

**AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN PROPERTIES IN THE VILLAGE TO BE A PUBLIC PURPOSE, DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BENEFIT SAID PROPERTIES, EXEMPTING SUCH IMPROVEMENTS TO THE PROPERTIES FROM REAL PROPERTY TAXATION, AUTHORIZING THE EXECUTION OF SUCH OTHER DOCUMENTS AS MAY BECOME NECESSARY, AND ESTABLISHING A TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS AND RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40, 5709.42 AND 5709.43**

WHEREAS, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 (the "Act") provide that this Council may declare certain improvements to properties within the Village to be a public purpose, thereby authorizing the exemption of those improvements from real property taxation for a period of time, and provide for the making of service payments in lieu of taxes by the owners of such parcels for the purpose of paying for public infrastructure improvements which directly benefit the properties for which the improvements were declared to be a public purpose and establish a municipal public improvement tax increment equivalent fund into which such service payments shall be deposited; and

WHEREAS, this Council desires to make the public infrastructure improvements in the Village described in Exhibit "A" hereto (the "Public Infrastructure Improvements") that once made will benefit or serve the properties known as Permanent Parcel Nos. 500318 and 500319 (each parcel is described in Exhibit "B," attached hereto and all are hereinafter referred to collectively as the "Properties"), the improvements to which are declared to be a public purpose; and

WHEREAS, the Village has determined that it is necessary and appropriate and in the best interests of the Village to provide for service payments in lieu of taxes with respect to the Properties (the "Service Payments") pursuant to Section 5709.42 of the Ohio Revised Code; and

WHEREAS, the Village wishes to enter into an agreement with Sam Petros ("Owner") to make Service Payments for the Public Infrastructure Improvements (the "Development Agreement") attached hereto as Exhibit "C"; and

WHEREAS, the Properties are located in the Revere Local School District and the Board of Education of the Revere Local School District has been provided notice in accordance with Section 5709.83 of the Ohio Revised Code; and

WHEREAS, the Properties are also located in the Cuyahoga Valley Joint Vocational School District and the Board of Education of the Cuyahoga Valley Joint Vocational School District has been provided notice in accordance with Section 5709.83 of the Ohio Revised Code; and

WHEREAS, the Revere Local School District and the Cuyahoga Valley Joint are not required pursuant to the provisions of the Act to approve such TIF Exemption.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Richfield, Summit County, Ohio that:

SECTION 1. The Council hereby designates and confirms that the improvements to the Properties known as Permanent Parcel Nos. 500318 and 500319, currently owned by Owner, as described in Exhibit "B", are determined to be a public purpose.

SECTION 2. The Public Infrastructure Improvements described in Exhibit "A" are hereby designated as those Public Infrastructure Improvements that benefit or serve directly the Properties, are necessary for the public health, safety and welfare of the People of the Village, create and preserve jobs and employment opportunities, and improve the economic welfare of the people of the Village.

SECTION 3. Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40, this Council hereby finds and determines that 75% of the increase in the assessed value of the Properties that would first appear on the tax list and duplicate of real and public utility property after the effective date of this Ordinance (which increase in assessed value is herein referred to as the "Improvement" or "Improvements" as defined in Section 5709.40) is a public purpose, and 100% of said Improvements is hereby declared to be a public purpose for a period of ten (10) years and exempt from taxation commencing with the tax year in which the Improvements first appear on the tax list and duplicate of real and public utility property after the effective date of this Ordinance and ending on the earlier of (1) the date the Improvements have been exempted from taxation for a period of ten (10) years or (2) the date on which the Village has collected into the Fund established in Section 5 hereof a total amount of Service Payments available for and sufficient (i) to pay costs of the Public Infrastructure Improvements, (ii) to pay the principal, interest and premium, if any, on financing for such costs of the Public Improvements, or (iii) to reimburse the Village for other Village funds used by the Village to pay such costs or such principal, interest or premium, prior to receipt of Service Payments, all as further provided in Section 5 hereof.

SECTION 4. As provided in Section 5709.42 of the Revised Code and as more specifically provided in the Development Agreement, the owners of the Properties are hereby required to, and shall make, annual Service Payments to the County Fiscal Officer, Treasurer's Division on or before the final dates for payment of real property taxes, which Service Payments shall be deposited in the Farnam Manor Public Improvements Tax Increment Equivalent Fund established in Section 5 hereof. This Council hereby authorizes the Village Mayor, the Finance Director and the Village Law Director, and other appropriate officers of the Village, to provide such information and certifications, and execute and deliver or accept delivery of such instruments, as are necessary and incidental to collect those Service Payments, and to make such arrangements as are necessary and proper for payment of said Service Payments and to enter into a Development Agreement substantially in accordance

with the Agreement attached hereto as Exhibit "D," the terms of which Development Agreement are hereby approved.

SECTION 5. This Council hereby establishes pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Farnam Manor Improvements Tax Increment Equivalent Fund (the "Fund"), into which shall be deposited all of the Service Payments distributed to the Village with respect to the Improvements on the Properties, by or on behalf of the County Fiscal Officer, Treasurer's Division as provided in Section 5709.42 of the Ohio Revised Code, and hereby provides that all of the moneys deposited in the Fund shall be used for any or all of the following purposes (it being understood that pursuant to Section 5709.42 of the Ohio Revised Code, the County Fiscal Officer shall pay the Revere Local School District and the Cuyahoga Valley Joint Vocational School District directly the amounts those districts would have otherwise received as taxes consistent with Section 5709.40(D)(1) of the Ohio Revised Code):

(i) to pay any and all acquisition, construction, installation, financing costs, and any and all other direct and indirect costs of the Public Infrastructure Improvements, including those costs set forth in Ohio Revised Code Section 133.15(B);

(ii) to pay the interest on, principal of, and any premium on bonds or notes or other obligations, including refunding bonds or notes or other obligations, issued by the Village to finance costs of the Public Infrastructure Improvements until such notes or bonds or other obligations are paid in full; and

(iii) to reimburse the Village for any funds used by the Village to pay costs of the Public Infrastructure Improvements, or to pay interest, principal, or premium on any of the aforesaid notes, bonds, loans or other obligations, prior to receipt of Service Payments.

The Fund shall remain in existence so long as Service Payments are collected and used for the aforesaid purposes, after which said Fund shall be dissolved in accordance with said Section 5709.43.

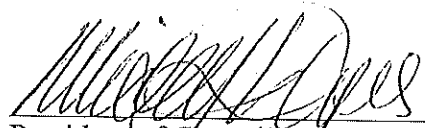
SECTION 6. Pursuant to Section 5709.40 of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Department of Development of the State of Ohio within fifteen days after its passage. On or before March 31 of each year that the exemption set forth in Section 2 hereof remains in effect, the Mayor of the Village or other authorized officer of this Village shall prepare and submit to the Director of the Department of Development of the State of Ohio the status report required under Section 5709.40(I) of the Ohio Revised Code.

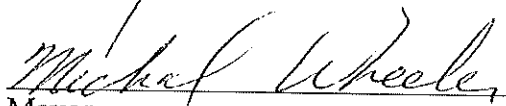
SECTION 7. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this

Council, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

SECTION 8. This Ordinance is declared to be an emergency measure necessity for the immediate preservation of the public peace, health and safety of this Village, and for the further reason that this Ordinance is required to be immediately effective to allow for the Village's undertaking of the Improvements, which are necessary to the continued economic vitality of the Village, at the earliest possible time; wherefore, this Ordinance shall be in full force and effect immediately upon its passage, provided it receives the affirmative vote of five members of Council elected thereto or six affirmative votes if all members of Council are present at the meeting at which it is passed; otherwise it shall be in full force and effect after the earliest period allowed by law.

PASSED: 3-16-2021

  
\_\_\_\_\_  
President of Council

  
\_\_\_\_\_  
Mayor

ATTEST:

Dated: 3/20/2021

  
\_\_\_\_\_  
Clerk of Council

## EXHIBIT A

1. The provisions of funds to acquire land in aid of industry, commerce, distribution, or research in accordance with Section 5709.40(A)(8) of the Revised Code.
2. The complete restoration and redevelopment of the historic Farnam Manor structure into a permitted-use or conditionally permitted-use building of a commercial nature only and including all heat, cooling, and electrical work; restoration of the basement, windows, and doors; restoration of porch; renovation of the bathrooms and kitchen; building of a parking lot and garage space; water and sewer connection work; replacement of rotten wood; flooring renovation and new paint; and outside concrete work and walk ways.
3. The construction of additional permitted-use or conditionally permitted-use buildings, and all associated work.
4. Creation of a façade/property improvement grant and/or loan program for historic structures located in the Village historic district or for any other property zoned as Commercial Historic.
5. Any and all other public improvements and public infrastructure improvements defined under R.C. 5709.40, including any necessary appurtenances.

## EXHIBIT B

### Legal Descriptions

#### Parcel No. 1 (PPN 50-00318)

Situated in the State of Ohio, County of Summit and in the Village of Richfield:

Located in Richfield Township Being Part of Lots 3 and 4, Tract 4, Summit County, Ohio and being part of the 205.28 acre tract of A.M Overlander in said Township, more fully described as follows:

Beginning at the intersection of the old centerline of the Cleveland-Massillon Road (7 feet East of the present centerline) and the center line of Brush Road (East of the Cleveland-Massillon Road) as established by the County;

Thence along the old centerline of the Cleveland-Massillon Road (7 feet East and parallel to the present center line) S. 8 degrees 25' W 574.74 feet to an angle point in said road;

Thence continuing along the old centerline of said Road, S. 13 degrees 37' W 298.26 feet to the principal place of beginning;

Thence continuing along the old centerline of the Cleveland-Massillon Road S. 13 degrees 37' W. 436.00 feet to a point;

Thence S. 87 degrees 48' E. 400. 00 feet to a point; Thence N. 13 degrees 3 7' E. 43 6. 00 feet to a point;

Thence N. 87 degrees 48' W. 400.00 feet to the old centerline of the Cleveland-Massillon Road and the place of beginning, as surveyed by E. A. Hand in August, 1948, be the same more or less, but subject to all legal highways.

#### Parcel No. 2 (PPN 50-00319)

Situated in the State of Ohio, County of Summit and in the Village of Richfield:

And known as being parts of Lots 3 and 4 of said Township, and more fully described as follows:

Beginning at (he intersection of the old centerline of the Cleveland-Massillon Road (7 feet East of the present centerline) and the center line of Brush Road, (East of the Cleveland-Massillon Road) as established by the County;

Thence along the old centerline of the Cleveland-Massillon Road (7 feet East of and parallel to the present centerline) South 8 degrees 25' West 574.14 feet to an angle point in said road;

Thence continuing along the old center line of said road, South 13 degrees 3 7' West, 178.26 feet to a point being the true point of beginning for the parcel herein conveyed;  
Thence S. 87 degrees 48' E. 400. 00 feet to an iron pin;

Thence S. 13 degrees 3 7' W. 120 feet to a point, said point being the Northeasterly corner of a parcel of land deeded by A. M. Overlander as grantor to Theodor Kirk and Ana Marie Kirk by deed recorded in Volume 2529, Page 218, Summit County Records of Deeds;

Thence N. 87 degrees 48' W. along the Northerly line of the aforesaid parcel deeded to Theodor Kirk and Ana Marie Kirk, 400. 00 feet to a point in the old centerline of the Cleveland-Massillon Road;

Thence N. 13 degrees 3 7' East along the old centerline of said road a distance of 120 feet to a point and the true point of beginning, as surveyed by E. A. Hand in. 1947, be the same more or less, but subject to all legal highways.

**EXHIBIT C**

**Development Agreement**

**DEVELOPMENT AGREEMENT**  
between  
**THE VILLAGE OF RICHFIELD**  
and  
**SAM PETROS**

This Development Agreement is entered into as of \_\_\_\_\_, \_\_\_\_\_ 2021 between the Village of Richfield, Ohio (the "Village") and Sam Petros (the "Owner"), under the following circumstances (capitalized terms are used with the meanings given them in Schedule 1):

**Recitals**

- A. The Village wishes to establish a tax increment financing program ("TIF Program"), in accordance with the Act, authorizing the Village to declare improvements to certain real property to be a public purpose, and authorizing the Mayor to negotiate agreements for tax increment financing.
- B. In order to create and preserve jobs and employment opportunities within the jurisdiction of the Village and to improve the economic welfare of the people of the Village, in accordance with Ohio Const. Article VIII, Section 13, Village Council adopted a TIF Ordinance on March 16, 2021, in accordance with the Act and the TIF Program for the development and financing of the Project within the boundaries of the Village.
- C. The Village will provide funds for Public Improvements, including the acquisition of land in aid of industry, commerce, distribution, or research to stand as the Public Improvements in accordance with Section 5709.40(A)(8), Revised Code, which Public Improvements are intended to create and preserve jobs and employment opportunities and improve the economic welfare within the jurisdiction of the Village and directly benefit and serve the Development Property and the people of the Village in general.
- D. In order to carry out the public purpose and to comply with the requirements of the Act and the TIF Program, the Village desires to enter into this Development Agreement to provide for tax increment financing and to facilitate the Public Improvements. The Owner is willing to complete the Development Improvements on the Development Property, to make the Service Payments, and to perform such other actions required by the Owner as described in this Development Agreement.
- E. As part of carrying out the Village's obligations, the Village intends to provide funds for the Public Improvements in an amount presently estimated at \$284,000.00 for land acquisition and rehabilitation and preservation of the historic Farnam Manor. The Village's contribution of funds for the Public Improvements shall be reimbursed through the Service Payments. The Village has determined that it is necessary and in the best interests of the Village to provide for the making of Service Payments in lieu of taxes by the Owner with respect to the New Construction, in accordance with the Act, the TIF Program, and the TIF Ordinance and, therefore, the Village has declared that 75% of the assessed value of the New Construction is a public purpose and will be exempt from real property taxation for Ten (10) years (the "Exemption Period").

- F. The Village has determined that the development of the New Construction by the Owner on the Development Property and fulfillment generally of the terms of this Development Agreement, are in the best interests of the Village and the health, safety, morals and welfare of its residents.
- G. The Village has delivered to the Board of Education of the Revere Local School District (the "Revere Local School Board") on February 26, 2021 and the Cuyahoga Valley Joint Vocational School District on February 26, 2021 written notice of the Village's intent to declare the New Construction to be a public purpose in accordance with the TIF Program.

The parties agree as follows:

**Article I  
The Village**

**Section 1.1 Representations.** The Village makes the following representations:

- (a) It is a political subdivision, duly organized and validly existing under the laws of Ohio and its Charter.
- (b) It has performed all acts required of it as a condition to signing and delivering this Development Agreement.
- (c) It is not in violation of any laws of Ohio or its Charter, to an extent that would impair its ability to carry out its obligations under this Development Agreement.
- (d) It has the power to enter into and perform its obligations under this Development Agreement.
- (e) Its Village Council has duly authorized the signing, delivery, and performance of this Development Agreement.

**Section 1.2 Village Agreement to Facilitate Public Improvements.**

Subject to the terms of this Development Agreement, the Village agrees to provide the \$284,000 payment to Owner to be used to acquire approximately 5.0 acres of improved land located 4223 Brecksville Road, Richfield, Ohio 44286 (PPN 50-00319) (the "Farnam Manor Property") and vacant land (PPN 50-00318) located next to and north of the Farnam Manor Property and rehabilitation and preservation of the historic Farnam Manor in aid of industry, commerce, distribution, or research to stand as the Public Improvements described in Exhibit "D" in accordance with a time schedule and improvement descriptions to be determined by the agreement of the Village and Owner.

**Article II**  
**The Owner**

**Section 2.1 Owner Representations.** The Owner makes the following representations:

As to Sam Petros

- (a) He is an individual resident of the State of Ohio.
- (b) It has performed all acts required of it as a condition to signing and delivering this Development Agreement.
- (c) It is not in violation of any laws of Ohio to an extent that would impair its ability to carry out its obligations under this Development Agreement.
- (d) It has the power to enter into and perform its obligations under this Development Agreement.
- (e) Its Chief Executive Officer duly authorized the signing, delivery, and performance of this Development Agreement.

**Section 2.2 Acquisition of Development Property.** As of the date of this Development Agreement, the Owner has acquired fee title to all of the Development Property, which is located on Parcel Numbers 50-00318 and 50-00319 within the boundaries of the Village, and has paid all costs associated with this acquisition of title including all real estate taxes due and owing.

**Section 2.3 Development of Property.** The Owner agrees, subject to Village approval, to completely restore and redevelop the historic Farnam Manor structure, into a permitted-use or conditionally permitted-use building of a commercial nature only and construct additional permitted-use or conditionally permitted-use buildings (the "New Construction"), which shall include the Development Improvements. Owner shall retain the responsibility to obtain any and all federal, state or local approvals for the New Construction and Development Improvements and to pay all fees for any related building, zoning or other regulatory or permitting agency permits. The Owner shall submit detailed architectural plans in accordance with Chapter 1145 and Sections 1171.11 and 1181.29 of the Village's Codified Ordinances and also agrees to use its best efforts to design its New Construction and the Development Improvements in accordance with all local building and zoning codes and applicable regulations and law and in doing so minimize the need for any variance requests. Owner shall complete the restoration and redevelopment of the historic Farnam Manor structure no later than 12 months after the date of the Execution of this Agreement.

**Section 2.4 Agreement to Make Service Payments.** The Owner agrees to make Service Payments to the County Fiscal Officer, Treasurer's Division, during the Exemption Period, as described in Section 3.2 and in accordance with the provisions of the TIF Ordinance and TIF Declaration. The Owner shall deliver to the Village a fully executed TIF Declaration concurrently with the execution of this Development Agreement, which TIF Declaration shall be recorded in the records of the Summit County Fiscal Office within five (5) days thereafter. The Service Payments shall be used to reimburse the Village for its \$284,000.00 payment to Owner and any remaining payments during the 10-year period shall be used solely by the Village for any public

purposes as defined in the TIF Ordinance. Owner further agrees to reimburse Village the remaining unpaid balance on the \$284,000 payment in the event that the Service Payments made during the 10-year period fails to cover the payment made by the Village toward the Project. Owner further agrees in the event that this Development Agreement and TIF Ordinance are declared to be null and void by any governmental entity or a court of competent jurisdiction, Owner shall repay the Village the \$284,000 payment.

### Article III Exemption from Real Property Taxation

**Section 3.1 Exemption of New Construction.** The Village hereby declares that the increase in assessed valuation of the Development Improvements by reason of all New Construction is a public purpose and determines that 75% of the assessed valuation of the New Construction is exempt from real property taxation for Ten (10) years by all political subdivisions and taxing districts. The exemption will commence separately for each portion of the New Construction, as of the first tax year that each and any portion of the value of the New Construction appears on the tax list and duplicate, or would appear on the tax list and duplicate but for the exemption, and will extend for the Exemption Period.

**Section 3.2 Service Payment.** The Owner must make Service Payments to the Village as follows:

- (a) During the Exemption Period, in accordance with the Act, the TIF Program and the TIF Ordinance as amended and supplemented, the Owner, for itself and any successors in interest to the Development Property or any part thereof or interest therein, covenants and agrees to make (or cause to be made) semiannual Service Payments in lieu of real property taxes with respect to the New Construction pursuant to and in accordance with the requirements of the Act, the TIF Program, and this Development Agreement. The obligation to make Service Payments will run with the land. The Service Payments must be made semiannually to the County, or to the designated agent of the County for collection of the Service Payments, on or before the date on which real property taxes would otherwise be due and payable for the New Construction. Any late Service Payments must include interest and penalties at the same rate and in the same amount and payable at the same time as delinquent real property taxes. Each semiannual Service Payment must be in an amount equal to the real property taxes that would have been charged and payable against the exempted portion of the New Construction if an exemption from real property taxation had not been granted, plus all interest and penalties thereon for nonpayment, and must otherwise be in accordance with the requirements of the Act.
- (b) It is intended and agreed, and it must be provided in any future deed conveying the Development Property, or any portion thereof, to any person, that the covenants provided in Section 3.2(a) will be covenants running with the land and that they will, in any event and without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity, for the benefit and in favor of and enforceable by, the Village, whether or not this Development Agreement remains in effect and whether or not this provision is included in any succeeding deed of the Development Property, or any portion

thereof. It is further intended and agreed that these agreements and covenants will remain in effect for the full Exemption Period permitted in accordance with the requirements of the Act, the TIF Program, the TIF Ordinance, and this Development Agreement. The covenants running with the land will have priority over any other lien or encumbrance on the Development Property and the New Construction other than the Permitted Encumbrances. The parties agree to execute and record any and all instruments of record in Summit County, Ohio, including this Development Agreement, as may be necessary to preserve and protect such covenants running with the land.

- (c) The Village will prepare and file in cooperation with the Owner any necessary applications and supporting documents to obtain the exemption from real property taxation for the New Construction to enable the Village to collect the Service Payments and to disburse these payments to or for the account of the Village. The Owner will cooperate with the Village in connection with the preparation and filing of any required exemption applications.
- (d) Subject to Section 5.9, upon prior approval as evidenced by a Resolution passed by the Village Council, the Owner may sell, lease, or otherwise convey any portion of the Development Property. If the transfer provides that the transferee assumes the obligations under this Development Agreement to make Service Payments with respect to the New Construction on the portion of the Development Property transferred, the Owner will be released from its obligations under this Development Agreement to make those Service Payments with respect to that New Construction. The agreement to make Service Payments under this Development Agreement is a covenant running with the land. Subject to the foregoing, the obligations of the Owner to make the Service Payments will be absolute and unconditional, and will not be terminated for any cause, and the Owner agrees that there will be no right to suspend or set off the Service Payments for any cause, including without limitation failure to complete the New Construction and Development Improvements, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Improvements, commercial frustration of purpose, any change in the tax or other laws or administrative rulings of or by or under authority of the State of Ohio, or any failure of the Village to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Development Agreement.
- (e) The Owner represents to the Village, and the Village acknowledges that upon completion of the Project, the expected appraised value for the New Construction will be approximately \$800,000.00. The parties acknowledge that this is an estimate and that the failure to achieve that level of New Construction will not constitute a failure of either party to perform under this Development Agreement. The Village will not unreasonably withhold, delay, or condition the permits that the Village issues or approves.

**Article IV**  
**Events of Default**

**Section 4.1 Event of Default.** It will be an “Event of Default” by the Village or the Owner, as applicable, under this Development Agreement if:

- (a) The Owner fails to observe or perform any of the material covenants and obligations of the Owner under this Development Agreement, and the failure continues for a period of 90 days after notice, for default other than failure to pay Service Payments, and for a period of 60 days without any required notice for failure to pay Service Payments.
- (b) The Village fails to observe or perform any of the material covenants and obligations of the Village under this Development Agreement, and the failure continues for a period of 90 days after notice.

**Section 4.2 Remedies in Event of Default.** During the continuance of an Event of Default, the Village or the Owner will have available as a remedy all rights granted under law or equity. Pursuit of any of the remedies will not preclude pursuit of any other remedies provided in this Development Agreement, or by law or equity. Pursuit of any remedy by either party will not constitute a forfeiture or waiver of any damages accruing to a party by reason of the violation of any of the other party’s obligations under this Development Agreement. Forbearance by a party to enforce one or more of the remedies provided upon the occurrence of an Event of Default will not be construed to constitute a waiver of the default.

**Article V**  
**Miscellaneous**

**Section 5.1 Term of Agreement.** This Development Agreement will be effective as of its date and will continue in full force and effect for the Exemption Period as set forth in this Development Agreement. Notwithstanding the foregoing, in the event that the New Construction and Development Improvements have not been fully completed, occupancy permits granted and the New Construction and Development Improvements placed upon the tax duplicate by March 1, 2022, then this Development Agreement shall be deemed null and void and of no further force or effect, unless extended in writing by mutual agreement of the Village and the Owner.

**Section 5.2 Progress and Other Reports.**

- (a) Upon execution of this Development Agreement and until the completion of all the New Construction and Development Improvements and not less frequently than every 60 days, the Owner must provide periodic written updates as to the actual progress of the Owner with respect to construction of the New Construction and Development Improvements, in such detail as may reasonably be requested by the Village.
- (b) To the extent required under the Act and any other Applicable Law, the Owner must supply or cause to be supplied to the Village from time to time such

information as the Village may reasonably request in connection with the preparation of reports required by the State of Ohio, the County, or any other public agency, under the Act and any other Applicable Law.

**Section 5.3 Discrimination Prohibited.** The Owner must not, in the use and development of the Development Property, discriminate against any person or group of persons based upon race, creed, sexual orientation, religion, color, age, national origin or ancestry in the sale or other transfer of the Development Property, and must bind its successors by appropriate agreements and covenants running with the land enforceable by the Village.

**Section 5.4 Force Majeure.** If the Owner is delayed or hindered in, or prevented from the performance of any covenant or obligation of the Owner with respect to performance of the New Construction as a result of strikes, lockouts, shortages of labor, fuel or materials, acts of God, causes associated with enemy acts, fire or other casualty, or other cause beyond the reasonable control of the Owner (including failure to obtain necessary governmental approvals after the Owner's good faith efforts to obtain them), then the performance of the covenant or obligation will be excused for the period of the delay, hindrance or prevention and the period for the performance of the covenant or obligation will be extended by the number of days equivalent to the number of days of the delay, hindrance or prevention. The Owner's right to this extension will only be permitted if the Owner provides written notice of the delay within 45 days of the date the Owner obtains knowledge of the delay. In no event will any delay or hindrance in or prevention from the performance of any covenant or obligation described in this Section constitute a termination of this Development Agreement.

**Section 5.5 Amendments and Waivers.** This Development Agreement will not be amended, supplemented, or modified except by an instrument in writing, signed by the Village and the Owner.

**Section 5.6 Entire Agreement.** This Development Agreement and TIF Ordinance set forth the entire agreement between the parties as to its subject matter and merges and supersedes all previous discussions, agreements, and undertakings between the parties with respect to the subject matter of this Development Agreement.

**Section 5.7 Counterparts.** This Development Agreement may be signed in any number of counterparts, each of which constitute an original but all of which constitute one agreement. Any party to this Development Agreement may sign this Development Agreement by signing any counterpart. Additionally, the parties agree that for purposes of facilitating the signing of this Development Agreement, (a) the signature pages taken from the separate individually executed counterparts of this Development Agreement may be combined to form multiple fully signed counterparts, and (b) an electronic or facsimile transmission will be deemed to be an original signature for all purposes. All executed counterparts of this Development Agreement will be deemed to be originals, but all counterparts taken together or collectively, as the case may be, will constitute one and the same agreement.

**Section 5.8 Notice.** All notices, communications, requests and demands between the parties required or permitted to be given under this Development Agreement to be effective must be in writing (including without limitation by facsimile or other electronic transmission), and, unless otherwise expressly provided, will be deemed to have been sufficiently given or made when

physically delivered or mailed by U.S. registered or certified mail or, in the case of notice by facsimile or other electronic transmission, when received and confirmed, addressed as follows, or to any address as may be notified in writing by the parties:

(a) Notices to the Village:

Mayor, Michael Wheeler  
Village of Richfield  
4410 West Streetsboro Road  
P. O. Box 387  
Richfield, Ohio 44286-0387  
Telephone: (330) 659-9201  
Facsimile: (330) 659-4906  
mwheeler@richfieldvillageohio.org

With a copy to:

Alejandro V. Cortes, Esq.  
Walter & Haverfield LLP  
The Tower at Erieview  
1301 East Ninth Street, Suite 3500  
Cleveland, Ohio 44114-1821  
Telephone: (216) 619-7877  
Facsimile: (216) 575-0911  
acortes@walterhav.com

(b) Notices to the Owner:

Sam Petros  
Petros Development Group, LLC  
107 Broadview Road  
Broadview Heights, Ohio 44147

(c) With a copy to:

Michael R. Donaldson, Esq.  
4210 Menlo Park Lane  
Vermilion, OH 44089  
Telephone: (216) 389-8800  
Facsimile: (216) 485-5766  
mrdonaldsonlaw@gmail.com

**Section 5.9 Successors and Assigns.** This Development Agreement will be binding upon and inure to the benefit of the Village and the Owner, and their respective successors and assigns. The Owner may not assign this Development Agreement or any of its rights or obligations in whole or in part to any person without the prior written consent of the Village, which consent must not be unreasonably withheld.

**Section 5.10 Governing Law.** This Development Agreement and the rights and obligations of the parties under this Development Agreement will be governed by, and construed and interpreted in accordance with, the law of the State of Ohio without regard to conflict of laws principles.

**Section 5.11 Severability.** Any provision of this Development Agreement that is prohibited or unenforceable in any jurisdiction will, as to the jurisdiction, be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable the provision in any other jurisdiction.

**Section 5.12 Headings and Table of Contents.** The headings and table of contents contained in this Development Agreement are for convenience of reference only and will not limit or otherwise affect the meaning.

**Section 5.13 Village Council.** This Agreement and all terms and provisions herein are subject to and conditioned upon the approval or ratification by duly enacted ordinance or resolution of the Council of the Village of Richfield.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the Village and the Owner have each caused this Development Agreement to be executed after due authorization as of the date aforesaid.

**VILLAGE OF RICHFIELD**

By: \_\_\_\_\_  
Michael Wheeler, Mayor

Date: \_\_\_\_\_, 2021

And: \_\_\_\_\_  
Sandy Turk, Finance Director

Date: \_\_\_\_\_, 2021

**THE "OWNER"**

By: \_\_\_\_\_  
Sam Petros

Date: \_\_\_\_\_, 2015

The legal form of the within instrument  
is hereby approved.

By: \_\_\_\_\_  
Alejandro V. Cortes, Director of Law

Date: \_\_\_\_\_, 2021

STATE OF OHIO            )  
                                  ) SS:  
COUNTY OF SUMMIT     )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2021, by Michael Wheeler, Mayor, and Sandy Turk, Finance Director of the Village of Richfield, Ohio, an Ohio political subdivision, on behalf of the Village.

[SEAL]

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

STATE OF OHIO            \_\_\_\_\_)  
                                  \_\_\_\_\_) SS:  
COUNTY OF CUYAHOGA )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2021, by Sam Petros.

[SEAL]

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**CERTIFICATE OF DIRECTOR OF FINANCE**

The undersigned fiscal officer of the Village hereby certifies that the moneys required to meet the obligations of the Village during the year 2021 under this Agreement have been lawfully appropriated by the Council of the Village for such purposes and are in the treasury of the Village or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Revised Code.

\_\_\_\_\_  
Director of Finance, Sandy Turk

\_\_\_\_\_  
Date

INDEX OF EXHIBITS

- Schedule I - Definitions
- Exhibit A - The Property
- Exhibit B - The Development Property
- Exhibit C - The Development Improvements
- Exhibit D - The Public Improvements

## Schedule 1 Definitions

The following defined terms are used in the Development Agreement:

“Act” means Sections 5709.40, et seq., Revised Code.

“Applicable Laws” means all federal, state, and local laws, ordinances, resolutions, regulations, and codes, including the Act, governing the design, planning, construction, and installation of the Public Improvements.

“County” means Summit County, Ohio.

“Cuyahoga Valley Joint Vocational School District” means the Board of Education of the Cuyahoga Valley Joint Vocational School District.

“Development Agreement” means this Development Agreement, between the Village and the Owner dated as of \_\_\_\_\_, 2021, as amended and supplemented in accordance with its terms.

“Development Improvements” means the land acquisition, utility extensions, engineering and inspections, building construction, rehabilitation, restoration, or preservation and other improvements to the Development Property described in Exhibit B.

“Development Property” means the real property identified as Parcel Nos. 50-00318 and 50-00319, shown in Exhibit A and described in Exhibit B.

“Event of Default” means any of the events described in Section 4.1.

“Exemption Period” means the Ten (10) year period of abatement of real property taxes on New Construction, established in the TIF Ordinance and beginning in the tax years described in Section 3.1 for each portion of the New Construction.

“Improvement Plans” means the plans, specifications, profiles, and cost estimates of the Development Improvements, prepared by or for the Owner, in accordance with the requirements of all applicable governmental authorities.

“Improvements” means collectively the Development Improvements and the Public Improvements.

“New Construction” means the buildings and other improvements constructed, rehabilitated, restored, or preserved on the Development Property after the date of this Development Agreement during the Exemption Period, including the Development Improvements.

“Owner” means Petros Development Group, LLC.

“Permitted Encumbrances” means the zoning resolutions, easements for utilities, and all other restrictions or conditions on title. The term does not include any mortgage lien, other liens

or title exceptions that are superior to or on a parity with the covenants running with the land contained in the Development Agreement, except liens for real property taxes and special assessments.

“Project” means the development and construction of the Improvements to the Development Property.

“Public Improvements” means the land acquisition in aid of industry, commerce, distribution or research and any installation deemed necessary of additional sewer improvements, development and construction of public facilities, road extensions, intersection upgrades, reconstruction of roadways, and related public infrastructure improvements described in Exhibit D.

“Revere Local School Board” means the Board of Education of the Revere Local School District.

“Service Payments” means the payments in lieu of taxes paid by the Owner in accordance with Section 3.2 with respect to the Development Improvements and any other New Construction under this Development Agreement.

“TIF” means the tax increment financing by the Village for the Development Improvements.

“TIF Ordinance” means Ordinance No. 14 - 2021, adopted March 16, 2021 by Village Council declaring a portion of improvements to be a public purpose and approving an agreement for tax increment financing for public infrastructure improvements benefiting those parcels.

“TIF Program” means the Village Council’s establishment of, in accordance with the Act, a tax increment financing program authorizing the Village to declare improvements to certain parcels of real property to be a public purpose, and authorizing the Mayor to negotiate agreements for tax increment financing.

“Village” means the Village of Richfield, Ohio.

EXHIBIT A

MAP OF PROPERTIES

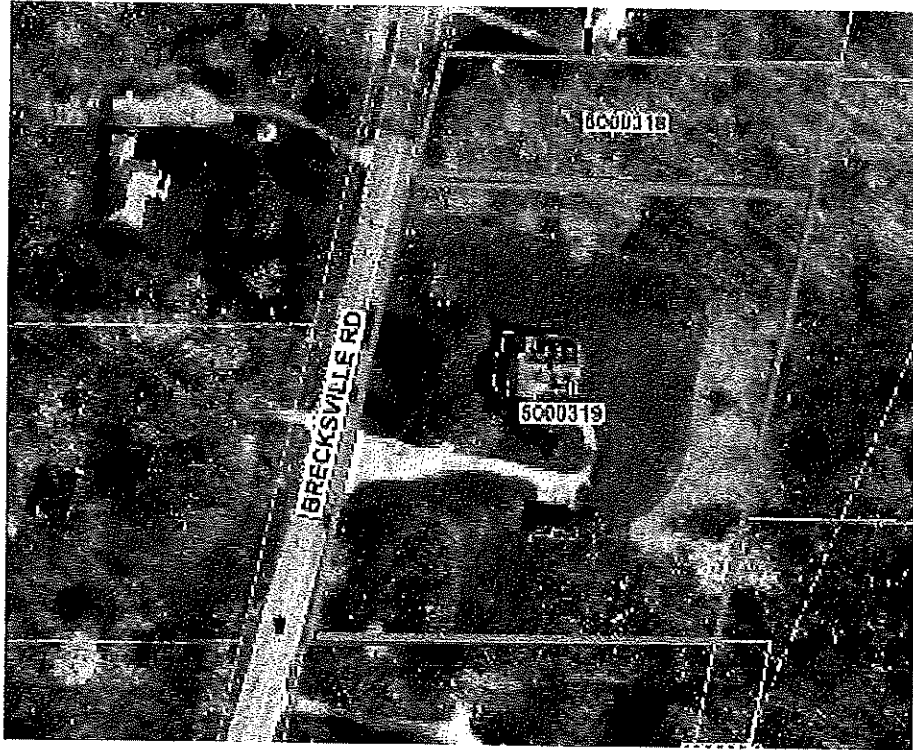


EXHIBIT B

LEGAL DESCRIPTION

**Parcel No. 1 (PPN 50-00318)**

Situated in the State of Ohio, County of Summit and in the Village of Richfield:

Located in Richfield Township Being Part of Lots 3 and 4, Tract 4, Summit County, Ohio and being part of the 205.28 acre tract of A.M Overlander in said Township, more fully described as follows:

Beginning at the intersection of the old centerline of the Cleveland-Massillon Road (7 feet East of the present centerline) and the center line of Brush Road (East of the Cleveland-Massillon Road) as established by the County;

Thence along the old centerline of the Cleveland-Massillon Road (7 feet East and parallel to the present center line) S. 8 degrees 25' W 574.74 feet to an angle point in said road;

Thence continuing along the old centerline of said Road, S. 13 degrees 37' W 298.26 feet to the principal place of beginning;

Thence continuing along the old centerline of the Cleveland-Massillon Road S. 13 degrees 37' W. 436.00 feet to a point;

Thence S. 87 degrees 48' E. 400. 00 feet to a point; Thence N. 13 degrees 3 7' E. 43 6. 00 feet to a point;

Thence N. 87 degrees 48' W. 400.00 feet to the old centerline of the Cleveland-Massillon Road and the place of beginning, as surveyed by E. A. Hand in August, 1948, be the same more or less, but subject to all legal highways.

**Parcel No. 2 (PPN 50-00319)**

Situated in the State of Ohio, County of Summit and in the Village of Richfield:

And known as being parts of Lots 3 and 4 of said Township, and more fully described as follows:

Beginning at (he intersection of the old centerline of the Cleveland-Massillon Road (7 feet East of the present centerline) and the center line of Brush Road, (East of the Cleveland-Massillon Road) as established by the County;

Thence along the old centerline of the Cleveland-Massillon Road (7 feet East of and parallel to the present centerline) South 8 degrees 25' West 574.14 feet to an angle point in said road;

Thence continuing along the old center line of said road, South 13 degrees 3 7' West, 178.26 feet to a point being the true point of beginning for the parcel herein conveyed;

Thence S. 87 degrees 48' E. 400. 00 feet to an iron pin;

Thence S. 13 degrees 3 7' W. 120 feet to a point, said point being the Northeasterly corner of a parcel of land deeded by A. M. Overlander as grantor to Theodor Kirk and Ana Marie Kirk by deed recorded in Volume 2529, Page 218, Summit County Records of Deeds;

Thence N. 87 degrees 48' W. along the Northerly line of the aforesaid parcel deeded to Theodor Kirk and Ana Marie Kirk, 400. 00 feet to a point in the old centerline of the Cleveland-Massillon Road;

Thence N. 13 degrees 3 7' East along the old centerline of said road a distance of 120 feet to a point and the true point of beginning, as surveyed by E. A. Hand in. 1947, be the same more or less, but subject to all legal highways.

EXHIBIT C

DEVELOPMENT IMPROVEMENTS

The Development Improvements consist of the following:

The complete restoration and redevelopment the historic Farnam Manor structure into a permitted-use or conditionally permitted-use building of a commercial nature only and construction of additional permitted-use or conditionally permitted use buildings (the "New Construction").

Such other New Construction constructed by the Owner during the Exemption Period on the Development Property.

## EXHIBIT D

### PUBLIC IMPROVEMENTS

The Public Improvements consist of the following:

1. The provisions of funds to acquire land in aid of industry, commerce, distribution, or research in accordance with Section 5709.40(A)(8) of the Revised Code.
2. The complete restoration and redevelopment of the historic Farnam Manor structure into a permitted-use or conditionally permitted-use building of a commercial nature only and including all heat, cooling, and electrical work; restoration of the basement, windows, and doors; restoration of porch; renovation of the bathrooms and kitchen; building of a parking lot and garage space; water and sewer connection work; replacement of rotten wood; flooring renovation and new paint; and outside concrete work and walk ways.
3. The construction of additional permitted-use or conditionally permitted-use buildings, and all associated work.
4. Creation of a façade/property improvement grant and/or loan program for historic structures located in the Village historic district or for any other property zoned as Commercial Historic.
5. Any and all other public improvements and public infrastructure improvements defined under R.C. 5709.40, including any necessary appurtenances.