

LAND USE RESTRICTION AGREEMENT

for

ALACHUA COUNTY ENERGY EFFICIENCY PROGRAM

between

ALACHUA COUNTY

and

Lucy Li and Keli Hu

THIS LAND USE RESTRICTION AGREEMENT (hereinafter “LURA” or “Agreement”) is made and entered into as of this 5th day of September, 2024 (the “Effective Date”) by and between Alachua County, a political subdivision of the State of Florida (hereinafter referred to as the “County”) and Lucy Li and Keli Hu, a Florida (state) Hu & Li (corporate form) for itself and its successors, assigns, and agents (hereinafter referred to as the “Owner”).

RECITALS

WHEREAS, the Owner is the owner in fee of that certain real property located in Alachua County, Florida, located at 1717 Southwest 69th Terrace, Unit B, Gainesville, Florida 32607, on Alachua County Tax Parcel 06678-100-007, as further described in Exhibit “A” attached hereto and incorporated herein by reference, hereinafter referred to as the “Property”; and

WHEREAS, the Property is zoned for residential or mixed-use development and is currently being used in a residential rental capacity; and

WHEREAS, both the Property and the current tenant qualify for the Alachua County Energy Efficiency Program per the structural integrity and income requirements of the program, respectively.

WHEREAS, the Owner seeks to improve the Property with energy and water efficiency improvements, with the intent to keep the unit on the market after such improvements as an affordable rental unit; and

WHEREAS, in compliance with the Alachua County Energy Efficiency Program requirements, the Owner agrees to limit rent increases at the Property to the rate of inflation, as defined by the Consumer Price Index, for a period of time, as defined herein; and

WHEREAS, to maintain compliance with the Alachua County Energy Efficiency Program, the Owner and the County wish to ensure that the restricted units are maintained as affordable housing for a period of time defined herein, regardless of any subsequent changes in ownership of the Property.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the County and the Owner do hereby contract and agree as follows:

Section 1. Recitals. The recitals set forth above are true and correct and incorporated into this LURA by reference.

Section 2. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the following terms shall have the respective meanings set forth below:

- a. **“Tenant Income”** means all wages, employed or self-employed, and such other resources and benefits as may be determined to be income by the United States Department of Housing and Urban Development, adjusted for family size.
- b. **“Area Median Income”** means the rate calculated annually by the U.S. Department of Housing and Urban Development, defined as the midpoint of a specific area’s income distribution. The Area Median Income used by this program refers to the Area Median Income of all of Alachua County and not individual Census tracts.
- c. **“Affordability Commitment”** means a commitment by the Owner to not raising rental rates on participating Dwelling Units beyond the rate of inflation as determined by the Consumer Price Index, exempting any specific allowable circumstances described herein in Section 11.
- d. **“Consumer Price Index”** means a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. It is calculated by the U.S. Bureau of Labor Statistics.
- e. **“Dwelling Units”** means the residential rental units within the Project which are Qualified Units.
- f. **“Eligible Household”** means one or more natural persons or a family, the total annual adjusted gross household income of which is at or less than 50 percent of the Area Median Income, as posted annually by the U.S. Department of Housing and Urban Development, for households within Alachua County.
- g. **“Grant Tiers”** means the three levels of grant funding which the Owner can choose to accept, which each come with different Affordability Commitment periods as described in Section 3.
- h. **“Project”** means a single or multifamily rental housing unit or development on the Property for which the Owner is applying for participation in the Alachua County Energy Efficiency Program with the County.
- i. **“Qualified Unit”** or **“Qualified Units”** means those Dwelling Units that meet structural, health, and safety requirements and are determined to be an Eligible Household per the requirements of the Alachua County Energy Efficiency Program.
- j. **“Rental Rate”** means the total amount of all charges for a tenant to occupy a residence, including the lease rate itself and any additional regularly scheduled, non-optional fees which tenants are required to pay as a condition of residency.

Section 3. Affordability Commitment. The Affordability Commitment period shall commence upon the date of signature on this document, and end after a period of time equivalent to the Grant Tier chosen by the Owner, as described below (check one):

A grant amount of no more than \$5,000 corresponds to an Affordability Commitment period of 3 years from the date of signature on this document.

A grant amount of no more than \$10,000 corresponds to an Affordability Commitment period of 5 years from the date of signature on this document.

A grant amount of no more than \$15,000 corresponds to an Affordability Commitment period of 7 years from the date of signature on this document.

Selecting an option above indicates your understanding that this option is the term commitment for this Land Use Restriction Agreement.

Section 4. Use and Occupancy of the Property. The Owner shall comply with the following restrictions regarding the use and occupancy of the Property for the duration of the Affordability Commitment Period as defined and established in Article 3 of this Agreement. These covenants shall run with the land until the end of the designated Affordability Commitment Period and shall be binding on all parties and persons claiming under them.

- a. **Use of Property.** The Owner shall develop and maintain the Project as rental housing and shall rent and hold available for rental the Dwelling Units per the terms of the Affordability Commitment.
- b. **Maintenance of Upgrades.** All features which receive upgrades through the Alachua County Energy Efficiency Program must be maintained in working condition within the Dwelling Unit for the duration of the Affordability Commitment period.
- c. **Maintenance of Appropriate Insurance.** The Owner shall ensure that sufficient insurance is held on the property and associated Program upgrades to replace upgraded items in case of damage or destruction for the length of the Affordability Commitment period.

Section 5. Required Recordkeeping. The Owner shall maintain complete and accurate records pertaining to each Eligible Household occupying a Qualified Unit. These records must be updated annually and shall be maintained for at least seven years following the date of each such record. At a minimum, Owner shall maintain the following records for each Qualified Unit:

- a. A copy of the current lease and any other agreements between the Owner and tenant which include the requirement of a financial payment on behalf of the tenant to the landlord.
- b. A copy of the work agreement(s) which were used to approve the installation of Program upgrades.
- c. Documentation outlining the details of each unit's respective participation in the Alachua County Energy Efficiency Program including what upgrades were completed and are being maintained, and when the Affordability Commitment Period is completed. This information must be included in all new lease documents and signed

or initialed by tenants. Alachua County or its subcontractors will supply an appropriate, completed form after upgrades have been completed and verified which can be used for this purpose, but Owner may use their own forms as preferred.

Section 6. Annual Reporting. Throughout the duration of this Agreement, the Owner shall provide an annual update to the County's Office of Sustainability, Equity, and Economic Development Strategies by October 1, of each year. The annual update shall provide the following information regarding each Qualified Unit enrolled in the Program: (a) unit address; (b) copy of the current lease and any other financial agreements between Owner and current tenant related to the Dwelling Unit; (d) a rental rate increase justification, if applicable; (e) any other information reasonably required to ensure compliance with this LURA and requested by the County. The Owner shall permit the County or its designee to inspect all records, in person or virtually, including but not limited to financial statements and rental records, pertaining to Qualified Units upon reasonable notice and within normal working hours, and shall submit to the County such documentation as required by the County to document compliance with this Agreement.

Section 7. Monitoring and Inspection. The Owner shall permit the County or its designee to inspect all records, including but not limited to financial statements and rental records, pertaining to Qualified Units upon reasonable notice and within normal working hours, and shall submit to the County such documentation as required by the County to document compliance with this LURA. The County may, from time to time, make or cause to be made inspections of the Qualified Units and Project rental records to determine compliance with the conditions specified herein. The County shall notify the Owner prior to scheduled inspections, and the Owner shall make any and all necessary arrangements to facilitate the County's inspection. The County may make, or cause to be made, other reasonable entries upon and inspections of the Property, provided that the County shall give the Owner notice prior to any such inspection, specifying reasonable cause therefore related to the County's interest in enforcing this LURA.

Section 8. Enforcement and Remedies. If the Owner violates any of the terms and conditions of this LURA or breaches a restriction, warranty, covenant, obligation, or duty set forth herein, and if such violation or breach remains uncured for a period of thirty (30) days after written notice thereof, the County shall be entitled, in its sole discretion, to any or all of the remedies described below:

- a. If the County determines that the Owner has taken and diligently continues corrective action and that the breach cannot be corrected within the thirty (30) day period, the County may, in its sole discretion, allow the Owner up to six (6) months after first notice to cure the breach.
- b. The County may institute and prosecute any proceeding at law or in equity to abate, prevent, or enjoin any such violation or attempted violation and to compel specific performance. The County shall be entitled to recover its costs and expenses and reasonable attorneys' fees in any such judicial proceeding where the County shall prevail.
- c. The County may require that the annual update required pursuant to Section 7 hereof be provided quarterly for so long as the County deems reasonable and necessary.

- d. In the event that the Owner charges rent to an Eligible Household that exceeds the limit set by the Affordability Commitment, and the Owner is unable to provide reasonable justification for the increase, the Owner shall reimburse the Eligible Household for the amount overcharged either in a lump sum, or by discounting the rent on the unit over the remainder of the lease term. Refusal to comply will be considered a voluntary withdrawal from the Program.
- e. The provisions hereof are imposed upon and made applicable to the land and shall run with the land and shall be enforceable against the Owner or any other person or entity that has or had an ownership interest in the Project at the time of such violation or attempted violation.
- f. Any failure of the County to enforce this LURA shall not be deemed a waiver of the right to do so thereafter.

Section 9. Covenants Run with the Land. All conditions, covenants, and restrictions contained in this LURA shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by the County its successors and assigns, against the Owner, its successors and assigns, to or of the Property or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof. Each and every contract, deed, or other instrument hereafter executed covering or conveying the Property or the Project or any portion thereof or interest therein shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations, and restrictions, regardless of whether such covenants, reservations, and restrictions are set forth in such contract, deed or other instruments. If a portion or portions of the Property or the Project are conveyed, all of such covenants, reservations, and restrictions shall run to each portion of the Property or the Project.

Section 10. Notice of Intent to Sell or Otherwise Transfer the Property and Subsequent Transfer. Owner agrees to provide written notice to the County upon an intent to sell or otherwise transfer the Property. In the event of a sale or transfer of ownership of the Property, the Owner agrees to provide written notice to the County with contact information regarding the new Owner. The County shall coordinate with any successors and assigns to ensure the affordability terms in this agreement continue throughout the term.

Section 11. Affordability Commitment Reasonability Justification. In the event the Owner wishes to raise rent beyond the rate of inflation as described in this document, the Owner must submit the ACEEP Affordability Commitment Reasonability Justification Application providing a written analysis of each applicable criterion in the application. This justification will include an analysis that the proposed rental rate is in line with affordable housing market rates in the surrounding area and the verified rental amounts of three other rentals in the surrounding area which are not owned by or affiliated with the landlord but may be maintained by a mutual property management firm. What constitutes the surrounding area may differ based on the urban, suburban, or rural context of the unit in question and will be evaluated by program staff based in accordance with the criteria contained in the application. Property owners whose increase in rent is not found

to be justified will be required to reset their rental rate according to the terms of this document or be considered in violation of this agreement.

Section 12. Recordation. This Agreement shall be recorded at the Alachua County County Clerk's Office by Alachua County at the County's expense.

Section 13. Effective Date. This Agreement shall become effective as of the date set forth above.

Section 14. Duration. This Agreement and the restrictions provided herein shall run with the Property and remain in effect for a period of 3 / 5 / 7 years (circle one) from the effective date set forth above. Upon conclusion of the Affordability Commitment period, the covenants herein shall be deemed satisfactory complied with unless documents properly and timely recorded with the Alachua County Clerk of the Circuit Court indicate otherwise, and the County and the Owner will execute a recordable document further evidencing such termination.

Section 15. Modification. The County and its successors and assigns and Owner and the successors and assigns of Owner in and to all or any part of the fee title to the Property, shall have the right to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants, conditions, or restrictions contained in this LURA without the consent of any tenant, lessee, easement holder, licensee, mortgagee, trustee, beneficiary under a deed of trust, or any other person or entity having any interest less than a fee in the Property. Any amendment or modification to this LURA must be in writing and signed by the County and the Owner, or their successors and assigns.

Section 16. Voluntary Early Withdrawal from Program. The Owner is permitted to withdraw from the program prior to the end of the Affordability Commitment period. Doing so requires a payback of the full amount of the original Grant Tier, along with an administrative fee of 10% of the original Grant Tier amount. In such circumstances, payback amount will be returned to the Alachua County Energy Efficiency Program to fund future energy and water efficiency upgrades.

Section 17. Notice. All notices which may be given pursuant to this LURA shall be in writing and shall be delivered by personal service or by certified mail return receipt requested addressed to the parties at their respective addresses indicated below or as the same may be changed in writing from time to time.

As to County:
Michele Lieberman
County Manager
12 SE 1st Street
Gainesville, FL 32601

And with a copy to:
Ralston Reoidca
Housing Program Manager
John Henry Thomas, M.D. Center
218 SE 24th Street

Gainesville, FL 32641

Property Owner:

Lucy Li and Keli Hu

Hu & Li

4014 Northwest 20th Terrace Gainesville, Florida 32605

Section 18. Severability. If any provision hereof shall be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

Section 19. Annexation. This Agreement is not intended to be, and indeed is not, a “development agreement” within the meaning of Sections 163.3220-163.3242, Florida Statutes. The parties shall not be deprived of their rights and obligations, and this agreement shall not be terminated, modified, or affected by operation of a municipal annexation of any portion of the Property.

Section 20. Construction of Agreement. Captions of the Sections and Subsections of this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Agreement.

Section 21. Entire Agreement. This LURA together with the Exhibits embodies the entire agreement and understanding between the parties hereto and there are no other agreements and/or understandings, oral or written, with respect to the subject matter hereof, that are not merged herein and superseded hereby.

Section 22. Counterparts. This Agreement may be executed by the parties in any number of counterparts, each of which shall be deemed to be an original, and all of which shall be deemed to be one and the same Agreement.

Section 23. Venue and Governing Law. Each party covenants and agrees that any and all legal actions arising out of or connected with this LURA shall be instituted in the Circuit Court of the Eight District in and for Alachua County, Florida, or in the United States District Court for the Northern District of Florida, as the exclusive forums and venues for any such action, subject to any right of either party to removal from state court to federal court, which is hereby reserved, and each party further covenants and agrees that it will not institute any action in any other forum or venue and hereby consents to immediate dismissal or transfer of any such action instituted in any other forum or venue. This LURA is entered into within, and with reference to the internal laws of, the State of Florida, and shall be governed, construed, and applied in accordance with the internal laws (excluding conflicts of law) of the State of Florida.

Section 24. Filing of Agreement. The County, upon execution of this Agreement, shall file the same with the Clerk of the Circuit Court in the Official Records of Alachua County.

IN WITNESS HERETO, the parties herein have caused this LURA to be executed at the place and on the day specified hereinabove.

(signatures start on next page)

DEVELOPER: Lucy + Keli Developer Name Keli Hu. Keli Hu.

By: _____
Click or tap here to enter text.

Witness #1 for the Developer:

Witness #2 for the Developer:

Sean McLendon
Signature

Triston Jefferson
Signature

Sean H McLendon
Sean H McLendon
Printed Name

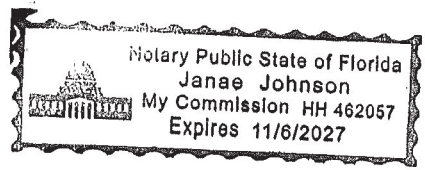
Triston Jefferson
Printed Name

STATE OF FLORIDA
COUNTY OF Alachua

The foregoing document was acknowledged before me this 5th day of September,
2024, by Lucy + Keli Hu as owners of
property, who is personally known to me or has produced Driver's license
as identification.

Janae Latrice Johnson
Notary Public, State of Florida

Janae Latrice Johnson
Printed Name



Commission Number: HH 462057

Commission expires: 11/6/2027

(signatures continued on next page)

ALACHUA COUNTY:

**BOARD OF COUNTY COMMISSIONERS
ALACHUA COUNTY, FLORIDA**

ATTEST

By: _____
Mary Alford, Chair
Alachua County Board of County
Commissioners

J.K. "Jess" Irby, Esq., Clerk

APPROVED AS TO FORM

County Attorney

(SEAL)

NOTICE OF RIGHT TO CANCEL

Lender: Alachua County, a political subdivision of the State of Florida, by its Board of County Commissioners

Date: September 5th 2024

BORROWERS/OWNERS: Lucy Li and Keli Hu

ADDRESS: 4014 NW 20th Terr

CITY/STATE/ZIP CODE: Gainesville, Florida 32605

PROPERTY: 1717 SW 69th Terrace, Unit B, Gainesville, Florida 32607

You are entering into a transaction that will result in a mortgage/lien/security interest on/in your home. You have a legal right under federal law to cancel this transaction, without cost, within THREE BUSINESS DAYS from whichever of the following events occurs last:

- (1) The date of the transaction, which is September 5th 2024; or
- (2) The date you received your Truth in Lending disclosure; or
- (3) The date you received this notice of your right to cancel.

If you cancel the transaction, the mortgage/lien/security interest is also cancelled. Within twenty (20) CALENDAR DAYS after we receive your notice, we must take the steps necessary to reflect the fact that the mortgage/lien/security interest on/in your home has also been cancelled, and we must return to you any money or property you have given us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money within 20 CALENDAR DAYS of your offer, you may keep it without further obligation.

HOW TO CANCEL

If you decide to cancel this transaction, you may do so by notifying us in writing, at:

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than MIDNIGHT of _____ (or MIDNIGHT of the THIRD BUSINESS DAY following the latest of the three events listed above. If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

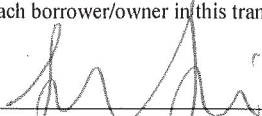
I WISH TO CANCEL

SIGNATURE

DATE

The undersigned each acknowledge receipt of two copies of NOTICE OF RIGHT TO CANCEL and one copy of the Federal Truth in Lending Disclosure Statement.

Each borrower/owner in this transaction has the right to cancel. The exercise of this right by one borrower/owner shall be effective to all borrowers/owners.


BORROWER/OWNER


DATE


BORROWER/OWNER


DATE