

**MINUTES  
CITY OF COCOA  
DIAMOND SQUARE CRA  
REGULAR MEETING  
March 11, 2024**

The Regular Meeting of the Diamond Square Community Redevelopment Agency was held on March 11, 2024, at City of Cocoa, City Hall, 65 Stone Street, Cocoa, FL, as publicly noted.

**I. Call to Order**

Chairperson **MOORE** called the meeting to order at **6:00 pm**.

**ROLL CALL:**

|                 |                     |
|-----------------|---------------------|
| Tracy A. Moore  | Chairperson         |
| Crystal McQueen | Vice Chairperson    |
| Larry Brown     | Agency Member       |
| Jackie Isom     | Agency Member       |
| Marilyn Smith   | Agency Member       |
| Joseph Colombo  | Agency Attorney     |
| Ryan Browne     | Recording Secretary |

**PRESENT:**

|                 |                      |
|-----------------|----------------------|
| Tracy A. Moore  | Chairperson          |
| Crystal McQueen | Vice Chairperson     |
| Larry Brown     | Agency Member - late |
| Jackie Isom     | Agency Member        |
| Marilyn Smith   | Agency Member        |
| Joseph Colombo  | Agency Attorney      |
| Ryan Browne     | Recording Secretary  |

**ABSENT:**

**STAFF PRESENT:**

Community Services Director NEUTERMAN, City Manager WHITTEN (late), and Agency Liaison GOINS (late) were in attendance.

**Invocation:** Vice Chairperson McQUEEN provided the invocation.

**Pledge of Allegiance:** Vice Chairperson McQUEEN led the Pledge of Allegiance to the flag of the United States of America.

[Note: Agency Liaison GOINS arrived at 6:03 pm]

Chairperson MOORE: The Board would like to express their deepest sympathy for two of our members: ISOM and SMITH, who both suffered the loss of a family member: SMITH – lost a brother; ISOM lost her mother. Both are in our prayers and condolences for them and their families during this time of mourning.

II. **Approval of Agenda and Minutes:**

**AGENDA:**

Agenda - Regular Meeting of March 11, 2024.

**\*MOTION by Agency Member SMITH; SECONDED by Agency Member ISOM to approve the Agenda for the Regular Meeting of March 11, 2024 as written.**

**AYES: MOORE, McQUEEN, ISOM, SMITH.**

**MOTION PASSED UNANIMOUSLY (4-0)**

**MINUTES:**

Minutes – Special Meeting of January 30, 2024.

**\*MOTION by Vice Chairperson McQUEEN; SECONDED by Agency Member SMITH to approve the Minutes for the Special Meeting of January 30, 2024 as written.**

**AYES: MOORE, McQUEEN, ISOM, SMITH.**

**MOTION PASSED UNANIMOUSLY (4-0)**

III. **Delegations:** None.

IV. **Presentations:** None.

V. **Action Items:**

1. Request Agency approval of an Interlocal Agreement (ILA) for Affordable Housing construction and related costs, up to \$800,000, in the Michael C. Blake Subdivision between the Diamond Square CRA and the City of Cocoa. Request Agency approval of a Resolution Amending the FY 2024 Budget, BAF# 24-066-

IF1, in the amount of \$800,000, transferring this amount to the City's General Fund to complete the construction of the five affordable homes.

- i. Introduction. Director NEUTERMAN introduced the item. In 2023 Staff requested approval from the Agency for the construction of these homes. There are five total homes, in the Michael C. Blake Subdivision. Initially, the Agency approved \$475,000 towards the construction of these homes; and \$150,000 homebuyer incentives; \$750,000 initial construction from City and worked with CHI to start the building of the homes. The groundbreaking was held Nov. 1, 2023. As part of the CRA Plan update, affordable housing partnerships, such as with CHI, were noted as a priority. The average cost is \$275,000, with an additional \$55,000 for closing costs, including developer fees. So the starting budget was \$1,225,000, comprised of \$475,000 from Diamond Square CRA and \$750,000 from City funds. Deficit to complete: \$441,000. Additional funds will be obtained from our HOME federal funding, plus reduced impact fees and other reductions to help bring down the cost. Utilities cost waiver applied for. Staff is asking the Agency for an additional \$375,000 towards construction costs. Not exceed \$800,000 total. Any remaining money will return to the CRA, upon the sale of the homes. Any remaining funds will remain with the CRA to fund future affordable housing initiatives. Cost breakdown is in your packet. Regarding Down Payment Assistance, there is currently \$150,000 in homebuyer assistance budgeted in the DSCRA. The new homes have an appraised value of \$310,000 - \$320,000. Because this Appraised value exceeds the maximum established by HUD, the City is basically buying down the cost of the mortgage from \$320,000, down the allowed maximum of: \$269,000 for affordable cost, allowed by HUD. City is absorbing the cost difference. This Development Subsidy will result in placing an additional Silent Mortgage, that will be forgiven after 10-years, so long as the homeowner resides in the home the entire time. If for any reason the homeowner sells the property at any time, the City will recapture the prorated amount, depending on the year of the sale.
- ii. [Note: Agency Member BROWN arrives at 6:10 pm.]
- iii. Director NEUTERMAN said that Closing is expected to begin in mid-to late May. Multiple people have qualified for the homes. CHI working on final approvals for all of these candidates. To get them fully funded and approved to purchase the homes.
- iv. Discussion. Vice Chairperson McQUEEN asked, what does this ultimately mean for the Board and how much money will be leftover if we proceed? Director NEUTERMAN replied that currently, in your fund balance reserves (your 'savings account' basically) – you have over \$1,000,000. \$325,000 will transfer to the City to this new account. Any proceeds from the sale of the homes will go into this fund. Future funds will return to the CRA to this account for future Diamond Square CRA affordable housing initiatives.

Agency Member ISOM asked about the size of the homes. Director NEUTERMAN replied that they are, on average, approximately between 1,800 - 1,900 square feet, with 3 bedrooms, 2 bathrooms, and a 2-car garage.

- v. Agency Attorney COLOMBO stated that he has reviewed this document with Staff and also with the City Attorney's Office. The City Attorney's Office uses a Standard Inter-Local Agreement format, of which this is a copy of that format. He reviewed it with the Assistant City Attorney and found it to be an appropriate instrument for what staff is asking to do. Legally it is good to go.
- vi. Chairperson MOORE asked if we were adding these funds to the City account? Director NEUTERMAN replied, yes. She said that the City has a Purchase Order (PO) for the construction of the homes by CHI. These monies will get added to that account, in order to complete the construction of the homes. Chairperson MOORE asked Agency Liaison GOINS if he thought that this amount of money would get us to completion for this project? Director NEUTERMAN responded that the maximum allowed for first-time homebuyer assistance is between \$30,000 - \$40,000 per home. Diamond Square CRA set-aside \$150,000 and additionally, \$150,000 of City dollars. These are HUD dollars. An applicant could potentially get \$30,000 from HUD and another \$30,000 from DSCRA for a total down payment assistance package of \$60,000. This goes a long way to making these homes truly affordable for someone who is interested in purchasing. This can help those who want to be able to live where they work be able to afford to do so. These are excellently built, sturdy block homes. It is going to be a \$320,000 home that they will pay only \$269,000 to own. This allows them to have a reasonable mortgage payment. And they will already have built-in equity from the home. Anyone who applies has to go through the classes with CHI on: how to budget and plan for expensive repairs, like if the A/C breaks. CHI is giving them the tools to be responsible homeowners. We want them to be able to live there for 30 years. That's the ultimate goal.
- vii. Agency Liaison GOINS said that when you look at the cities around us, we are among only a few cities that has programs like this one. We are very special just even having this kind of a program. Some people may criticize and say that this program could do more. Well, of course it could! But, this is a great start for this community. This program is not for everyone, it is focused on helping first-time homebuyers. It does a good job of reaching that goal.
- viii. Chairperson MOORE reminded everyone that the money remains with Diamond Square, set aside for future affordable housing programs. Director NEUTERMAN confirmed that these funds are in a Restricted account for CRA affordable housing use. Agency will receive regular updates. This is a huge project, very aggressive, but, the right way to do this. Building five homes at once, is a huge difference from, say Palm Bay or Melbourne, who did one or two homes at a time over the last few years. Outside developers

are looking at us, and this program in particular, as a positive catalyst for developing the area.

- ix. Agency Member SMITH asked if they would be able to get a walk-through, once these homes are completed? Director NEUTERMAN responded, enthusiastically, yes! We will have a "Welcome Home!" Celebration for them, like we did with the Habitat homes. Provide them with gift baskets. Help them feel welcome in Diamond Square, Cocoa and make them members of our community. Agency Member BROWN asked if we were specifically targeting city employees for these homes? Director NEUTERMAN replied that city employees may have applied, but, that she does not see the list until it is the final list. CHI manages the list. She did say that employees have contacted her with interest, but, she could not say how many in total may have applied, until the final list is generated.

- x. Vote.

**\*MOTION to approve the resolution by Vice Chairperson McQUEEN; SECONDED by Agency Member SMITH, as written.**

**AYES: MOORE, McQUEEN, BROWN, ISOM, SMITH.**

**MOTION PASSED UNANIMOUSLY (5-0)**

Chairperson MOORE said that we have been looking forward to this project since attending the groundbreaking. She is looking forward to welcoming the new residents in their new homes.

Director NEUTERMAN gave an update on the direction the city is going in general, as well as in Diamond Square. Staff are reviewing the City Code, since in Diamond Square, a number of the lots are smaller, "legal non-conforming" lots. This limits the types and sizes of homes that can be built. Working to fix zoning codes and setbacks to accommodate more housing types. Also engaged in creative ways to build new homes, innovative homes that also fit into the neighborhood setting. Of the 43 vacant lots for affordable housing in the City of Cocoa, approximately 36 of those are in Diamond Square. Her goal in the next few years is to see these lots be developed into affordable housing. Sell or develop, funds will come back to affordable housing surplus, to continue this program, creating a virtuous cycle of growth. Chairperson MOORE said that she wants to make sure that the homes we invest in have a long shelf life. Agency Member ISOM asked what happened to the homes that were supposed to be built on Peachtree? Director NEUTERMAN said there was never any homes to be built on that land. That land is surplus that has to be disposed of. We have attempted to get a developer to take on those lots, without success to this point. Recently, the

surplus lots list was taken to Council. Disposal of lots, will follow the new Live Local Act rules. This new process takes some time to implement. Agency Member SMITH asked if Habitat for Humanity would be qualified to develop these lots and Director NEUTERMAN responded, yes, they would qualify. We are in contact with them. They also own several lots in Diamond Square. Our conversations will continue. We have discussed bringing 3-D printed homes to Cocoa, like the one we saw down in Melbourne, continuing the creative solutions discussions as well. Habitat for Humanity is one of our good partners, and we will continue to work with them on solutions to the affordability crisis. Chairperson MOORE mentioned that she believes that townhomes would be a good fit. Agency Member BROWN asked about the Rose Gardens area, could that be a place for townhouses? Director NEUTERMAN said, absolutely, that is one of the areas on the surplus list that has garnered some interest from developers.

Chairperson MOORE said she was going to return to Delegations.

Delegations: Derrick and Erika O'Neal. Mr. O'Neal said that he and his wife purchased a building in Diamond Square. And they were dealing with Ryan Browne regarding a Commercial Façade Improvement Program grant application. They came to see what was the status of their application. He also wanted clarification because the paperwork says a "grant" but what he described was more of a reimbursement. And because we applied for this and its money for a business that they want to receive it. But, the process is on hold. Right now we feed homeless, teach kids how to cook, and that building will suffice for that. If I have to spend \$20,000 to get \$10,000. What really is it? Is it a reimbursement of \$10,000 or is it I spend \$20,000 and get \$10,000 back? I don't know where we are, I haven't heard anything back yet. I do want to move forward, because now we are at a standstill. The grant was going to purchase us new windows, fence, paint on the building. But, if I have to spend \$20,000 in order to get \$10,000. Is the grant really worth getting? According to Ryan, if I only spend \$15,000, I only get back \$7,500. If I spend \$10,000, I get \$5,000. So, I'm really trying to get some clarification on how the process is moving, and where do we stand, or should we just discard this grant and just move forward. And still be in the city of Cocoa to try to do business and try to do good things. I hear all this good stuff about houses? But, what about the small business?

Chairperson MOORE said that we appreciate you coming and asking us these questions. I'm sure city Staff can kind of give you an update on where we are at this point. We have the program for that, but the rules and regulations can be a bit daunting. So, I want Staff to kind of give him an idea on the best way to proceed forward.

Director NEUTERMAN replied that it is a grant. A Façade Grant is a reimbursable, 50% grant. You spend a certain dollar amount and we reimburse you 50%, up to a maximum of \$10,000. Typical of most similar types of state and federal grants that we deal with. We apply for grants and have to spend the money and then ask for reimbursement up to the percentage we are allocated. These are typical for state purchasing guidelines for grant activities. We have to submit all the documentation. We have an application process, where you have to submit an application with all the supporting documentation, including all of your quotes of what it is going to cost. We have to bring it before the Board. Once we bring it before the Board, the Board will decide whether or not to grant that Façade grant to you. Then an agreement with the City that says that you will perform all of your scope of work, whether it is windows, doors, etc. Then you submit documentation to us showing us that you've paid all of your contractors. You have to show us that you have no liens on the property and no code violations. Then the CRA will reimburse you 50%.

Mr. O'Neal: I got that. Ryan did explain that to me. But, I needed to get some clarity. So, with what you're saying, you have to fill out the application? Director NEUTERMAN responded, yes. Mr. O'Neal: that's done. So, where in the process? Director NEUTERMAN responded, so Staff have to review it. We have to check that there are no liens on the property, no code enforcement violations. Once we have done all those verifications, we bring it before the Board. That process typically takes 30-45 days to complete. We only meet once a month, so, depending on when you turned-in your application, determines whether you make it to a meeting within that period. Mr. O'Neal: I think I got with Ryan in February. Am I mistaken, was it February? Ryan BROWNE: we had started the process then sir, but, you had come back with additional paperwork that I had asked for; so, you were on-track for probably being ready at the next meeting, in April, as long as all your paperwork is fine. Just because we started meeting in February, does not mean all the paperwork was submitted in time for this meeting. Director NEUTERMAN: once we stamp it as fully complete, we will bring it before the Board. And follow the process outlined previously, including our purchasing guidelines. Mr. O'Neal: what are those purchasing guidelines? Director NEUTERMAN: basically, you cannot do any work prior to approval from the Board. Then you have to show us the contractors and that you have paid them. You must show us proof of payment, with either a cancelled check or a credit card statement that is paid in full. Then we submit for reimbursement. Mr. O'Neal: when is the April meeting? Director NEUTERMAN: April 15<sup>th</sup>. Chairperson MOORE: she's not sure if we've done this before, but try to match up former recipients who have done this

before may be helpful for them to talk to. She admitted that it can be daunting. Mrs. Erika O'Neal: How many people have gotten that Grant? How successful is that program? I have not heard of many people at all getting that grant. Or is it so daunting that no one can partake in this grant? How many people have been awarded this grant? Director NEUTERMAN: Since the inception of the Diamond Square program we have probably had 10-15 applicants approved. Within the last 15 years. Budgeted for one application per year, \$10,000. If we have more than one applicant in a year, we go before the Board and ask them to reallocate more funds. In contrast, Cocoa CRA businesses, give more: \$50,000, or 5 per year, vs. DSCRA has 1. But, there are more businesses in Cocoa CRA than in Diamond Square CRA. It's not that the application process is daunting, it is that some businesses do not want to wait for the grant process, so they end up making improvements on their own. Mrs. O'Neal: is that a state mandate, the 50% rate? Most small businesses in Diamond Square are not going to have \$20,000 sitting in the bank. Director NEUTERMAN: our attorney can talk about the legal issues of giving out the money ahead of time. Then we have issues of people not finishing the work agreed upon and we have no way to make them finish. Agency Attorney COLOMBO: 50%, but, you can get a proportional, so if you cannot afford \$20,000, you could spend \$10,000, and get \$5,000 back. Once approved, and you follow Staff's guidelines, you're pretty much guaranteed to be funded. Once started, no one has gone unfunded since 1998. Chairperson MOORE: Could you please explain a little bit more about your business? A Taste of Elegance Kitchen? Mrs. O'Neal: A Taste of Elegance Commissary Kitchen, which she believes would make it the first black-owned commissary kitchen in the city of Cocoa. A rental kitchen, a commercial for other businesses, like: food trucks, caterers, hot dog carts, etc. That is the purpose behind the kitchen. Chairperson MOORE: and it's much needed, because the state will shut you down if you don't have the right kind of rules and regulations on food preparation. Agency Member BROWN: When was the Façade grant updated? What's your definition of a contractor? Director NEUTERMAN: The Façade grant was last updated in 2022. A contractor is somebody who is licensed. Agency Member SMITH: Would they have to do it all at once? Director NEUTERMAN: they have one year to complete the work. Mr. O'Neal: Windows are \$10,000 by themselves. Everything is more expensive now. That's just the window, let alone the fence or the paint.

[City Manager WHITTEN arrived 6:43 PM]

Vice Chairperson McQUEEN: could you present a PowerPoint of your business, a visual to help us see what you are trying to accomplish?

Director NEUTERMAN: that's part of the application. When Staff brings that to the Board for approval is when the business can give a presentation. (to the O'Neals): What is the address of your business? Mr. O'Neal: 1000 Holmes Street. Agency Member ISOM: Is there a checklist? Director NEUTERMAN: Yes, once they receive the agreement. Agency Member BROWN: to Mr. O'Neal: the fence, for example, could you do that later? In other words, it's not something that you need right now? Director NEUTERMAN: All the work must be completed within a year. Mr. O'Neal: The items I listed on the form: fence, windows, paint. That totaled \$20,000. Our goal was to be open April 1<sup>st</sup>. He's not frustrated about getting the work done, he's frustrated about the process holding him up. Chairperson MOORE: unfortunately so. Agency Member BROWN: how long does it take to get reimbursed? Director NEUTERMAN: once all receipts have been received and verified, it takes about 2 weeks to cut a check. Complete all work within a year. Agency Member BROWN: Can they split at each stage? Director NEUTERMAN: Yes. Chairperson MOORE: so, I hope that you have a better understanding now of the process and the program. We want you to be here, as part of the Diamond Square family. Thank you for coming. Director NEUTERMAN: you would be the only commissary kitchen in the city of Cocoa. Our Upstart Program, need a commissary kitchen. For her Juicing program. You would be the first. And we Appreciate that. See you in April.

VI. **Attorney's Report:** None.

Agency Member BROWN: asked Agency Liaison GOINS if he wanted to ask Staff about the Diamond in the Roads? GOINS deferred to Agency Member SMITH: she said that is one of her questions on updates. Director NEUTERMAN – working on getting quotes and pricing. All were stamped overlay. SMITH: Life expectancy? NEUTERMAN: 5-6 years lifespan. Heavy traffic. Peachtree was done in 2016, showed worn in 2-3 years. Estimated cost is \$75,000 – 100,000 per diamond. We have 3: Peachtree, Blake, and Washington. Agency Liaison GOINS: maintenance, refresh? New vendor in place. We would have to ask? Materials have changed, maybe improved lifespan. Director NEUTERMAN she plans to talk to the Vendor. Agency Member BROWN: look at other options, look at instead – over top of street signs – such as in St. Augustine/Lincolnvill? Could save money. NEUTERMAN: Visible boundaries, shows with this idea. She can look into the costs. That idea would be helpful and more cost effective. Agency Liaison GOINS: budget season. Email him your wish list. Virginia Park – Fiske to Aurora – island, no landscaping. Speed bumps: Holmes St, Blake St., for Charter School, Emma Jewel and churches. July budget meeting. Director NEUTERMAN: please copy me as I have to input the budget.

City Manager WHITTEN: Dr. Joe Lee Smith – Governor – pray that he keeps that line item: \$1.75 million. In addition, the City has set aside \$1.5 million in Fund Balance for Old JLS. Multi-purpose center: Clinic and Montessori.

VII. **Updates and Staff Report**

1. Director NEUTERMAN:

i. Board Updates and Changes

1. Director NEUTERMAN said that there are no applicants for either of the two board vacancies. She asked that Agency Members ask their networks to solicit any interested persons. Direct them to the City Clerk's Office for approval by City Council.

ii. Reminders:

1. Hurricane and Preparedness Training Workshop (flyer)
2. Juneteenth (flyer)
2. Agency Member ISOM; when you serve on the board, you cannot get the grants.
3. Director NEUTERMAN – DSCRA stickers and banner. We can use the banner to showcase what we are doing, for example, at the Juneteenth celebration.

VIII. **Next Meeting Date**

The next scheduled meeting of the Diamond Square Community Redevelopment Agency will be on **April 15, 2024 at 6:00 pm** at Cocoa City Hall, 65 Stone Street, Cocoa, Florida, unless a business need arises earlier.

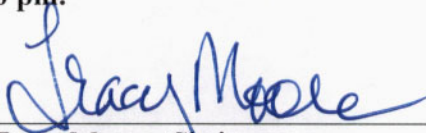
IX. **Adjournment**

**\*MOTION to adjourn by Agency Member BROWN; SECONDED by Agency Member ISOM**

**AYES: MOORE, McQUEEN, BROWN, ISOM, SMITH.**

**MOTION PASSED UNANIMOUSLY (5-0)**

**MEETING WAS ADJOURNED at 7:06 pm.**

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

Respectfully Submitted by:

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