DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (hereinafter referred as "Agreement"), is made at Richfield, Ohio _____ day of _____, 2020, between and among J.J.J. PROPERTIES LLC (hereinafter referred to as "Developer"), VILLAGE OF RICHFIELD, OHIO, a municipal corporation organized under the laws of the State of Ohio (hereinafter referred to as "Village"), RICHFIELD TOWNSHIP, OHIO, an unincorporated township organized under the laws of the State of Ohio (hereinafter referred to as ("Township"), and THE COUNTY OF SUMMIT, OHIO, an Ohio County organized under the laws of the State of Ohio and its Charter ("County", and, collectively with the Developer, Village and Township, the "Parties").

RECITALS

WHEREAS, Developer owns certain real property situated in the Richfield/Richfield Township/City of Cleveland Joint Economic Development District (hereinafter referred to as "JEDD") and known as the Richfield Industrial Park; and

WHEREAS, Developer is desirous of improving the lands situated in the JEDD (hereinafter referred to as "Private Improvements"); and

WHEREAS, the Parties have determined that certain Public Improvements, including the extension of Columbia Road and the new secondary roadway, Allega Way to Route 21, installation of sewer lines, installation of water lines, and installation of storm sewer facilities including a storm sewers and a retention and water quality basin, and as more fully defined below, will need to be designed and constructed to facilitate the development of the Private Improvements; and

WHEREAS, Developer and Village have entered into a Memorandum of Understanding, dated June 16, 2020, a copy of which is attached and expressly incorporated herein as Exhibit A, relating to the JEDD which among several things provided for the parties to work in good faith to enter into this Development Agreement and obligated the Developer to construct a secondary roadway once traffic volume exceeded a certain volume as set forth in said memorandum; and

WHEREAS, the Village has determined that it is in the best interest of the Village to enter into an agreement with the Developer to ensure the construction and installation of certain Public Improvements within the Village in the manner described herein; and

WHEREAS, the Township and the County have determined that it is in the best interest of each to enter into an agreement with the Developer to ensure the construction and installation of certain Public Improvements within the Township in the manner described herein.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, and to induce the Developer to proceed with the design and construction of the Public Improvements, the Parties agree as follows:

1. Design, Construction, and Payment of Costs of the Public Improvements.

Developer will design, based on the plans and specifications which are attached and expressly incorporated as Exhibit B to the Agreement, the Public Improvements (hereinafter referred to as "Public Improvements") within the Village and the Township. Developer will perform the work and pay the cost of the work associated with the construction and installation of the Public Improvements in accordance with this Agreement, and Developer will provide all necessary and inferable labor, materials, services, and acts in connection with the design, construction, installation, and completion of the Public Improvements. Developer agrees to design and build the portion of the Public Improvements that are located in Richfield Village in a manner that is consistent with the requirements of the Village's Subdivision Regulations and Design Standards and Details (latest edition), except that the improvements located at the intersection of State Route 21 and the secondary roadway as required by the MOU will be completed in a manner consistent with the State of Ohio requirements, including intersection and signalization requirements of the State of Ohio and the Village as set forth in the specifications attached as Exhibit C. Developer further agrees to design and build the portion of the Public Improvements that are located in the Township in accordance with the plans and specifications for such Public Improvements as approved by the Summit County Engineer, Summit Soil and Water Conservation District, Summit County Planning Commission, Ohio Environmental Protection Agency (EPA), Cleveland Water Department, and Northeast Ohio Regional Sewer District, as applicable, and in conformity with a Construction Agreement between the Developer and the County in the form attached hereto as Exhibit D (the "Construction Agreement").

Developer will supervise, perform, and direct the work utilizing qualified personnel, and in accordance with the standards of care normally exercised by construction organizations performing similar work. Village personnel and/or its consulting engineer will supervise, and approve all work completed within the Village of Richfield limits, and personnel of the Summit County Engineer will supervise and approve all work completed within the Richfield Township limits that are governed by the Construction Agreement. Testing will be performed by an independent testing firm hired by the Developer, subject to the Village's written approval, except that the Summit County Engineer's written approval will be required for Public Improvements within the Township that are governed by the Construction Agreement, and will include, but is not limited to: concrete, asphalt, compaction, aggregate, and sewer (mandrel/video) testing. Such testing and the resulting test results are subject to the Village's and Summit County Engineer's written approval as well, depending on the aforementioned jurisdiction of each. Developer will pay the cost of the work associated with the supervision, testing, and approval of the Public Improvements within the Village of Richfield and Richfield Township limits in accordance with this Agreement and the Construction Agreement, respectively.

The Parties acknowledge that the Public Improvements to be performed by Developer within the Township include the construction of a certain roadway, public utilities and storm water facilities, including storm sewers and water quality basin, as are more fully described in the Construction Agreement. All Public Improvements constructed in the Richfield Township Limits that are governed by the Construction Agreement will be dedicated by the Developer and accepted by the County for public use upon completion and acceptance as provided for in the Construction Agreement.

The Parties acknowledge that the Public Improvements to be performed by Developer will include; a (1) secondary roadway (Allega Way) off of the Columbia Road extension to Brecksville Road, with the land needed to access Brecksville Road predominately located within Richfield Township until approximately four hundred (400) feet east of a 1.75 acre parcel of land located at 5153 Brecksville (PPN 5000221) owned by the Summit County Land Reutilization Corp., at which point, the secondary roadway (Allega Way) will pass through a 0.15 acre parcel (PPN 5001757) and 1.06 acre parcel (PPN 5001759) owned by the Union Sand and Supply Corporation, ultimately ending up and crossing through the 1.75 acre parcel referenced above until accessing Brecksville Road; (2) the extension of the Village's sewer system and extension into the Township; and (3) the installation and extension of Cleveland Water Department water lines; and (4) the installation of storm sewer facilities.

Developer agrees that the Public Improvements within the Village of Richfield limits, including, the sewer lines, and the Village's portion of the secondary roadway, but not the Cleveland Water Department water lines, including all rights-of-way and easements associated therewith, will be dedicated to the Village for public use upon completion and acceptance as provided for in this Agreement and in accordance with all applicable Village platting and dedication requirements, except that the improvements located at the intersection of State Route 21 and the secondary roadway will be completed as required by the MOU in a manner consistent with the State of Ohio requirements, including intersection and signalization requirements of both the State of Ohio and the Village as set forth in Exhibit C.

2. <u>Completion of Public Improvements</u>. As to the Public Improvements located within the Richfield Township limits that are governed by the Construction Agreement, the same will be deemed completed as set forth in the terms and conditions of the Construction Agreement.

As to the Public Improvements located in the Village, the same will be deemed completed upon fulfillment of the following conditions:

- (a) Receipt of written notice (hereinafter referred to as "Completion Certificate") from an authorized representative of Developer that the Public Improvements located in the Village are complete and ready for final acceptance by Village, which notice must (i) generally describe all property acquired or installed as part of the Public Improvements located in the Village; (ii) state the cost of the work; and (iii) state and constitute Developer's representation that the construction of the Public Improvements located in the Village have been completed substantially in accordance with the construction documents, all costs then due and payable in connection therewith have been paid, there are no mechanics' liens, and all obligations, costs, and expenses in connection with the Public Improvements located in the Village have been paid or discharged.
- (b) Receipt from the Village's Engineer of a final Certificate of Completion (hereinafter referred to as "Engineer's Completion Certificate") stating that to the best of the Engineer's knowledge, information, and belief, and on the basis of the Engineer's onsite visits and inspections, that the Public Improvements located in the Village have been satisfactorily completed in accordance with the terms and conditions of the construction

documents, including all punch list items, that the construction of the Public Improvements located in the Village have been accomplished in a manner that conforms to all then applicable governmental laws, rules and regulations; and that the Public Improvements within the Village of Richfield limits have been approved by the Village as provided herein.

- **3.** <u>Acceptance of the Public Improvements</u>. As to the Public Improvements located within Richfield Township limits that are governed by the Construction Agreement, the same will be accepted in accordance with the terms and conditions of the Construction Agreement. As to the Public Improvements located in the Village, the Village has no obligation to accept the Public Improvements located in the Village until:
 - (a) The Public Improvements located in the Village are satisfactorily completed in accordance with the plans and specifications, as evidenced by the Village Engineer's Completion Certificate, a letter of conditional acceptance is issued by the Village's Engineer, and are properly dedicated as public rights-of-way and easements to the Village;
 - (b) The Village receives the Completion Certificate, the Engineer's Completion Certificate, copies of the approval letters issued by relevant Village officials as referenced herein, and all documents and instruments to be delivered to the Village pursuant to the plans and specifications.
 - (c) The Village has received evidence reasonably satisfactory to it that all liens on the Public Improvements located in the Village, including, but not limited to, tax liens then due and payable, the lien of any mortgage, and any mechanic's lien, have been released, or, with respect to mechanic's liens, security therefor has been provided;
 - (d) The Developer has provided the Village "as-built record drawings" consisting of reproducible record drawings showing significant changes in the Public Improvements located in the Village made during construction and containing such annotations as may be necessary for someone unfamiliar with the Public Improvements located in the Village to understand the changes that were made to the original plans and specifications;
 - (e) Lien waivers from all contractors and suppliers; and
 - (f) The Final Plat has been submitted to Village of Richfield Council for the acceptance of dedication of any street, improvements, or land for public use and for the acceptance of any easement as required by the Village's subdivision regulations.
 - (g) The above conditions do not alleviate Developer from Village inspections of the Public Improvements located in the Village during construction as set forth herein to confirm that the Public Improvements located in the Village are constructed according to Village standards and regulations.

The Village agrees to accept the Public Improvements located in the Village and the rights-of-way allocable thereto upon satisfaction of the conditions listed in (a) through (f) in Section 3.

The Village's acceptance of the Public Improvements located in the Village does not relieve the Developer of its responsibility for defects in material or workmanship as set forth herein.

- **4.** Payment of the Cost of Work. Developer shall be solely responsible for the cost of the work associated with the construction and installation of the Public Improvements.
- **Performance Bond.** As to the Public Improvements located within Richfield Township limits that are governed by the Construction Agreement, Developer shall furnish a performance bond pursuant to the terms and conditions of the Construction Agreement, and the same will be released pursuant to the terms and conditions of the Construction Agreement. As to all the Public Improvements locate in the Village, the Developer will furnish prior to commencement of construction of the Public Improvements located in the Village anticipated to be performed in any phase of development a performance and payment bond that names the Village as obligee in the amount of One Hundred Fifty Percent (150%) of the labor and materials costs of the Public Improvements located in the Village anticipated to be performed in any phase of development, as a condition of the approval by the Village, and as a guarantee that such work will be completed. The labor and material costs of constructing the Public Improvements located in the Village have been estimated for the sanitary sewer and water phase of the development to be \$237,895 while the labor and material costs of constructing the portion of the secondary roadway located in the Village has not yet been determined. The Village and Developer have mutually agreed that a performance bond amount of \$4.5 million dollars as set forth in Bond No. 106692F shall be sufficient to guarantee that Public Improvements located in the Village will be The Performance Bond shall be conditioned upon completion of the Public Improvements located in the Village as shown on the plans and specifications, and further condition upon Developer's construction and installation of the Public Improvements located in the Village, at its own expense, within twelve (12) months of the date of approval of the Performance Bond by the Village, except for delays as set forth in Section 11(b). This Agreement shall be made be made part of and incorporated into any and all bonds or other security agreements that may have been issued or entered into by the parties.
- construct and install the Public Improvements in accordance with this Agreement or the Construction Agreement as applicable to the appropriate jurisdiction, and such default continues for twenty (20) days after receipt of written notice of the same specifying any and all alleged default from the Village, Township or County for the applicable jurisdiction, unless the time period to reasonably cure the default would exceed twenty (20) days then such cure period will be extended to reflect such reasonable time period to cure, or Developer elects, for whatever reason, not to commence or to finish the construction and installation of the Public Improvements, the Village shall have the right to collect the proceeds of the performance bond and to enter upon the property of the Developer to make the appropriate Public Improvements other than those governed by the Construction Agreement, and the County shall have the right to collect the proceeds of the performance bond and to enter upon the property of the Developer to make the appropriate Public Improvements that are governed by the Construction Agreement. The Developer and its surety are responsible for any amount necessary to perform those obligations.

7. <u>Inspections</u>. As to the Public Improvements located within Richfield Township limits that are governed by the Construction Agreement, the same will be inspected, and the cost of the inspection shall be paid, in accordance with the terms and conditions of the Construction Agreement.

As to the Public Improvements located in the Village, including, the sewer installation and extension, and the Village's portion of the secondary roadway shall be inspected by an inspector appointed by the Village, at Developer's cost. The estimated cost of inspection is 3% of the total construction cost of the sewer installation and extension, and the Village portion of the secondary roadway to be known as "Allega Way," subject to street naming approval of the County. Developer shall deposit inspection cost total with the Village Service Director prior to commencing work on the Public Improvements. Inspection work performed on the Public Improvements shall be charged at a rate of \$64.50 per hour.

In the event the cost of inspection or plan review exceeds the amount on deposit at any time, the Village shall have the right to demand a sum of money to bring the deposit equal to the actual cost of inspection within ten (10) days of written notice upon he Developer, whether or not the actual cost of inspection exceeds the estimate 3% of the total construction cost. Failure to comply with the written order to bring the inspection or plan review deposit current shall be cause for the Village to stop all work upon the Public Improvements located in the Village, to proceed against the financial guarantee until such demand is met to the reasonable satisfaction of the Village's Service Director. All funds not used for inspection fees shall be returned to the Developer after final written acceptance of the Public Improvements located in the Village by the Village.

8. <u>Developer Guaranty and Maintenance Bond</u>. Developer guarantees to the Village, Township or the County that has jurisdiction over such that it will cause to be exercised in the performance of the respective Public Improvements the standard of care normally exercised by well-qualified engineering and construction organizations engaged in performing comparable services in Northeast Ohio. Developer further warrants to the Village, Township or the County that has jurisdiction over such that the respective Public Improvements and any materials and equipment incorporated into the respective Public Improvements will be free from defects, including defects in workmanship or materials (without regard to the standard of care exercised in its performance).

As to the Public Improvements located within Richfield Township limits that are governed by the Construction Agreement, Developer shall submit a maintenance bond to the County in the amount, and pursuant to the terms and conditions of the Construction Agreement. As to the Public Improvements located in the Village, upon completion of the Public Improvements and receipt of the approval of the Village and before the Performance Bond is released by the Village, the Developer shall submit a Maintenance Bond in an amount equal to ten (10) percent of the final construction cost to guarantee the workmanship and material for a period of two (2) years after final written acceptance of the Public Improvements located in the Village by the Village. The guarantee provided in this Section is in addition to, and not a limitation of any other guarantee, warranty, or remedy provided by law, a manufacturer, or any other document related to the Public Improvements.

If defective work becomes apparent within the warranty or guarantee period, the Village, Township or County, as the case may be, will promptly notify the Developer in writing specifying the defective work and provide a copy of said notice to the Village Engineer or County Engineer, as appropriate. Within ten (10) days of receipt of said notice, the Developer will visit the site of the Public Improvements in the company of one or more representatives of the Village, Township or County, as appropriate, to determine the extent of the defective work. The Developer will, within a reasonable time frame, repair or replace (or cause to be repaired or replaced) the defective work, including all adjacent work damaged as a result of such defective work or as a result of remedying the defective work. If the defective work is considered by the Village, Township or County, as the case may be, to be an emergency, the Village, Township or County may require the Developer to visit the site within one (1) day of receipt of said notice. The Developer is fully responsible for the cost of temporary materials, facilities, utilities, or equipment required during the repair or replacement of the defective work.

9. <u>Insurance Requirements</u>. As to the Public Improvements located within Richfield Township limits that are governed by the Construction Agreement, Developer shall maintain such insurance as set forth in the terms and conditions of the Construction Agreement.

As to the Public Improvements located in the Village, Developer must furnish proof to the Village at the time of commencing construction of the Public Improvements of comprehensive general liability insurance naming the Village and its authorized agents as an additional insured. The minimum limits of liability for the required insurance policies may not be less than the following unless a greater amount is required by law:

- (a) Commercial General Liability (hereinafter referred to as "CGL"): bodily injury (including death) and property damage with a combined single limit of \$1,000,000 per occurrence, with \$2,000,000 aggregate; and \$1,000,000 for personal and advertising injury. CGL must include (i) premises-operations, (ii) explosive and collapse hazard, (iii) underground hazard, (iv) independent contractors' protective, (v) broad form property damage, including completed operations, (vi) contractual liability, (vii) products and completed operations, with \$2,000,000 aggregate and to be maintained for a minimum period of one (1) year after acceptance of the Public Improvements located in the Village, and (viii) stopgap liability for \$100,000 limit.
- (b) Automobile liability, covering all owned, non-owned, and hired vehicles used in connection with the Public Improvement work; bodily injury (including death) and property damage with a combined single limit of \$1,000,000 per person and \$1,000,000 each occurrence.
- (c) Such policies must be supplemented by an umbrella policy also written on an occurrence basis, to provide additional protection to provide coverage in the total amount of \$5,000,000 for each occurrence and \$5,000,000 aggregate. The Developer's insurance is primary to any insurance maintained by the Village.

- (d) Developer must require all contractors and subcontractors to provide workers' compensation, CGL, and automobile liability insurance with the same minimum limits specified herein, unless the Village agrees to a lesser amount.
- **10.** <u>Indemnification</u>. Developer shall defend, protect, and indemnify and hold harmless the Village, Township and County and each officer, official, employee, and agent of the same from and against all claims or demands, including any actions or proceedings brought thereon, and all costs, expenses, and liabilities of any kind relating thereto, including reasonable attorneys' fees and cost of suit, arising out of, in connection with, or resulting from the execution and delivery of this Agreement; any construction activity performed under this Agreement by Developer, or anyone claiming by, through or under Developer; liens of subcontractors and suppliers of any tier; and all activities undertaken by Developer pursuant to this Agreement in furtherance of the development of the Public Improvements. The foregoing shall not pertain to claims or demands based on the negligence of the Village, Township or County or the negligence of Village, Township or County officers, officials, employees, agents, or representatives.

11. Miscellaneous.

- (a) <u>Assignment</u>. This Agreement may not be assigned without the prior written consent of the non-assigning parties. The Village, Township and County shall not unreasonably withhold its consent to the Developer's assignment of all, but not less than all, of its rights and obligations under the Agreement to a business entity without a majority ownership interest that is owned by a person or entity with a majority ownership interest in the Developer.
- (b) Force Majeure. No Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to any of the following causes, to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of raw materials or energy.
- (c) Approvals. The Village, Township and County shall act in good faith in any and all approvals or actions required herein and the Village, Township and County and its agents shall not unreasonably withhold, condition or delay such.
- (b) <u>Binding Effect</u>. The provisions of this Agreement shall be binding upon the successors and/or assigns of the parties.
- (c) <u>Captions</u>. The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or selections of this Agreement

- (d) <u>Entire Agreement</u>. This Agreement, and the Construction Agreement, constitute the entire Agreement between the parties on the subject matter hereof and supersedes all prior negotiations, agreements, and understandings, both written and oral, between the parties with respect to such subject matter. This Agreement may not amended, waived, or discharged except in an instrument in writing executed by the parties.
- (e) <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to its principles of conflicts of laws. All claims, counterclaims, disputes, and other matters in question between the Village, Township and County, and any of their agents and employees, and the Developer, its employees and agents, arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within Summit County, Ohio.
- (f) <u>Notices</u>. All notices, demands, requests, consents, or approvals given, required, or permitted to be given hereunder shall be in writing and shall be deemed sufficiently given if actually received or if hand-delivered or sent by recognized overnight delivery service, or by certified mail, postage prepaid and return receipt requested, addressed to the other party at the address set forth in this Agreement. For purposes of this Agreement, notices shall be addressed to:

• the Village at Village of Richfield

c/o Mayor Michael Wheeler 4410 West Streetsboro Road Richfield, Ohio 44286

Copy to: Alejandro V. Cortes, Director of Law

Walter Haverfield LLP

1301 East 9th Street, Suite 3500

Cleveland, Ohio 44114

• the Township at: Richfield Township Trustees

3038 Boston Mills Road Brecksville, OH 44141

Copy to: Summit County Prosecutor

Attn: Civil Division 53 University Ave.

6th Floor

Akron, OH 44308

• the County at: County of Summit

Attn: County Executive

175 S. Main St.

8th Floor

Akron, OH 44308

Copy to: Summit County Engineer

538 E. South St. Akron, OH 44311

• Copy to: County of Summit

Attn: Director of Law

175 S. Main St.

8th Floor

Akron, OH 44308

• the Developer at: John Allega

J.J.J. Properties, LLC.

5585 Canal Road

Valley View, OH 44125

Copy to: John P. Slagter

Tucker Ellis, LLP

950 Main Avenue, Suite 1100

Cleveland, Ohio 44113

- (g) <u>Recitals</u>. The parties acknowledge and agree that the facts and circumstances as described in the Recitals hereto are an integral part of this Agreement and as such are incorporated herein by reference.
- (h) <u>Severability</u>. If any provision of this Agreement, or any obligation or agreement contained herein is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, obligation, or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, obligation, or agreement shall be deemed to be effective, operative, made, entered into, or taken in the manner and to the full extent permitted by law.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have set forth their hands the day and year first written above.

WITNESSES:	J.J.J. PROPERTIES, LLC
	By: John Allega, Managing Member
	John Allega, Managing Member
WITNESSES:	VILLAGE OF RICHFIELD, OHIO
	By:
	Michael Wheeler, Mayor
	And:
APPROVED AS TO LEGAL FORM	Sandy Turk, Finance Director
Alejandro V. Cortes Law Director	
	RICHFIELD TOWNSHIP, OHIO
	By:
	Janet Jankura, Chair
	Ву:
	H. Jeff Shupe, Trustee
	By:
APPROVED AS TO LEGAL FORM	By:Robert Luther, Trustee
Raymond Hartsough Summit County Prosecutor's Office	

WITNESSES:	THE COUNTY OF SUMMIT, OHIO
	By: Ilene Shapiro, Executive
APPROVED AS TO LEGAL FORM	And:Alan Brubaker, P.E., P.S., Engineer
Deborah S. Matz, Director of Law and Risk Management	
Marvin Evans Summit County Prosecutor's Office	

EXHIBIT A MEMORANDUM OF UNDERSTANDING



EXHIBIT B PLANS AND SPECIFICATIONS



EXHIBIT C (VILLAGE INTERSECTION SPECIFICATIONS)

The intersection will be a three-way intersection. The Village will not require the installation of a crosswalk at the intersection SR 21 and the secondary roadway. In addition, the following is the list and specifications for the traffic signal device to be installed at the new intersection.

- Mast arms and poles (galvanized)
- Equipment painted black:, controller cabinet (NEMA TS-1 or 2), signal heads, signal back plates
- Econolite Cobalt signal controller
- Sonem 2000 by Traffic Systems, Siren-Activated Emergency Vehicle Preemption
- Autoscope video detection
- LED Signals
- Battery back-up
- Radio interconnect
- LED Luminaires
- Mast mount street name signs

EXHIBIT D CONSTRUCTION AGREEMENT

See attached.

