



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Ibis S. Berardi, Community and Economic Development Acting Director

DATE: May 16, 2024

RE: Consideration of Substantial Amendment to the City's approved Program Year 2023 Annual Action Plan for Community Development Block Grant Funds, only one reading required.

SUMMARY:

The City of Palm Bay, as a member of the Brevard County HOME Consortium, has adopted a Five-Year Consolidated Plan that is carried out through Annual Action Plans. The Annual Action Plan provides a concise summary of the actions and activities that will be undertaken during that fiscal/program year to address the priority needs and specific goals identified in the Five-Year Consolidated Plan. In accordance with 24 CFR Part 91.105, Section (a)(3), the City is required to follow the Citizen Participation Plan (CPP), which was adopted by City Council on October 6, 2022.

The City of Palm Bay notified the public that a substantial amendment is being made to the Annual Action Plan for Program Year (PY) 2023. The amendment represented herein applies only to the City of Palm Bay's Community Development Block Grant (CDBG) Program and does not affect other elements of the Brevard County HOME Consortium's Consolidated Plan.

Below are the substantial amendments, staff is requesting to be presented:

AMENDMENT NO. 1 - FUNDING REDUCTION

Activity Name: PY 2023 Goode Park

Original CDBG Funding Amount: \$482,379.00

Revised CDBG Funding Amount: \$121,012.00

Reallocation Amount: \$361,367.00*

**Amount available to be reallocated. The quotes received for the scope of work for Goode Park came in substantially lower than originally estimated.*

AMENDMENT NO. 2 - FUNDING INCREASE

Activity Name: Down Payment Assistance Program

Original CDBG Funding Amount: \$160,731.90

Revised CDBG Funding Amount: \$522,098.90

Funding Sources: Reallocation of CDBG funding \$361,367.00* remaining from Goode Park for a total of \$522,098.90 CDBG funding for the Down Payment Assistant Program.

The 30-day public comment period began on April 11, 2024 and ends on May 16, 2024. An increase in funding for the Down Payment Assistance Program would increase the number of affordable housing units in Palm Bay and position the City to meet the U.S Housing & Urban Development's (HUD) 1.5 expenditure ratio by the August 1, 2024 deadline.

The City's Down Payment Assistance Program is administered by Community Housing Initiative (CHI), a certified Community House Development Organization by HUD. The CDBG funding allocated to CHI from prior program years for the Down Payment Assistance Program to serve Palm Bay residents has been expended, and CHI and the City continue to receive requests for more funding for this program.

The Community Development Advisory Board (CDAB) will consider this request at the regular meeting scheduled for May 15, 2024. Because meeting minutes will not be transcribed prior to the Regular Council Meeting on May 16, 2024, staff will advise the City Manager and City Council of the Board's recommendation.

REQUESTING DEPARTMENTS:

Community & Economic Development

FISCAL IMPACT:

If approved, staff will prepare a budget amendment to reduce account 112-3411-554-63.32, CDBG Parks Improvements, by \$361,367.00 and increase account 112-3411-554-38.03, CDBG Down Payment Assistance by \$361,367.00.

STAFF RECOMMENDATION:

Motion to approve a Substantial Amendment to the City's approved Program Year 2023 Annual Action Plan for Community Development Block Grant funds as provided.

ATTACHMENTS:

1. Public Notice Ad Proof
2. Public Notice Ad
3. Request for DPA Funds, CHI