms that encourage producing and preserving affordable housing in your community?
- 5) Are there other issues that we have not brought up today which you feel are important?

Are there local needs that impact housing, such as insurance relief, that the SHIP program could be supporting?

- High insurance rates are causing SHIP recipients to return their funds saying they cannot afford to live in the home with these high insurance costs.

- Please allow down payment assistance for those who are first time *homebuyers* as opposed to first time *homeowners*. Clients who have inherited a home are being disqualified. (Commissioner Romagnoli pointed out that this is a local decision, not a requirement of the statute.)
- Mobile homes cannot be purchased with SHIP funds at this time.
- Consider foreclosure prevention or extensions of SHIP mortgages to keep families in homes. These families are dealing with tripled insurance rates and cancelled policies.
- It is very difficult to find viable home owners at less than 50% AMI, which makes it difficult to fulfill the statute's required home ownership percentage. Please provide more flexibility in the home owner vs. rental percentages.
- Please consider using SHIP funds to connect utilities for mobile homes.
- It's hard to serve very low income families, so relaxing income requirements may help. Also, some families in Miami-Dade are trying to buy condos and cannot afford the very high association fees. Please consider allowing SHIP funds to be used for association fees or to set some kind of revolving loan fund to assist with these fees.
- Tracking and reporting requirements are onerous and no one knows why the data is being collected. (Nancy Muller, Policy Director for Florida Housing Finance Corporation, explained that the data is extremely important in educating legislators about the state's housing needs and the impact programs are having in addressing this need.)
- Some insurance companies will not write policies after the third mortgage layer and some SHIP families need more than 3 programs to get into a home.
- CDBG has a "presumed eligible" clause which allows certain people, such as children, to be exempted from income certification and other monitoring or reporting requirements. Can SHIP allow these presumed eligible people to also be exempted from its income certification and monitoring when there is another program already in place?

What challenges, if any, has your local government met with in implementing expedited permitting?

- SHIP administrators have no control over permitting departments and have no ability to enforce expedited permitting.
- In some counties there is a battle of statutes, with building and permitting departments saying that they are guided only by their own statutes which give them 30 days to complete the process.
- In Lee County, the Community Development Department make sure that the heads of the zoning and other building departments are aware of the expedited permitting requirement in the SHIP statute.

- The expedited permitting problem is not at the county level but with federal departments such as Dept. of Environmental Protection or with the Water Management Districts. These agencies are also supposed to expedite affordable housing permits and do not do so.
- Small municipalities are always bringing up new requests for permitting outside of SHIP parameters, i.e. irrigation in front yards. (Nancy Sutton, Polk Co.)

What challenges would you face in serving the Extremely Low Income population?

- A strong nonprofit partner can help a SHIP program serve extremely low income families (ELI) more effectively. (Charlotte Co.)
- Tax credit deals would work if area median income was raised to 80%.
- 10% cap on administrative costs makes it difficult to retain experienced people and to maintain salary and benefits, which continue to go up.
- Use SHIP dollars to provide rental vouchers or offset rental costs.
- SHIP dollars can be used to rebuild public housing units, but the encumbrance and spending deadlines make it difficult to layer in needed federal dollars. Using federal programs is often very lengthy and bureaucratic. Perhaps someone from the state could be appointed to coordinate the federal process with other agencies.

What successes have you had in regulatory reform to encourage producing and preserving affordable housing in your community?

- Manatee County appointed a coordinator to help developers and builders receive all the incentives they could claim. Permitting went from 18 months to 6 months. Packages of incentives have been created as well as an Impact Fee program, in which the county pays two-thirds of the non water/sewer impact fees for an affordable housing development. The developer portion of the fee is frozen at 2004 levels and any future increases will be paid entirely by the county.
- Collier County has created voluntary inclusionary zoning and density bonuses as well as an impact fee deferral program. There is a fast tracking policy on the books for permitting but it was difficult to enforce, so the Planning and Zoning departments hired one person to focus on facilitating fast track applications.

Are there other issues that we have not brought up today which you feel are important?

- With the addition of workforce housing in HB 1363, can the income maximum be raised from 120% AMI to 140% AMI?

Comments from Franz Dutes, Assistant Manager, Housing and Community Development
Division of Orange County

Mr. Dutes approached me after the meeting to share the following thoughts:

- Use SHIP for tenant based rental assistance;
- Consider a small statewide SHIP set aside for affordable housing builders such as Habitat for Humanity;
- Focus now is on moderate income and the SHIP statute has not changed with the times in its focus on extremely low income and very low income families;
- Consider linking regulatory reform to the SHIP allocations. This would mean a jurisdiction's SHIP allocation would be contingent upon meeting the current statutorily required elements and some of the other incentives, which could be made mandatory; and
- Review recommendations from the many affordable housing task forces which have been formed recently around the state.