

Prepared by and After Recording Return to:
Walton County Planning and Development Services
842 SR-20, Unit 110
Freeport, FL 32439

LAND USE RESTRICTION AGREEMENT
for
AFFORDABLE MULTIFAMILY RENTAL DEVELOPMENT
AS ESTABLISHED BY THE LIVE LOCAL ACT

COMES NOW, Walton County, Florida, a political subdivision of the State of Florida, (hereinafter referred to as the “County”) and enters into this Land Use Restriction Agreement, (hereinafter referred to as the “LURA”) with and between _____, a _____ (*state*) _____ (*corporate form*) (hereinafter referred to as “Owner”).

RECITALS

WHEREAS, the Owner is the fee simple owner of certain property located in Walton County, Florida, as legally described in “Exhibit A” attached hereto and incorporated herein by reference (hereinafter referred to as the “Property”); and

WHEREAS, the Property is zoned for commercial, industrial, or mixed-use development; and

WHEREAS, the Owner seeks to develop the Property with multifamily rental housing; and

WHEREAS, pursuant to Section 125.01055(7)(a), Florida Statutes (2023), as created by Chapter 2023-17, Laws of Florida (the “Live Local Act”), a county must authorize multifamily and mixed-use residential as allowable uses in any area zoned for commercial, industrial, or mixed-use, if at least 40 percent of the residential units in the proposed multifamily rental development are, for a period of at least 30 years, affordable as defined in Section 420.0004, Florida Statutes; and

WHEREAS, the Owner and County agree the Project has been approved as a qualified Live Local Act (hereinafter referred to as “LLA”) project and therefore subject to the LLA’s administrative approval mandate observed by the Planning Director in his/her approval process for the master development order and to be observed in future approval of detailed site plans for

other components of the master plan presented by the Owner as amendments to that master development order; and

WHEREAS, in compliance with the LLA, the Owner agrees to restrict at least 40 percent of the total number of residential units to be developed on the Property as affordable housing (as defined herein) for a period of not less than thirty (30) years, 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 goods and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the County and the Owner do hereby contract and agree as follows:

1. **Recitals.** The “Whereas” clauses stated above are incorporated into and made apart of this agreement as though fully set out herein.
2. **Definitions.**
 - a. “Adjusted for family size” means adjusted in a manner which results in an income eligibility level which is lower for households with fewer than four people, or higher for households with more than four people, than the base income eligibility level, based upon a formula as established by the United States Department of Housing and Urban Development.
 - b. “Adjusted Gross Income” means all wages, assets, regular cash or noncash contributions or gifts from persons outside the Eligible Household, 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, less deductions allowable under Section 62 of the Internal Revenue Code.
 - c. “Affordable” means that monthly rents including taxes, insurance, and utilities do not exceed thirty percent (30%) of that amount which represents the percentage of the annual median Adjusted Gross Income for an Eligible Household.
 - d. “Affordable Unit” or “Affordable Units” mean those Dwelling Units that are Affordable to an Eligible Household. Affordable Units need not be limited to particular Dwelling Units with the Project but may be floating units that change over time. If the Project, as defined herein, is developed with the Maximum Number of Units, the number of Affordable Units with the Project shall be no fewer than _____ (___) Affordable Units.
 - e. “Dwelling Units” means the residential rental units within the Project, including Affordable Units and those units which are market-rate. The Project is approved for no more than _____ (___) Dwelling Units (the “Maximum Number of Units”), of which at least forty percent (40%) shall be Affordable Units.
 - f. “Eligible Household” means one or more natural persons or a family, the total annual adjusted gross household income of which is less than one hundred twenty

percent (120%) of the median annual Adjusted Gross Income for households within the State or Walton County, whichever is greater.

- g. “Planning Director” refers to the Director of the Walton County Department of Planning and Development Services, or their designee for the purposes of implementing these covenants.
 - h. “Project” refers to the project number _____, identified as _____, and all subordinate permits, orders, and approvals related to the multifamily development on said Property, including all directly related improvements (including but not limited to roadways, stormwater, landscaping, parking, and amenities/buildings).
 - i. “Substandard” refers to:
 - i. Any unit lacking complete plumbing or sanitary facilities for the exclusive use of the occupants.
 - ii. A unit which is in violation of one or more major sections of an applicable housing code and where such violation poses a serious threat to the health of the occupants.
 - iii. A unit that has been declared unfit for human habitation but that could be rehabilitated for less than fifty percent (50%) of the property value.
3. **Affordability Period.** The Affordability Period shall commence upon the issuance of the first certificate of occupancy for the Project, and end after a period of no less than thirty (30) years from the date of the issuance of the last certificate of occupancy for the Project. This shall be the duration of this Agreement.
4. **Records.** The Owner shall maintain complete and accurate income records pertaining to each Eligible Household occupying an Affordable Unit. The County shall be granted access to these records immediately upon request. These records must be updated annually and shall be maintained for at least six (6) years following the date of each such record. At a minimum, Owner shall maintain the following records for each occupied Affordable Unit:
- a. An Eligible Household’s complete application for tenancy and related information including the name of each household member, proof of identity, employment, income, and asset information for each household member;
 - b. A copy of the lease agreement listing the term of tenancy, unit occupied, rent amount, and identifying each tenant residing in the Affordable Unit;
 - c. Verification that the household is an Eligible Household as defined herein; and
 - d. Verification that the Eligible Household’s rent is Affordable as defined herein.
5. **Annual Report.** The Owner shall, during the Affordability Period as defined herein, provide an Annual Report to the County’s Planning Director on or before February 28 of each year of the Affordability Period. The Annual Report shall provide the following information regarding each Affordable Unit: the unit address, the number of persons residing in the Affordable Unit, the Adjusted Gross Income of the persons residing in the

Affordable Unit, the monthly rent charged, and any other reasonably required information to ensure compliance with this LURA and requested by the County to ensure compliance with all applicable regulations. The Annual Report shall identify the dates of both the initial and final certificates of occupancy for the Project.

6. **Property Maintenance and Applicable Law Compliance.** The Owner shall at all times operate the Project in conformity with all federal, state, and local laws, rules, regulations, ordinances and orders which may be applicable to the Project, including but not limited to the Federal Fair Housing Act, as implemented by 24 CFR Part 100, the Florida Fair Housing Act, the Americans with Disabilities Act of 1990, and the Florida Americans with Disabilities Accessibility Implementation Act, as amended.
 - a. The Owner shall maintain the Project and the Property in a condition which is consistent with the County's Land Development Code and Comprehensive Plan.
 - b. The Owner and County agree that the Project has been approved under the provisions of the LLA in effect as of the date of the recording of this Agreement and that they must agree in writing in the form of an amendment to this Agreement before any subsequent amendment sections of the LLA are applied.
7. **Substandard.** No Affordable Unit shall be substandard. All one, two, and three-bedroom unit types within the Project will be constructed according to the same plans and specifications and will contain an equivalent level of fixtures, interior design, and appliances, regardless of whether a Unit is designated as affordable or market-rate housing. A Unit may be leased as either an Affordable Housing Unit or a market-rate housing unit from time to time, provided the Owner is in compliance with the covenants set forth herein. The Affordable Units shall be indistinguishable from any other units within the Project.
8. **Demolition.** The Owner agrees that during the term of the Agreement the Owner shall not demolish any part of the Project necessary for the operation of the approved apartment buildings for their intended purposes or substantially subtract from any real or personal property of the project or permit the use of the permitted apartment accommodations for any purpose except residences.
9. **Covenants Run With The Land.** All conditions, covenants, and restrictions contained in this LURA shall be covenants running with the land. Each and every contract, deed, or other instrument hereafter executed for the duration of this Agreement covering or conveying the Property or 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, or restrictions are set forth in such contract, deed, or other instrument. If a portion or portions of the Property or Project are conveyed, all of such covenants, reservations, and restrictions shall run to each portion of the Property or the Project. Prior to any transfer of interest in the Property or the Project, the Owner shall provide written notice no less than thirty (30) calendar days prior to the change in title. This notice shall

be delivered by personal service or by certified mail return receipt requested to the Planning Director of the Owner's intent to transfer the Property or the Project.

10. **Entire Agreement.** This Agreement constitutes the entire understanding between the parties and supersedes all previous agreements or negotiations on the subject matter herein, whether written or oral, and shall not be modified or amended except by written agreement duly executed by the parties in accordance with Paragraph 12.
11. **Failure.** The failure of this Agreement to address a permit, condition, term, or restriction shall not relieve the Owner of complying with the law governing said permitting requirements, conditions, terms, or restrictions.
12. **Modification of Agreement; Estoppel.** Modifications of the provisions of this Agreement shall only be valid when they have been reduced to writing, duly executed by the parties and recorded in the Public Records of Walton County, Florida. The Owner shall pay all fees and charges incurred in connection with recordation.
 - a. Any party may, in connection with the financing or refinancing of the Property, deliver written notice to the other party to certify in writing that this Agreement is in full force and effect, whether it has been modified, and whether such party is aware of any defaults under this Agreement.
13. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
14. **Venue.** Venue for all matters arising from this contract shall lie in Walton County, Florida.
15. **Waiver.** Failure or delay on the part of either party to exercise any right, power, privilege, or remedy under this Agreement shall not constitute a waiver thereof. No modifications or waiver by either party of any provision shall be deemed to have been made unless in writing.
16. **Severability.** The provisions of this Agreement shall be severable and the invalidity of any provision, or portion thereof, shall not affect the enforceability of the remaining provisions.
17. **Enforcement and Cure.** The parties agree that any breach of the terms of this Agreement by either party may be addressed by the non-defaulting party using any and all remedies available to it under law and equity. The prevailing party in any enforcement action shall be entitled to payment from the non-prevailing party of all expenses of its action, including attorney's fees, provided, however, that prior to the commencement of any such enforcement action upon the occurrence of an event of default, the non-defaulting party will give written notice to the defaulting party specifying the alleged default. The defaulting party will then be entitled to thirty (30) calendar days from receipt of such notice within which to cure such default; provided, if the default cannot be reasonably cured within such period, and if diligent efforts to cure are promptly commenced by the defaulting party, then the cure period shall continue as long as such diligent efforts to cure continue.

Dated this _____ day of _____, 20__.

Signed, sealed and delivered in our presence: [owner name]
a [State] [Company Corporation type]

[Owner Name] As Representative

Witness 1 Signature
Print Name:

Address:

Witness 2 Signature
Print Name:

Address:

State of _____
County of _____

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this _____ day of _____, 20__, by [Representative/Owner Name], as Authorized Representative of [Company name], a [State] [Company Corporation type], on behalf of the company who is personally known to me or who has produced _____ as identification.

Notary Public
Print Name: _____
My Commission Expires: _____

[Notary Seal]
Dated this _____ day of _____, 20__.

Signed, sealed and delivered in our presence

WALTON COUNTY, FLORIDA
Planning and Development Services Dept

Stephen Schoen, AICP, Interim Director

Witness 1 Signature
Print Name:

Address:

Witness 2 Signature
Print Name:

Address:

County of WALTON
State of FLORIDA

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 20____, by _____, as Planning Director for the Planning and Development Services department of Walton County, Florida, who is personally known to me or who has produced _____ as identification.

Notary Public
Print Name: _____
My Commission Expires: _____

[Notary Seal]