Frequently Asked SHIP Questions

Q: The Coalition’s last journal and annual conference discussed the housing measures passed by the Florida Legislature in House Bill 1363. What portions of this housing bill are directly related to the SHIP program?

A: The 2006 Florida Legislative session focused significant attention on the topic of affordable housing. The session started with the prompt filing of over 20 affordable housing bills. House Bill 1363, introduced by Representative Mike Davis (R) from Collier County, included most of these bills as well as others and became the omnibus housing bill. The Legislature’s interest in affordable housing was demonstrated by the more than 80 legislators who co-sponsored HB 1363. The cover story in the Coalition’s Summer 2006 edition of the Housing News Network Journal discusses the many major areas of the HB 1363, including provisions to assist extremely low-income households, the Community Workforce Housing Innovation Program (CWHIP), the surplus land initiative and statutory authority for special districts to use land and resources for employee housing.

ESSENTIAL SERVICE PERSONNEL

Several portions of HB 1363 are directly related to the SHIP program. Section 420.9075, which addresses each jurisdiction’s Local Housing Assistance Plan, now includes a requirement to define essential service personnel and a suggestion that the jurisdiction develop a strategy for the recruitment and retention of essential service personnel, as follows:

(3)(a) Each local housing assistance plan shall include a definition of essential service personnel for the county or eligible municipality, including, but not limited to, teachers and educators, other school district, community college, and university employees, police and fire personnel, health care personnel, skilled building trades personnel, and other job categories.

(b) Each county and each eligible municipality is encouraged to develop a strategy within its local housing assistance plan that emphasizes the recruitment and retention of essential service personnel. The local government is encouraged to involve public and private sector employers. Compliance with the eligible criteria established under this strategy shall be verified by the county or eligible municipality.

This topic was discussed in September by a group of more than 100 Housing Administrators at the SHIP Roundtable during the Housing Coalition’s annual conference. As with many aspects of the Local Housing Assistance Plan, each SHIP jurisdiction has the ability to approach the definition of essential service personnel from a unique and locally appropriate perspective. Several jurisdictions at the Roundtable described their approach.

The City of Tallahassee has not finalized its definition, but is considering an approach that recognizes the largest industries within the City. Staff is interested in focusing attention on local and state government employees, hospital employees and teachers, in addition to police, fire and safety personnel. The City of Lauderhill’s definition highlights the essential contributions of teachers, law enforcement, fire and rescue, and disaster response personnel. Manatee County’s definition includes county and school board employees and those vendors and contractors providing services to the county, as well as those enumerated in HB 1363. When the County helps develop apartments or a subdivision of homeownership units, a minimum of one third of the developed units will be reserved for essential service personnel. Sarasota
County’s housing staff has proposed that the County recognize the essential contribution of its broad tourism industry. They recommend that the County approach the definition broadly, defining all workers earning under 100 percent of AMI as essential service personnel. Coalition staff member Stan Fitterman encouraged the housing administrators present to engage community partners during this process of establishing a definition of essential service personnel, including the local Chamber of Commerce and/or Economic Development Council.

Another part of HB 1363 creates a new affordable housing program, the Community Workforce Housing Innovation Program (CWHIP). Since CWHIP intersects with the definition of essential services personnel, it is also relevant to the SHIP administrator. Several communities have expressed an interest in the CWHIP program, a $50 million pilot program designed to provide housing assistance to members of the workforce earning up to 140 percent of the area median income. It is natural that some jurisdictions might have in mind their CWHIP application when creating their SHIP definition for essential service personnel. It is likely, therefore, that some communities may create a SHIP definition of essential service personnel that includes as eligible applicants those earning up to 140 percent of the area median income. State SHIP Administrator Robert Dearduff provides guidance to these communities. He notes that any definition of essential service personnel including households earning up to 140 percent of the area median income, “must state that this is for purposes of CWHIP only. It is important to note that any SHIP funds used in conjunction with CWHIP funds are still restricted to the SHIP (income eligibility) statutory requirements.”

EMPLOYER ASSISTED HOUSING

While HB 1363 encourages local governments to involve public and private sector employers in efforts to support essential service personnel, another section of the bill provides authorization to district employers to use land and resources for employee housing. The Legislation authorizes water districts, community development districts and all other independent districts to provide housing or housing assistance to employees with household incomes below 140 percent of the area median income. Moreover, district school boards are authorized to use school land for the development of affordable housing. The combination of low cost land, employer contributions, SHIP subsidy and other leveraged funds may be an effective formula for developing affordable homeownership and rental opportunities throughout Florida.

ASSISTING DISPLACED RESIDENTS

House Bill 1363 also amends the SHIP Statute to focus attention on the needs of residents who are displaced due to condo conversion or mobile home park closure. Immediately following the new text addressing essential service personnel, the SHIP Statute includes:

(c) Each county and each eligible municipality is encouraged to develop a strategy within its local housing assistance plan that addresses the needs of persons who are deprived of affordable housing due to the closure of a mobile home park or the conversion of affordable rental units to condominiums.

As the Coalition has recently addressed in journal articles Continued on page 30
and workshops, mobile home park closures and condo conversions are significantly increasing the number of Floridians in need of affordable housing alternatives. In just a handful of years, many of Florida’s communities have seen affordable rental units converted into condos, including 80,000 units in Pinellas and 62,000 units in Palm Beach County. While the condo conversion craze has slowed significantly, the closure of mobile home parks is on the rise. Florida newspapers increasingly include articles about residents who are being displaced as parks close so that the property can be redeveloped for higher end use. The Florida Housing Coalition’s President, Jaimie Ross, has conducted Catalyst and conference workshops on mobile home park closures and published articles on the need to enforce the existing statute against displacement in Section 723.083, “Governmental Action Affecting Removal of Mobile Home Owners:”

“No agency of municipal, local, county, or state government shall approve any application for rezoning or take any other official action, which would result in the removal or relocation of mobile home owners residing in a mobile home park without first determining that adequate mobile home parks or other suitable facilities exist for the relocation of the mobile home owners.”

Although two separate Florida Attorney Generals have issued similarly supportive opinions about the protection required for park residents, too many local governments are continuing to close parks without having alternative housing for the park residents. If local government SHIP programs contain a strategy to assist the displaced residents, it will not change the prohibition against displacement in Section 723.083, but could provide assistance to those who are displaced.

LAND DONATION

House Bill 1363 also addresses public land donation, another subject of interest to SHIP jurisdictions. Starting in July 2007, Florida’s counties and municipalities must each inventory their real property holdings to identify parcels appropriate for use as affordable housing. This requirement affects SHIP and non-SHIP jurisdictions alike, along with special taxation districts like Community Redevelopment Areas. The inventory list must be updated every three years, and land on the list may be donated to a housing nonprofit or sold with a restriction requiring the development of permanently affordable housing. This would facilitate the development of community land trusts. In addition, land may be sold so that the proceeds may be placed into a local housing trust fund or used to purchase other land for affordable housing development. During the SHIP Roundtable, Wight Greger, Deputy Director of Jacksonville’s Housing and Neighborhood Services Department indicated that the City is assembling its inventory list and plans to also offer predevelopment funding to those organizations that receive land. Other SHIP jurisdictions may consider how donated land may be leveraged with SHIP funds—possibly for the development of units provided to the target groups discussed in the omnibus housing bill.

EXTREMELY LOW-INCOME:

New Reporting Requirement
The Housing Bill provides a definition for “extremely low income persons” (ELI) and Florida Housing’s SHIP staff has added an ELI definition to the SHIP Rule. It indicates that extremely low income persons are those with annual incomes that “do not exceed 30 percent of the median annual income adjusted for family size for households within the metropolitan statistical area, the county, or the non-metropolitan median for the state.” This definition does not alter the SHIP income set-aside in any way. However, Florida Housing has announced that SHIP jurisdictions must begin to report on services provided to ELI households, starting with their September 2007 annual reports. This tracking and reporting requirement will only pertain to each jurisdiction’s 06/07 SHIP distribution and every distribution received thereafter.

REGULATORY REFORM FOR NEW SHIP JURISDICTIONS

HB 1363 amends section 420.9076 to require that new SHIP communities adopt a much more extensive list of regulatory reform measures than are currently required of SHIP communities. In addition to the current regulatory requirements for expedited permitting and an ongoing process of review in paragraphs (a) and (i), new SHIP communities must adopt the entire list of regulatory reform items below:

(a) The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects. New SHIP communities will be required to add this item to the list.
(b) The modification of impact-fee requirements, including reduction or waiver of fees and alternative methods of payment for affordable housing.
(c) The allowance of increased density levels for affordable housing.
(d) The reservation of infrastructure capacity for housing for very-low-income persons and low-income persons.
(e) The allowance of affordable accessory residential units in residential zoning districts.
(f) The reduction of parking and setback requirements for affordable housing.
(g) The allowance of zero-lot-line configurations for affordable housing.
(h) The modification of street requirements for affordable housing.
(i) The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
(j) The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

If you have additional questions about how House Bill 1363 affects your SHIP program, please contact the Florida Housing Coalition at (850) 878-4219.