



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 by Community Development Block Grant (CDBG), first hearing.

SUMMARY:

For Program Year (PY) 2025-2026, the City anticipates receiving approximately \$776,641 in Community Development Block Grant (CDBG) 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.

The use of CDBG funds must meet one (1) of the three (3) National Objectives: benefit low/moderate income persons; eliminate or prevent slums or blight; or meet urgent needs. HUD guidelines allow a maximum of 15 percent of CDBG funds to be allocated to public service agencies (providers) and a maximum of 20 percent of CDBG funds to be allocated for administration of the CDBG program.

All activities carried out with CDBG funds must be consistent with the priorities and needs of the City's adopted five (5) year Consolidated Plan. A one (1) year Action Plan (also known as Annual Action Plan) for the Program Year must be completed and submitted to HUD through Brevard County indicating how the Program Year funds will be expended to address the needs identified in the Consolidated Plan. Prior to submittal, a public comment period no less than 30 days and a second public hearing must be conducted. The PY 2025 Annual Action Plan must be submitted to Brevard County by August 1, 2025, for submission to HUD. This is a request for preliminary approval of projects and activities proposed for inclusion in the City's PY 2025 Community Development Block Grant (CDBG) Action Plan. To qualify for CDBG Entitlement funding from the U.S. Department of Housing & Urban Development (HUD), the City is required to annually submit an Action Plan to HUD and receive their approval to award funds for the agencies and projects contained herein. The CDBG allocations for PY 2025 have not yet been released. For planning purposes, staff has utilized the PY

2024 CDBG allocation amount of \$776,641. The funding amount will be adjusted upon receipt of the final allocation amount from HUD.

The Housing Division of the Community and Economic Development (CED) Department published a Request for Applications (RFA), accepting proposals from nonprofit agencies and City departments from December 6, 2024, through January 6, 2025. The City received ten (10) applications for public services and seven (7) applications for public facilities/improvements. 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's award criteria for eligible projects and activities include demonstration of need; measurable outcomes; consolidated plan consistency; organizational capacity and capability; leveraging; financial capacity; and past performance. The CDAB agreed with staff's recommendation and recommend the same 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.

Aside from eligible administrative expenses for program administration and fair housing, the Action Plan proposes to fund six (6) public services agencies, three (3) public improvement (parks) projects, and one (1) project delivery activity (housing rehabilitation inspections). Summary profiles on all projects/activities are provided as an attachment. A worksheet showing the requested amounts and the CDAB and staff recommendations are also attached.

Two public hearings are required for final approval of the Action Plan and will return to City Council on July 3, 2025. The CDBG allocation for PY 2025-2026 (tentatively estimated at \$776,641) is recommended to be awarded for the below categories as follows:

Administration/Planning, includes Fair Housing (20% maximum):	\$155,328
Housing Rehabilitation Inspections (Project Delivery Costs):	\$101,017
Public Services (15% maximum):	\$116,496
Capital Improvement Projects:	\$403,800
Total :	\$776,641

Admin Activity	Project Description	Amount of Request	Staff Recommendation	CDAB Funding Recommendation
Administrative Costs	Salaries, Contracts Admin	\$151,328	\$151,328	\$151,328
Fair Housing	Fair Housing Education	\$4,000	\$4,000	\$4,000
Total		\$155,328	\$155,328	\$155,328

Activity	Project Description	Amount of Request	Staff Recommendation	CDAB Funding Recommendation
Housing Rehabilitation Inspections	Project Delivery Cost	\$101,017	\$101,017	\$101,017

Per HUD guidance CDBG funds may be used for inspections on HOME-funded projects.

Public Services	Project Description	Amount of Request	Staff Recommendation	CDAB Funding Recommendation
Catholic Charities	Homelessness Prevention Program to assist low-income households at risk of homelessness.	\$35,000	\$35,000	\$35,000
Club Esteem, Inc.	Academic and Personal Enrichment After-school and Summer Programs and services for children ages 6-19.	\$15,000	\$15,000	\$15,000
Greater Melbourne PAL	Mentoring Program designed to encourage and support long term relationships between adult role models.	\$23,800	\$21,119	\$21,119
Palm Bay Community & Economic Development Dept.	30-day bus passes to low-income Palm Bay residents.	\$9,324	\$9,324	\$9,324
Palm Bay Recreation Dept.	Summer camp scholarships for low-income persons.	\$102,620	\$14,934	\$14,934
South Brevard Women's Center, Inc.	Transitional Housing Program for victims of domestic violence.	\$34,675	\$21,119	\$21,119
Total				\$116,496

Capital Improvements	Project Description	Amount of Request	Staff Recommendation	CDAB Funding Recommendation
Parks & Facilities - Victoria Playground	Scope will include: City removal of the existing	\$210,000	\$210,000	\$210,000

and Sunshade Structure	playground and fall surface; install new play structure, rubber fall surface, swing set, fall surface, and border. Replace the sunshade structure with a new structure and shade covering.			
Parks & Facilities - Liberty Dugouts	Remove and replace 8 dugouts.	\$156,800	\$156,800	\$156,800
Parks & Facilities - Driskell Restrooms and Doors	Replace restroom doors and frames. Install floor and ceramic wall tile and new restroom wall partitions.	\$37,000	\$37,000	\$37,000
Total				\$403,800

REQUESTING DEPARTMENT:

Community & Economic Development

FISCAL IMPACT:

There is no fiscal impact in the current Fiscal Year 2024-2025. The Program Year 2025-2026 CDBG funding and all awards will be allocated/budgeted during the City's normal budget process for Fiscal Year 2025-2026.

STAFF RECOMMENDATION:

Motion to 1) conduct the first Public Hearing to obtain citizen input and comments on housing and community development needs; 2) approve recommendations on Program Year 2025 CDBG program funding; and 3) upon final allocation announced by HUD provide notice to solicit public comment and notice of final public hearing, scheduled for July 3, 2025.

ATTACHMENTS:

1. Florida Today Ad for this Public Hearing
2. Funding Worksheets showing CDAB and Staff Recommendations
3. Proposal Profile Booklet