

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: February 26, 2025

TITLE: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE ISSUANCE OF A REQUEST FOR APPLICATIONS (RFA) FOR FY 2025 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND FY 2025 HOME INVESTMENT PARTNERSHIPS (HOME) FUNDS, TO FUND ELIGIBLE PUBLIC SERVICES, AFFORDABLE HOUSING ACTIVITIES, ECONOMIC DEVELOPMENT AND CAPITAL IMPROVEMENT PROJECTS FROM THESE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ENTITLEMENT ALLOCATIONS.

### **RECOMMENDATION**

The Administration recommends approving the Resolution.

### **BACKGROUND/HISTORY**

The City of Miami Beach (the "City") is a U.S. Department of Housing and Urban Development (HUD) designated entitlement city as determined by the decennial census information on population growth lag, age of housing stock, and poverty. The City has been an entitlement community since 1975.

As an entitlement community, the City automatically qualifies for an annual allocation of federal funding under HUD's grant programs including Community Development Block Grant (CDBG) and HOME Investments Partnership (HOME) programs. HUD requires each entitlement community to submit its *One-Year Action Plan*, on an annual basis, describing how it will utilize funding and resources to address priority needs identified in the city's Consolidated Plan.

The One-Year Action Plan is a component of the Five-Year Consolidated Plan required to be filed with HUD. The City's current Consolidated Plan was adopted June 28, 2023. This Five-Year Plan encompasses housing and non-housing community development activities, resources and projects to be undertaken to address the identified community needs for the fiscal years of 2023 through 2027.

Historically, the City's CDBG funds have been used for public services, housing, and public facility improvements, while HOME funds have been used for affordable rental housing and first-time homeownership.

### **ANALYSIS**

The City's annual HUD allocations fluctuate from year to year. HUD has not yet released award amounts for the FY 2025-2026 CDBG and HOME programs. Therefore, as in prior years, the City will base projections on the amount received for FY 2024-2025 and can adjust once HUD releases actual award amounts:

<b>FY 2025 HUD Allocation</b>	
<b>CDBG</b>	\$879,537.00
<b>HOME</b>	\$631,976.00

The City must submit its *2025 Action Plan* for HUD's approval by August 15, 2025. As such, it is necessary to begin the screening process for proposed activities. The process includes the following:

- Release of the RFA;
- Review by staff to determine complete/eligible RFA submissions;
- Review of staff recommendations by the Affordable Housing Advisory Committee (AHAC);
- Thirty (30)-day Comment Period to receive public input;
- City Commission approval; and
- Submission to HUD.

The CDBG program supports programming that benefits low-to-moderate-income persons through direct public services and capital improvements. The program has the following expenditure limitations:

- Administration and Planning cap: Twenty percent (20%) of the award
- Public Services cap: Fifteen percent (15%) of award (public services programming assisting low- to moderate-income residents such as groceries for the elderly, youth services, rent assistance, homeless services, etc.)

The City has funded a variety of Public Services with CDBG funding in the past, including:

- Elder services and community referral information (UNIDAD of Miami Beach)
- Grocery delivery for the elderly (City of Miami Beach Housing and Community Services)
- Rent/utility assistance as a homelessness prevention strategy (City of Miami Beach Housing and Community Services)
- After-school and summer camp youth programming (Boys and Girls Club of Miami – Flamingo Park)
- Youth Leadership Program (Police Athletic League- Flamingo Park)
- Childcare services (Little Havana Activities & Nutrition Center and Raindrop Child Care)

For several years, the City has prioritized CDBG and HOME funds to address significant capital needs in its residential portfolio acquired from Miami Beach Community Development Corporation (MBCDC). The City has also awarded the Housing Authority of the City of Miami Beach (HACMB) rehabilitation funds beginning in FY 2019. The City is currently funding the following affordable housing capital projects:

- The Egret Seawall Replacement (HACMB)
- 841 80<sup>th</sup> St. Rehabilitation (HACMB)
- Vista Breeze (HACMB & Atlantic Pacific Communities)

The HOME Program supports the creation and retention of affordable housing to benefit low-income persons. The HOME Program has funded the First-time Homebuyer and Homeowner Assistance Programs for the past five (5) years. The City's First-time Homebuyer Program provides very-low and moderate-income residents with down payment and rehabilitation assistance to purchase their first home. The Homeowner Rehabilitation Program provides very-low and moderate-income homeowners with financial assistance to make necessary and appropriate repairs to their homes to ensure the retention of affordable homeownership. The HOME Program also funds Tenant-Based Rental Assistance (TBRA), which provides rental

subsidies to low-income households to help make housing more affordable.

The HOME program has the following expenditure limitations:

- Administration cap – Ten percent (10%) of the award
- Community Housing Development Organization (CHDO) cap – Fifteen percent (15%) of the award

The Community Housing Development Organization (CHDO) requests certification from the City annually to become eligible to receive HOME funds for qualified affordable housing projects that serve households earning up to 80 percent of Area Median Income (AMI). At least fifteen percent (15%) of HOME funds must be set aside for specific activities to be undertaken by a CHDO. HUD issued a temporary suspension of the CHDO reservation through December 31, 2025. However, while the commitment deadlines are suspended, the requirement to reserve 15% of HOME funds for CHDOs remains in effect. If the City has uncommitted CHDO set-aside funds after 24 months, it may request HUD's permission to reallocate those funds to non-CHDO HOME projects.

The City is currently in the planning phase for the 2025 Action Plan period. The Administration is seeking authorization to issue a Request for Applications (RFA) to solicit affordable housing, public service, and other eligible projects within the City. The City will review RFA submissions to evaluate project eligibility and compliance with HUD rules and regulations, in addition to project feasibility.

The table below delineates the estimated funding for this RFA from the CDBG Program. Funds will be set aside for the Elderly Grocery Program administered by the Office of Housing and Community Services. This program has been funded by CDBG since 2015, leveraged with additional funding provided through the City's General Fund. The program assisted 114 elderly Miami Beach residents with monthly grocery delivery services during the 2023-2024 program year.

<b>CDBG Funds (estimated)</b>	
<b>CDBG Entitlement</b>	<b>\$879,537.00</b>
City Administration (20%)	\$175,907.00
Public Services Cap (15%)	\$131,930.00
<i>PS Set-Aside for Elderly Grocery Program</i>	\$40,000.00
<b>Public Services Funds Available</b>	<b>\$91,930.00</b>
<b>Funding Available for other projects</b>	<b>\$571,700.00</b>

<b>HOME Funds (estimated)</b>	
HOME Entitlement	<b>\$631,976.00</b>
CHDO Set-Aside (15%)	\$94,796.00
City Administration (10%)	\$63,197.00
<b>Funding Available</b>	<b>\$473,983.00</b>

The attached RFA will be submitted electronically via Neighborly Software to reduce paper waste and facilitate proposal submissions.

### **FISCAL IMPACT STATEMENT**

CDBG and HOME program funds will be used for awarded proposals.

**Does this Ordinance require a Business Impact Estimate?**  
(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:  
See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

## **FINANCIAL INFORMATION**

### **CONCLUSION**

Although HUD has not provided notification of the amount of FY 2025 funding allocations, based on the HUD-imposed timeline for preparation and submission, the Administration recommends authorizing the City Manager to issue the attached RFA for eligible activities to be funded from the City's FY 2025 entitlement allocations from HUD. The RFA will be issued with a qualification that the award of funds is subject to the City's actual HUD funding award. The release of this RFA is a critical piece to the planning process for the *2025 Action Plan*. The Administration recommends approval of this item to ensure timely issuance and subsequent review of the RFA responses to ensure compliance with HUD deadlines.

### **Applicable Area**

Citywide

### **Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?**

No

### **Is this item related to a G.O. Bond Project?**

No

### **Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

### **Department**

Housing and Community Services

### **Sponsor(s)**

### **Co-sponsor(s)**

### **Condensed Title**

Issuance of RFA FY 25 CDBG and HOME. HCS

### **Previous Action (For City Clerk Use Only)**