



## AGENDA MEMORANDUM

*City Manager*

**City Council Regular Meeting Date: July 15, 2025**

**To:** City Council  
**From:** Dana A. Souza, City Manager  
**Date:** July 8, 2025

---

**SUBJECT:** Request from Community Housing and Resources (CHR) to waive the \$20,000 debt service payment for Casa Mariposa for the FY26 budget.

**BACKGROUND:**

The City Council is asked to consider a request from CHR to forgive the FY26 debt payment of \$20,000 repayment schedule for debt incurred for the Casa Mariposa project. The City loaned funds to CHR for the project and the repayment schedule was established by City Council Resolution 15-099. CHR's total debt to the City is \$92,715.

On September 11, 2023, the City Council approved Resolution 23-058 which amended the Agreement between the City and CHR. The amendment was proposed due to the financial impact Hurricane Ian placed on the City, and the City and CHR agreed to reduce funding the City provided to CHR in FY23 (\$414,477) by 20% (reduction of \$82,895). Pursuant to Resolution 23-058, the City's annual contribution to CHR was/is \$331,582 in FY24, \$373,020 in FY 25, and \$414,477 in FY 26. The FY26 amount is the same amount the City provided to CHR in FY23.

In consideration of the necessary funding reductions from the City, CHR asked City Council to waive the debt service payment of \$20,000/year for 2024 and 2025, for a total of \$40,000, which City Council approved.

CHR's letter requesting debt service forgiveness for FY26 will help ease CHR's financial burden and utilize the funds to support operations and resident services. Waiving the debt payment for FY26 will have no impact on the City's FY26 budget.

Should the City Council approve waiving CHR's debt payment for FY26, staff will prepare a Resolution for the City Council to approve at the August City Council meeting.

**FUNDING SOURCE:** N/A

**RECOMMENDED ACTION:** Discussion.

*Sanibel is and shall remain a barrier island sanctuary*