

FREQUENTLY ASKED SHIP QUESTIONS

State Housing Initiatives Partnership Program



BY MICHAEL CHANEY

Q. Is it true that there is a new eligible use for SHIP funds? May SHIP be used to pay the monthly rent of an eligible applicant?

A. Yes, offering Rent Subsidies as a new form of SHIP assistance, made possible by the 2015 SHIP Appropriations Implementing Bill Proviso language. The new SHIP use is targeted for a narrow group of eligible applicants. Rent subsidies are “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”. The 2015 Budget Implementing Bill allows an eligible household to receive up to a year of SHIP rent subsidies. While it is scheduled to expire July 1, 2016, it is possible that this new use of SHIP may be again addressed and perhaps extended during the 2016 legislative session.

The targeted attention on special needs applicants follows the Legislature’s decision to require that the last three SHIP allocations include a 20 percent set-aside to assist special needs households, with special priority for individuals with developmental disabilities.

The targeted attention on persons who are homeless comes at a time of increased bipartisan interest in the Legislature to end homelessness. While the new ability to provide rent subsidies makes SHIP a more flexible and important housing resource, it is important to note that SHIP has often been used to prevent homelessness in the past, even before the updates provided along with

the 15/16 allocation. In recent years, SHIP has funded transitional housing to help children and families in imminent danger of becoming homeless. It has helped finance homeless shelters, centers for runaway children, and other emergency shelters. There are also innumerable stories of homeowners in substandard housing at risk of becoming homeless but for the intervention of SHIP substantial rehabilitation.

Q. How does this SHIP change improve our ability to help end homelessness in our community?

A. The new ability to provide rent subsidies for up to twelve months enables SHIP to implement the Housing First model of rapidly rehousing people experiencing homelessness. It will allow SHIP to join in an approach used increasingly in recent years to devote federal and state resources to helping people who are homeless move into permanent housing as quickly as possible. This a

recognized evidence-based approach for rapidly and effectively reducing homelessness and reducing returns to homelessness. Research shows that the vast majority of homeless households—both individuals and families—are best served by rapid rehousing if permanent housing subsidies are not available.

A SHIP jurisdiction would likely contract out SHIP rapid rehousing assistance to a local Continuum of Care agency that is already using this approach with other funding sources. SHIP funds would initially pay for rent and utility deposits as an eligible SHIP tenant moves into an apartment. SHIP then pays for all or part of the month-



ly rent as the tenant receives case management, finds employment and becomes increasingly stable and self-sufficient. The case manager will assess when a SHIP recipient has stabilized enough to take over full payment of the rent. Although a year of SHIP rent payments is allowable, research shows that the average length of rent assistance is between 4-6 months before a tenant assumes responsibility for paying the rent.

The Florida Housing Coalition is currently working with Florida Housing to develop a sample rapid rehousing strategy, along with guidelines for subrecipient agreements and suggestions for working with Continuum of Care agencies. More information on this subject is included in the recording of a June 25th webinar which may be viewed at the Coalition’s website.

Q. In addition to the SHIP staff person, is the applicant the only other person who needs to sign the Income Certification Form?

A. No, all adult household members must sign the Income Certification Form, also known as the RIC for Resident Income Certification. SHIP staff should use the updated 2015 version of the RIC, which includes several signature lines for household members. The signature requirements for all versions of the Florida Housing income certification form are the same as those for HUD’s 50059 tenant certification. Florida Housing’s staff notes that it is not material that the HUD certification statement differs from the verbiage on Florida Housing’s certification statements. An excerpt from Appendix 7-A of the HUD-50059 Data Requirements indicates to “include the following certification statement to be signed and dated by the family head, any spouse or co-head, and all adult family members: “ I/We certify that the infor-

mation in Sections C, D, and E of this form are true and complete to the best of my/our knowledge and belief. I/We understand that I/we can be fined up to \$10,000, or imprisoned up to five years, or lose the subsidy HUD pays and have my/our rent increased, if I/we furnish false or incomplete information.”

Q. Has there been a change in how we calculate asset income for SHIP?

A. Yes, you must use the new Passbook Savings Rate when you determine annual income from net family assets. On October 31, 2014, HUD issued Notice H 2014-15 to announce the new rate is .06%, which became effective on February 1, 2015.

The passbook rate is mentioned in title 24 of the Code of Federal Regulations, which provides the definition of income that guides eligibility determination for SHIP and many housing programs. 24 CFR §5.609(b)(3) addresses income from assets: “include in annual income the greater of either: (1) actual income resulting from all net family assets; or (2) a percentage of the value of such assets based upon the current passbook savings rate as determined by the U.S. Department of Housing and Urban Development (HUD) when a family has net assets in excess of \$5,000.”

For many years, the rate was 2%. However, interest rates have now dropped to a level significantly below 2%. In order to properly represent interest rates, HUD plans to adjust the passbook savings rate at least annually going forward. Just as HUD publishes income limits on an annual basis, it will likewise begin to publish an annually updated passbook savings rate, and its effective date. The rate will be updated using the national average provided by the Federal Deposit Insurance Corporation. [HNN](#)



DO YOU HAVE A QUESTION ABOUT THE SHIP PROGRAM?

Free telephone technical assistance is available to help you successfully implement your SHIP funded work.

Call the Florida Housing Coalition’s SHIP hotline at (800) 677-4548, M-F 8:30-5:00.