

DEVELOPMENT AGREEMENT

This **DEVELOPMENT AGREEMENT** (this “Development Agreement”) is made and entered into this ___ day of _____, 2011, by and between the CITY OF SOUTH EUCLID, OHIO, an Ohio municipal corporation, having a mailing address at 1349 South Green Road, South Euclid, Ohio 44121 (the “City”) and FISE LLC, an Ohio limited liability company, having a mailing address of 25333 Cedar Road, Suite 300, Lyndhurst, Ohio 44124 (“FISE”).

R E C I T A L S:

WHEREAS, FISE is the owner of approximately 40.71 acres of land located within the City of South Euclid, Cuyahoga County, Ohio (the “FISE Property”) which property formerly comprised a part of the private golf course known as the Oakwood Club and is more specifically depicted on **Exhibit “A”** attached hereto and incorporated herein by reference;

WHEREAS, FISE intends to develop the FISE Property into a commercial retail shopping center (the “Oakwood Development”);

WHEREAS, in connection with its intended development of the Oakwood Development, FISE and the City have agreed upon a set of stipulations applicable to the Oakwood Development (collectively, the “Oakwood Development Stipulations”), which Oakwood Development Stipulations are specifically set forth and enumerated as Articles I through IV on **Exhibit “B”** attached hereto and incorporated herein by reference.

WHEREAS, separate and apart from the Oakwood Development Stipulations but also in connection with its intended development of the Oakwood Development, FISE has committed to undertake certain work and construct certain offsite improvements (collectively, the “Development Improvements”) upon lands immediately surrounding the FISE Property and owned by the City (the “City Property”) as well as perform certain obligations with respect to traffic measures, all as more specifically set forth and enumerated on **Exhibit “B”**;

WHEREAS, the parties desire to enter into this Development Agreement in order to set forth the respective rights, agreements and obligations of the parties as more specifically provided herein.

W I T N E S S E T H:

For and in consideration of the covenants herein contained and upon the terms and conditions herein set forth, the City and FISE hereby agree as follows:

1. **Construction of Development Improvements.** FISE, shall construct and install, according to applicable City specifications, all improvements identified as the “Development Improvements” in Article VI of **Exhibit “B”** attached hereto and incorporated herein by reference (collectively, the “Development Improvements”) upon, where applicable, the City Property and the FISE Property. All of the Development Improvements shall be completed in a good and workmanlike manner and, where necessary, in accordance with the plans and specifications approved in advance by applicable City parties. All applications shall be submitted in accordance with applicable laws, rules, regulations, codes and ordinances. Such permits necessary for any Development Improvements shall be issued by the City as soon as practicable

after application for such permits and any approval by the City shall not be unreasonably withheld, conditioned or delayed.

2. Timing of Development Improvements. FISE shall commence work upon the Development Improvements no later than twelve (12) months after satisfaction of the Permit Contingency defined in Section 10(a) below (the “Construction Commencement Date”) and shall thereafter, diligently pursue completion of such improvements.

3. Performance Bond Agreement. Prior to commencement of construction of any Development Improvements, FISE shall first provide a financial guarantee of performance to the Finance Director of the City of South Euclid in the form of a performance bond in the amount required pursuant to the SE Code (defined below). Such bond shall be promptly released by the City upon the City’s certification of completion of the Development Improvements, which certification shall not be unreasonably withheld, conditioned or delayed provided the Development Improvements are constructed in accordance with the terms hereof.

4. Warranties Against Defects, Maintenance. FISE shall warrant all Development Improvements to be free from defects for a period of two (2) years after the City certifies completion thereof. Except as provided in the foregoing sentence, from and after the City certifies completion of any Development Improvements located upon the City Property, the City shall be responsible for any and all maintenance, repairs, replacements and/or modifications to the Development Improvements unless otherwise determined and agreed upon by the parties hereto. FISE shall remain obligated to maintain, repair, replace and/or modify any Development Improvements located upon the FISE Property.

5. Restoration. Upon completion of the Development Improvements, FISE shall repair and restore any damage caused to any of the City Property as a result of any such work.

6. Indemnification and Insurance. FISE agrees to indemnify and hold the City harmless from and against any damages, liabilities, claims, costs, charges and expenses arising out of FISE’s construction of the Development Improvements. During the construction and until completion of the Development Improvements, FISE shall provide the City with evidence of commercial general liability insurance in companies acceptable to the City with minimum limits of Three Million and no/100ths Dollars (\$3,000,000.00) per occurrence, protecting the City from liability arising out FISE’s construction of the Development Improvements.

7. Oakwood Development Stipulations. FISE agrees that the Oakwood Development shall be constructed to include, where applicable, the Oakwood Development Stipulations. To ensure FISE’s commitment to perform and/or adhere to the Oakwood Development Stipulations, FISE agrees to incorporate the Oakwood Development Stipulations, as and where applicable, into FISE’s applications and submissions to the City for site plan and building permit approvals. In addition, FISE shall direct any tenant or tenant representative to incorporate the applicable Oakwood Development Stipulations into its respective building permits and approvals.

8. City Cooperation. The City acknowledges and agrees that the commitments undertaken to be made by FISE in this Development Agreement are in connection with FISE’s intended development of the Oakwood Development. Pursuant to Title Six, Chapter 762 of the current Codified Ordinances of South Euclid (the “SE Code”) and any and all other applicable provisions thereof, FISE intends to submit and apply for approval of the Oakwood Development

in phases. The first phase of submissions by FISE shall include (i) a building permit for excavation work, grading and site improvements for the Oakwood Development (except for the outlot areas) which site improvement shall include landscaping, parking lot layout and design, paving, buffering, storm water management systems and utilities; (ii) a site plan which will show, to the extent the same are available, proposed locations of buildings, building footprints and other structures; and (iii) any applicable subdivision submissions in connection therewith (collectively, the "Phase I Improvements"). As development and tenanting of the Oakwood Development proceeds, FISE will submit for additional applicable building, site plan, subdivision and other requisite permits and approvals, all in accordance with the requirements of the SE Code. Each phase of improvements made by FISE after the Phase I Improvements shall be herein referred to as "Additional Phase Improvements". The City agrees that it will cooperate with FISE and review and approve all applications and submissions for the Phase I Improvements and all of the Additional Phase Improvements in an expeditious manner without hindrance, conditions or unnecessary delay. In addition, the City agrees to execute and deliver, or cause to be executed and delivered, any and all necessary permits, consents, approvals and other documents and assurances, and to cooperate with FISE in order to allow FISE to complete the Development Improvements and any and all other work provided for herein without hindrance or unnecessary delay.

9. **Breach of Contract.** Except as otherwise provided in this Development Agreement, in the event of any default or breach of any of the terms or agreements herein contained, by either party hereto, such party shall, upon written notice to the other, proceed to cure or remedy such default or beach within thirty (30) days after receipt of such notice, or in the event the default or breach does not involve the payment of money and cannot be cured within thirty (30) days, then such longer period of time as may be reasonable. In the even the default or breach is not remedied in the time periods provided in this paragraph, then the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance.

10. Miscellaneous.

(a) **Contingency.** Notwithstanding anything contained herein to the contrary, FISE shall have no obligation to perform any of the obligations hereunder unless and until it shall have obtained final non-appealable site plan and (if required) subdivision approval and issuance of a building permit by the City for the Phase I Improvements (the "Permit Contingency"). If for any reason whatsoever, the Permit Contingency is not satisfied within three (3) years after the date hereof, either party shall have the right to terminate this Development Agreement by providing written notice to the other and thereafter, this Development Agreement shall terminate as of the date of such notice.

(b) **City Council.** This Development Agreement and all terms and provisions hereof are subject to and conditioned upon the approval or ratification by duly enacted ordinance or resolution of the City Council of the City of South Euclid.

(c) **Approvals of the City.** Any provision of this Development Agreement requiring the approval of the City, the satisfaction or evidence of satisfaction from the City, certificate or certification by the City or the opinion of the City, shall be interpreted

as requiring action by the Mayor of the City (or such other applicable official as the Mayor of the City may from time to time appoint or designate) granting, authorizing or expressing such approval, satisfaction, certification or opinion, as the case may be, unless such provision or the administrative procedures applicable in the City expressly provide otherwise.

(d) **Estoppel Certificate.** Each party hereto agrees that within twenty (20) days after receipt of written request from the other party, it will issue to such party, or its prospective mortgagee or successor, an estoppel certificate stating to the best of such party's knowledge that as of such date:

- (i) whether it knows of any default under this Development Agreement by the requesting party, and if there are any known defaults, specifying the nature thereof;
- (ii) whether this Development Agreement has been assigned, modified or amended in any way by it and if so, then stating the nature thereof;
- (iii) whether this Development Agreement is in full force and effect; and
- (iv) any other reasonable matters relating to this Development Agreement.

(e) **Termination of Agreement.** Upon completion of the Development Improvements and acceptance thereof by the City and all other obligations of FISE hereunder or in the event of termination of this Development Agreement in connection with paragraph 10(a) above, the parties agree to execute, in recordable form if requested by either party, a statement confirming termination of this Development Agreement.

(f) **Severability.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Development Agreement, but this Development Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

(g) **Waiver.** The failure of either party to insist, in any one or more instances, upon a strict performance of any of the terms and conditions of this Development Agreement, or to exercise or fail to exercise any option or right contained herein, shall not be construed as a waiver or a relinquishment for the future of such right or option, but the same shall continue and remain in full force and effect. The continued performance by either party of this Development Agreement with knowledge of the breach of any term or condition hereof shall not be deemed a waiver of such breach, and no waiver by either party of any provision hereof, shall be deemed to have been made, or operate as estoppel, unless expressed in writing and signed by such party.

(h) **Notices.** All notices herein authorized or required to be given to the City shall be sent certified mail, registered mail or overnight express, postage prepaid, to the City at:

City of South Euclid

Attn: Mayor Georgine Welo
1349 South Green Road
South Euclid, Ohio 44121

With a copy to:
Michael P. Lograsso
City of South Euclid
1414 South Green Road, #310
South Euclid, Ohio 44121

or to such other address as the City may from time to time designate in accordance with this Paragraph. All notices herein authorized or required to be given to the FISE shall be sent by certified mail, registered mail or overnight express, postage prepaid, to the FISE at:

FISE LLC
The Offices at Legacy Village
25333 Cedar Road, Suite 300
Lyndhurst, Ohio 44124
Attn: Mitchell C. Schneider, President

With a copy to:
First Interstate Properties, Ltd.
The Offices at Legacy Village
25333 Cedar Road, Suite 300
Lyndhurst, Ohio 44124
Attn: General Counsel

or to such other address as FISE may from time to time designate in accordance with this Paragraph.

(i) **Entire Agreement.** This Development Agreement sets for the complete understanding and agreement of the parties with respect to the Real Property and the transaction that is the subject of this Development Agreement. No oral statements, representations or agreements other than this Development Agreement shall have any force or effect and the City and the FISE agree that they will not rely on any representations or agreements other than those contained in this Development Agreement.

(j) **Further Assurances.** Either party, upon the request of the other party, shall execute and deliver such further documents and instruments as such other party may reasonably deem appropriate to carry out the terms and conditions of this Development Agreement, provided that such further documents and instruments are consistent with the terms and conditions of this Development Agreement.

(k) **Survival.** All agreements, representations, warranties and indemnifications hereunder shall be considered to have been relied upon and shall survive

the execution and delivery of this Development Agreement and the conveyance of the Real Property being conveyed hereunder.

(l) **Headings.** The headings in this Development Agreement are for the purposes of reference only and shall not affect or define the meanings hereof.

(m) **Exhibits.** The Exhibits attached hereto are a part of this Development Agreement.

(n) **Applicable Law and Binding Effect.** This Development Agreement shall be construed and interpreted in accordance with the laws of the State of Ohio. This Development Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

(o) **Counterparts.** This Development Agreement may be signed in multiple identical counterparts with the same effect as if the signatures thereof and hereto were upon the same instrument.

EXECUTED on the date first written above.

FISE LLC,
an Ohio limited liability company

CITY OF SOUTH EUCLID, OHIO

By: _____
Mitchell C. Schneider
Its: Managing Member

By: _____
Its: _____

EXHIBIT "A"

Legal Description of FISE Property

DRAFT

EXHIBIT “B”

Article I. Purpose of the Oakwood Development

1. To permit a variety of uses including higher density residential, office, retail and civic uses in a manner which ensures the area is functionally competitive.
2. To provide increased opportunities for economic development and expansion of the City’s tax base while strengthening the diversity of uses found in the community.
3. To create a pedestrian-friendly, mixed-use Development that imparts a sense of identity and acts as a focal point for the community.
4. To establish design guidelines for new development or redevelopment that reinforces the Development’s “sense of place” and ensures that an aesthetically pleasing environment is created. Specifically, the design guidelines are intended to:
 - a. Protect, preserve and enhance the appearance and character of the community.
 - b. Reduce the impact between zoning districts.
5. To provide interest along the streetscape.
6. To promote building additions and renovations in a manner consistent with objectives, standards, and design criteria for this Development.
7. To ensure that development occurs in a unified manner in accordance with an approved development plan.

Article II. Conflicting or Overlapping Provisions

When a provision within this Development Agreement or any other additional associated provision to this Development Agreement contains any restrictions covering any of the same subject matter, whichever restrictions are more restrictive or impose higher standards or requirements shall govern.

Article III. Development and Design Guidelines for Oakwood Development

The following development and design guidelines are established to ensure that all new development or redevelopment complies with the purpose and objectives of this Development Agreement. The South Euclid Architectural Review Board shall be the final determinate of the overall design of the Oakwood Development, based on applicable Ordinances, and shall consider:

1. General Criteria
 - a. The proposal shall enhance and improve the character of the community and be appropriate and compatible with its surroundings in accordance with the intent, objectives and development requirements set forth in this Development Agreement.
 - b. The Oakwood Development may include several larger scale box stores in the western portion of the property and:
 - i. Building structures and landscaping on the eastern portion of the property along Warrensville Center Road should be designed and located on the site and be of a scale and size that will complement

adjacent buildings and enhance the character of the surrounding area; further,

- ii. Buildings on the eastern portion of the property are encouraged to be placed near the street or along the riparian zone to provide a sense of enclosure and definition to the street, subject to applicable Chapters of Part Seven (Planning and Zoning Code), Title Three (Commercial District Regulations) and Title Eight (Controlling Riparian and Wetlands Setbacks) Chapter 780, respectively. The internal portion of the site may also be developed with new buildings or renovations and/or additions to existing buildings.
 - c. Each building or unit of a multiple building development should have its own distinct identity, and should also be compatible with adjacent units or buildings in terms of proportion, color and materials.
 - d. Pedestrian activity shall be encouraged and safe pedestrian connections shall be provided between the principal uses in the project area and between the principal uses, adjacent uses and sidewalks.
 - e. All on-site utility and power lines shall be buried underground.
2. Design of Buildings
- a. Specific architectural style is not restricted, but evaluation of the Development's appearance shall be based on the quality of its design.
 - b. Building components such as windows, doors, eaves and parapets shall be composed on a building façade so as to create a proportional and harmonious relationship with one another and surrounding buildings.
 - c. Architectural features should be located upon a building façade so that a well-balanced pattern and harmonious appearance results.
 - d. Buildings and principal building entrances shall be articulated and express greater detail than other portions of the building and be oriented in a manner that demonstrates a logical extension of the overall site circulation plan.
 - e. Buildings surrounding public spaces may also be oriented so as to focus activity on that area.
 - f. Buildings located at street intersections and other important pedestrian or automobile entry points shall employ distinctive architectural features to distinguish these areas.
3. Outdoor Storage and Display
- a. Neither parking lots, nor other non-enclosed areas immediately adjacent to the front or side of buildings shall be used for storage or sale of goods.
 - b. Outdoor sale of goods shall be within typical enclosed areas (i.e. typical garden centers), adjacent to buildings. Such enclosures shall have sheltered portions of a building and be enclosed by decorative fencing and be at least partially screened.
 - c. Display or sale of goods outside the interior permanent and sheltered portions of a building is prohibited. Exceptions to this provision include: seasonal holiday trees, seasonal sales of nursery supplies, and similar type events/commodities, which may be conducted in the parking areas on a

seasonal basis. Areas proposed for seasonal sales activities shall be indicated on site plans.

- d. In no instance shall outdoor displays obstruct sidewalks or otherwise impede pedestrian movement to entrance of the store.

4. Building Materials

- a. Buildings shall have finish materials on all sides. Finish materials shall not include exposed concrete, smooth faced tilt up concrete panels, corrugated metal siding, cinder block or stucco (commonly known as “dryvit”) unless it is utilized with bands of accent color, recessed or protruding belt courses, wide reveals, accent sections of buildings, or combinations thereof.
- b. A combination of materials, textures, colors and finishes are preferred to create visual interest.
- c. Predominant exterior building materials must be of high quality. Examples include brick, wood, stone, integrally colored split-faced block, tinted/textured stucco, and tile accents.
- d. Building façade details and materials should be authentic and integrated into building design, and should not appear as artificial “glued on/tacked on” features, which may likely encourage the perception of low quality design and construction.

5. Design of Parking Areas, Walkways, and Pedestrian Thoroughfares

Parking areas are transitional spaces where users change modes of travel from car, bus, or bicycle to pedestrian. Therefore, parking areas should provide safe, convenient, and efficient access to serve all travel modes. The site design of the parking lots shall consider the following elements:

a. Pedestrian Circulation

- i. Walkways at least five (5) feet in width shall connect focal points of pedestrian activity such as, but not limited to, transit stops, street crossings, building and store entry points.
- ii. Walkways shall be provided in large parking areas and in parking areas that are associated with a high pedestrian volume and shall be clearly distinguished, separated from the automobile traffic and parking spaces and aisles.
 1. These walkways shall be integrated with existing sidewalks and pedestrian routes and coordinated with the surrounding neighborhoods where location of internal pedestrian routes are located.
 2. Such walkways shall be constructed of concrete, stone or brick, must complement the overall design of the development, and be set apart and enhanced with landscaping and lighting. All internal pedestrian walkways shall be distinguished from driving surfaces through the use of color and durable, low maintenance surface materials such as pavers, bricks or scored concrete to enhance

pedestrian safety and comfort, as well as the attractiveness of the walkways.

- iii. All walkways shall conform to the design requirements established by the Americans with Disabilities Act (ADA).
- b. Entrances and exits to parking areas should be located in accordance with the recommendations of a traffic engineer.
- c. Any parking structures should be designed with a façade treatment that reasonably screens the parked vehicles, at each level of the parking structure, from view from the street.
- d. Vehicle Parking Spaces
 - i. Parking space size shall be a minimum of one hundred sixty-two (162) square feet and dimensions shall conform to Schedule 1: Parking Dimensions. The following minimum design standards shall be observed in laying out off-street facilities.

Schedule 1: Parking Dimensions

Angle of Parking	Minimum Parking Space Size		Minimum Aisle Width
	Width	Length	
Parallel – One-Way Traffic	8 feet	22 feet	12 feet
Parallel – Two-Way Traffic	8 feet	22 feet	20 feet
90 Degree	9 feet	18 feet	22 feet
Angle of Parking	Minimum Parking Space Size		Minimum Aisle Width
	Width	Length	
60 Degree	9 feet	18 feet	17 feet (for one way)
45 Degree	9 feet	18 feet	13 feet (for one way)
Disabled	Refer to ADA guidelines		

- e. Minimum Off-Street Parking Spaces: General retail uses shall provide a minimum of 4.5 spaces per 1,000 square feet of gross floor area.
- f. Shopping Cart Corrals: If applicable, parking lots shall include an adequate number of shopping cart corrals where carts can be dropped off without obstructing vehicle, bicycle, or pedestrian traffic movement, or being left in landscape planter areas. Cart corrals should be both attractive and durable, and their design will be a specific consideration in the site plan.
- g. Bicycle Parking: Off-street bicycle parking shall be provided as follows:
 - i. A bicycle parking space required by this Development Agreement shall be at least 6 feet long and 2 feet wide with a 5 foot access aisle and a vertical clearance of at least 6 feet.
 - ii. All required bicycle facilities must be in accordance with the Association of Pedestrian and Bicycle Professional Bike Parking Guidelines.
 - iii. All required bicycle facilities must be included on all site plans. Site plans must include a table that shows the square footage calculations and the resulting required spaces.

- iv. Bicycle parking that requires a user-supplied locking device shall be designed to accommodate U-shaped locking devices.
 1. All lockers and racks must be securely anchored to the ground or the building structure to prevent racks and lockers from being removed from the location.
 2. Racks must support the bicycle frame and at least one wheel and allow for the frame and wheel to be locked to the rack either through a U-lock or other device.
 3. Racks that hold the bike by the wheel with no way to lock the frames and wheel to the rack with a U-lock are not permitted. Grid or fence style racks and wave or ribbon style racks are not permitted. Approved systems can be supplied by the City of South Euclid Building Department.
 4. The surface of bicycle parking facilities shall be designed and maintained to be free of debris.
 5. Existing traditional-type racks which support only one wheel or other racks that are inconsistent with this Development Agreement shall not count toward the bicycle parking requirement of this section nor any other section of the Development Agreement.
- v. Bicycle Parking Requirements:
 1. 1 and 2 Family: no requirement
 2. Multifamily: 1 space per 2 units
 3. Commercial Uses: 1 space per 25 vehicle spaces
 4. Institutional Uses:
 - a. Educational Uses (Colleges/Universities, High Schools, Junior High Schools and Elementary Schools): 1 space per 5 students
 - b. Library, Museum, Gallery: 1 space per 500 square feet
 - c. Auditorium, Church, Synagogue: 1 space per 20 seats (or 40 feet of bench), or 1 space per 3,000 square feet, whichever is greater
 5. Manufacturing and Industrial Uses: no requirement
 6. Where bicycle parking is required, no fewer than 2 spaces and no more than 50 spaces shall be required.
 7. For any use not described within the Development Agreement, bicycle parking will be determined by the Planning Commission.
- h. Drive-Through Stacking
 - i. Drive-through establishments shall provide stacking space for the queuing of vehicles awaiting service in accordance with the standards in Ordinance 734.02 and the following provisions:
 1. Each stacking space shall be twenty (20) feet long, and a minimum of nine (9) feet wide.

2. Lane widths should be delineated with pavement markings, however, individual spaces within the lane need not be marked.
3. Any drive-through use not listed in Ordinance 734.02 shall be required to provide at least four (4) stacking spaces per drive-through window.
4. Stacking spaces shall be in addition to the required parking spaces and must not be located within a required driveway, internal circulation system, or parking aisle.

i. Shared Parking

- i. Residential uses are not permitted to share parking facilities pursuant to this Development Agreement.
- ii. Two or more institutional or commercial uses are encouraged to share parking facilities in compliance with this Development Agreement. The Planning Commission may approve a development plan with such a reduction, or reallocation, in the number of parking spaces required when the Planning Commission determines:
 1. That, because of varying peak demands, the uses can be adequately accommodated with a lesser number of parking spaces than that which are required based on the sum of the various uses computed separately;
 2. That the lesser number of spaces, or the reallocation of the required parking spaces, is appropriate and consistent with these regulations;
 3. That not more than fifty percent (50%) of the required parking spaces shall be shared; and
 4. That the location of the shared or reallocated parking will provide convenient and safe access from the shared parking area to the use that the shared parking is serving.

iii. Shared parking application.

1. In addition to all other submission requirements applicable for the proposal, an applicant requesting a shared parking arrangement shall also provide:
 - a. Evidence, as determined by the Planning Commission, that the land uses have differing peak-hours (or days, or seasons) of parking demand, or that the total parking demand at any one time would be adequately served by the total number of parking spaces being proposed.
 - b. An agreement between property owners if the shared parking area and the use served is in two or more separate ownerships. Such agreement shall address such items, including but not limited to, use of facilities, maintenance, utilities, taxes, signage, enforcement, cooperation, insurance,

indemnification, and termination. The Law Director shall approve the form and completeness of such agreement.

6. Conditional Uses

Recognizing that various use options are essential to the community and have characteristics, which may be detrimental to and incompatible with residential areas if not properly developed, the Planning Commission shall have the responsibility to make the ultimate determination that in each case (based on applicable ordinances) the standards hereinafter set forth for each option are achieved. In addition, it shall be determined that each use so permitted shall be in general accord with the overall development objectives of the City and shall not adversely affect the value of adjacent or neighboring property, create undesirable conditions or other hazards or otherwise impair the safety and general welfare of the residents of the City. The following uses shall be conditionally permitted and, as such, shall be subject to the requirements of Ordinance 762.05 of the Planning and Zoning Code:

- a. Outdoor dining.
- b. Drive-up/drive-through windows when associated with a use otherwise permitted in the C-2 District.

7. Outdoor Lighting

In addition to compliance with all requirements of Ordinance 1328, Outdoor Lighting, the fixtures on buildings and in parking lots shall be consistent in height and design within the Development and shall conform to the following:

- a. The design, size and placement of outdoor lighting fixtures on buildings and parking lots should be in keeping with the architectural style of the buildings. All light fixtures should be directed downward and shielded so that the light source itself is not visible.
- b. Wherever parking lots or garages are used during darkness, a system of lighting shall be installed to provide an adequate standard of illumination over the entire parking lot.
 - i. Off-street parking spaces shall have a system of lighting installed to provide an adequate standard of illumination over the entire parking lot.
 - ii. All lighting shall be constructed and arranged to prevent direct emission of light upon adjoining lots or onto public streets.

8. Design of Landscaping

- a. Landscape treatment shall be provided to emphasize a pedestrian environment, separate pedestrian ways from parking areas, enhance architectural features, provide shade, and strengthen vistas.
- b. Trees and shrubs shall be arranged to create varied and attractive views.
- c. Plant material should provide a variety of colors and shall be displayed throughout the year.
- d. The City Landscape Architect shall require tree spacing and massing that are appropriate for the scale and density of the Oakwood Development

and that balances sustainable design standards with the visibility requirements of a successful retail environment.

9. Fire Protection

All development and redevelopment shall comply with the National Fire Prevention Association 24, Standard for the Installation of Private Fire Service Mains and their Appurtenances.

10. Location of Loading and Unloading Areas

All areas and facilities devoted to loading and unloading of goods and merchandise shall be located to the side or rear of the building and lot.

11. Signs

A comprehensive signage program shall be integrated into the Development design.

Article IV. Development Plan Review Required

All new development and alterations to existing development shall comply with the regulations set forth in this Development Agreement.

1. Development plans shall be submitted and reviewed by the Planning Commission and/or the Architectural Review Board (ARB) according to Schedule 2 below:

Schedule 2

Type of Development Proposed	Review by Planning Commission	Review by Architectural Review Board (ARB)
New construction, including building additions	Yes	Yes
Modifications or changes to the bulk or area of an existing building	Yes	Yes
Modifications to the exterior façade treatment of an existing building or required screening elements	No	Yes
Modifications to the site plan of an existing building	Yes	No

Notwithstanding the regulations for nonconforming uses set forth in Ordinance 751, no alterations that affect the exterior of an existing building, parking or site circulation shall be permitted unless the entire building and its accessory uses, including painting facilities, complies with the regulations of this Development Agreement.

2. Development Plan Submission. Development plans of the proposed Development, or any phase thereof, shall be submitted for review to the Planning Commission and/or ARB. All plans shall be drawn at a scale of not less than 1 inch = 100 feet and designed in accordance with the regulations set forth in this Development Agreement and any other applicable plans that may have been

adopted by the City which apply to the subject site. The Development Plan shall include, but not be limited to:

- a. Site Plan. The site plan shall indicate:
 - i. The proposed location of all structures identified by type, size, height and use;
 - ii. The assignment of all lands subdivided; and
 - iii. The location of all structures within 100 feet of properties adjoining the proposed Development.
 - b. Circulation Plan. The circulation plan shall show on-site vehicular and pedestrian circulation patterns, including the location and dimensions of proposed driveways and walkways and the location and arrangement of parking spaces and service facilities. A traffic engineer may be retained by the City, at the request of the Planning Commission, to further review, comment, and provide recommendations to the City, Owner and Developer. All costs incurred shall be reimbursed to the City from the Applicant, Owner or Developer.
 - c. Elevations. These documents shall include elevation design drawings for all structures for the submitted phase and such other information to explain the purpose, appearance and materials for the structures.
 - d. Landscape Plan. These drawings shall show:
 - i. The proposed grading and drainage plan;
 - ii. The landscape treatment; and
 - iii. Plazas, parks and other landscape features.
 - e. Construction Plan. The construction plan shall indicate the proposed method and standards for the construction and maintenance of utilities and paved areas.
 - i. The construction plan shall establish a timeline for the overall development of the Oakwood Development.
 - f. Any proposed covenants running with the land; deed restrictions or easements proposed to be recorded; and covenants proposed for maintenance.
 - g. Such other reasonable information as the Planning Commission and ARB may require.
 - h. All plans, unless otherwise specified, shall be prepared by professional persons qualified in the planning of land development, traffic circulation, and building and landscape design.
3. Plan Review. Upon receipt of a Development Plan, the application shall be forwarded to the Planning Commission and/or the ARB as specified in Ordinance 738.13, the Building Commissioner (if not a member of the ARB), and to any professional consultants retained by the City. The Planning Commission and ARB shall review such development plan in accordance with the timeframe set forth in Ordinance 762.12(e). All costs incurred shall be reimbursed to the City from the Applicant, Owner or Developer.
 4. Approval. The approval of the Planning Commission and/or the ARB shall be based upon compliance with the standards contained in this Development Agreement and all applicable ordinances and with any supplementary criteria and

guidelines that the Planning Commission and/or ARB shall adopt prior to submission of the Development Plan.

Article V. Additional Stipulations

1. All buildings shall be LEED Certified.
2. The Development shall include a low-impact design with the following:
 - a. Energy efficient LED parking lot light technology;
 - b. A minimum 6,000 square foot experimental area of permeable pavement will be constructed within the Development;
 - c. Bioretention or low-impact practices in storm water management including the development of a variety of bioswales/bioretention for storm water management;
 - d. Utilization of native species plantings;
 - e. Drip irrigation systems; and
 - f. No chemical fertilization.
3. The effects of development on adjacent residential properties will be limited by:
 - a. Noise Concern. Developer shall use reasonable efforts to ensure Development adheres to applicable noise ordinances as presented in 509.13.
 - b. Vacant Commercial Buildings. Developer will adhere to Ordinance 1414 with regard to “Registration of Vacant Buildings and Certificates of Occupancy for Vacant Buildings”.
 - c. Security. Developer will provide private security on-site with minimum coverage at least five (5) nights per week which will always include Friday and Saturday nights.
 - d. RTA. Developer shall take reasonable measures to ensure safety, security and overall cleanliness of any RTA bus shelters, if not properly maintained by RTA.
 - e. Code of Conduct. Developer will adopt and display Developer’s typical Code of Conduct for the Development.

Article VI. Development Improvements

1. FISE has conducted a traffic study by TMS Engineers, Inc. dated January 22, 2011. As a result of such study, the City and FISE have agreed that certain traffic improvements will need to be constructed. FISE agrees that it shall install such improvements in accordance with all applicable City requirements. These improvements include the following:
 - a. Two (2) exclusive northbound left turn lanes on Warrensville Center Road.
 - b. One (1) exclusive southbound right turn lane on Warrensville Center Road.
 - c. Traffic signal control for the Stonehaven Road intersection with Warrensville Center Road and interconnection of the existing traffic signal at Warrensville Center Road and East Antisdale Road.
 - d. Install stop sign control on the south access drive approach.
 - e. Construct RTA bus pull-off.

- f. Install sidewalks along Warrensville Center Road (refer to Exhibit “B-1”).
 - g. Necessary improvements to Warrensville Center Road as a result of any of the work to be performed as a result of items a-e above and/or item 2 below.
2. FISE and the City have discussed necessary traffic calming measures and have agreed that FISE shall construct a traffic calming island on Stonehaven Road.

All of the foregoing items in Article VI are referred to herein collectively as the “Development Improvements”. The Development Improvements are more fully depicted on Exhibit “B-1”, attached hereto.

Article VII. Additional Traffic Provisions

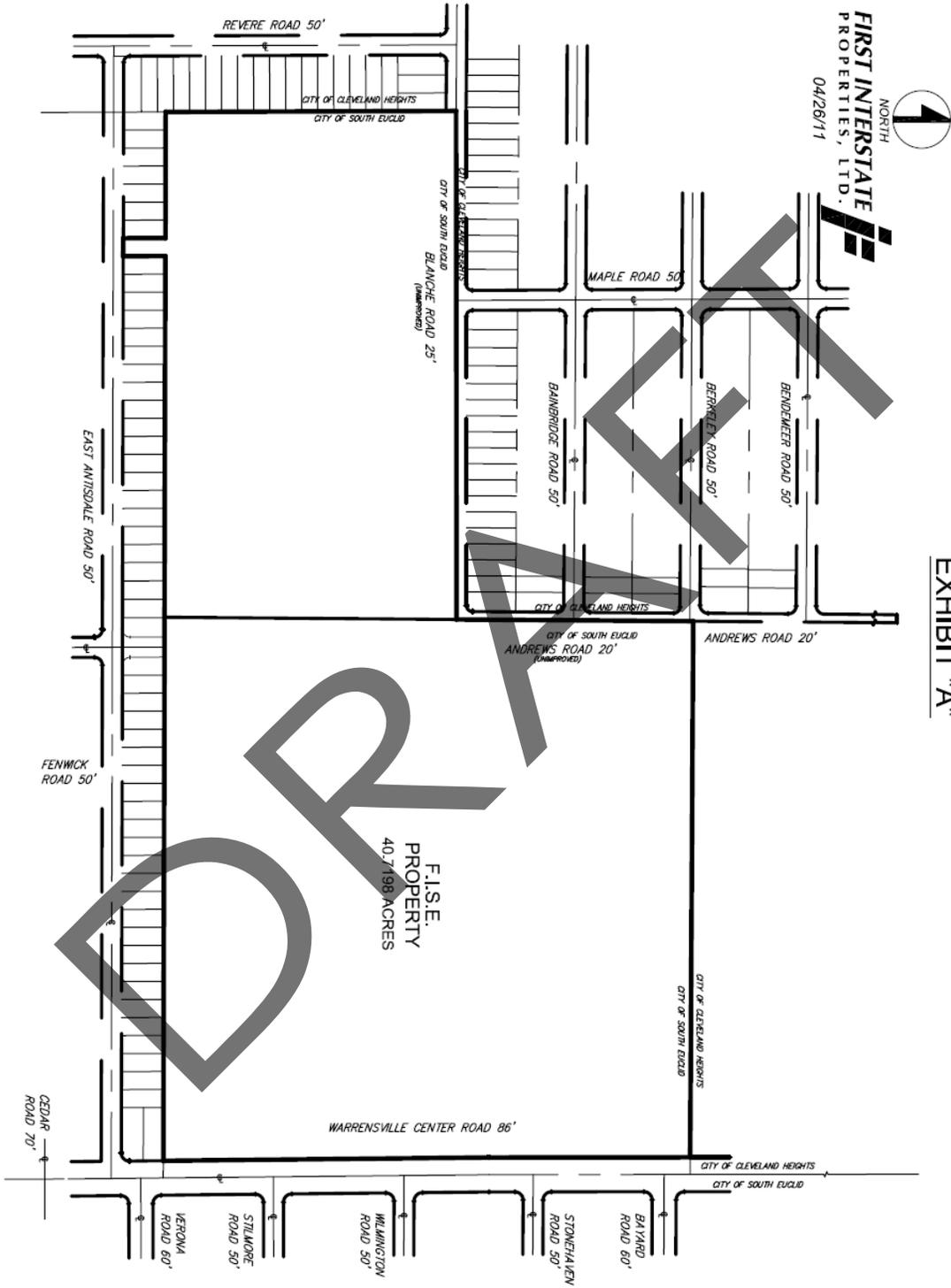
1. FISE and the City have discussed additional traffic concerns with regard to the Oakwood Development. As a result, the parties have agreed upon the following:
- a. Prior to the installation of any traffic light for the Development, FISE shall deposit into escrow with the City Finance Director, the sum of Ten Thousand Dollars (\$10,000) (the “Traffic Study Deposit”). The Traffic Study Deposit shall be utilized by the City for the performance of any pre and post-construction traffic studies the City deems necessary or desirable upon any streets located east of Warrensville Center Road (the “Traffic Studies”). The City shall be responsible for conducting any and all of the Traffic Studies and may utilize any traffic engineer it may choose.
 - b. Upon construction of any traffic light for the Development, FISE shall deposit the sum of Fifty Thousand Dollars (\$50,000) into escrow with the City Finance Director (the “Traffic Study Improvement Deposit”). The City shall have the right to utilize the Traffic Study Improvement Deposit to construct any improvements it reasonably deems necessary or desirable on any of the streets located east of Warrensville Center Road in the event that the Traffic Studies shall indicate any or all of the following:
 - i. total average daily traffic (“ADT”) exceeds 1,000 vehicles per day (“VPD”),
 - ii. ADT has increased by more than 100 VPD,
 - iii. fifty-five percent (55%) of ADT travel at speeds in excess of 5 miles per hour (“MPH”) above the posted speed limit; and/or
 - iv. the 85th percentile speed is more than 5 MPH above the posted speed limit (i.e. 15% of the drivers are speeding 5 MPH or more in excess of the posted limit).
2. Upon construction of any traffic light for the Development, FISE shall deposit the sum of Fifty Thousand Dollars (\$50,000) (the “West Five Deposit”) with the City Finance Director to be utilized in such means as the City reasonably deems necessary or desirable for traffic safety within the City’s west five neighborhood.
3. FISE is currently under contract to purchase approximately 91 acres of land also comprising the former Oakwood Club and located immediately adjacent to the FISE Property (the “CH Property”). It is FISE’s intention to develop the CH Property. In the event that any plans and/or permits for the Oakwood Development shall include the construction of a traffic light upon Warrensville

Center Road in the City of Cleveland Heights (the “CH Traffic Light”), then, within fourteen (14) days after final non-appealable approval and/or issuance of such plans and/or permits, FISE shall deposit into escrow with the City Finance Director, the sum of Ten Thousand Dollars (\$10,000) (the “CH Study Deposit”). The CH Study Deposit shall be utilized by the City for the performance of any traffic studies the City deems necessary or desirable to determine the impact, if any, that the CH Traffic Light may have upon any of the streets located east of Warrensville Center Road (the “CH Traffic Studies”). The City shall be responsible for conducting any and all of the CH Traffic Studies and may utilize any traffic engineer it may choose. Upon commencement of construction of the CH Traffic Light, FISE shall deposit the sum of Fifty Thousand Dollars (\$50,000) into escrow with the City Finance Director (the “CH Improvement Deposit”). The City shall have the right to utilize the CH Improvement Deposit to construct improvements on any of the streets located east of Warrensville Center Road in the event that the CH Traffic Studies shall indicate any or all of the following:

- i. total ADT exceeds 1,000 VPD,
- ii. ADT has increased by more than 100 VPD,
- iii. fifty-five percent (55%) of ADT travel at speeds in excess of 5 MPH above the posted speed limit; and/or
- iv. the 85th percentile speed is more than 5 MPH above the posted speed limit (i.e. 15% of the drivers are speeding 5 MPH or more in excess of the posted limit).

Any and all improvements required to be constructed as a result of the terms of Article VII shall be constructed by the City. Any amounts of the Traffic Study Deposit, Traffic Study Improvement Deposit, West Five Deposit, CH Study Deposit and CH Improvement Deposit that are above the actual expenses incurred in connection with the work for which they are being provided for as required in Article VII and/or are not utilized by the City in connection herewith within two (2) years after completion of all of the Traffic Studies or CH Traffic Studies, as applicable, shall thereafter be retained by the City as a donation by FISE and may be utilized for any means the City deems necessary or desirable in relation to the Oakwood Development.

EXHIBIT "A"



FIRST INTERSTATE
PROPERTIES, LTD.
04/26/11



EXHIBIT "A"