

Prepared by:  
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RETURN TO:  
Monica Arsenault, City Clerk  
City of Cocoa  
65 Stone Street  
Cocoa, Florida 32922

## **FIRST ADDENDUM TO INTERLOCAL AGREEMENT**

### **(Michael C. Blake Subdivision Construction and Sale of Lots)**

**THIS FIRST ADDENDUM TO INTERLOCAL AGREEMENT** (“First Addendum”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024 (“Effective Date”), by and between the **DIAMOND SQUARE REDEVELOPMENT AGENCY**, a Florida Community Redevelopment Agency (“Agency”), and the **CITY OF COCOA**, a Florida Municipal Corporation (“City”).

### **WITNESSETH:**

**WHEREAS**, the Community Redevelopment Act of 1969 (“Act”) authorizes a community redevelopment agency to engage in the provision of affordable housing, whether for rent or for sale, to residents of low or moderate income, including the elderly, as discussed in Section 163.340(9), Florida Statutes; in the definition of “community redevelopment”; and

**WHEREAS**, Section 163.387(6)(c)7., Florida Statutes provides that a community redevelopment agency may budget and appropriate from its tax increment trust fund for the development of affordable housing within the community redevelopment area; and

**WHEREAS**, the City of Cocoa has contracted with Community Housing Initiative, Inc., a Florida non-profit organization qualified as a “Community Housing Development Organization” (CHDO) as defined by the U.S. Department of Housing and Urban Development (HUD), by that certain contract dated June 6, 2023, (“Construction Agreement”) to cause up to five (5) single family, affordable homes in the Michael C. Blake subdivision located within the Diamond Square Community Redevelopment Area; and

**WHEREAS**, the City and Agency entered into the original Interlocal Agreement (“Agreement”) on March 11, 2024, providing for the Agency to contribute up to \$800,000.00 for

the construction and costs associated with the sale and development of the five (5) homes to be used as affordable housing opportunities and to fund a portion of the City's financial obligation under the Construction Agreement; and

**WHEREAS**, Community Housing Initiative, in addition to causing the construction of the five (5) single-family homes to be completed, has also identified and income-qualified potential homebuyers to ensure that they are classified as very-low or low-income persons as defined in Section 420.0004, Florida Statutes, and performed other services to assist the homebuyers; and

**WHEREAS**, the income-qualified buyers have been paired with the City's Homebuyer's Program for down payment assistance for first time homebuyers; and

**WHEREAS**, the Agency now desires to provide an additional \$150,000.00 of funding to the City for the purpose of providing first-time homebuyer downpayment assistance associated with the five (5) homes which shall be used as affordable housing opportunities; and

**WHEREAS**, the City and Agency have made, and continue to make, significant financial investments and policy decisions to redevelop and enhance the Diamond Square area and this Agreement is in furtherance of those continuing efforts; and

**WHEREAS**, the City Council and Agency Board hereby find this Agreement serves a public purpose, is consistent with the Act, the Comprehensive Plan, and the Redevelopment Plan and is in the best interests of the public health, safety, and welfare of the citizens of Cocoa.

**NOW, THEREFORE**, in consideration of the covenants hereinafter set forth in this First Addendum, to be kept and performed by both parties, the Agency and City agree as follows:

**1. Recitals.** The foregoing recitals are true and correct and are hereby incorporated herein by this reference as a material part of this First Addendum.

**2. Amendment to Section 5.2, Agency and City Financial Contribution.** Section 5.2, *Agency and City Financial Contribution*, is hereby stricken in its entirety and replaced with the following:

- (a) The Agency agrees to contribute up to Eight Hundred Thousand Dollars and 00/100 cents (\$800,000.00) to fund a portion of the City's financial obligation under the Construction Agreement. The City agrees to fund the total project costs, including construction costs, developer fees, and closing costs of sale, less the Agency's contribution. The Agency's contribution shall be transferred by the City from the Agency's Tax Increment Trust Fund as a lump sum or periodic payment as deemed appropriate by the City Manager to fund the construction progress and expenses associated with the sale of the affordable housing homes.

(b) The Agency agrees to contribute up to One Hundred and Fifty Thousand Dollars and 00/100 cents (\$150,000.00) to fund first-time homebuyer downpayment assistance provided by the City. The Agency's contribution shall be transferred by the City from the Agency's Tax Increment Trust Fund as a lump sum or periodic payment as deemed appropriate by the City Manager to fund first-time homebuyer downpayment assistance for the purchasers of the five (5) homes being constructed as affordable housing.

**3. Amendment to Section 5.3, Use of Agency Funds by the City.** Section 5.2, Use of Agency Funds by the City, is hereby stricken in its entirety and replaced with the following:

The Agency funds provided under Subsection 2(a) of this Agreement shall be used only for payment of actual construction costs incurred by the City under the Construction Agreement to complete the five (5) affordable housing homes, which shall include developer fees, utility connection fees, and expenses related to the sale of the homes, such as realtor fees and closing costs. The Agency funds provided under Subsection 2(b) of this Agreement shall only be used for the purpose of providing first time homebuyer assistance in accordance with the City's Homebuyer's Program for the five (5) affordable housing homes. Inasmuch as the Agency funds are administratively maintained by the City on behalf of the Agency, the City is hereby authorized, upon notice to the Agency, and without penalty, to stop processing or correct any payment that may be made in violation of this Agreement. Furthermore, if the Agency determines that the Agency funds, in whole or in part, were expended for a wrongful purpose, the Agency shall have the right to reimbursement from the City of the wrongfully expended funds.

**3. Other Terms and Conditions; Conflict.** Any other term or condition of the Agreement not expressly modified by this First Addendum shall remain in full force and effect. Should any term or condition of the Agreement conflict with any term or condition of this First Addendum, this First Addendum shall control.

**IN WITNESS WHEREOF**, the parties hereto have hereunto set their hands and seals this day and year first above written.

**CITY OF COCOA, FLORIDA**

By: \_\_\_\_\_  
Michael C. Blake, Mayor

**ATTEST:**

\_\_\_\_\_  
Monica Arsenault, City Clerk

Approved by City Council on: \_\_\_\_\_

**THE DIAMOND SQUARE  
REDEVELOPMENT AGENCY**

  
\_\_\_\_\_  
Tracy Moore, Chairperson

**ATTEST:**

  
\_\_\_\_\_  
Ryan Browne, Recording Secretary

Approved by Agency Board on: 10/14/2024