



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Scott Morgan, Interim City Manager

THRU: Ibis Camacho, Assistant Director, Community & Economic Development

DATE: April 3, 2025

RE: Consideration of the Program Year 2025-2026 Annual Action Plan and recommendations of programs and activities to be funded under the HOME Program, first hearing.

SUMMARY:

For Program Year (PY) 2025-2026, the City anticipates receiving approximately \$227,234.16 in HOME Investment Partnership (HOME) funds from the U.S. Department of Housing & Urban Development (HUD) as a direct entitlement. The City of Palm Bay is an entitlement community and a member of the Brevard County Housing Consortium, along with Brevard County, Titusville, Cocoa, and Melbourne. Brevard County is the lead entity for the Consortium.

This is a request for approval of housing activities to be funded with HOME funds in the Program Year (PY) 2025-2026 Action Plan. The PY 2025 HOME allocations have not yet been announced. For planning purposes, staff is utilizing the PY 2024 HOME allocation amount of \$227,234.16. The amount will be adjusted upon receipt of the final allocation figure from Brevard County and will return to City Council for the second public hearing on July 3, 2025.

The Housing Division of the Community and Economic Development (CED) Department published a Request for Applications (RFA), accepting proposals from nonprofit agencies from December 6, 2024, through January 6, 2025. The City received only one (1) application. The Housing Division staff reviewed all applications for completeness, eligibility, and consistency with the Consolidated Plan and presented staff recommendations to the Community Development Advisory Board (CDAB) during its regular meeting on February 19, 2025. The CDAB made the below recommendations to City Council. The appeals process started on February 20, 2025, and ended on February 28, 2025. No letters of appeal were submitted to the City.

Proposal Summary

Community of Hope (COH), a Community Development Housing Development Organization (CHDO), is proposing the rehabilitation of an existing one-story building located at 1975 Palm Bay

Road NE, a property owned by the applicant. COH proposes to rehab the building to provide three (3) one-bedroom apartment units to provided as affordable rental housing units for senior citizens.

The agency has over 50 rental units primarily dedicated to former homeless families with children. The agency notes they experienced more referrals for senior citizens needing housing due to increases in rental housing rates and seniors being on fixed incomes. The applicant will has not yet met with the City's development review departments to discuss their proposed rehabilitation project, change of use permits, and any potential rezoning.

HUD provides that a maximum of 10% be used towards the administration of the program, to include a percentage to Brevard County as the lead agency of the HOME Consortium. In addition, a maximum of 15 percent set-aside for CHDO.

The CDAB recommended award of \$170,425.62 to Community of Hope. Below is the breakdown of the annual HOME allocation for PY 2025-2026:

Housing Rehabilitation Project (Community of Hope):	\$170,425.62
CHDO Set-Aside (15%):	\$34,085.12
Administration (City) :	\$16,883.50
Administration (Brevard County - HOME Consortium):	\$5,839.92
TOTAL	\$227,234.16

REQUESTING DEPARTMENT:

Community & Economic Development

FISCAL IMPACT:

There is no fiscal impact to the current Fiscal Year 2025. The Program Year 2025-2026 HOME funding and all awards will be allocated/budgeted during the City's normal budget process for Fiscal Year 2026.

STAFF RECOMMENDATION:

Motion to 1) conduct a Public Hearing to obtain citizen input and comments on housing and community development needs; 2) approve recommendations on Program Year 2025 HOME funding; and 3) provide notice to solicit public comment and notice of final public hearing scheduled for July 3, 2025.

ATTACHMENTS:

Honorable Mayor and Members of the City Council

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1. Florida Today Ad for the Public Hearing
2. HOME Funding Worksheet
3. HOME Proposal Profile