



COVID-19 SHIP Frequently Asked Questions

All answers have been approved by Florida Housing Finance Corporation and the Florida Housing Coalition. Last Updated on 04/24/2020

INCOME ELIGIBILITY

Q1: How do we complete the income eligibility determination process for a recently laid off applicant impacted by COVID-19? It is difficult to estimate income in the next 12 months for many applicants who do not know if they are experiencing a temporary lapse of employment income or are fully unemployed.

A: Applicants do not know when or if they will be re-hired. This is a case like those included in the HUD Handbook 4350.3 where you must estimate 12 months of income based on the household's current circumstances. Count and annualize all remaining sources of household income.

ELIGIBILITY DOCUMENTATION

Q2: May a self-certification of income form be used for COVID-19 SHIP emergency assistance?

A. Yes, self-certification (without a notary) can expedite the application process but remember to collect regular income verification later. In mid-April, HUD announced a waiver for the HOME Program to change match requirements, CHDO requirements, allow increased administrative expenses, and more. Most importantly, this waiver allows participating jurisdictions to use self-certification of income for HOME assistance. In the same manner, Florida Housing Finance Corporation staff indicated that the self-certification of income form may be used for COVID-19 SHIP assistance. For both HOME and SHIP, self-certification may be used until December 31, 2020, however housing staff must arrange to later collect the regular income verifications within 90 days after the waiver period. Self-certification is sufficient to document eligibility so you can provide assistance quickly and follow up later by collecting third-party verifications of income. The deadline for completing this verification collection is March 31, 2021. Housing staff who choose to use self-certification must ensure that it takes into consideration all income, including any unemployment benefits the applicant has been authorized to receive. When collecting full verifications later, strive to document the income and circumstances during the COVID-19 period.

A notary is not required for the Self-Certification Form. The form SHIP staff use is called "Disaster Self-Certification of Income Form". Although it includes a space at the bottom for a notary seal, FHFC will follow HUD policy during this COVID period to waive the notary requirement. Instead, the housing administrator may receive the self-certification and sign as a witness to the family signature(s). Similarly, the applicant may sign along with two witnesses before mailing or emailing this to your office. As you receive the completed self-certification, please inform SHIP emergency recipients that income verification will be collected later in the process.



Q3: Follow up about self-certification- If we collect self-certification forms now to prove income eligibility and then provide assistance, what happens if we later collect income verifications that show that the household is not income eligible?

It is very likely that all who complete a self-certification are SHIP income eligible since eligibility extends to those with income up to 140% AMI. To provide an extra measure of security, consider requiring all those who self-certify income equal to around 100% AMI or higher to provide further verification before providing assistance.

Remember that all SHIP applications and income certification forms should contain the warning: “Florida Statute 817 provides that willful false statements or misrepresentation concerning income and assets or liabilities relating to financial condition is a misdemeanor of the first degree and is punishable by fines and imprisonment provided under §775.082 or 775.083.” In the past, when an applicant falsified information and we later learned the applicant did not qualify, the local government would consider the applicant in default and pursue repayment. The same applies to COVID SHIP assistance. Even though most of the time there is a mortgage or lien tied to a property, a local government can still require repayment or work out some repayment plan with the applicant. The local government would not be held responsible to repay the funds to FHFC as long as they tried to collect the funds from the applicant and there was some documentation of this in the file.

Q4: Even when using a self-certification of income, staff must obtain additional income verification eventually. I will try to obtain it now whenever possible. What guidance can you offer related to third party verification?

A. Applicant-provided documents may be collected as third-party verification. These are items dated within the last 120 days like pay stubs, retirement benefit letters, bank account monthly statements, and unemployment benefit notices. For several years now, applicant-provided documents have been defined in Section 5-13 of HUD Handbook 4350.3, Chapter 5, and are considered third-party verification.

Income eligibility for COVID-19 SHIP rent and mortgage assistance may be based on pay stubs and other applicant-provided verifications. The HUD Handbook indicates that housing staff could collect the most recent 4 to 6 consecutive pay stubs. The paystubs of some applicants show weekly income while others have monthly paystubs, so use a specific time frame—like one month of paystubs—as a best practice.

Here is another tip for collecting verifications: remember that the HUD Handbook 4350.3 allows for verbal verifications of income and assets. You must document the company, who you spoke with, their title, the date time and the information provided, your name and title. You can also use mail, e-mail, and scanned documents that can be e-mailed.

Q5: I have been able to obtain the income and asset verification forms to determine the eligibility of current SHIP applicants. However, I am not meeting with applicants right now so they cannot sign the income certification form to complete the eligibility determination process. Can I sign the form for right now, mail an award letter if they are eligible, and make a note that the adult members of the applicant household will sign the form once social distancing policies are relaxed?

A: Yes, it is acceptable during this social distancing period for you alone to sign the income certification form (also called the Residential Income Certification (RIC)). This is an acceptable practice that is similar to how HUD is currently allowing rental property managers to delay collecting



resident signatures for income re-certification. Here is the specific guidance that Florida Housing Finance Corporation's staff has provided on this topic:

The HUD 4350.3 Occupancy Handbook contains guidance regarding extenuating circumstances that cause delay in the execution of its consent forms and HUD 50059 tenant certification and until the IRS issues guidance to the contrary, Florida Housing will emulate HUD and apply the extenuating circumstances principals and postpone execution of all verification and certification documents. The owner must document the reasons for the delay in the resident file ("Applicant/resident did not sign due to COVID-19 risk.") and indicate how and when the tenant will provide the proper signature.

Q6: Can we accept electronic signatures (fax/emailed) on the SHIP income certification forms due to our office being closed to the public?

A: Yes, you can. There is nothing in the SHIP statute or the rule that would prohibit the use of electronic tenant files or signatures. Chapter 668., subsection 668.50 (7) Fla. Stat. states: LEGAL RECOGNITION OF ELECTRONIC RECORDS, ELECTRONIC SIGNATURES, AND ELECTRONIC CONTRACTS.

- (a) A record or signature may not be denied legal effect or enforceability solely because the record or signature is in electronic form.
- (b) A contract may not be denied legal effect or enforceability solely because an electronic record was used in the formation of the contract.
- (c) If a provision of law requires a record to be in writing, an electronic record satisfies such provision.
- (d) If a provision of law requires a signature, an electronic signature satisfies such provision.

Another acceptable process that can be used during this social distancing period is addressed in an answer above about guidance from the SHIP Monitors. The local government staff alone may sign the income certification form (also called the Residential Income Certification (RIC)). This is an acceptable practice that is similar to how HUD is currently allowing rental property managers to delay collecting resident signatures for income re-certification.

Q7: The Rent Assistance webinar discussed guidance from the SHIP monitors about signatures. Does the option of the applicant signing later apply to contracts for work to begin on a rehabilitation project?

A. Yes, it could be used as a last resort, however consider other options that can be used for legally binding documents such as Remote Online Notarization, the use of electronic signatures, or mailing the document for signature and requiring two witnesses.

Q8: Would stimulus funding expected to be received be part of household income?

A. No. this is a one-time payment. If deposited in a bank account, it would be considered an asset.

PREPARING FOR COVID-19 EMERGENCY ASSISTANCE

Q9: What if you do not have rental assistance or foreclosure prevention in your current LHAP? Does a community have to update its LHAP in order to provide COVID-19 emergency assistance?



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A: Yes, you must make a technical revision to the Disaster Strategy in your LHAP to offer COVID-19 Support. Even if you already had a rental assistance or foreclosure prevention strategy, you would also likely make some technical revisions to it.

Most will make a technical revision to a disaster strategy. Email them in underline and strikethrough format to Robert.dearduff@flhousing.org. Replace the 'Summary of the Strategy' from your current disaster strategy with the following:

a. Summary of the Strategy: The Disaster Assistance strategy provides funds to households following a disaster or emergency declared by the President of the United States or Governor of the State of Florida. SHIP disaster funds may be used for items such as, but not limited to:

(a) purchase of emergency supplies for eligible households to weatherproof damaged homes;

(b) interim repairs to avoid further damage; tree and debris removal required to make the individual housing unit habitable;

(c) construction of wells or repair of existing wells where public water is not available;

(d) payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies;

(e) security deposit for eligible recipients that have been displaced from their homes due to disaster;

(f) rental and utility assistance for eligible applicants.

(g) mortgage and utility payment assistance for eligible applicants.

(g) Strategies included in the approved LHAP that benefit applicants directly affected under the Executive Order.

(h) other eligible activities as proposed to and approved by Florida Housing.

In less common cases, you will make revisions to a Rental or Foreclosure Prevention Strategy.

For a Rental Assistance or Eviction Prevention Strategy add this to the summary:

"Temporary rent and utility payments for up to 12 months for tenants financially impacted by a disaster"

For a Foreclosure Prevention Strategy add this to the summary:

"Temporary mortgage and utility payments for up to 12 months for homeowners financially impacted by a disaster"

To be most efficient, use the "Technical Revision & Waiver Requests TEMPLATE" which provides the needed text and guidance (available on the FHC COVID website or by emailing chaney@flhousing.org).

One type of COVID-19 emergency assistance is foreclosure counseling. No LHAP changes are needed to immediately spend SHIP funds on foreclosure counseling. Another question addresses how it is best to contract with a HUD approved counseling agency for this. Foreclosure counseling is allowed on page 4 of all LHAPs under the section K. Support Services and Counseling, which includes the standard language "Available support services may include but are not limited to: Homeownership Counseling (Pre and Post), Credit Counseling, Tenant Counseling, **Foreclosure Counseling** and Transportation."

Q10: On the first COVID-19 webinar on March 19, Robert Dearduff mentioned that the homeownership and construction set-asides can both be waived for the program years that we have unexpended funds toward this disaster. Is this waived for all or something that we need to request?



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We want to make sure prior to diverting funds from homeowner/construction projects to rental assistance.

A: The waiver will be provided at the same time the FHFC approves the technical revision to the SHIP strategy. The FHFC intends to make this process as easy as possible. To be most efficient, use the “Technical Revision & Waiver Requests TEMPLATE” that Florida Housing Coalition staff created to supply the needed text and guidance (available on the FHC COVID website and by emailing chaney@flhousing.org).

As noted on the Template, your waiver request should provide details of the activities, fiscal years and unencumbered dollars involved in the waiver. When a request for waiver of the 65% homeownership set aside is approved, it automatically allows the local government to exceed the 25% cap on rental assistance.

Q11: If we have some unencumbered SHIP funds that we can now use for COVID-19 Foreclosure Assistance and/or Rental Assistance, must we advertise these funds? Would we have to comply with the 30-day rule?

A: Again, the waiver for the advertisement requirements will be provided by the FHFC at the same time your technical revision is approved. Any SHIP local government that wants to provide COVID-19 assistance simply completes a LHAP technical revision to the SHIP disaster strategy. The advertisement waiver is granted at the same time as approval of the technical revision. To be most efficient, use the “Technical Revision & Waiver Requests TEMPLATE” that Florida Housing Coalition staff created to supply the needed text and guidance (available on the FHC COVID website or by emailing chaney@flhousing.org).

Q12: Will waivers apply to all program years or a specific program year(s)?

A. When the local government submits a request for a waiver, they need to specify the SHIP program years.

Q13: Is the special needs set aside requirement still in place for this crisis?

A. Yes.

Q14: Regarding SHIP for Temporary Rent Payments: Assuming a Local Government decides to do this, how quickly could this happen?

A: See the answer above about making technical revisions to a SHIP Strategy, which is the first action to take. The revision does not have to be approved by your city or county commission. Once Robert Dearduff reviews and approves the revision, he will waive SHIP advertisement requirements and you may start announcing assistance, completing other outreach, and accepting applications.

Q15: What if we currently do not have Rental Subsidies in our LHAP? Would we be able to revise our LHAP to allow for these options?

A: See the previous questions and answers about technical revisions and waivers. It is likely that you are planning to offer ‘temporary rent payments’ through your disaster strategy. This is different than offering ‘rent subsidies’, an activity that is reserved only for very low-income households that are



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homeless or special needs, requires a separate LHAP strategy, and should not be included in your disaster strategy. By contrast, first and last month's rent, security and utility deposits, rent and utility payments and eviction prevention can be provided to all eligible income groups by completing a technical revision to your disaster strategy.

AVAILABLE FUNDING AND DEADLINES

Q16: Is there any talk of extending the 6/30/2020 expenditure deadline for SHIP? I anticipate experiencing issues with clients not allowing contractors into their homes and contractors not wanting to enter client homes. COVID-19 has the potential to halt our Rehab program completely.

A: First, consider re-assigning delayed projects to your 20/21 SHIP allocation. Any freed up unencumbered funds could be shifted to COVID-19 emergency rent, mortgage and utility payments. Any local government that cannot use COVID assistance to resolve 17/18 expenditure deadline concerns should submit a request for extension to Robert Dearduff, the SHIP administrator at Robert.Dearduff@floridahousing.org. There are no encumbrance extensions. To be most efficient, use the "Technical Revision & Waiver Requests TEMPLATE" which includes the needed text and guidance about an extension (available on the FHC COVID website and by emailing chaney@flhousing.org).

Q17: Will the waivers also apply to our 20-21 SHIP funds received after July 1 or will we need to request additional waivers?

A. You can include 20-21 as part of the waiver request now if you anticipate you may use those SHIP funds, but you will need to spend the oldest distribution first. Keep in mind, the waivers only apply if funds that are used to assist applicants under the current Executive Order cause the shortfall on a set-aside requirement. The waiver is not a blanket waiver that allows a local government to ignore the set-asides if funds are used for regular SHIP activities. Additionally, the 20-21 funds likely will not be available until October, so it is unlikely Florida Housing would approve that fiscal year being included until there is some indication that the executive order will still be in place at that time.

Q18: For the essence of time, can General Funds be used to help with rent payments and then be reimbursed to the jurisdiction once all third-party income is verified and the client is deemed eligible?

A. This could be done, but it will be at the risk of the local government that all funds provided out of general revenue may not be eligible for reimbursement.

RENTAL ASSISTANCE

Q19: Could you provide information on where folks can apply for rental assistance?

A: Have residents contact the local SHIP office to determine what, if any, rental assistance is available in the community. For the contact information for each jurisdiction, use this link: <https://www.floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program/local-government-information>

Q20: SHIP funds in our county have not been used for rental assistance the past, what is the best way for us to coordinate those services without duplication?



A. Coordinate services with your Continuum of Care and other local non-profit organizations that provide similar services.

Q21: The SHIP assistance discussed in the Rent Assistance webinar is for households in any rental situation, right? Not just in a Low income or SHIP assisted housing.

A. You are correct as long as the applicant qualifies under SHIP income limits. You also might consider from a policy decision to prioritize lower income households, though not required.

Q22: If there are two names on a lease and only one of them has lost their job, can we assist? Also, what about sub-leases? If there are two names on a lease (couple) that rent out an additional room, the additional member has lost his job but is not on lease? Is there help?

A. Yes, if one person in the household is unemployed or under employed, they may be eligible for assistance subject to other eligibility requirements. If the additional household member (renting the room) is part of the household, then yes, the household may qualify for assistance. However, if the additional household member (renting the room) has a lease for the room rental and loses his job, only he would be eligible for assistance with his rent for the room rental.

Q23: How do we know if our applicants have received CARES act funding from other sources before using our limited grant funds?

A: Consider using a duplication of benefits form that will require reimbursement of funds if the assistance provided by the local government is duplicated from another resource. You can include questions on your program application asking the applicant if they are receiving financial assistance from another source related to COVID-19. Due to the many different types of funding made available through the CARES Act, any questions on a program application would be specific to the type of financial assistance being applied for so as not to confuse the applicant. For example, they could be receiving unemployment assistance and then mark that they are receiving COVID-19 financial help. Additionally, having a coordinated effort between organizations providing the same types of assistance (e.g. security deposits, eviction prevention) will reduce duplication. Having a centralized point for all people applying for financial assistance would be helpful. If you are referring to rental payment assistance, it is unlikely you will duplicate the funding. When providing rental assistance, you would contact the landlord to see how much the household owes and then pay the landlord directly.

Q24: I may have missed this but if we determined that the applicant was over income before COVID-19, but now income eligible, will they be eligible for our SHIP Rental Assistance now.

A. Yes, they might be. See the slide from the Rent Assistance webinar with recommendations of priority. In the scenario you write about, this applicant could get rent assistance AFTER all who were SHIP eligible pre-COVID receive assistance.

Q25: The Rent Assistance webinar discussed paying an applicant's rent. Can we assist persons living in motels/hotels?

A. Yes, if you are providing rental assistance under a Disaster strategy and the person is living in a hotel due to an eviction caused by recent unemployment or under employment, you can provide this assistance. SHIP funds do not go far when paying for hotel stays, so explore if applicants in these circumstances could benefit from SHIP paying for a month to month rental instead of a hotel.



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Q26: Is it possible to provide rental assistance and install a toilet or new door to meet the construction set-aside?

A. No. FHFC would prefer that you ask for a waiver of the construction set-aside.

Q27: Would it be acceptable to provide a one-time assistance amount? For instance, \$3,600 for three months based on rent. If the rent is \$1,200, could we give three months of rent to the landlord?

A. You can award it that way but would still pay it out monthly in case circumstances change.

Q28: Can we provide rent payments for people in mobile homes or do the same mobile home provisions apply?

A. The provisions in the statute covering mobile homes will apply. You will need to submit a request for a waiver from FHFC to provide assistance to mobile homes that do not meet the statutory requirements.

MORTGAGE ASSISTANCE

Q29: How do we get a W-9 if we are providing mortgage assistance? Usually it is not easy to get a W-9 from a bank.

A. Document a mortgage assistance application with a monthly mortgage payment statement provided by from the homeowner.

Q30: Is there consideration for individuals who are self-employed?

A. Self-employed applicants will need to provide proof of loss of income. This can be done by providing a recent profit and loss statement.

Q31: If we pay for the mortgage or rent assistance, do we have to put a lien on the property?

A. Most disaster or rental assistance is provided as a grant. Mortgage assistance can be provided as a grant or a loan.

Q32: Can an applicant provide proof of filing for unemployment as verification that they were laid off?

A. Yes.

ADMINISTRATIVE PROCEDURES

Q33: Are offices continuing to offer services to customers as usual during this crisis or have alternate service measures been implemented, and if so, what are those alternatives?

A: Each office and local government will be enforcing different measures. Contact the organization or visit the website to get the most current information. Also, the status of SHIP offices is a topic in the COVID-19 SHIP survey. Each local government that completes this survey at <https://www.surveymonkey.com/r/CX2DL2V> will receive survey results.

Q34: With many of the customers we serve being elderly or disabled, should we proactively be suspending contractual rehabilitation?



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A: Each local government will seek alternative ways of providing assistance under this disaster. Follow the recommendations of your local government officials on how to conduct business moving forward. You can learn about the status of other SHIP rehabilitation programs by completing the COVID-19 SHIP survey. Each local government that completes this survey at <https://www.surveymonkey.com/r/CX2DL2V> will receive survey results.

Q35: Under the SHIP disaster strategy, can funds be provided as a ‘service delivery fee’ to agencies that offer short term rental assistance? This would help them cover their operating/admin expenses.

A: The SHIP program allows for payment of a service delivery fee for subrecipients that administer a SHIP strategy on behalf of the local government. Sponsors can be paid reasonable project delivery fees to carry out all or a portion of a strategy. The amount that will be provided as administrative expenses or project delivery shall be included in the LHAP.

Q36: Can local governments contract with counseling agencies to provide foreclosure prevention or eviction prevention counseling services?

A: Yes, funding to counseling agencies is an eligible SHIP administrative expense. It is a best practice to partner with a HUD approved housing counseling agency. A list of agencies is available at <https://www.hud.gov/states/florida/homeownership/hsgcounseling>.

Q37: Is there an established limit on how much SHIP funding can be used for providing housing counseling?

A: There is not a specific limit on the amount of funds that can be used for counseling, but funds spent on counseling do not comply with any set-asides. Since at least 75 percent of funds must be devoted to construction/rehabilitation and another 10 percent is often devoted to administration, usually only 15 percent of an allocation is available for counseling. However, during this period of COVID-19 response, a local government may receive a waiver of the homeownership and construction set-asides to spend more funds on foreclosure counseling, rent assistance and other COVID-19 emergency response.

Q38: I have a new Local Housing Assistance Plan (LHAP) due May 2. The commission meetings have been canceled as well as the AHAC meetings. Is it possible to get an extension on the submission deadline?

A: There is no extension available for this statutorily mandated deadline. If your LHAP was submitted to FHFC for a conditional review, that submission met the May 2 submission deadline requirement. If not, your LHAP is simply late until it is received. The only effect is that FY 20-21 funds cannot be disbursed until the LHAP is approved and is likely that the first 20-21 disbursements will be available in September or October.

OTHER SHIP TOPICS

Q39: Our City is exploring the idea of providing bed/bathing stations, etc. for the homeless population. Please let us know if we could use the disaster strategy to address the items listed above.

A: No. SHIP is a housing program and requires that an eligible person occupy eligible housing. This activity is more geared to the use of CDBG or ESG funds.



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Q40: Will I be able to submit an application for SHIP rental assistance after this webinar?

A. If you are interested in applying for rental assistance, use the link below to contact the local SHIP office in your community and find out if they have a rental assistance strategy and how to apply for assistance. <https://www.floridahousing.org/programs/special-programs/ship---state-housing-initiatives-partnership-program/local-government-information>

Q41: Will you create a library of these webinars (and resources) on your FHC website?

A. Yes. If you got to our website at <https://www.flhousing.org/covid-19-housing-related-resources/> you will find all of our recorded webinars and handouts. These are usually posted within 1-2 days.

Q42: What is the process for receiving public input to any local SHIP rental assistance program?

A. When a local government writes its three-year Local Housing Assistance Plan it solicits public input in accordance with the process outlined in the plan. Under the executive order, the local government can move forward with disaster assistance and is not required to get input from the public.