

City of
CRESTON, IOWA

116 W. Adams • P.O. Box 449 • Creston, Iowa 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Creston's Restored Depot and City Hall

MAYOR: Warren Woods
COUNCIL: Randy White, Loyal Winborn, Betty Shelton, Marsha Wilson, Larry Wagner, Terri Koets, Nancy Loudon
CITY CLERK: Lisa Williamson
CITY ADMINISTRATOR: Mike Taylor
CITY ATTORNEY: Skip Kenyon & Todd Nielsen

Regular Meeting Agenda
City Hall/Restored Depot
Council Chambers
Tuesday, November 20, 2012
6:00 p.m.
11/19/2012 3:47 PM

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Consideration of Agenda**
5. **Consider Adoption of the Consent Agenda – NOTE:** *These items are routine items and will be enacted by one motion without separate discussion unless a Council member requests an item be removed for separate consideration.*
 1. **Minutes:** November 6, 2012 – Regular Meeting
 2. **Claims and Fund Transfers:**
 - i. Total Claims - \$312,710.09
 - ii. Fund Transfers - \$80,382.63
 3. **Parade Permit:** Chamber of Commerce – Lighted Christmas Parade
6. **Public Forum –** *the Mayor and City Council welcome comments from the public on any subject pertaining to City business, including items on this agenda. You are asked to state your name and address for the record and to limit your remarks to 3 minutes in order that others may be given the opportunity to speak. The Order of Business is at the discretion of the Chair. No action will be taken.*
7. **New Business**
 1. Appointment with Todd Spencer or Barb Devore of IowaWorks regarding Skilled Iowa
 2. Motion to Establish the Third and Final Reading on Ordinance No. 13-140 – AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING PROVISIONS PERTAINING TO CEMETERY REGULATIONS
 3. Motion to Establish the Third and Final Reading on Ordinance No. 13-141 – AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING PROVISIONS PERTAINING TO INSTALLMENT PAYMENT OF COST OF ABATEMENT
 4. Motion to Establish the Third and Final Reading on Ordinance No. 13-142 – AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF CRESTON, IOWA, 1996, BY ADDING PROVISIONS PERTAINING TO LIEN EXEMPTION AND BY AMENDING PROVISIONS PERTAINING TO LIEN FOR NONPAYMENT

5. Resolution to Accept Annual Audit Report for the City of Creston for Fiscal Year Ending 06/30/2012
 6. Resolution to approve a proposed Engineering Services Agreement from Clapsaddle-Garber Associates for the Airport Fencing Improvements Project
 7. Resolution to approve agreement with Barker Lemar Engineering Consultants to place soil boring/monitoring wells on City right-of-way in the area of South Elm and West Union Streets
 8. Resolution to approve request of \$18,795.00 from Hotel/Motel Funds for Creston Chamber of Commerce's 2013 Tourism Marketing/Promotion Budget
 9. Resolution to accept a \$3,500 Volunteer Assistance Grant Award on behalf of the Fire Department
 10. Resolution to approve payment of \$1,753.18 to Habitat for Humanity for the NSP House Project at 801 W. Jefferson
 11. Motion to approve temporary street closings on Thursday, November 29, 2012 for Lighted Christmas Parade and Fireworks Display
 12. Appointment with Wayne Pantini, UCDA, to discuss Development Agreement with UCDA
 13. Take action on Development Agreement with UCDA
 14. Motion to approve request from Terian, Inc., to place a six foot tall chain link fence with three stands of barbed wire at 102 W. Union St.
 15. Motion to authorize Mayor to sign Acknowledgment of Covenants for MetroPlains
 16. Setting Community and Economic Development Priorities
- 8. Other**
- 9. Adjournment**

**DEVELOPMENT AGREEMENT
NEIGHBORHOOD STABILIZATION PROGRAM
For 507 S. Elm Street, Creston
UNION COUNTY DEVELOPMENT ASSOCIATION**

THIS AGREEMENT is effective November 20, 2012, by and between the CITY OF CRESTON, hereinafter referred to as the "City," and UNION COUNTY DEVELOPMENT ASSOCIATION, hereinafter referred to as the "Assisted Entity."

IT IS AGREED by and between the parties as follows:

I. PERIOD OF PERFORMANCE

The activities described in this Agreement are to begin no earlier than the effective date of this contract, and shall continue no later than March 15, 2013. All eligible activities and related eligible costs are limited to the above time period, with the exception of eligible pre-development costs specifically approved for reimbursement by the City. Notwithstanding the above, this Agreement and the obligations attendant thereto, shall remain in full force and effect with respect to the Assisted Entity until such time the Property has been conveyed to a qualified homebuyer under the terms and conditions of this Agreement.

II. GENERAL ACTIVITIES AND DEFINITIONS

- A. Project Summary. The City of Creston and UCDA will work to acquire the vacant property located at 507 S. Elm Street, Creston, Iowa 50801 ("Property"). The Property is more specifically described in the Assessor's Card(s) provided as an attachment to this Agreement. The UCDA will finance all aspects of the project, to potentially include acquisition, legal fees, demolition, and new development. After NSP-funded work is completed, the Assisted Entity shall construct a single-family house on the Property to be sold for an income-eligible buyer or maintain the lot as an undeveloped property during the period of affordability, which is based on the amount of NSP funds invested on the property. In general, the City and Assisted Entity shall be responsible for the following activities noted in the lists below.

The City agrees to:

1. Fulfill the environmental review requirements of Section 106 of the National Historic Preservation Act of 1966;
2. Approve project specifications;
3. Pass a resolution declaring the property as blighted prior to acquisition;
4. Pay invoices received from the Assisted Entity and process draw downs from the Iowa Economic Department Authority.

The Assisted Entity agrees to:

1. Provide the City with a Development Schedule and detailed cost estimate for the construction of the new house;
2. Identify a qualified, low-to-moderate income resident or family to purchase the home (or sign a lien requiring it remain vacant for the period of affordability);
3. Secure property from private seller(s);
4. Obtain and review bids for all work on the property;
5. Provide invoices to the City detailing hard costs of construction in order to be reimbursed;
6. Procure appraisal and energy rating services;
7. Secure permits and variances as required to redevelop the property, if redevelopment is planned;

8. Market the property, if redevelopment is completed;
 9. Secure permission for the City and its Administrator to access the property prior to acquisition in order to perform environmental assessments.
- B. Definitions. The following definitions shall apply to this Agreement:
1. "Project" shall include all activities related to acquisition, demolition, construction, sale and occupancy of the Property.
 2. "Buyer" shall refer to the household purchasing the Property.
 3. "Appraisal" shall refer to a real property appraisal conducted by an independent licensed appraiser to determine the market value of the Property.
 4. "Total Development Cost" includes, but is not limited to, all costs for site acquisition, demolition, construction, interest, closing costs and carrying charges. The total development cost does not include the developer fee.
 5. "Commitment" is the dedication of funds provided to the City by the U.S. Department of Housing and Urban Development (HUD) or non-HUD funds to an activity or project by the Assisted Entity or any other participant in the development process, including public, private nonprofit, or for-profit entities, or any of their contractors, prior to the completion of an environmental review conducted in accordance with the provisions of 24 CFR Part 58. A commitment would include, but not be limited to, the execution of a purchase agreement, demolition contract or construction contract.
 6. "Administrator" is the Southern Iowa Council or Governments, or successors, which is contracted with the City of Creston to administer the grant program.
- C. Commitment of Agreement Funds. Prior to completion of the environmental review by the City, the Assisted Entity or any other participant in the development process, shall not make any commitment or undertake an activity using either HUD funds or non-HUD funds if it would have an adverse environmental impact or limit the choice of reasonable project alternatives. Choice-limiting actions include, but are not limited to, site-specific activities such as property acquisition, demolition, construction and related site improvements.
- D. Eligible Costs. All project-related costs charged against this Agreement shall be eligible acquisition costs, development hard costs, or related soft costs under Community Development Block Grant Program regulations, Neighborhood Stabilization Program rules and the terms and conditions of this Agreement. The City reserves the right to make the final determination as to the eligibility and allowability of any cost to be charged against this Agreement.
- E. Forms of Assistance. Assistance shall be provided in multiple forms as described below:
1. The City shall reimburse the Assisted Entity for eligible costs related to the acquisition, demolition, construction and resale of the Property up to the total development subsidy detailed in Section II.E.3. Upon receipt of invoiced costs from the Assisted Entity, the City shall pay all eligible costs within 30 days.
 2. The City shall complete and approve all draw requests submitted to the Iowa Economic Development Authority in accordance with the NSP Program and Contract No. 08-NSP-005.
 3. The reimbursement of costs detailed in Section II.E.1 for the Property shall not exceed the total development subsidy of Forty Thousand Dollars (\$40,000).
- F. Development Schedule. Prior to December 15, 2012, the Assisted Entity shall submit a development schedule for the Property, in a form acceptable to the City. The development schedule shall provide a projected timeline for the completion of pre-development activities and the major activities involved in the Property, including an estimate of total project cost. The development schedule shall be in sufficient detail to allow the City to monitor the progress of the Assisted Entity in completing its obligations under this Agreement.
- III. **ACQUISITION, PRE-DEVELOPMENT AND CONSTRUCTION REQUIREMENTS**
- A. Acquisition. The acquisition of the Property shall be done in accordance with all applicable City and Neighborhood Stabilization Program requirements. These include, but are not limited to: appraisal requirements, Uniform Relocation Act requirements and purchase discount requirements. Additional

provisions are detailed below:

1. The Assisted Entity shall perform all acquisitions.
 2. At least 30 days prior to proposed transaction date, the City shall be notified of the proposal in order to complete the environmental assessment.
 3. The transferred deed must be recorded with the Union County Recorder, and a copy of this recorded warrantee deed must be provided to the City.
- B. Compliance with Applicable Codes. The Assisted Entity shall comply with all applicable codes; including City codes regarding securing of structures and maintenance of yards, during the period of time it owns the Property. The Property shall be subject to inspection or examination by the City, or its authorized representative(s), at any reasonable time.
- C. Property Standards. The Property shall comply with the following standards at the time of initial occupancy:
1. All applicable local codes (including the Building Code, if applicable), and ordinances;
 2. Requirements of the State Building Code Act and Iowa Code Chapter 103A, as amended;
- D. Oversight of Construction. The Assisted Entity shall be responsible for ensuring that all construction work is carried out in accordance with all applicable laws, codes, rules, regulations, standards and ordinances. The Assisted Entity shall act as the general contractor for this project.
- E. Inclusion of Small Businesses. It is anticipated that the Assisted Entity will seek bids from and utilize where possible small businesses, including but not limited to, minority business enterprises (MBE) and women business enterprises (WBE).
- F. Bidding of Construction Work. After review and approval of the Development Schedule by the City, the Assisted Entity shall obtain bids for the labor and materials related to the construction of the Property. Bid requests shall be in a form acceptable to the City. The bid requests shall specify a required date for submission of bids. A list of subcontractors to which bid requests were sent and a tabulation of bids received shall be provided to the City immediately after bid opening.
- G. Assisted Entity Review of Bids. For all work funded by NSP, the Assisted Entity shall be responsible for reviewing all bids received for responsiveness to bid requirements, reasonableness of cost and other factors specified in the bid request. The Assisted Entity shall select contractors whose bid is responsive to the bid request and is most advantageous to the Assisted Entity, price, quality and other factors considered. The Assisted Entity shall maintain records related to the bidding process for the Property, including City approved plans and specifications, bid requests, bids received, bid tabulations and the basis for contractor selection.
- H. Submission of Information on Selected Contractors. For all work funded by NSP, after the Assisted Entity has reviewed bids and selected contractors for construction work on the Property, the Assisted Entity shall submit a statement of total construction cost, in form and substance acceptable to the City, that includes the names of the subcontractors selected through the bidding and bid review process and a schedule of subcontractor costs reflecting the bids from the selected subcontractors, costs for materials to be purchased by the Assisted Entity and any other costs. The Assisted Entity shall enter into a written construction contract with each selected subcontractor.
- I. Final Development Budget. For all work funded by NSP, after the selection of subcontractors, as applicable, the Assisted Entity shall submit a final development budget for the Property to the City. The development budget shall be in a form and substance acceptable to the City, and provide detailed information on acquisition costs, hard construction costs, carrying costs, and other soft costs related to the construction and sale of the Property. The development budget shall also include information on the sources and terms of the financing to be used for the development of the Property.
- J. Environmental Requirements. The City shall complete the environmental review of the Property and will provide the Assisted Entity with any information available as a result of that review. The Assisted Entity shall comply with all environmental related requirements that the City and State of Iowa determine necessary to comply with the provisions of 24 CFR Part 58.
- K. Commencement of Work. The Assisted Entity shall not commence excavation, construction or any other work that results in a physical change to the Property until the property has been deeded to the

Assisted Entity. The Assisted Entity shall comply the items listed below before the Assisted Entity can acquire a property. The City reserves the right to grant written approval to commence work that is limited in scope and nature prior to these requirements being met, and/or require that additional requirements other than those specified below be met prior to granting approval to commence work:

1. The City has completed an environmental review and has received clearance to proceed with the Property;
 2. The City has received any variances to the setbacks or any other requirements of the zoning code, if necessary;
 3. The Assisted Entity has provided a Development Schedule for the Property;
 4. All environmental related requirements have been complied with;
 5. If required by the Building Code, the Assisted Entity has obtained a Building Permit and has obtained all other necessary approvals, permits, and licenses;
 6. All applicable insurance and bonding requirements have been complied with.
- L. Lien Waivers. The Assisted Entity shall obtain lien waivers from all parties providing labor, materials or equipment for the construction of the Property that is funded by NSP. The lien waivers shall be maintained by the Assisted Entity in accordance with the General Terms and Conditions and shall be made available to the City upon request. The Assisted Entity shall immediately notify the City in writing if a Claim of Lien is filed by any party that has provided labor, materials or equipment for the construction of the Property. The notification shall include the name of the party filing the claim, the amount of the claim, a description of the circumstances surrounding the filing of the claim and actions taken and/or planned by the Assisted Entity to resolve the situation.
- M. Completion of Construction. All construction work to be funded by NSP funds shall be completed by March 15, 2013.

IV. OCCUPANCY AND BUYER ELIGIBILITY REQUIREMENTS (If constructed during NSP affordability period)

- A. Occupancy of Property. The Property shall not be occupied without the prior, written approval of the City. Prior to granting approval to occupy the Property, the minimum requirements listed below shall be met. The City reserves the right to require that additional requirements be met prior to granting approval to occupy the Property.
1. If applicable, a Use and Occupancy Permit for the Property has been issued by the City.
 2. The Property has been inspected and found to be in compliance with the City Building Code.
- B. Income Eligibility. At the time of sale of the Property, the Buyer shall have an annual gross income, as defined in 24 CFR Part 5, which does not exceed 120% of the area median income, adjusted for family size. These income limits are subject to periodic revision by HUD.
- C. Principal Residence and Recapture Provisions. The Buyer shall intend to use the Property as his or her principal residence during the duration of the mortgage between the Assisted Entity and the Buyer described in Section V.C.2.
1. The Assisted Entity shall be responsible for informing the Buyer of the principal residence and continued affordability requirements that are a condition of purchasing the Property.
 2. The City shall provide the Assisted Entity with the applicable principal residence and continued affordability requirements. The Assisted Entity shall be responsible for the enforcement of the principal residence and continued affordability requirements through a mortgage and promissory note incorporating the requirements that shall be executed by the Buyer to the City at the time of closing on the purchase of the Property.

V. SALE AND CONVEYANCE OF THE PROPERTY

- A. Appraisal at Completion of Construction. If construction work is funded by NSP and a home will be sold, the Assisted Entity shall obtain an Appraisal of the Property at completion of construction. The Assisted Entity shall provide a copy of the Appraisal, including any updates or revisions, to the City upon receipt.
- B. Sale Price. The maximum sale price shall be established at either 1) the market value of the Property as determined by the Appraisal performed at completion of the construction of the Property; or, 2) at

the total development cost of the Property, whichever is lower. In no case shall the sales price of the Property exceed the maximum sale price established in the previous clause.

- C. Closing on Sale of the Property. The Assisted Entity shall provide the City with a minimum ten (10) days advance, written notice of the closing on the sale of the Property. The following shall occur at the closing on the sale of the Property:
1. The Assisted Entity shall convey ownership of the Property to the Buyer via a Warranty Deed.
 2. The Buyer shall execute a mortgage and promissory note to the Assisted Entity that includes principal residence and continued affordability requirements.

VI. REPORTING REQUIREMENTS

- A. Status Reports. Upon request, the Assisted Entity shall provide written reports to the City, in a format acceptable to the City, on the status of the acquisition, pre-development, construction, marketing and sale of the Property. Such reports shall be submitted to the City within three (5) business days after the City requests the report.
- B. Statement of Total Development Cost. Prior to the closing on the sale of the Property to a Buyer, the Assisted Entity shall provide the City with a detailed statement of the total development cost for the Property, in form and substance acceptable to the City, and a listing of all sources and amounts of financing used in the construction of the Property and the terms and conditions of such financing. The total development cost includes, but is not limited to, all costs for site acquisition, relocation, demolition, construction, interest, closing costs and carrying charges. The City reserves the right to request documentation of any cost shown in the statement and to make the final determination on the eligibility or allowability of any cost contained in the statement of total development cost.
- C. Other Reports. The City reserves the right to revise and/or add supplemental reporting requirements without amending this Agreement.

VII. BUDGET AND METHOD OF PAYMENT

- A. Amount of Agreement. For performance of eligible activities under this Agreement, the Assisted Entity shall be reimbursed by the City for all actual, allowable costs under the terms of this Agreement in an amount not to exceed forty thousand dollars (\$40,000). This amount may be increased, at the sole discretion of the City, with the written approval of the Mayor or his designee, if necessitated by documented unexpected or unanticipated costs or circumstances. The Assisted Entity shall be responsible for all cost overruns beyond the total property investment amount and total development subsidy amount approved by the City.
- B. Method of Payment. The City shall provide payment to the Assisted Entity for actual, allowable costs under the terms of this Agreement, upon submission of required documentation to the City, and after approval of such documentation by the City. To request payment, the Assisted Entity shall submit a payment request, in form and substance acceptable to the City, in accordance with prescribed City procedures. The disbursement of Agreement funds may not be requested until such time Agreement funds are needed for the payment of eligible costs. The amount of each request shall be limited to the amount needed, as determined by the City.

VIII. MISCELLANEOUS PROVISIONS

- A. Additional Contractual Agreements. Prior to entering into any additional contractual agreements with the Assisted Entity, the City shall review the status of completion of activities assisted through this Agreement and any other contractual agreements between the City and the Assisted Entity. Based on this review, the City may, at its sole discretion, decline to enter into any additional contractual agreements with the Assisted Entity until the City determines activities assisted through this Agreement or other contractual agreements with the Assisted Entity are substantially completed.
- B. Photographic Record. The Assisted Entity shall maintain a photo inventory of the construction of the Property, including before, during and after photographs.
- C. Notice of Problems, Delays, Adverse Conditions. The Assisted Entity shall inform the City as soon as any problems, delays, or adverse conditions that materially affect the ability of the Assisted Entity to complete any herein described activity, or prevent the meeting of time schedules becomes known. A statement of the action taken, or contemplated, by the Assisted Entity to resolve the situation shall

accompany this disclosure.

- D. Failure to Complete Activities. In the event the Assisted Entity fails to complete activities in accordance with the terms and conditions of this Agreement, either voluntarily or otherwise, the Assisted Entity shall repay to the City any and all funds provided through this Agreement for the Property.
- E. Severability. If any provision or provisions set forth in this Agreement is in conflict with any Iowa law or is otherwise unenforceable, that provision is void to the extent of the conflict or unenforceability and is severable from and does not invalidate any other provision of this Agreement.
- F. Headings. The headings in this Agreement are for convenience of reference only and shall not affect the meaning of this Agreement.

IX. LIST OF AGREEMENT ATTACHMENTS

This Agreement is subject to and incorporates the following:

- Attachment A – Federal Contract Requirements
- NSP Income Limits
- Property Assessor Card(s)

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement on the last day and year set forth below.

SUBRECIPIENT:

GRANTEE:

UNION COUNTY DEVELOPMENT ASSOCIATION CITY OF CRESTON, IOWA

By: _____

By: _____

Name: Wayne Pantini

Name: Warren Woods

Title: Executive Director

Title: Mayor

Date: November 20, 2012

Date: November 20, 2012

ATTEST: _____

Name /Title: Lisa Williamson, City Clerk

City of
CRESTON, IOWA

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Creston's Restored Depot and City Hall

November 16, 2012

TO: Mayor Woods and City Council Members

RE: Terian Inc. request to place 3 strands of barbed wire on
top of a 6' tall chain link fence at 102 W Union Street.

Terian Inc. is requesting permission from the City Council to place 3 strands of barbed wire on top of a 6 feet tall chain link fence at 102 W Union Street.

Section 41.07 Barbed Wire and Electric Fences states the following:

It is unlawful for a person to use barbed wire or electric fences to enclose land within the City limits without the written consent of the Council unless such land consists of ten (10) acres or more and is used as agricultural land.

The property is zoned as C-1 Commercial and this zone allows for a fence of ten feet in height.

Respectfully submitted,

A handwritten signature in black ink that reads "Kevin Kruse". The signature is written in a cursive, flowing style.

Kevin Kruse
Public Works Director

Preparer Information: [complete] Erin Anderson, MetroPlains, LLC 651-523-1247
801 Washington Avenue North, Minneapolis, MN 55401

Attention: County Recorder - After recording, return original recorded document to: Tax Credit Allocation Department, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, IA 50312 (515) 725-4900

Project # 10-10-25

ACKNOWLEDGMENT OF COVENANTS

RE: Tract 1: Lots One (1), Two (2), and Three (3) of the Subdivision of Lots Two Hundred Eighteen (218), Two Hundred Nineteen (219), and Two Hundred Twenty (220), in the Original town of Creston, Union County, Iowa. Tract 2: Leasehold Estate Created by Memorandum of and Amendment to Parking Agreement executed by and between Hotel Iowana Limited Partnership and the City of Creston, dated November 1, 2010, filed November 10, 2010, in Book 988, Page 242-243, demising and easing for a period of fifty (50) years commencing November 1, 2010, 24 parking spaces located on the following described real estate to wit: Lot 327 through 334, inclusive, all in the Original Town of Creston, Union County, Iowa.

WHEREAS, Hotel Iowana Limited Partnership (the "Owner") is the owner of a 24 unit rental housing development located in the City of Creston, County of Union, State of Iowa, on the real property described above, known as The Iowana (the "Project"); and

WHEREAS, the Iowa Finance Authority (the "Authority") has been designated by Iowa Code Section 16.52 as the housing credit agency for the State of Iowa for the allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

WHEREAS, in connection with an allocation of tax credits for the Project, the Owner has executed a Land Use Restrictive Covenants Agreement for Low-Income Housing Tax Credit Program, dated November 16, 2012 (the "LURA"), and recorded in the Union County Recorder's Office on _____, ____ at Book _____, Page _____; and

WHEREAS, the LURA creates covenants running with the land for the purpose of enforcing certain requirements of Section 42 of the Code and certain additional undertakings of

the Owner in connection with its Application (as defined in the LURA) by regulating and restricting the use and occupancy of the Project as set forth therein; and

WHEREAS, to satisfy section 2(k) of the LURA the Owner has requested that City of Creston (the "Mortgage Holder"), as the holder of a mortgage from the Owner dated as of November 4, 2010 (the "Mortgage"), and recorded in the Union County Recorder's Office on November 10, 2010 at Book 988, Page 264, execute this Acknowledgment of Covenants to (1) acknowledge the Mortgage Holder's consent to the LURA and (2) agree that the Mortgage Holder's interests in the Mortgage are subject to the interests of the Authority under the LURA;

NOW THEREFORE, in consideration of and to induce the Authority to allocate tax credits to the Project, Mortgage Holder hereby agrees as follows:

1. Mortgage Holder, which is the holder of the above-described Mortgage, for itself and its successors and assigns, does hereby agree (a) that its interests under the Mortgage are subject to the restrictive covenants described in the LURA, (b) that such restrictive covenants run with the land as provided in the LURA and (c) that certain restrictive covenants, as set forth in Section 3 of the LURA, will remain in place for a period of three years after any foreclosure or deed in lieu of foreclosure.
2. Mortgage Holder acknowledges (a) that, before its execution of this Agreement, it has reviewed or had the opportunity to review the LURA, (b) that it consents to the Owner's execution of the LURA, and (c) that the LURA imposes substantial restrictions on the use of the property comprising the Project.

DATED this ___ day of _____, 20__.

_____, as Mortgage Holder

By: _____

Its: _____

STATE OF _____ :

:ss.

COUNTY OF _____ :

On this ___ day of _____, 20__, before me, a Notary Public in and for said State, personally appeared _____, to me personally known, who being by me duly sworn did say that the person is _____ of _____ and that said instrument was signed on behalf of _____ by authority of its board and the said _____ acknowledged the execution of said instrument to be the voluntary act and deed of _____ by it voluntarily executed.

Notary Public in and for said State