



STATE HOUSING INITIATIVES PARTNERSHIP (SHIP)

- 1. Legislative Authority:** Chapter 420, Part VII, Florida Statutes and Rule Chapter 67-37, Florida Administrative Code
- 2. Purpose of Program:** To provide funds to local governments as an incentive to create partnerships to produce and preserve affordable home ownership and multifamily housing.
- 3. Funding:** Established by the passage of the 1992 Sadowski Affordable Housing Act. Funds are allocated on a population based formula. The minimum allocation is \$350,000 and the largest allocation is a little over \$9 million. SHIP funds are distributed to all 67 counties and 51 Community Development Block Grant (CDBG) entitlement cities.
- 4. Targeted Population:** Very-low, low and moderate incomes.
- 5. Statutory Requirements for Participation by a Local Government:**
 - Establish a Local Housing Assistance Program
 - Submit a report of the local government's affordable housing programs and accomplishments
- 6. Targeting of Funds:**
 - A minimum of 65% of funds must be spent on eligible home ownership activities.
 - A minimum of 75% of funds must be spent on eligible construction activities.
 - At least 30% of the funds must be reserved for very-low income households (up to 50% of median income).
 - An additional 30% of the funds may be reserved for low-income households (up to 80% of median income).
 - The remaining funds may be reserved for moderate-income households (up to 120% of median income).
 - No more than 10% of SHIP funds may be used for administrative expenses.
- 7. Eligible Housing:** SHIP funds may not be used to assist mobile homes or manufactured housing; however, manufactured buildings with the Department of Community Affairs insignia are permitted.
- 8. Maximum Purchase Price or Value:** Must not exceed 90% of the Average Area Purchase Price established by the U.S. Department of Treasury or determined by the most recent 12-month period for which sufficient statistical information is available.
- 9. Loan Terms:** Local governments provide assistance in the form of grants, deferred payment loans, or direct loans. The terms are locally established for owner occupied housing. Local governments must provide for recapture of funds in the event that the household receiving assistance ceases to occupy the unit. For rental units, the owner must agree to set aside the units for affordable housing for 15 years.
- 10. Housing Strategies:** The Statute requires the program provide the maximum flexibility to local governments to determine the use of SHIP program funds. Some of the strategies developed by local governments include:
 - Down Payment Assistance
 - Purchase Assistance
 - Housing Rehabilitation / Repair
 - Foreclosure Intervention
 - New Construction
 - Disaster Mitigation/Recovery
- 11. Unit Production:** The SHIP Program has assisted in the development or preservation of approximately 94,000 units with approximately \$676 Million in expended funds.
- 12. SHIP Information:** May be found on the internet at: www.floridahousing.org