

RESOLUTION NO.: 23 - 2020  
INTRODUCED BY: Henry

A RESOLUTION DETERMINING THAT THE PETITION TO ESTABLISH THE BELLE OAKS NEW COMMUNITY AUTHORITY DISTRICT IS SUFFICIENT AND COMPLIES WITH THE REQUIREMENTS OF SECTION 349.03 OF THE OHIO REVISED CODE IN FORM AND SUBSTANCE; SETTING THE TIME AND PLACE FOR A HEARING ON THE PETITION; AND AUTHORIZING THE NOTICE BY PUBLICATION OF SUCH HEARING.

WHEREAS, Belle Oaks Marketplace LLC, (the "Developer") plans to develop an approximate 69-acre site located within the municipal corporate boundaries of the City of Richmond Heights, Ohio (the "City"), as a mixed-use development consisting of new retail, residential, commercial, and structured parking facilities and other complementary uses as described in Ohio Revised Code ("ORC") Chapter 349; (the "Development");

WHEREAS, on February 18, 2020, the Developer submitted to this Council, pursuant to ORC §349.03, a Petition for Establishment of the Belle Oaks New Community Authority (the "Petition");

WHEREAS, the Belle Oaks New Community District, as described in the Petition, is proposed to be located entirely within the municipal corporate boundaries of the City and this Council, as the legislative authority of the City, is therefore the "Organizational Board of Commissioners," as defined in ORC §349.01(F)(3) for purposes of the Petition;

WHEREAS, this Council has reviewed the Petition, and by this Resolution desires to legislatively determine, pursuant to ORC §349.03, that the Petition facially complies with the requirements of that section as to form and substance, subject to any amendments in form and substance to conform to the facts by correcting any errors in the description of the proposed community district or in any other particular;

WHEREAS, pursuant to ORC §349.03, this Council desires to formally set the time and place of a hearing on the Petition; and further pursuant to ORC §349.03, to authorize the notice by publication of the hearing on the Petition;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: This Council has examined the Petition and determines that the Petition is sufficient and complies with the requirements of ORC §349.03 as to form and substance.

Section 2: Pursuant to ORC §349.03, this Council determines to hold a hearing on the Petition on March 24, 2020 at Richmond Heights City Hall, and authorizes the Clerk to cause notice of the hearing to be published once a week for three consecutive weeks prior to the hearing in a newspaper of general circulation within Cuyahoga County, Ohio, pursuant to ORC §349.03(A).

Section 3: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4: This Resolution shall take effect and be in force from and after the earliest period allowed by law which, being an administrative act by this Council, shall go into effect immediately upon its passage and signature by the Mayor.

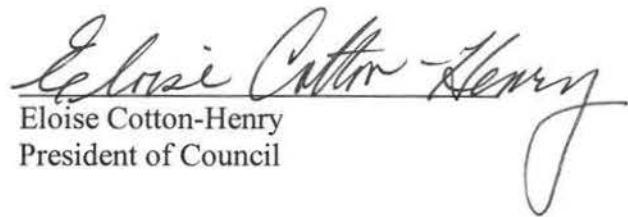
PASSED: March 3, 2020



David H. Roche  
David H. Roche, Mayor

APPROVED: March 3, 2020

ATTEST: Betsy Traben  
Betsy Traben  
Clerk of Council



Eloise Cotton-Henry  
Eloise Cotton-Henry  
President of Council

BEFORE THE COUNCIL OF THE CITY OF RICHMOND HEIGHTS, OHIO

PETITION FOR ESTABLISHMENT OF THE  
BELLE OAKS NEW COMMUNITY  
AUTHORITY AS A NEW COMMUNITY  
AUTHORITY UNDER OHIO REVISED CODE  
CHAPTER 349

Submitted by:

Belle Oaks Marketplace LLC,

As the Developer

RECD FEB 18 2020

Brian Glens

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**BEFORE THE COUNCIL OF THE CITY OF RICHMOND HEIGHTS, OHIO**

**PETITION FOR ESTABLISHMENT OF  
THE BELLE OAKS  
NEW COMMUNITY AUTHORITY  
AS A NEW COMMUNITY AUTHORITY UNDER  
OHIO REVISED CODE CHAPTER 349**

Pursuant to Ohio Revised Code Chapter 349 (the Act), Belle Oaks Marketplace LLC, (the Developer), in its capacity as a “developer” as defined in Section 349.01(E) of the Ohio Revised Code, hereby makes and files this petition (the Petition) with the Council of the City of Richmond Heights, Ohio (the City), as the organizational board of commissioners under Section 349.01(F) of the Ohio Revised Code (the City Council), in order to initiate proceedings for the establishment of a new community authority (the Authority) described in Section 1 below and for the new community district described in Section 3 below (the District).

The Developer further states as follows:

**Section 1. Name of the Proposed Authority**

The Authority shall be named the “Belle Oaks New Community Authority.”

**Section 2. Principal Office of the Proposed Authority**

The principal office of the Authority shall be located at Richmond Heights City Hall, 26789 Highland Rd., Richmond Heights, OH 44143 until such time as the board of trustees of the Authority determines another location for the principal office of the Authority.

**Section 3. Map; Full and Accurate Description of the Proposed District**

A full and accurate description of the boundaries of the District is attached to this Petition in the form of a map as Exhibit A, and the legal descriptions for the parcels comprising the District are attached to this Petition as Exhibit B. As of the date of this petition, the District includes current Cuyahoga County Fiscal Office Permanent Parcel Numbers 662-27-048, 662-27-049, 662-30-120, 662-30-121, 662-30-090, 662-30-098. Presently, a Lot Split Application is pending before the City of Richmond Heights, as recommended by the Cuyahoga County Fiscal Officer (Commercial Appraisal Department), wherein the Phase I Parcel is proposed to be split into nine (9) separate parcels to allow for finalization of ad valorem real estate tax valuations upon completion of Phase I improvements on each individual Parcel. An additional Lot Split Application will be submitted sometime after the submission of this Petition regarding PPN 662-30-090 (CubeSmart Property). This proposed lot split will separate the CubeSmart building with limited parking field from the balance of the parking lot. The District will include the balance of the parking lot which is identified as a result of this lot split. The District will not include the CubeSmart building and limited parking field identified as a result of this lot split.

As a note, the only Parcels with Legal Descriptions presently available are PPNs 662-30-090 (CubeSmart) and 662-30-098 (La Fiesta). As indicated in the map, all of the real property comprising the District is developable as one functionally interrelated community and is owned or controlled, through leases of at least seventy-five years' duration, options, or contracts to purchase by the Developer. The territory of the District is wholly located within the municipal boundaries of the City.

#### Section 4. Zoning for the Proposed District

The current plans for the development of the proposed District comply with the applicable zoning regulations, including a zoning ordinance of the City, a certified copy of which is attached to this Petition as Exhibit C. The majority of the District is located within the B-2 Regional Business District with a small portion located in the R-2 Single Family Residential District. The portion of the District located within the R-2 Single Family Residential District has been granted Use Variances by the City of Richmond Heights to allow for multi-family apartment use.

#### Section 5. Current Plans for the Development of the Proposed District

The current plans for the development of the proposed District, indicating the proposed "new community development program," as defined in the Act, are provided below and in certain Exhibits attached to this Petition (collectively, the Development Program).

The Development Program outlines the general program for the development of the District, and includes (a) the land acquisition and land development activities to be undertaken within the area including the District, (b) the acquisition, construction, operation, and maintenance of community facilities and other public infrastructure improvements for the District (Community Facilities), (c) the provision of District services to be undertaken by the Authority, (d) the proposed method of financing such Community Facilities and District services, (e) the projected total employment within the District, and (f) the projected total population of the District.

The development of the area included in the proposed District, as well as the surrounding area, is being described as "Belle Oaks at Richmond Road." Belle Oaks at Richmond Road will include a mixture of uses, including residential, commercial, and retail units.

- a. Development Program, Including Land Acquisition and Land Development. The Development Program does not contemplate that the Authority would undertake any plans for the acquisition of real property and interests in real property other than the acquisition of fee interests, easements, rights-of-way, licenses, leases and similar property interests necessary to complete the Community Facilities.
- b. Plan for Community Facilities. The Community Facilities shall include all real property, buildings, structures, or other facilities, including related fixtures, equipment, and furnishings, to be owned, operated, financed, constructed, and maintained under the Act. Community Facilities may be publicly or privately

owned. As provided in the Act, the Community Facilities consist generally of (i) any real property, buildings, structures, or other facilities, including related fixtures, equipment, and furnishings, to be owned, operated, financed, constructed, and maintained, including public, community, village, neighborhood, or town buildings, centers and plazas, auditoriums, day care centers, recreation halls, educational facilities, health care facilities including hospital facilities as defined in the Act, telecommunications facilities, including all facilities necessary to provide telecommunications service as defined in the Act, recreational facilities, natural resource facilities, including parks and other open space land, lakes and streams, cultural facilities, community streets and off-street parking facilities, pathway and bikeway systems, pedestrian underpasses and overpasses, lighting facilities, design amenities, or other community facilities, and buildings needed in connection with water supply or sewage disposal installations, or energy facilities including those for renewable or sustainable energy sources, and steam, gas, or electric lines or installation; and (ii) any community facilities that are owned, operated, financed, constructed, or maintained for, relating to, or in furtherance of "community activities" as defined in the Act.

Specifically, it is presently anticipated that the Community Facilities will include the facilities described in Exhibit D attached to and incorporated into this Petition.

- c. Provision of District Services. Pursuant to the Act, the Authority is authorized to provide services within the District, including, but not limited to, any services or activities in furtherance of the "new community development program" and any maintenance, landscaping, street cleaning, parking facility operations and maintenance, , and any other community improvement services.
- d. Method of Financing. The Developer proposes to finance the construction of certain of the Community Facilities through the issuance of one or more series of bonds, notes issued in anticipation of the issuance of bonds, or bonds issued to refund such bonds or notes (the Bonds), either by the Authority or another governmental entity or entities. The Bonds will be secured through the levy and collection by the Authority of a "community development charge," as defined in the Act (Community Development Charge), that the Authority expects to levy on certain parcels within the District. The Community Development Charge will serve as one source of security for the payment of the annual debt service charges on and administrative expenses of the Bonds (Bond Debt Service). Bond Debt Service may also be secured by service payments in lieu of taxes expected to be generated by a tax increment financing (TIF) program authorized under Ohio Revised Code Chapters 725 and 5709 to be implemented on the property within the District. Bond Debt Service may also be secured by one or more other sources of revenue available to the Authority and other funds available to the Authority.
- e. In addition to securing the Bonds, the Community Development Charge, the TIF revenue, and the other revenue and funds available to the Authority may be used

to provide the administrative expenses of the Authority (Administrative Expenses), and the operation and maintenance expenses of Community Facilities (O&M). Collectively, Bond Debt Service, Administrative Expenses, and O&M are referred to as the "Annual Amount".

The development plan for the property to be located in the District includes the granting of real property tax abatements under an existing community reinvestment area overlaying the District which may provide for an exemption pursuant to Section 3735.65, et seq., of the Ohio Revised Code for up to 15-years and up to 100% of the real property taxes paid on certain real property improvements located within the District.

Prior to expiration of available real property tax abatements, it is expected that the Community Development Charge will serve as the primary source of revenue to pay the Annual Amount. Following the expiration of available real property tax abatements, it is expected that TIF service payments will serve as the primary source of revenue to pay the Annual Amount and the Community Development Charge may serve as a secondary source of revenue to pay the Annual Amount. Definitive projections related to expected revenue and expected Bond Debt Services, Administrative Expenses, and O&M will be developed as the Bond financing is finalized.

- f. Projected Total Employment within the District. All of the above-described Community Facilities will benefit the businesses in the District and will result in a projected total employment of approximately 532 full time equivalent jobs within the District.
- g. Projected Total Population of the District. All of the above-described Community Facilities will benefit a projected total population of approximately 1,800 residents within the District.

#### Section 6. Board of Trustees of the Proposed Authority

The Developer recommends that the number of members of the board of trustees of the Authority (the Board) be comprised of seven members selected as provided in Section 349.04 of the Ohio Revised Code.

- a. Appointment of Members of the Board. City Council, as the organizational board of commissioners under Section 349.01(F) of the Ohio Revised Code, shall appoint three citizen members of the Board to represent the interests of present and future employers, within the District and any present and future residents of the District and one member to serve as a representative of local government. The Developer shall appoint three members to serve on the Board as representatives of the Developer.

b. Replacement of Members of the Board. The Developer recommends that, pursuant to Section 349.04(C), members of the Board be selected as follows:

1. While any Bonds are outstanding, the methodology for replacement of members of the Board will be as follows:
  - A. City Council, as the organizational board of commissioners under Section 349.01(F) of the Ohio Revised Code, shall continue to appoint replacement citizen members of the Board and the representative of local government upon the expiration of that member's term or resignation by that member unless the City determines, by resolution of City Council, that such citizen members of the Board and the representative of local government shall be elected in the manner prescribed by Sections 349.04(A) and (C) of the Ohio Revised Code;
  - B. Developer shall appoint replacement representatives of the Developer to the Board upon the expiration of that member's term or resignation by that member (provided that, upon the failure of the Developer to appoint a replacement representative of the Developer to the Board in a reasonably timely manner of not fewer than one-hundred eighty (180) days, the City shall have the right to appoint such representative) unless the Developer determines, by delivering notice to the City, that such members of the Board shall be selected in a manner determined by the City pursuant to Section 349.04 of the Ohio Revised Code; and
2. After the Bonds are no longer outstanding, the procedure for selection of Board members shall be determined by the City pursuant to Section 349.04 of the Ohio Revised Code.

Section 7. Preliminary Economic Feasibility Analysis for the Proposed Authority

The preliminary economic feasibility analysis is provided below and in certain Exhibits attached to this Petition. The preliminary economic feasibility analysis examines (a) development patterns and demand factors of the area including the District, (b) the location and size for the proposed District, (c) the present and future socio-economic conditions of the area including the District, (d) a description of the public services to be provided with respect to the area including the District, (e) a financial plan with respect to the area including the District, and (f) a description of the Developer's management capability.

- a. Development Patterns and Demand Factors of District. The majority of the District is located within the B-2 Regional Business District with a small portion located in the R-2 Single Family Residential District. The portion of the District located within the R-2 Single Family Residential District has been granted Use Variances by the City of Richmond Heights to allow for multi-family apartment

use. The proposed future land use of the District will total approximately 1.3 million square feet, of which, 654,969 square feet of residential facilities, and 632,036 square feet of mixed use development (Project). In addition to the new construction, the mixed-use development will incorporate the existing 87,436 square feet Regal Cinemas building and the 160,000 square foot CubeSmart building, however as discussed above, the CubeSmart Building and limited parking field will not be a part of this District. The Project will be a state-of-the-art facility with advanced technology and security systems. Landscaping and hardscaping will be extensive and aesthetically pleasing to residents and members of the surrounding community. Demographic and development information related to certain areas within and without the District are attached to this Petition as Exhibit E.

- b. Location and Size of Proposed District. The District is located in the City as more fully shown in Exhibit A and described in Exhibit B. The size of the proposed District is approximately 67 acres.
- c. Public Services Provision. All law enforcement services within the District shall be provided by the City. All fire services within the District shall be provided by the City. All emergency medical services within the District shall be provided by the Richmond Heights Fire Department. Roadways and utilities will be provided by the applicable public or utility entities. It is not expected that the Richmond Heights Service Department will provide direct services to Belle Oaks residents and businesses as those residents and businesses will be located on private property. However the Service Department will provide roadway snowplowing and maintenance services to the main artery roadways of Richmond Road and Wilson Mills Road that access Belle Oaks, as well as all other public streets in Richmond Heights. All public education services shall be provided by the Richmond Heights School District, the South-Euclid Lyndhurst City School District, and Mayfield Excel TECC.
- d. Preliminary Economic Feasibility Analysis. A preliminary economic feasibility analysis for development of the District, including the area development pattern and demand, and present and future socio-economic conditions of the area including the District is attached to this Petition as Exhibit E.
- e. Financial Plan. A preliminary financial plan for the development and the District is attached to this Petition as Exhibit F.
- f. Developer's Management Capability. A description of the management capability of the Developer is attached to this Petition as Exhibit G.

#### Section 8. Environmental Statement

The Developer shall cause the Project and the real property within the District to comply with all applicable environmental laws and regulations. The Developer has undertaken a Phase I

Environmental Property Assessment covering the substantial majority of the real property (excluding the Regal Cinemas and certain parking areas in PPN 662-27-049) within the District. The Phase I ESA concluded that the real property within the District includes no conditions qualifying as a recognized environmental condition and no evidence of actual or potential releases of hazardous substances or petroleum products in conjunction with the real property within the District. A limited Phase II subsurface investigation was recommended to confirm the presence/absence of hazardous materials and petroleum products in soil and groundwater beneath the property.

Section 9. Provisions Regarding This Petition

For the purposes of the establishment of the Authority, the City is the only city that can be defined as a “proximate city” as that term is defined in Section 349.01(M) of the Ohio Revised Code.

Exhibits A, B, C, D, E, F, and G, attached to this Petition, are hereby incorporated as part of this Petition.

Words and terms not defined herein shall have the meanings given in Section 349.01 unless the context requires a different meaning.

The Developer hereby requests the City Council, as the organizational board of commissioners under Section 349.01(F) of the Ohio Revised Code, to determine that this Petition complies as to form and substance with the requirements of Section 349.03 of the Ohio Revised Code and further requests that the members of the City Council fix the time and place of a hearing on this Petition for the establishment of the Authority. Under Section 349.03(A) of the Ohio Revised Code, such hearing must be held not less than 30 and not more than 45 days after the filing of this Petition with the Clerk of Council.

[Signature Page Follows on Next Page]

This Petition is filed with the Clerk of the City Council of Richmond Heights, Ohio on this 18<sup>th</sup> day of February, 2020.

Respectfully submitted,

Belle Oaks Marketplace LLC, a Delaware limited liability company

By: DealPoint Merrill, LLC, a Delaware limited  
liability company, its Manager

By:   
David Frank, CEO

[Signature Page of Petition]

**EXHIBIT A**

## MAP OF DISTRICT

The District shall include the real property shown below:



As depicted below, the District is located to the east of Interstate 271, between Richmond Road to the west and Wilson Mills Road to the south.



**EXHIBIT B**

**LEGAL DESCRIPTION OF REAL PROPERTY COMPRISING DISTRICT**

PPN	Legal Description	Acreage
662-27-048 (Phase I)	No	23.517 acres
662-27-049 (NE Corner of Phase II)	No	8.381 acres
662-30-120 (Remainder Phase II)	No	25.954 acres
662-30-121 (parking for Cube Smart)	No	0.62 acres
662-30-090 (Cube Smart)	Yes	8.35 acres
662-30-098 (La Fiesta)	Yes	1.01 acres

As of the date of this petition, the District includes current Cuyahoga County Fiscal Office Permanent Parcel Numbers 662-27-048, 662-27-049, 662-30-120, 662-30-121, 662-30-090, 662-30-098. Presently, a Lot Split Application is pending before the City of Richmond Heights, as recommended by the Cuyahoga County Fiscal Officer (Commercial Appraisal Department), wherein the Phase I Parcel is proposed to be split into nine (9) separate parcels to allow for finalization of ad valorem real estate tax valuations upon completion of Phase I improvements on each individual Parcel.

An additional Lot Split Application will be submitted sometime after the submission of this Petition regarding PPN 662-30-090 (CubeSmart Property). This proposed lot split will separate the CubeSmart building with limited parking field from the balance of the parking lot. The District will include the balance of the parking lot identified as a result of this lot split. The District will not include the CubeSmart building and limited parking field identified as a result of this lot split.

As of the date of this Petition, the only Parcels with Legal Descriptions presently available are PPNs 662-30-090 (Cube Smart) and 662-30-098 (La Fiesta)

Exhibit A

Legal Description

Situated in the City of Richmond Heights, County of Cuyahoga and State of Ohio and known as being a part of Original Euclid Township Lot 76 in Tract 5, and being further bounded and described as follows:

Commencing at the intersection of the center line of Richmond Road, 86 feet wide, with the center line of Wilson Mills Road, 80 feet wide; Thence North 0°00'15" West along the center line of Richmond Road a distance of 771.80 feet to the principal place of beginning of the parcel of land herein described;

Thence continuing North 0°00'15" West along said center line of Richmond Road a distance of 380.63 feet to the Southwesterly corner of land conveyed to Sears, Roebuck & Co. by deed recorded in Volume 10999, Page 113 of the Cuyahoga County Deed Records;

Thence South 89°17'30" East, along the Southerly line of said Sears, Roebuck & Co.'s land, and passing through a 5/8 inch diameter iron pin found (observed 0.05 feet North and 0.02 feet East) at 43.00 feet in the Easterly line of Richmond Road, a distance of 580.03 feet to a capped iron pin set;

Thence North 0°42'30" East, along an Easterly line of said Sears, Roebuck & Co.'s land a distance of 27.24 feet to a point;

Thence South 89°17'30" East, a distance of 54.68 feet to a point;

Thence South 0°00'15" East, a distance of 289.00 feet to a capped iron pin set;

Thence South 89°59'45" West, a distance of 15.94 feet to a capped iron pint set;

Thence South 44°59'45" West, a distance of 87.79 feet to a capped iron pin set;

Thence South 00°00'15" East, a distance of 377.29 feet to a PK nail set;

Thence South 89°59'45" West, a distance of 435.21 feet to a PK nail set at a point of curve therein;

Thence Northwesterly along a curved line deflecting to the right an arc distance of 54.98 feet to a PK nail set at a point of tangency therein, said curved line having a radius of 35.00 feet and a chord which bears North 45°00'15" West, 49.50 feet;

Thence North 0°00'15" West, a distance of 59.84 feet to a capped iron pin set a point of curve therein;

Thence Northeasterly along a curved line deflecting to the right an arc distance of 71.17 feet to a capped iron pin set at a point of compound curve therein, said curved line having a radius of 164.00 feet and a chord which bears North 12°25'40" East, 70.61 feet;

Thence Northeasterly along a curved line deflecting to the right an arc distance of 103.11 feet to a capped iron pin set at a point of reverse curve therein, said curved line having a radius of 294.00 feet and a chord which bears North 34°54'25" East, 102.58 feet;

Thence Northeasterly along a curved line deflecting to the left an arc distance of 25.30 feet to a capped iron pin set at a point, said curved line having a radius of 129.00 feet and a chord which bears North 39°20'11" East, 25.26 feet;

Thence Northwesterly along a non-tangent curved line deflection to the left an arc distance of 171.16 feet to a point of tangency therein, said curved line having a radius of 229.50 feet and a chord which bears North 68°38'18" West, 167.22 feet;

Thence South 89°59'45" West, a distance of 20.97 feet to the principal place of beginning as surveyed by Stephen Hovancsek & Associates, Inc., Registered Surveyor No. 5160, State of Ohio, in April 1998, be the same more or less but subject to all legal highways. The basis of bearing for this description being the centerline of Richmond Road, established as North 0°00'15" West, as recorded in Volume 94-4132, Page 22 of the Cuyahoga County Deed Records, and are used to indicate angles only. All capped iron pin set are 5/8 inch diameter rebar, 30 inches long, with a plastic cap marked SH&A 5160.

The above described premises being further known as Parcel 2 in Lot Split & Consolidation Plat for Simon DeBartolo Group of part of Original Euclid Township Lot No. 76, Tract 5, as shown by the recorded plat in Volume 294 of Maps, Page 16 of Cuyahoga County Records.

PPN 662-30-090

This Legal Description Complies with  
The Cuyahoga Transfer and  
Conveyance Standards and is approved  
for transfer.

DEC 27 2017



Agent

EXHIBIT A

Enterprise Title Agency, Inc. Order No. 17597E

PARCEL NO. 1: Situated in the City of Richmond Heights, County of Cuyahoga and State of Ohio: and known as being part of Original Euclid Township Lot No. 76, bounded and described as follows: Beginning at the intersection of the centerline of Richmond Road, 60 feet wide, with the centerline of Wilson Mills Road, 80 feet wide; thence South 89 deg. 42' 30" East in said centerline of Wilson Mills Road, 300 feet to a point, and the principal place of beginning; Thence continuing South 89 deg. 42' 30" East in the centerline of Wilson Mills Road, 100 feet to a point; thence North parallel with said centerline of Richmond Road, 333.00 feet to a point; Thence North 89 deg. 42' 30: West, 100 feet parallel with said centerline of Wilson Mills Road to a point; thence South, parallel with the centerline of Richmond Road, 333.00 feet to the principal place of beginning and in said centerline of Wilson Mills Road, be the same more or less, but subject to all legal highways.

PARCEL NO. 2: Situated in the City of Richmond Heights, County of Cuyahoga and State of Ohio: and known as being a part of Original Euclid Township Lot No. 76, bounded and described as follows: Beginning at a point in the centerline of Wilson Mills Road, 80 feet wide, distant South 89 deg. 42' 30" East, 250.00 feet therein from its point of intersection with the centerline of Richmond Road, 60 feet wide; Thence North 333.00 feet parallel with said centerline of Richmond Road to a point; thence South 89 deg. 42' 30" East 50.00 feet parallel with said centerline of Wilson Mills Road to the Northwesterly corner of land conveyed by George M. Berg and C. Gladys Berg to Blodwen E. Fleurdelis and Mildred Quintino by deed dated April 28, 1949 and recorded in Volume 6687, Page 319 of Cuyahoga County Deed Records; Thence South 333.00 feet along said Blodwen E. Fleurdelis and Mildred Quintino's Westerly line to a point in said centerline of Wilson Mills Road; thence North 89 deg. 42' 30" West 50.00 feet along said centerline of Wilson Mills Road, to the place of beginning, according to a survey by Robert H. Krause, Registered Ohio Surveyor No. 2883, August 9, 1950, be the same more or less, but subject to all legal highways.

This Legal Description Complies with  
The Cuyahoga Transfer and  
Conveyance Standards and is approved  
for transfer.

AUG 19 2015

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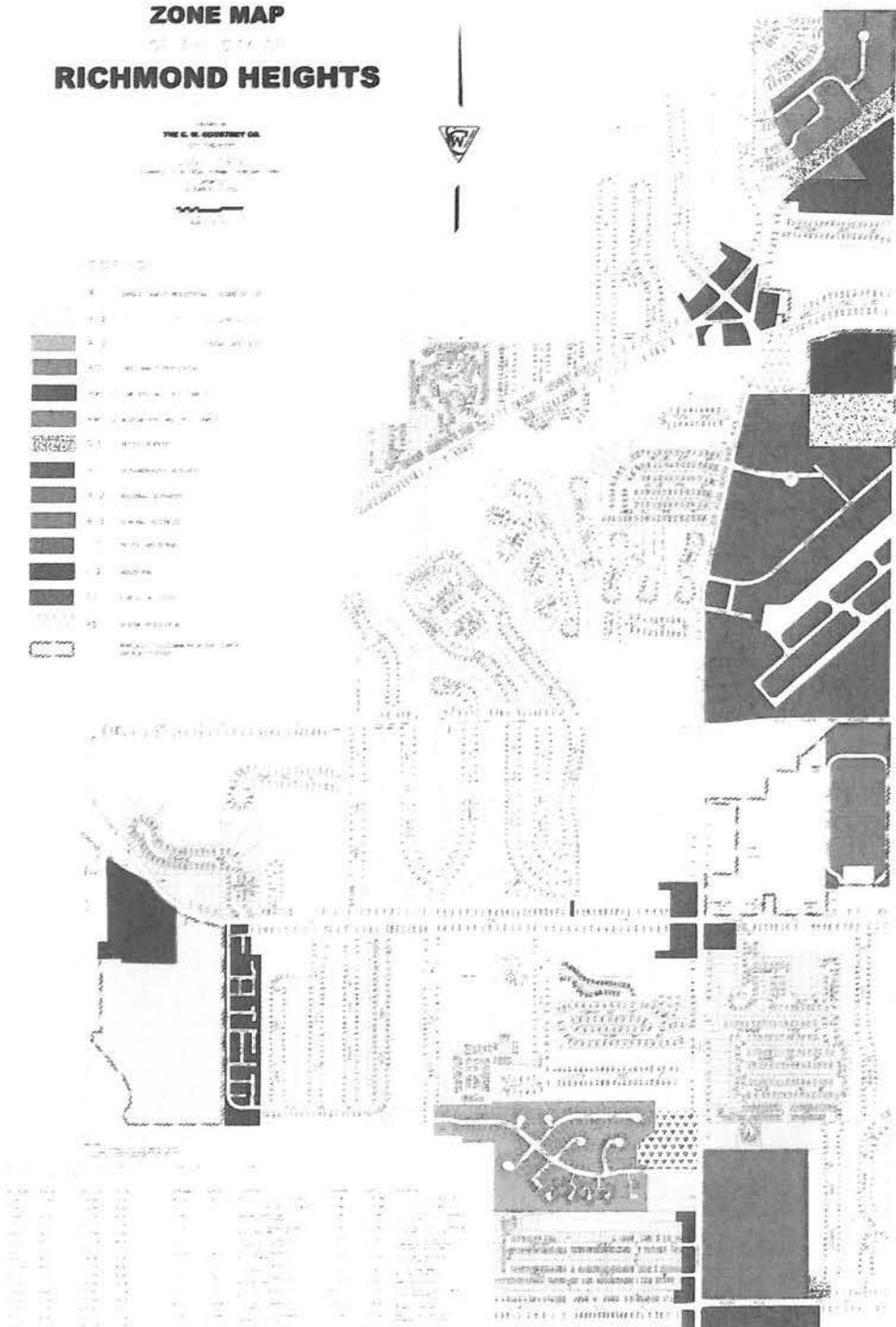
**EXHIBIT C**

**ZONING FOR DISTRICT**

The map below depicts the zoning applicable to the District. The area designated "B-2" indicates business use and allows for mixed-use development. The area designated "R-2" indicates residential use. The majority of the District is located within the B-2 Regional Business District with a small portion located in the R-2 Single Family Residential District. The portion of the District located within the R-2 Single Family Residential District has been granted Use Variances by the City of Richmond Heights to allow for multi-family apartment use.

A copy of the City of Richmond Heights zoning map, last updated December 2, 2007, is attached on the following page.

**ZONE MAP**  
**RICHMOND HEIGHTS**



A copy of the zoning resolution and text of the zoning regulations applicable to the District is attached on the following pages.

## Richmond Heights, OH Code of Ordinances

**CHAPTER 1151****O-S Office-Service District, B-1 Local Business District and B-2 Regional Business District**

- 1151.01 Intent.**
- 1151.02 District location standards.**
- 1151.03 Permitted, conditional and specifically prohibited uses.**
- 1151.04 Additional use restrictions.**
- 1151.05 Yard, area and bulk requirements.**
- 1151.06 Off-street parking.**
- 1151.07 Walls and landscaping.**
- 1151.08 Signs and lighting.**
- 1151.09 Site plan review.**

**1151.10 Mixed Use (MU) development.****CROSS REFERENCES**

Outdoor display defined - see ZON. 1123.03(m)

Outside storage defined - see ZON. 1123.07(t)

**1151.01 INTENT.**

- (a) The O-S Office-Service District is designed to:
  - (1) Accommodate various types of office uses performing administrative and professional services.
  - (2) Serve as a transitional use between the more intensive uses of land such as major thoroughfares and/or commercial districts and the less intensive uses of land such as single-family residential.
  - (3) Limit commercial establishments of a retail nature or other activities which generate short-term parking demand and traffic from the general public.
- (b) The B-1 Local Business District is designed to:
  - (1) Provide for the day-to-day convenience shopping and service needs of persons residing in the vicinity of the business.
  - (2) Provide for and be characterized as having individual free-standing structures or a grouping of strip stores of a size generally not exceeding 5,000 square feet of floor space for each individual business.
- (c) The B-2 Regional Business District is designed to:
  - (1) Serve the needs of both convenience and comparison shoppers from a geographical area extending beyond the adjacent residential areas.
  - (2) Be characterized by an integrated or planned cluster of establishments exceeding 25,000 square feet of floor space served by a common parking area and generating large volumes of vehicular traffic.

(Ord. 5-2007. Passed 3-13-07.)

(3) Provide for a complementary combination of residential and nonresidential uses to expand housing options within a pedestrian oriented, vibrant, compact, and unique mixed use environment with a consistent overall appearance, form, pattern and design.

(Ord. 75-2018. Passed 7-24-18.)

**1151.02 DISTRICT LOCATION STANDARDS.**

- (a) A B-1 District shall only be located at the intersection of major thoroughfares.
- (b) A B-2 District shall only be located at the intersection of the two major thoroughfares bearing the greatest volumes of traffic, Wilson Mills Road and Richmond Road.
- (c) An O-S District shall only be located on property at the intersection of major thoroughfares or abutting a B-1 or B-2 District. All properties in the OS District shall have frontage on a major or secondary thoroughfare.

(Ord. 5-2007. Passed 3-13-07.)

**1151.03 PERMITTED, CONDITIONAL AND SPECIFICALLY PROHIBITED USES.**

Uses in the O-S, B-1 and B-2 Districts shall be as set forth in Table 1151.03.

Table 1151.03

Permitted, Conditional, and Specifically Prohibited Uses  
O-S, B-1, and B-2 Districts

O-S Office-Service District	B-1 Local Business District	B-2 Regional Business District
<b>Permitted Uses</b>		
<b>Office &amp; Government Uses</b>		
Executive, administrative and professional offices. Government office buildings Public utility offices, but not including storage yards.	Executive, administrative and professional offices. Government office buildings Public utility offices, but not including storage yards.	Professional, administrative, executive , offices Government office buildings Public utility offices Sales offices, without merchandising services.
Medical offices, including clinics and medical laboratories.	Medical offices, including clinics and medical laboratories.	Medical offices, including clinics and medical laboratories.
Dispensaries for Medical Marijuana	Dispensaries for Medical Marijuana	Dispensaries for Medical Marijuana
Libraries	Libraries	Libraries
Facilities for human care such as hospitals	Facilities for human care such as hospitals	
	Post office and similar government buildings.	
<b>Retail and Service Uses</b>		
Establishments which perform personal services on the premises, such as beauty parlors and barber shops.	Establishments which perform personal or professional services on the premises such as 1. Beauty parlors, barber shops, 2. Repair shops including watches, radios, televisions, shoes and etc., but prohibiting major repair shops such as automotive, heavy equipment, large appliances, furniture, etc., 3. Tailor shops, 4. Self-service laundries and cleaners, dry cleaning and laundry establishments provided cleaning equipment is used to service only the premises at which it is located. 5. Banks and similar financial institutions. 6. Photographic studios and interior decorating studios.	Service establishments, such as 1. Beauty and barber shops; 2. Laundry agencies; dry cleaning agencies, provided only non-explosive and noninflammable solvents shall be used, and provided no work shall be done on the premises for other outlets; self-service laundries 3. Shoe and hat repair shops; 4. Radio and television repair shops; 5. Banks and savings and loan associations; 6. Photographic studios; 7. Automotive repair and parts accessory sales if accessory to a main building or use.
	Convenience stores of a generally recognized retail nature which supply commodities on the premises, such as but not limited to: 1. Groceries, meats, dairy products, baked goods or other foods, 2. Drugs, dry goods, clothing, notions 3. Hardware.	Retail stores conducted wholly within enclosed buildings offering products for sale to the following extent: 1. Groceries, meats, fruits, vegetables 2. All general merchandise, dry goods, notions; 3. Wearing apparel, shoes, hats; 4. Household hardware, wallpaper, paint 5. Furniture, appliances, floor covering 6. Sporting goods 7. Drugs, tobacco, periodicals 8. Flowers, gifts, jewelry 9. Sale, at licensed stores, of packaged alcoholic beverages not to be consumed on the premises
		Restaurant with no drive-through facility.
<b>Other Uses</b>		
Public or private schools or colleges.	Public or private schools or colleges.	
Facilities for human care such as convalescent and nursing homes	Facilities for human care such as convalescent and nursing homes	
Churches and related facilities.	Funeral homes.	
	Photographic reproduction, blueprinting and print shops.	
	Establishments of electricians, plumbers, heating contractors, bakers, painters or similar trades in conjunction with a retail sales operation.	
<b>Accessory Uses</b>		
Accessory buildings or uses customarily incidental to any of the above permitted	Accessory buildings or uses customarily incidental to any of the above permitted	Accessory buildings or uses customarily incidental to any of the above permitted

uses	uses	uses
Dispensaries for Medical Marijuana associated with a cultivation, processing or testing use on the same or a contiguous lot		Dispensaries for Medical Marijuana associated with a cultivation, processing or testing use on the same or a contiguous lot

Conditional Uses		
O-S Office-Service District	B-1 Local Business District	B-2 Regional Business District
Restaurant	Bar, tavern, restaurant. Restaurant with outdoor dining or service. Restaurant with drive-through facility	Restaurant with outdoor dining or outdoor service, including drive-through facilities
Retail use accessory to a permitted or conditionally permitted use	Studios and classrooms for instruction in dance, yoga, martial arts, painting, sculpture, job skills, and similar	Amusement and recreation uses within an entirely enclosed soundproofed building, such as: (1) Assembly and meeting halls; (2) Bowling alleys, billiard halls; (3) Theaters.
Day care center	Day care center	Day care center
Banquet Facility	Hotel, motel	Hotel
	Indoor entertainment facilities that do not exceed 5,000 square feet of floor space for each individual business	Indoor assembly for recreation and/or amusement, including lectures, concerts and plays; indoor sporting activities or events; museums, exhibitions, galleries and libraries.
		Laboratories, including research, medical, photographic and similar type laboratories.
		Basic research facilities for the research and design of experimental product development when conducted within a completely enclosed building.
		Data processing and computer centers, including sales, service and maintenance of electronic and data processing equipment; and computer data storage/cloud server storage.
		Offices for law, engineering, drafting, accounting, insurance, broadcasting, investing and other similar professions and occupations.
		Public or private schools or universities
		Assembling, packaging and the accessory warehousing of small electronic instruments and devices, toys, novelties and other small household items.
		Wholesale sales or online sale establishments and accessory warehousing.
		New vehicle, light truck, trailer or garden equipment dealerships (sales and service facilities) with accessory used vehicle or equipment sales and service; new and/or used automobile, light truck or equipment leasing or renting establishments, subject to Section 1151.04.
		Any accessory buildings, fences, signage, off-street parking or other appurtenances as they relate to a use listed herein.
Cultivation, processing and testing of medical marijuana		Cultivation, processing and testing of medical marijuana
	Veterinary clinics and veterinary hospitals	Garden Center
	Banquet Facility	Drive-through facility
	Drive-through facility	Sweepstakes/Internet Cafe
Publicly owned buildings, public utility buildings, including electric transformerstations and substations and gas regulator stations excluding storage yards; water and sewage pumping stations.	Publicly owned buildings, public utility buildings, including electric transformerstations and substations and gas regulator stations excluding storage yards; water and sewage pumping stations.	Publicly owned buildings, public utility buildings, including electric transformerstations and substations and gas regulator stations excluding storage yards; water and sewage pumping stations.
Auto Repair & Service Uses		

	Gasoline service stations as controlled by Chapter 1165 and Chapter 1169.	
	Self-service auto laundries as controlled by Chapter 1165 and Chapter 1169.	
	Automotive major repair	
<b>Similar Use</b>		
See standards for Similar Use as a conditional use in Section 1169.08	See standards for Similar Use as a conditional use in Section 1169.08	See standards for Similar Use as a conditional use in Section 1169.08
<b>Specifically Prohibited Uses</b>		
<b>O-S Office-Service District</b>	<b>B-1 Local Business District</b>	<b>B-2 Regional Business District</b>
Dwelling units of all types are prohibited.	Dwelling units of all types are prohibited.	Dwelling units of all types are prohibited.
Any use which is not listed in this table as a permitted or conditional use for this district is prohibited unless otherwise authorized according to the provisions of this Zoning Code.	Any use which is not listed in this table as a permitted or conditional use for this district is prohibited unless otherwise authorized according to the provisions of this Zoning Code.	Any use which is not listed in this table as a permitted or conditional use for this district is prohibited unless otherwise authorized according to the provisions of this Zoning Code.
Warehousing or indoor storage of goods or materials not incidental to the above permitted uses shall be prohibited.		Dwelling units of all types are prohibited except for those which are permitted in a Mixed Use Development subject to Section 1151.10.

(Ord. 5-2007. Passed 3-13-07; Ord. 37-2011. Passed 8-23-11; Ord. 20-2015. Passed 3-24-15; Ord. 10-2017. Passed 2-28-17; Ord. 11-2017. Passed 2-28-17; Ord. 75-2018. Passed 7-24-18.)

#### **1151.04 ADDITIONAL USE RESTRICTIONS.**

(a) No activity shall be conducted in a manner which is obnoxious or offensive by reason of the emission of odor, fumes, dust, smoke, waste, noise or vibration in excess of the performance standards set forth in Section 1171.05.

(b) The outdoor storage, display or sale of goods or materials shall be prohibited except as specifically authorized in this chapter or as authorized by a conditional use permit.

(Ord. 5-2007. Passed 3-13-07.)

(c) New vehicle, light truck, trailer or garden equipment dealerships (sales and service) facilities, as well as new and used automobile, light truck or equipment leasing or renting establishments, shall be considered as a Conditional Use in the B-2 Regional Business District subject to the following conditions:

(1) A new vehicle dealership as the primary use shall be defined as an establishment primarily engaging in the sale of new motor vehicles including cars, light trucks, light-duty cargo trailers, boats, motorcycles and similar vehicles, along with all equipment related thereto, and shall also include facilities for both major and minor engine repair, body repairing, parts sales, painting and washing and other required services. A new vehicle dealership or new and used vehicle leasing/renting establishment shall have a minimum of 100,000 square feet of total area (including parking, but excluding common entry/exit drives) located on the same or contiguous lot or leased areas. Used car or truck sales may be permitted as an accessory use to a new vehicle dealership as described above but shall be located on portions of the parcel exclusive of the 100,000 square feet used for new vehicle sales.

(2) A vehicle leasing or rental agency is defined as an establishment primarily engaging in the leasing or rental of new or used motor vehicles, including cars, light trucks, light-duty cargo trailers, boats, motorcycles and similar vehicles. Such establishments may include facilities for the servicing of such vehicles.

(3) Any vehicles or equipment being stored on the premises that are damaged, partially disassembled, or otherwise not in good running or working order shall be screened from sight from all directions within a building or by solid fencing, walls or other means as approved by the Planning Commission.

(4) Required minimum areas shall be exclusive of entry drives, safety services access drives, required buffer zones and required setbacks from property lines.

(5) Facilities for the sale of new vehicles shall not include the sale, rental or leasing of construction, maintenance or farm-related machinery, tractor trailers, recreational (motor) vehicles (RV's) or mobile homes.

(6) Parcels shall be considered as contiguous if separated by nothing other than a common-area entrance or exit drive or right-of-way.

(Ord. 10-2017. Passed 2-28-17.)

(d) The following regulations shall apply to uses in the O-S Office Service District:

(1) No interior display shall be visible from any property line.

(e) The following regulations shall apply to uses in the B-1 Local Business District:

(1) All business establishments shall be retail or service establishments dealing directly with consumers. All goods produced on the premises shall be sold at retail on the premises where produced.

(2) All business, servicing or processing, except for off-street parking or loading, shall be conducted within a completely enclosed building, except as specifically permitted under this chapter.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.05 YARD, AREA AND BULK REQUIREMENTS.**

Yard, area and bulk requirements shall be as required in Chapter 1173.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.06 OFF-STREET PARKING.**

Off-street parking shall be as required in Chapter 1175.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.07 WALLS AND LANDSCAPING.**

Walls and/or landscaping shall be as required in Chapter 1177.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.08 SIGNS AND LIGHTING.**

Signs and lighting shall be as required in Chapter 1179.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.09 SITE PLAN REVIEW.**

(a) No building or structure shall be erected or land used in an O-S, B-1, or B-2 District unless the site plan has been approved by Council. Council shall not approve the site plan unless it receives a report and recommendation from the Planning Commission, but Council may act on the site plan if a report and recommendation is not received from the Planning Commission within sixty (60) days after the site plan has been presented at a public meeting of the Commission.

(b) When recommending the approval of a site plan, the Planning Commission may recommend conditions necessary to secure the following objectives:

(1) That all development features, including but not limited to the principal and accessory buildings, open spaces, service roads, driveways and parking areas, shall be located to encourage pedestrian and vehicular traffic safety; and

(2) That the design of such land use will not discourage the appropriate development or impair the value of existing or proposed development in the area surrounding the subject development.

(Ord. 5-2007. Passed 3-13-07.)

## **1151.10 MIXED USE (MU) DEVELOPMENT.**

(a) Purpose. The purpose of this section is to permit and regulate a compact combination of residential and nonresidential uses in a planned mixed use development in compliance with an approved development plan.

(b) Uses. The uses which may be established within a Mixed Use (MU) Development are limited to the following:

(1) Permitted and Conditional Uses as set forth in Section 1151.03 for the B-2 District.

(2) Multiple family dwellings as long as such dwellings are located in buildings that are a minimum of two (2) stories and do not exceed four (4) stories in height.

(3) Park areas, recreational areas, and pools which shall not be considered to be accessory to the permitted uses in this section.

(4) Accessory buildings and uses customarily incidental to any of the above permitted uses such as off-street parking, garages, outdoor dining, fences and walls.

(c) Development Area. The minimum land area required for a MU Development shall be ten acres and shall include a mix of uses so that no one use category exceeds 90% of the total floor area of the MU Development. The 90% maximum of the total floor area of the MU Development being devoted to any one use category may, at the sole discretion of the City Council, be exceeded where the Council finds that the purpose and intent of this section and Section 1151.01 (c) of this Code will be furthered thereby.

(d) Density. The maximum number of dwelling units permitted shall be one dwelling unit per 2,400 square feet of gross land area designated for the MU Development.

(e) Dwelling Unit Area. All dwelling units shall have at least one living room and one bedroom. The minimum floor area requirements shall be as follows:

- (1) Efficiency unit - 600 square feet;
- (2) One bedroom unit - 800 square feet;
- (3) Two bedroom unit - 1,000 square feet; and
- (4) Three bedroom unit - 1,200 square feet.

(f) Dimensional Standards:

- (1) Maximum Lot Width: 300 feet minimum.
- (2) Maximum Height: 65 feet and four (4) stories.
- (3) Minimum Front Yard: 75 feet.
- (4) Minimum Side and Rear Yards: Subject to subdivision (A) below, there is no minimum side setback for non-residential uses. Subject to subdivision (A) below, residential side setback must be at least 15 feet.
  - (A) Where a side yard abuts a single family zoning district, the setback shall be 50 feet. Setback areas abutting a single family zoning district shall be landscaped earth mounding, fencing, walls, hedges, or other plant material sufficient to create a suitable screen or visual buffer as approved in the development plan.
- (5) Building Separation: 35 feet minimum for residential buildings.

(g) Open Space. Each MU development shall designate no less than 10% of the gross development area as open space. Such open space may be for the use and enjoyment of residents or it may be available to the general public. Additionally, structures and buildings for the purpose of active or passive recreation, plazas, outdoor dining and public art may be located in such open space as approved in the development plan.

(h) Parking and Loading.

- (1) Off-street parking shall conform to the requirements of Section 1175.05 of this Code unless fewer spaces are approved in the development plan.
- (2) Parking lot landscaping shall be as approved in the development plan.
- (3) Loading and unloading spaces and facilities shall conform to the requirements of Section 1175.11 of this Code, unless modified by the approved development plan and such spaces and facilities shall be screened with fencing, walls or landscaping as approved in the development plan.

(i) Signs. All provisions of Chapter 1179 , Signs, which apply to multiple-family developments, shall apply to residential uses in the MU Development. Signs for nonresidential uses shall be as approved in the development plan and shall:

- (1) Contribute to an overall cohesive design, reflect simplicity, and avoid visual clutter.
- (2) Complement the building, adjacent buildings in the development, and the site by being designed and placed to enhance the architecture.
- (3) Employ the use of compatible materials and colors of the sign, sign background, and sign frame with the character of the development.

(j) Lighting. All exterior site lighting shall be designed to eliminate glare and spillover lighting onto adjacent properties and shall be as approved in the development plan.

(k) Modifications. The Planning Commission may authorize minor modifications of an approved development plan.

(l) Conflicts. In the event of a conflict between the provisions in this section and other provisions in these Codified Ordinances, the provisions and regulations in this section shall govern. (Ord. 75-2018. Passed 7-24-18.)

I, B. Traber, Clerk of the  
City of Rio Grande, Ohio, her  
forego~~l~~ CHAP. 1151

Passed by Council

Betsy Traber  
Clerk.

ORDINANCE NO.: 75-2018 (As revised 7/24/18)  
INTRODUCED BY: Alexander

AN ORDINANCE AMENDING SECTIONS 1151.01 AND 1151.03 OF THE ZONING CODE AND TO ADD NEW SECTION 1151.10, "MIXED USE (MU) DEVELOPMENT", TO PROVIDE FOR DEVELOPMENTS WITH A MIX OF RESIDENTIAL AND COMMERCIAL USES IN THE B-2 REGIONAL BUSINESS DISTRICT.

WHEREAS, a national development company has informally proposed the redevelopment of the former Sears Store site at Richmond Town Square in the City's B-2 Regional Business Zoning District with a mixed use development of a restaurant, hotel, retail shops and services, residential apartments, and park areas which proposal is generally consistent with the City's proposed updated Master Plan being considered by this Council;

WHEREAS, the economic viability of the Richmond Town Square properties are currently in question and this Council finds the proposed mixed use development and other mixed use development in the City's B-2 District are an opportunity enhance the economic viability of those properties, provided an acceptable final development plan is submitted by developers and reviewed and approved by the City Planning Commission and this Council;

WHEREAS, pursuant to the requirements of the City Charter, this Ordinance was referred to the City Planning Commission for review and recommendation and the Planning Commission has recommended its adoption by Council in the form set forth herein; and

WHEREAS, this Council wishes to provide for mixed use development in the B-2 Regional Business District within regulatory parameters, provided an acceptable development plan for any specific development is approved by this Council and the proposed uses meet the general review standards for conditional uses in Chapter 1169 of the Zoning Code for the planned site.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF RICHMOND HEIGHTS, STATE OF OHIO, THAT:

Section 1. Existing subdivision (c) only of Section 1151.01, "Intent", of Chapter 1151, "OS Office-Service District, B-1 Local Business District and B-2 Regional Business District", is amended to read as follows:

\*\*\*\*

(c) The B-2 Regional Business District is designed to:

- (1) Serve the needs of both convenience and comparison shoppers from a geographical area extending beyond the adjacent residential areas.
- (2) Be characterized by an integrated or planned cluster of establishments exceeding 25,000 square feet of floor space served by a common parking area and generating large volumes of vehicular traffic.

(3) Provide for a complementary combination of residential and nonresidential uses to expand housing options within a pedestrian oriented, vibrant, compact, and unique mixed use environment with a consistent overall appearance, form, pattern, and design.”

Section 2. Existing subdivision (c) only of Section 1151.01 of the Codified Ordinances is hereby repealed.

Section 3. Existing Section 1151.03, “Permitted, Conditional and Specifically Prohibited Uses” and Table 1151.03 within that Section of Chapter 1151 is amended by adding the following text in Table 1151.03, “B-2 Regional Business District”, “Conditional Uses”:

**“Mixed Use Development subject to Section 1151.10”;**

and by adding the following text in Table 1151.03 under “B-2 Regional Business District”, “Specifically Prohibited Uses”:

“Dwelling units of all types are prohibited except for those which are permitted in a Mixed Use Development subject to Section 1151.10.”

Section 4. Except for the amendments made in Section 3 of this Ordinance, existing Section 1151.03, Table 1151.03, remains in full force and effect.

Section 5. Existing Chapter 1151, “OS Office-Service District, B-1 Local Business District and B-2 Regional Business District”, is amended to add new Section 1151.10, “Mixed Use (MU) Development”, to read as follows:

**“1151.10 MIXED USE (MU) DEVELOPMENT.”**

**(a) Purpose.** The purpose of this section is to permit and regulate a compact combination of residential and nonresidential uses in a planned mixed use development in compliance with an approved development plan.

**(b) Uses.** The uses which may be established within a Mixed Use (MU) Development are limited to the following:

- (1) Permitted and Conditional Uses as set forth in Section 1151.03 for the B-2 District.**
- (2) Multiple family dwellings as long as such dwellings are located in buildings that are a minimum of two (2) stories and do not exceed four (4) stories in height.**
- (3) Park areas, recreational areas, and pools which shall not be considered to be accessory to the permitted uses in this section.**
- (4) Accessory buildings and uses customarily incidental to any of the above permitted uses such as off-street parking, garages, outdoor dining, fences and walls.**

**(c) Development Area.** The minimum land area required for a MU Development shall be ten acres and shall include a mix of uses so that no one use category exceeds 90% of the

total floor area of the MU Development. The 90% maximum of the total floor area of the MU Development being devoted to any one use category may, at the sole discretion of the City Council, be exceeded where the Council finds that the purpose and intent of this section and Section 1151.01 (c) of this Code will be furthered thereby.

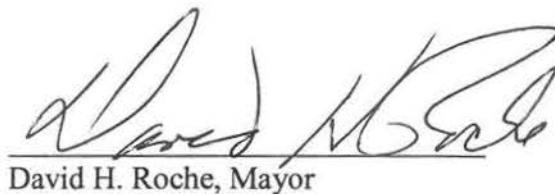
- (d) Density. The maximum number of dwelling units permitted shall be one dwelling unit per 2,400 square feet of gross land area designated for the MU Development
- (e) Dwelling Unit Area. All dwelling units shall have at least one living room and one bedroom.  
The minimum floor area requirements shall be as follows:
  - (1) Efficiency unit – 600 square feet;
  - (2) One bedroom unit - 800 square feet ;
  - (3) Two bedroom unit - 1,000 square feet; and
  - (4) Three bedroom unit – 1,200 square feet.
- (f) Dimensional Standards:
  - (1) Minimum Lot Width: 300 feet minimum
  - (2) Maximum Height: 65 feet and four (4) stories
  - (3) Minimum Front Yard: 75 feet
  - (4) Minimum Side and Rear Yards: Subject to subdivision (A) below, there is no minimum side setback for non-residential uses. Subject to subdivision (A) below, residential side setback must be at least 15 feet.
    - (A) Where a side yard abuts a single family zoning district the setback shall be 50 feet. Setback areas abutting a single family zoning district shall be landscaped earth mounding, fencing, walls, hedges, or other plant material sufficient to create a suitable screen or visual buffer as approved in the development plan.
  - (5) Building Separation: 35 feet minimum for residential buildings.
- (g) Open Space. Each MU development shall designate no less than 10% of the gross development area as open space. Such open space may be for the use and enjoyment of residents or it may be available to the general public. Additionally, structures and buildings for the purpose of active or passive recreation, plazas, outdoor dining and public art may be located in such open space as approved in the development plan.
- (h) Parking and Loading.
  - (1) Off-street parking shall conform to the requirements of Section 1175.05 of this Code unless fewer spaces are approved in the development plan.
  - (2) Parking lot landscaping shall be as approved in the development plan.
  - (3) Loading and unloading spaces and facilities shall conform to the requirements of Section 1175.11 of this Code, unless modified by the approved development plan and such spaces and facilities shall be screened with fencing, walls or landscaping as approved in the development plan.
- (i) Signs. All provisions of Chapter 1179 Signs, which apply to multiple-family developments, shall apply to residential uses in the MU Development. Signs for nonresidential uses shall be as approved in the development plan and shall:
  - (1) Contribute to an overall cohesive design, reflect simplicity, and avoid visual clutter.

- (2) Complement the building, adjacent buildings in the development, and the site by being designed and placed to enhance the architecture.
- (3) Employ the use of compatible materials and colors of the sign, sign background, and sign frame with the character of the development.
- (j) Lighting. All exterior site lighting shall be designed to eliminate glare and spillover lighting onto adjacent properties and shall be as approved in the development plan.
- (k) Modifications. The Planning Commission may authorize minor modifications of an approved development plan.
- (l) Conflicts. In the event of a conflict between the provisions in this section and other provisions in these Codified Ordinances, the provisions and regulations in this section shall govern.”

Section 6. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 7. This Ordinance is declared to be an emergency measure necessary for the preservation of the public health, safety and general welfare of the citizens, property owners, business tenants of, and visitors to, the City of Richmond Heights, and for the further reason that it is necessary to immediately amend the Zoning Code to provide for a mixed use option for development of certain business premises in the B-2 Regional Business District in the City so as to be occupied and economically viable, to provide tax revenues to the City and to enhance the ability of developers to timely acquire properties, obtain financing and complete their development plans within market constraints; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

PASSED: July 24, 2018, 2018

  
David H. Roche, Mayor

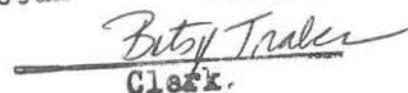
APPROVED: July 24, 2018

ATTEST: Betsy Traben  
Betsy Traben  
Clerk of Council

  
Eloise Cotton-Henry  
President of Council

I, B. Traben Clerk of the  
City of Richmond Heights,  
Ohio, do hereby certify that the  
foregoing is a true copy of  
ORD. 15-2018

Passed by Council on 7-24-18

  
Betsy Traben  
Clerk.

RESOLUTION NO.: 48 -2019  
INTRODUCED BY: Alexander

A RESOLUTION AUTHORIZING A VARIANCE FOR A MULTI-FAMILY APARTMENT USE ON 3.526 ACRES OF FORMER PERMANENT PARCEL NO. 662-27-008 AND NOW PART OF PERMANENT PARCEL NO. 662-27-048 ON RICHMOND ROAD AS PART OF A MIXED USE DEVELOPMENT.

WHEREAS, Richmond Heights Town Square Owner, LLC (the "Applicant"), for property known as Permanent Parcel No. 662-27-048 (the "Property") at 621 Richmond Road in the City of Richmond Heights, filed an application with the Zoning Board of Appeals, Case No.831, requesting a use variance to Section 1135.02 of the City's Zoning Code to permit a multi-family apartment use on a 3.526-acre portion of the Property (the "Subject Property") that is located in a R-2 Single-Family Residential Zoning District in the City, which use is not listed as either a permitted or conditional use in that zoning district but that would be permitted to be a portion of a Mixed Use development, not to exceed 90% of the total floor area of the development, in a B-2 Regional Business District pursuant to Zoning Code Section 1151.10;

WHEREAS, pursuant to Section 1185.06 of the Zoning Code, at its May 1, 2019 meeting, the Zoning Board of Appeals ("ZBA") held a hearing with respect to this variance request and the Board unanimously recommended to this Council the granting of the variance;

WHEREAS, pursuant to the Zoning Code, this Case No. 831 was heard by the Planning and Zoning Committee of City Council at its regular meeting on May 7, 2019, at which time a presentation in support of the variance was made by the Applicant's legal representative and architect and after discussion, the Committee voted unanimously to recommend to the Council as a whole that the variance be granted with a condition;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: This Council finds the application for the variance set forth in the recitals to this Resolution is supported by a preponderance of reliable, substantial and probative evidence and the Applicant demonstrated an unnecessary hardship in complying with the use regulations of Section 1135.02 of the Zoning Code; and, therefore, this Council conditionally grants the variance request based on the following conclusions of fact:

- (a) Although the 3.526-acre Subject Property has been included in the R-2 Single-Family Residential District for many years, it has been used for many years as an overflow parking lot for the regional mall, now known as Richmond Town Square.
- (b) The Subject Property has no economically viable use under the permitted and conditional use regulations of the R-2 District without a variance because of the location of the Subject Property next to a regional mall, its

use as commercial parking for many years, and the elevation of which is a considerable height above the R-2 single-family parcels to the north.

- (c) The variance being sought is the minimum which will afford relief to the Applicant because there are no other economically viable uses which are principally or conditionally permitted in the R-2 Single-Family Residential District and the Applicant is proposing a mixed use development plan as permitted under Codified Ordinance §1151.10 with up to 90% of the total floor area of the development being devoted to multi-family apartments and the remaining minimum 10% of the total floor area devoted to commercial uses.
- (d) The essential character of this neighborhood would not be substantially altered and adjoining properties would not suffer interference with their proper future development and rights as a result of the variance because the Subject property has been an paved, commercial retail parking lot for many years, it is adjacent to a regional mall, the multi-family use will serve as a transition area between the lower and higher intensity uses of the single-family neighborhoods to the north and to the east of the Subject Property and the regional mall, and ample landscape buffers and setbacks between the single-family uses and the proposed multi-family use are in the proposed plan that was presented by the Applicant to the ZBA and the Council Committee.
- (e) The Subject Property has unique and exceptional circumstances and conditions – i.e., its location being located a considerable distance from the public street (Richmond Road) and it being at a considerable elevation above the single-family homes to the north and above the remainder of the Property.
- (f) The hardship condition is not created by the actions of the Applicant but is created by the current and projected future commercial use of the adjacent property as a regional retail mall, a large movie theater, a large indoor storage facility, and substantial paved commercial parking.
- (g) The purpose, intent, and objectives of the Zoning Code and the City's Master Plan would be observed and the public health, safety and general welfare would not be adversely affected by the granting of the variance because the proposed multi-family apartment use is part of a proposed mixed use development that is permitted by the Zoning Code on the remaining twenty (20) acres of the Property that is zoned B-2 Regional Business District and under the Code the plan must include a mix of uses with one use comprising no more than 90% of the total floor area of the mixed use development per Codified Ordinance

§1151.10; the adjacent property to the south is a regional mall in a B-2 Regional Business District; and the Subject Property is, therefore, not proper for the development of any economically viable R-2 Single-Family Residential District uses.

Section 2: The grant of the requested use variance is conditioned on the following:

- (a) The multi-family apartment use being part of a mixed use development under the regulations set forth in Codified Ordinance §1151.10 and specifically subdivision (c) that requires at least 10% of the total floor area of the mixed use development to be commercial and/or public building uses; and
- (b) The Applicant shall cause the landscaping buffers and setbacks in the plan presented to the Zoning Board of Appeals to be installed and established with the construction of the multi-family apartments.

Section 3: The Clerk is instructed to mail a copy of this Resolution to the Applicant by certified mail, return receipt requested.

Section 4: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 5: This Resolution shall take effect and be in force from and after the earliest period allowed by law which, being an administrative act by this Council, shall go into effect immediately upon its passage and signature by the Mayor.

PASSED: 5/14/19

Mayor.  
  
\_\_\_\_\_  
David H. Roche, Mayor

APPROVED: 5/14/19

David H. Roche, Mayor

ATTEST: Rachel Gandy  
Betsy Trabett Rachel Gandy  
Pro-tem Clerk of Council

Eloise Cotton-Henry  
Eloise Cotton-Henry B. Taber, Clerk of the  
President of Council City of Richmond, B.C.,  
Office, Box the  
for of  
Res. 48-2019

Passed by Council on, 5/14/19

Betsy Trabec  
Clerk.

RESOLUTION NO. 95-2019  
INTRODUCED BY: Alexander

A RESOLUTION AUTHORIZING A VARIANCE FOR A MULTI-FAMILY APARTMENT USE AT 621 RICHMOND ROAD (PERMANENT PARCEL NO. 662-27-049) AS PART OF A MIXED USE DEVELOPMENT.

WHEREAS, DealPoint Merrill, LLC (the "Applicant"), for property known as Permanent Parcel No. 662-27-049 (the "Property") at 621 Richmond Road in the City of Richmond Heights, filed an application with the Zoning Board of Appeals, Case No. 835, requesting a use variance to Section 1135.02 of the City's Zoning Code to permit a multi-family apartment use on the Property that is located in a R-2 Single-Family Residential Zoning District in the City, which use is not listed as either a permitted or conditional use in that zoning district but that would be permitted, pursuant to Zoning Code Section 1151.10, to be a portion of a Mixed Use development in a B-2 Regional Business District, but not to exceed 90% of the total floor area of the development;

WHEREAS, pursuant to Section 1185.06 of the Zoning Code, at its September 4, 2019 meeting, the Zoning Board of Appeals ("ZBA") held a hearing with respect to this variance request and the Board unanimously recommended to this Council the granting of the variance;

WHEREAS, pursuant to the Zoning Code, this Case No. 835 was heard by the Planning and Zoning Committee of City Council at its regular meeting on October 1, 2019, at which time a presentation in support of the variance was made by the Applicant's attorney and after discussion, the Committee voted unanimously to recommend to the Council as a whole that the variance be granted with a condition;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: This Council finds the application for the variance set forth in the recitals to this Resolution is supported by a preponderance of reliable, substantial and probative evidence and the Applicant demonstrated an unnecessary hardship in complying with the use regulations of Section 1135.02 of the Zoning Code; and, therefore, this Council conditionally grants the variance request based on the following conclusions of fact:

- (a) Although the Property has been included in the R-2 Single-Family Residential District for many years, it has been used for many years as an overflow parking lot for the regional mall, now known as Richmond Town Square.
- (b) The Subject Property has no economically viable use under the permitted and conditional use regulations of the R-2 District without a variance because of the location of the Subject Property next to a regional mall, its use as commercial parking for many years, and the

elevation of which is a considerable height above the R-2 single-family parcels to the north.

- (c) The variance being sought is the minimum which will afford relief to the Applicant because there are no other economically viable uses which are principally or conditionally permitted in the R-2 Single-Family Residential District and the Applicant is proposing a mixed use development plan as permitted under Codified Ordinance §1151.10 with up to 90% of the total floor area of the development being devoted to multi-family apartments and the remaining minimum 10% of the total floor area devoted to commercial uses.
- (d) The essential character of this neighborhood would not be substantially altered and adjoining properties would not suffer interference with their proper future development and rights as a result of the variance because the Subject property has been an paved, commercial retail parking lot for many years, it is adjacent to a regional mall, and the multi-family use will serve as a transition area between the lower and higher intensity uses of the regional mall and the lower intensity uses to the north and to the east of the Property.
- (e) The Subject Property has unique and exceptional circumstances and conditions – i.e., its location being located a considerable distance from the public street (Richmond Road) and it being at a considerable elevation above the single-family homes to the north and above the remainder of the Property.
- (f) The hardship condition is not created by the actions of the Applicant but is created by the current and projected future commercial use of the adjacent property as a regional retail mall, a large movie theater, a large indoor storage facility, and substantial paved commercial parking.
- (g) The purpose, intent, and objectives of the Zoning Code and the City's Master Plan would be observed and the public health, safety and general welfare would not be adversely affected by the granting of the variance because the proposed multi-family apartment use must be part of a proposed mixed use development that is permitted by the Zoning Code on the adjacent parcels that are zoned B-2 Regional Business District and under the Code the plan must include a mix of uses with one use comprising no more than 90% of the total floor area of the mixed use development per Codified Ordinance §1151.10; the adjacent property to the south is a regional mall in a B-2 Regional Business District; and the Subject Property is, therefore, not proper for the development of any economically viable R-2 Single-Family Residential District uses.

Section 2: The grant of the requested use variance is conditioned on the multi-family apartment use being part of a mixed use development under the regulations set forth in Codified Ordinance §1151.10 and specifically subdivision (c) that requires at least 10% of the total floor area of the mixed use development to be commercial and/or public building uses.

Section 3: The Clerk is instructed to mail a copy of this Resolution to the Applicant by certified mail, return receipt requested.

Section 4: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

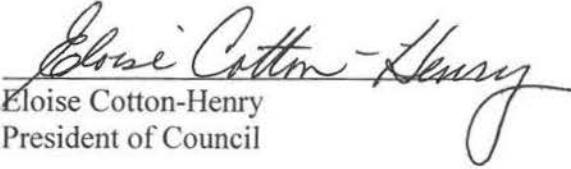
Section 5: This Resolution shall take effect and be in force from and after the earliest period allowed by law which, being an administrative act by this Council, shall go into effect immediately upon its passage and signature by the Mayor.

PASSED: October 8, 2019

  
David H. Roche, Mayor

APPROVED: October 8, 2019

ATTEST: Betsy Traben  
Betsy Traben  
Clerk of Council

  
Eloise Cotton-Henry  
President of Council

I, B. Traben, Clerk of the  
City of Richmond Heights,  
Ohio, hereby certify that the  
foregoing is a true copy of  
Res. 95-2019

Passed by Council on, 10-8-19

Betsy Traben  
Clerk.

**EXHIBIT D**  
**PROPOSED COMMUNITY FACILITIES**

The proposed Community Facilities in support of the District may include the following:

- Community Facilities as defined in Ohio Revised Code Section 349.01(I);
- Land acquisition as defined in Ohio Revised Code Section 349.01(G) and land development as defined in Ohio Revised Code Section 349.01(H), all in connection with the Project, the District, or other Community Facilities;
- Roadway construction and improvements;
- Pedestrian trails;
- Construction of sanitary sewer, storm sewer, and water improvements, and any related fees and inspection costs;
- Street lighting;
- Excavation and grading;
- Common area gathering park benches;
- Park and recreational improvement costs;
- City, municipal, and other governmental facilities approved by the Developer;
- Tree removal;
- Landscaping, sidewalks, streetscaping, signage, wayfinding, stanchions, and other similar improvements; and
- Other costs of the new community development program within the meaning of Ohio Revised Code Sections 133.15(B) and 349.01(J), including inspection costs, testing, water, storm water, and waste water connection fees, contractor fees, general contractor fees, legal fees, property taxes, appraisals and market studies, civil engineering and staking fees, development fee, environmental engineering, geotechnical engineering, and permitting; and costs of issuance of, debt service reserve funding of, and capitalized interest relating to any Bonds or any other debt issued pursuant to Ohio Revised Code Chapter 349, and necessary contingency amounts.

Community Facilities in support of the District may be publicly or privately owned.

**EXHIBIT E**

**PRELIMINARY ECONOMIC FEASIBILITY ANALYSIS**

A copy of the Economic Feasibility Impact Analysis dated August 22, 2019 is attached on the following page.

## Economic Impact Analysis

*Belle Oaks and Belle*

*Oaks Marketplace*

*Richmond Heights, Ohio*

**CONFIDENTIAL AND PRIVILEGED  
INFORMATION**

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Developer: DealPoint Merrill, LLC

Prepared by: Project Management Consultants LLC

August 22, 2019

Project Management Consultants LLC  
3900 Key Center  
127 Public Square  
Cleveland, Ohio 44114



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## ABOUT THIS REPORT

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Project Management Consultants was engaged by DealPoint Merrill, LLC ("DealPoint" or the "Company") to analyze the economic and fiscal impacts of a mixed-use new 65-acre construction project in Richmond Heights, Ohio. This report contemplates a new 1.3 million square foot mixed-use neighborhood on Richmond Road (Ohio Route 175) at the former Richmond Town Square Mall (the "Project"), located conveniently near Interstate 271 and the Cuyahoga County Airport. The location includes PPN 662-27-048 (fka PPN 662-27-006), PPN 662-27-049 (fka PPN 662-27-008), which are located in the **Richmond Heights Local School District**, and PPN 662-30-090, PPN 662-30-121 (fka PPN 662-30-118) and PPN 662-30-120 (fka 662-30-009), which are located in the **South Euclid-Lyndhurst City School District**, (known collectively the "Property" or "Belle Oaks and Belle Oaks Market Place"). **Project Management Consultants makes no representations to the accuracy of the data or recommendations to the recipients of this report.**

The proposed development includes two (2) phases with construction hard costs expected to be approximately \$195,000,000. Phase 1 is expected to commence construction in first quarter 2020 and Phase 2 is expected to commence construction in first quarter 2021. Each Phase of the proposed mix use development is expected to have a 2-year building timeframe. The Phase 1 Belle Oaks construction hard cost estimates are provided by Marous Construction. Phase 2 Belle Oaks Marketplace construction hard cost estimates are based upon Phase 1 hard construction costs.

A preliminary site plan is attached to this report as Exhibit B, and by this reference is incorporated herein. **Phase I known as Belle Oaks**, consisting of approximately 654,969 square feet of new construction, comprising of six (6) new multi-family buildings located on 23 acres of the existing Sears Dept. Store site at Richmond Town Square; and **Phase II, known as Belle Oaks Marketplace**, consisting of approximately 632,036 square foot of mixed use development comprised of 10 new buildings and 2 existing buildings located on approximately 42 acres [excluding Walgreens, La Fiesta Property and Dollar Bank] of the remaining Richmond Town Square.

In addition to the new construction, the mixed-use development will incorporate the existing 87,436 square feet Regal Cinema and the 160,000 square foot CubeSmart (formerly Macy's).

The Project represents an estimated investment of at least \$195 million in hard construction, site development and other development costs. The Project is described more fully within the attached Project Overview.

Economic and fiscal impacts ("Impacts"), measured in terms of employment, labor income, and taxes were estimated using local tax rates, current real estate valuations from the County and data provided by the Company as estimates for the proposed Project. Additional community benefits of the Project are described in a separate section.

Project Management Consultants has relied on information provided by DealPoint Merrill, its consultants, and Regional Income Tax Agency ("RITA") for both Projects and makes no representations on the accuracy of such.

#### Property Tax Incentive Description and Impact Disclaimer

This Report takes into account the Company's request for Community Reinvestment Area ("CRA") approval to obtain property tax abatement on the incremental value of the Property created by the Project for 15 years at 100%. It also considers the Company's request for an Ohio Revised Code Section 5709.41 "Private" TIF for the Project for 30 years at 100%. The proposed 30-year TIF would be effective upon approval of a TIF Agreement by the Richmond Heights' City Council; however, for all practical purposes, would not be operative until expiration of the 15-year CRA tax abatement period. Therefore, the proposed structure considers 15 years of CRA tax abatement at 100% on the improvements made to the Property as part of the Project, followed by 15 years of a "Private" TIF at 100%.

The 15-year 100% CRA tax abatement would exempt the Project from paying incremental property taxes on the increased value of the Property to be created by the Project. The City of Richmond Heights, Richmond Heights Local School District, and South Euclid-Lyndhurst City School District would receive their current taxes on the existing land value, the value of the CubeSmart building, and the value of the existing Regal Cinema.

The subsequent 15-year Ohio Revised Code Section 5709.41 "Private" TIF structure allows the Company to utilize Payments made to the County in Lieu of Taxes (PILOTs) for years 16-30 after TIF approval to be returned to the Project to cover debt service thereon. These PILOTs would allow the Company to finance the full vision planned for redevelopment of Richmond Town Square Mall into the new downtown city center for Richmond Heights.

Under the proposed structure, after the 30-year property tax incentive period expires, the Project would pay full property taxes to Richmond Heights, Richmond Heights Local Schools, and South Euclid-Lyndhurst School District, based on the assessed value of the Property upon expiration.

## ECONOMIC IMPACTS OF THE PROJECT

### Estimated 2018 Project Impacts

As with the Richmond Mall, like many other malls, has lost all of its major anchors (Macy's, Sears, and JC Penny's) but for Regal Cinema, who has a lease termination expiring in 2022. The mall continues to experience economic challenges, further depreciating the Richmond Heights City tax base. These proposed mixed-use redevelopment plan aims to reverse these trends for the property and Richmond Heights through a Public-Private Partnership where residents of Richmond Heights, the City, the School Districts, and the property may experience economic benefits.

The future sections of this Report consider the total impacts of the Project upon stabilization, i.e. the impacts of the Project upon 100% completion of all planned phases and structures, including the existing CubeSmart, Regal Cinema, and Planet Fitness.

On the following page is a table of property and income taxes currently estimated to be generated from the existing Mall Property. A full table detailing the estimated property taxes can be found on Page 6 of this Report. Property values and income taxes reported by RITA demonstrate that the Mall has a significant, but declining, annual impact for the City of over \$170,000 in Property and income taxes generated as of 2018.

Estimated 2018 Taxes Generated by the Mall for the City and Schools

Category	Annual Impact Estimates
Real Estate Tax - City	\$64,081
Real Estate Tax - South Euclid-Lyndhurst Schools	\$200,696
Real Estate Tax - Richmond Heights Local Schools	\$58,280
City Income Tax (Permanent Jobs)	\$115,000
<b>TOTAL RECURRING TAX REVENUE</b>	<b>\$438,057</b>

<b>City of Richmond Heights Recurring Tax Revenues</b>	<b>\$179,081</b>
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Property Tax Assumptions for this Report

The property taxes estimated for this Report use the County's tax year 2018 assessed values for the Property (assessed values are not presently available for tax year 2019).

The Property tax impact estimates for Years 1-30, as outlined in future sections of this Report, consider what we estimate as the "baseline" taxes for the Project. These estimates consider the 2018 "land only" value of the Property located in the Richmond Heights Local School District and the 2018 "as improved" value of the Property located in South Euclid-Lyndhurst City School District, which includes land values, the full value of the CubeSmart structure, and approximately 1/3 of the building value of the existing mall buildings located in the South Euclid-Lyndhurst City School District to account for the Regal Cinema building.

This Report assumes that the City of Richmond Heights and Richmond Heights Local School District will continue collecting property taxes on the current baseline land value of the Property, in addition to the CubeSmart structure and the Regal Cinema building.

On page 6 is a table explaining the property tax assumptions made for existing property taxes, and the baseline property taxes of the Property resultant from the Project that are anticipated throughout the proposed 30 -year incentive period. Exhibit C, included at the end of this report, shows the existing school district boundaries at the project site.

Parcel Data and Property Tax Assumptions

Parcel	School District	2018 Land Value	2018 Building Value	Formula Used	Anticipated Property Value for Impact Analysis
662-27-006 (nka 662-27-048)	Richmond Heights	\$1,471,800	\$744,600	Full Land Value Only	\$1,471,800
662-27-008 (nka 662-27-049)	Richmond Heights	\$357,200	\$0	Full Land Value Only	\$357,200
662-30-118 (nka 662-30-121)	South Euclid-Lyndhurst	\$21,100	\$0	Full Land Value Only	\$21,100
662-30-090	South Euclid-Lyndhurst	\$1,018,400	\$558,000	Full Land and Building Value	\$1,576,400
662-30-009 (nka 662-30-120)	South Euclid-Lyndhurst	\$3,222,400	\$3,670,400	Full Land Value; 1/3 Building Value	\$4,445,867
Total Estimated Base Property Tax Market Value for Richmond Heights & Richmond Heights Local Schools During Economic Impact Period					\$1,829,000
Total Estimated Base Property Tax Market Value for Richmond Heights & South Euclid-Lyndhurst School District During Economic Impact Period					\$6,043,367
Combined Base Property Tax Market Values for Project Site All School Districts					\$7,872,367

Years 1-30 Annual Tax Impacts Before Expiration of Property Tax Incentives in Year 31

The estimated \$195 million investment in the development of this Project may result in hundreds of new residences for Northeast Ohioans, and may result in over 500 estimated total full time equivalent ("FTE") job opportunities to residents of Northeast Ohio. This Report focuses on Years 1-30, before the property tax incentives requested expire.

The Project may have a significant impact on the City and regional economies, stimulating both direct and indirect economic impacts. This impact comes directly from residents at the Project site, shoppers at the retail facilities, and employees of the mixed-use development. These impacts do not include indirect or induced impacts.

This Report considers two phases of the Project. Phase I entails demolishing the former 248,000 square foot Sears building to construct the approximate 372-unit Belle Oaks mixed use residential district with retail and out lots. If constructed, Phase II would build off the Belle Oaks Phase I development by demolishing the existing interior mall and the former JC Penney store, except for the Regal Cinema theatre and CubeSmart. Phase 2 Belle Oaks Marketplace mixed-use development would construct an additional approximate 348 residential units and over 200,000 square feet of new or repurposed commercial space.

Upon completion of all phases, this Project is estimated to generate nearly \$7,300,000 in combined recurring tax revenues for the City of Richmond Heights, Richmond Heights Local School District, South Euclid-Lyndhurst City School District, and for the State of Ohio. The taxes generating this impact include property taxes, income taxes, sales taxes, and Commercial Activity ("CAT") tax. The table on Page 8 details these estimates.

These tax impacts represent the annual tax revenues expected before the expiration of property tax incentives approved for the Project.

**Estimated Permanent Impacts of the Project**

- 532 FTE permanent jobs
- Nearly \$16.9 million total worker payroll
- \$7,295,000 in estimated annual taxes (\$2,030,000 of local taxes and \$5,265,000 of state taxes)

These annual estimates of the expected taxes generated by the Project once all phases are completed (during the period of the requested CRA and TIF exemptions) are summarized in the table below, with impacts by phase broken out and totaled:

**Estimated Annual Permanent Impacts Upon Project Completion and Stabilization**

	Phase I	Phase II	All Phases
<b>State of Ohio</b>	\$1,857,343	\$3,407,354	\$5,264,697
<b>Cuyahoga County</b>	\$368,203	\$659,188	\$1,027,390
<b>Richmond Heights</b>	\$315,638	\$502,662	\$818,300
<b>Richmond Heights Local Schools</b>	\$41,418	\$0 (Phase II work is majority in South Euclid-Lyndhurst School District)	\$41,418
<b>South Euclid Lyndhurst Schools</b>	\$0 (Phase I work is majority in Richmond Heights School District)	\$142,356	\$142,356
<b>TOTAL RECURRING TAX REVENUE (After Abatement)</b>	\$2,582,601	\$4,712,058	\$7,294,660

The City may benefit from income taxes from new employees working at the Project site, in addition to income taxes paid by new Richmond Heights residents who live at the Project site and work in other communities. The School Districts may benefit from property taxes only. Cuyahoga County may benefit from new sales taxes. The State of Ohio benefit would come from worker income taxes, sales taxes, and Commercial Activity Tax on the Project site.

## DESCRIPTION OF ECONOMIC AND FISCAL PROJECT IMPACTS

The Project's potential annual tax impact is measured primarily through local income taxes on residents, local income taxes on employees, and on property taxes for the City and School Districts. There are potential additional impacts for Cuyahoga County and State of Ohio through sales taxes, income taxes, and Commercial Activity ("CAT") tax.

### Employment Impacts

Belle Oaks and Belle Oaks Marketplace have the potential to revitalize the Project site, retain existing jobs and tenants, and create new jobs for Richmond Heights and other local community residents through completion of this redevelopment plan. The Project's two (2) phases combined are expected to retain and create more than 500 full time equivalent (FTE) jobs.

The detailed estimates of jobs by type are detailed in the table below:

	Full Time Equivalent (FTE) Jobs
Existing Jobs Estimated at CubeSmart, Fitness, and Cinema Uses	60
Grocery and Out lot Restaurant Jobs	172
Retail and Other Commercial Jobs	285
Multi-Family staff (Leasing, Maintenance, Development, Groundskeepers etc.)	15
<b>TOTAL FTE Jobs</b>	<b>532</b>

Upon completion of both Project phases, in a stabilized year, the Project may support approximately 532 Full Time Equivalent (FTE) jobs at the Project site. The estimated payroll for these positions is expected to start at \$16,888,739 annually and rise by 2% per year.

Assuming the City of Richmond Heights' income tax remains at 2.25%, the annual economic impact from payroll taxes on these jobs is expected to approach \$380,000 per year. Income taxes are paid by all employees working in the City of Richmond Heights. The annual revenues from State of Ohio income taxes are expected to exceed \$329,000 per year. The impact of these taxes over 30 years is expected to exceed \$15,410,000 for the City of Richmond Heights and \$13,380,000 for the State of Ohio.

## Resident Impacts

There is an additional annual economic impact for the City of Richmond Heights from the new-to-Richmond Heights residents at the Project site. Residents of Richmond Heights who pay income tax where they work in other communities also pay income tax to Richmond Heights on their income. However, the City currently counts up to 1.25% of the income taxes residents pay in their employer's community towards their tax burden. This is called an income tax credit for purposes of this Report.

It is estimated that of the 720 apartment units planned for the Project site, approximately 75% of residents will be new to Richmond Heights. Phase I is estimated to have approximately 372 residential units. Phase II is estimated to have 348 residential units. If the units average 1.5 residents per household, the total number of new residents to Richmond Heights will be approximately 810 of the Project site's 1,080 estimated residents.

Based on the assumption that residents pay 30% of their base salary on rent, and based on the pro forma rents for the Project, it is estimated that each household will have a median household income of at least \$72,724 per year. For 720 units, the total income of residents is expected to exceed \$52,360,000 per year. If 75% of households are new to Richmond Heights, the new residential household income would exceed \$39,270,000 per year.

Due to Richmond Heights' income tax credit factor of 100% for up to 1.25% in income taxes paid to workers' employer communities, this Report assumes that new residents will pay on average 1.00% income taxes to the City of Richmond Heights. Based on a minimum of \$52,360,000 in household income, the total taxes collected would be approximately \$523,600 per year for all residents. Assuming 75% of residents are new to Richmond Heights, the City income tax generated from new residents and households should exceed an estimated \$392,000 annually. The thirty-year impact from new resident income taxes for the City is expected to exceed \$15,900,000.

### Commercial Sales Impacts

The commercial components of the Project have the potential to generate two types of sales impacts. The first impact is the sales taxes on consumer goods and services, which provide benefits for Cuyahoga County and for the State of Ohio. The second impact is on Commercial Activity (CAT) Taxes for the State of Ohio. The Project is expected to support approximately 500,000 square feet of commercial space in the mixed-use development. These uses include approximately 247,436 square feet occupied by the existing CubeSmart, Regal Cinema, and relocated fitness center tenant into a new building, and approximately 224,880 square feet of new restaurant, retail, grocery, and entertainment square footage. Assuming average annual sales by use ranging from \$24 (CubeSmart) to \$250 per square foot (restaurant uses), the total sales revenues from the Project are expected to exceed \$82,000,000 per year once both Project phases are complete.

These potential sales are estimated to generate over \$4,725,000 in annual State of Ohio Sales Tax revenues, and more than \$191 million in tax revenues for the State over 30 years. The sales are also estimated to generate over \$1,027,000 in annual revenues for Cuyahoga County, or more than \$41,600,000 in taxes over 30 years.

The State of Ohio is also expected to receive approximately \$209,000 annually, and more than \$8,500,000 over 30 years, from retail tenants' Commercial Activity (CAT) taxes. CAT is generated for the State on the annual corporate sales of the company.

### Property Tax Impacts

For purposes of this analysis, the Property's tax market value upon the potential demolition of sections of the mall prior to construction of Phase II is estimated to be approximately \$7.85 million, as described on pages 5 and 6 of this Report. The Property located in the Richmond Heights Local School District is estimated to generate approximately \$66,279 in total property taxes annually, using 2018 millage (payable 2019). Of these taxes, approximately \$41,418 are paid to the Richmond Heights Local School District, and approximately \$10,593 are paid to the City of Richmond Heights.

The parcels located in South Euclid-Lyndhurst City School District are estimated to generate approximately \$224,999 in annual property taxes, inclusive of the land values and the approximate value of the existing Regal Cinema and CubeSmart. Of these taxes, approximately \$142,854 annually is generated for the South Euclid-Lyndhurst City School District, and approximately \$35,002 is generated annually for the City.

## Property Tax Impacts in Year 31 After Incentives Expire

Once the property tax incentives expire, the City and School Districts may receive a significant increase in property taxes. DealPoint Merrill estimates that the value of the Property will be approximately \$339 million for the entire Project site after the 30-year abatement period expires. Project Management Consultants has not reviewed the underlining financial assumptions to support this valuation. By subtracting the base value from DealPoint Merrill's estimated property value, this would indicate the Property increased in value over the next 30 years due to completion of this project by approximately \$330 million above the "baseline" value. Assuming this value increase is split evenly between both School Districts, in Year 31 of the Project, Richmond Heights Local School District is estimated to receive approximately \$3,830,000 in annual property taxes, South Euclid-Lyndhurst City School District is estimated to receive approximately \$4,010,000 in annual total taxes and the City of Richmond Heights is estimated to receive approximately \$1,960,000 in annual property taxes.

## CONSTRUCTION PERIOD IMPACTS

Phase I of the Project is estimated to cost approximately \$100 million in construction costs. Phase II of the Project is estimated to cost approximately \$95 million in construction costs. In total, the Project is expected to invest more than \$195 million in building construction costs and tenant improvements into the new structures and infrastructure during the construction period. The Project is estimated to create approximately 1,761 Full Time Equivalent (FTE) construction jobs over the multi- phase Project, generating over \$94.75 million in payroll. This payroll is estimated to generate a direct tax impact of over \$2.7 million in State of Ohio income tax revenues, and over \$2.1 million in City of Richmond Heights income tax revenues. Note: The Phase 1 construction estimate costs represents the hard construction cost estimates and is not a representative of all the project costs that are expected to be incurred, including soft cost, for either Phase. The Phase 1 hard cost estimates are provided by Marous Construction. Phase 2 Belle Oaks Marketplace hard cost estimates are based upon Phase 1 hard construction costs.

Estimated Construction Period	Project Impacts
	• \$195 million investment
	• 1,761 FTE construction jobs created

## SUMMARY OF IMPACTS

**TOTAL Annual Fiscal and Economic Impacts During 30 Year Period Before Property Tax Incentive Expiration**

The table below summarizes the annual economic impacts of the Project.

	<b>Phase I \$100 Million</b>	<b>Phase II \$95 Million</b>	<b>Entire Project \$195 Million</b>
City of Richmond Heights Recurring Tax Revenues	\$315,638	\$502,662	\$818,300
Richmond Heights Local School District Recurring Property Taxes	\$41,418	\$0	\$41,418
South Euclid-Lyndhurst Schools Recurring Property Taxes	\$0	\$142,854	\$142,854
Cuyahoga County Recurring Tax Revenues	\$368,203	\$659,188	\$1,027,390
State of Ohio Recurring Tax Revenues	\$1,857,343	\$3,407,354	\$5,264,697
<b>Total Recurring Tax Revenues</b>	<b>\$2,582,601</b>	<b>\$4,712,058</b>	<b>\$7,294,660</b>
Permanent FTE Jobs	141	391	532
New Residents	420	390	810
FTE Construction Jobs	790	971	1,761

The Project may be a significant generator of revenues for the City of Richmond Heights (\$818,300 annually), Richmond Heights Local School District (\$41,418 annually), South Euclid-Lyndhurst City School District (\$142,854 annually), Cuyahoga County (\$1,027,390 annually), and the State of Ohio (\$5,264,697 annually). The permanent FTE jobs at the Project site upon stabilization are estimated to exceed 530. Full impacts by phase and by individual tax will be provided in summary sheets as a supplement to this Report. See Exhibit A, attached hereto and by this reference is incorporated herein.

### Increase in Annual Local Taxes over 2019 After Project Completion

The table below summarizes the existing annual taxes generated by the project site for the City of Richmond Heights and the local school districts, the change in annual taxes generated by the project site for these local government entities upon completion of all phases, and the combined annual taxes generated for each entity. The City of Richmond Heights could receive more than 350% of the property's existing annual revenues upon completion of all project phases. The school districts' annual property taxes decrease due to the demolition of buildings planned for the property and the CRA tax abatement and TIF structure considered in these projections. Cuyahoga County and the State of Ohio could see significant increases over their unknown existing tax revenues from the project site.

	Existing Tax Revenues (2018)	Change in Revenues Due to Completion of Entire Project	Total Annual Tax Revenues Upon Project Completion
City of Richmond Heights Recurring Tax Revenues	\$179,081	\$639,219	\$818,300
Richmond Heights Local School District Recurring Property Taxes	\$58,280	-\$16,862	\$41,418
South Euclid-Lyndhurst Schools Recurring Property Taxes	\$200,696	-\$57,842	\$142,854
Cuyahoga County Recurring Tax Revenues	N/A	\$1,027,390	\$1,027,390
State of Ohio Recurring Tax Revenues	N/A	\$5,264,697	\$5,264,697
Total Recurring Tax Revenues	\$438,057	\$6,856,603	\$7,294,660

Project's Total Impact over First 30 Years Before Proposed Property Tax Incentives' Expiration

The table below summarizes the total (combined) estimated annual impacts directly associated with this Project over the next 30 years. These benefits do not include the incremental property taxes on the increased value of the Property estimated for the City and School Districts after the expiration of the CRA and Private TIF abatement periods. These benefits are the summation of the 30 years' worth of annual impacts estimated for the Project.

	<b>Phase I \$100 Million</b>	<b>Phase II \$95 Million</b>	<b>Entire Project \$195 Million</b>
City of Richmond Heights Tax Revenues over 30 Years	\$12,692,877	\$20,022,133	\$32,715,010
Richmond Heights Local School District Tax Revenues over 30 Years	\$1,242,543	\$0	\$1,242,543
South Euclid-Lyndhurst Schools Tax Revenues over 30 Years	\$0	\$4,285,635	\$4,285,635
Cuyahoga County Tax Revenues over 30 Years	\$14,937,268	\$26,741,971	\$41,679,239
State of Ohio Tax Revenues over 30 Years	\$75,374,717	\$138,255,699	\$213,630,415
Total Project Revenues over 30 Years	\$104,247,405	\$189,305,438	\$293,552,843

## Community Impacts

The community benefits and indirect benefits of this Project cannot be overstated:

- Resident spending supports businesses in the Project area, helping to revitalize the Richmond Town Square Mall area.
- Local residents may have plentiful employment opportunities at the Project site.
- The Project may stimulate additional investment and job growth for the remaining portions of The Richmond Town Square Mall and surrounding areas
- Potential tax benefits to the Richmond Heights Local School District, South Euclid-Lyndhurst City School District, the City of Richmond Heights, and other local taxing authorities.

## **ABOUT PROJECT MANAGEMENT CONSULTANTS, LLC.**

Founded in 1997, Project Management Consultants LLC (PMC), a wholly-owned subsidiary of Thompson Hine LLP, is a multi-disciplinary organization consisting of seasoned construction, design, finance and real estate professionals, including licensed architects, engineers, construction managers, financial analysts, and experienced real estate and construction lawyers.

Since its inception, PMC has provided project management owner's representative, structured finance consulting, risk management and legal services to owners in connection with billions of dollars of construction and development projects throughout the United States. This combination of services is the cornerstone of PMC's success in establishing budgets, identifying capital and financing, managing the construction process and bringing projects to completion on time and within budget.

### **Public and Private Financing Consulting**

Financing a capital improvement initiative is oftentimes the most challenging aspect of a project, whether public or private. PMC's financial strategists offer consultation services from Proformas and initial financial feasibility analysis to assistance with the identification and selection of prospective lenders, as well as application assistance for tax credit programs and initiatives (New Markets Tax Credit (NMTC) Program/ historic tax credits).

We assist clients with the identification of a range of intergovernmental funding sources and develop timetables and strategies to obtain these funds. From public sector bond financing negotiation to private sector real estate fund creation and implementation, PMC provides financial guidelines, planning recommendations and execution strategies for the realization of successful investments and capital projects.

## Exhibit A

### Economic Analysis Summary – Page 1

<b>Belle Oaks Marketplace</b> <b>Richmond Heights</b>			
<b>Economic Impact Analysis - Annual Impacts*</b>			
<b>August - 2019</b>			
<b>Two-Phase Project Costs = \$195 Million</b>			
	<b>Phase I</b> <b>\$100 Million</b>	<b>Phase II</b> <b>\$95 Million</b>	<b>Entire Project</b>
County	\$368,203	\$659,188	\$1,027,390
State	\$1,693,732	\$3,032,263	\$4,725,994
Sales Tax Total	\$2,061,934	\$3,691,450	\$5,753,384
Commercial Activity ("CAT") Tax	\$74,136	\$134,661	\$208,797
Real Estate Tax - City	\$10,593	\$35,002	\$45,596
Real Estate Tax - South Euclid-Lyndhurst Schools	\$0	\$142,854	\$142,854
Real Estate Tax - Richmond Heights Schools	\$41,418	\$0	\$41,418
State	\$89,475	\$240,430	\$329,906
City	\$102,146	\$277,851	\$379,997
Total Income Tax (Permanent Jobs)	\$191,621	\$518,282	\$709,902
State	\$1,218,964	\$1,498,609	\$2,717,573
City	\$956,250	\$1,175,625	\$2,131,875
Total Income Tax (Construction Jobs)	\$2,175,214	\$2,674,234	\$4,849,448
New City Income Tax (Apartment Residents)	\$202,899	\$189,809	\$392,708
<b>TOTAL RECURRING TAX REVENUE</b>	<b>\$2,582,601</b>	<b>\$4,712,058</b>	<b>\$7,294,660</b>
City of Richmond Heights Recurring Tax Revenues	\$315,638	\$502,662	\$818,300
Richmond Heights Local School District Recurring Property Taxes	\$41,418	\$0	\$41,418
South Euclid-Lyndhurst Schools Recurring Property Taxes	\$0	\$142,854	\$142,854
Cuyahoga County Recurring Tax Revenues	\$368,203	\$659,188	\$1,027,390
State of Ohio Recurring Tax Revenues	\$1,857,343	\$3,407,354	\$5,264,697
Permanent Jobs	141	391	532
New Residents	420	390	810
Construction Jobs	790	971	1,761

\* Assumes Incremental Property Taxes are Exempt through either TIF or Tax Abatement for 30 Years

**Exhibit A**

Economic Analysis Summary – Page 2

<p style="text-align: center;"><b>Belle Oaks Marketplace</b> <b>Richmond Heights</b></p>			
<p style="text-align: center;"><b>Economic Impact Analysis - 30 Year Impacts*</b></p>			
<p style="text-align: center;"><b>August - 2019</b></p>			
<p style="text-align: center;"><b>Two-Phase Project Costs = \$195 Million</b></p>			
	<b>Phase I</b> <b>\$100 Million</b>	<b>Phase II</b> <b>\$95 Million</b>	<b>Entire Project</b>
County	\$14,937,268	\$26,741,971	\$41,679,239
State	\$68,711,434	\$123,013,065	\$191,724,499
Sales Tax Total	\$83,648,702	\$149,755,036	\$233,403,738
Commercial Activity ("CAT") Tax	\$3,033,452	\$5,488,830	\$8,522,282
Real Estate Tax - City	\$317,800	\$1,050,072	\$1,367,872
Real Estate Tax - South Euclid-Lyndhurst Schools	\$0	\$4,285,635	\$4,285,635
Real Estate Tax - Richmond Heights Schools	\$1,242,543	\$0	\$1,242,543
State	\$3,629,831	\$9,753,803	\$13,383,635
City	\$4,143,851	\$11,271,882	\$15,415,733
Total Income Tax (Permanent Jobs)	\$7,773,682	\$21,025,686	\$28,799,368
State	\$1,218,964	\$1,498,609	\$2,717,573
City	\$956,250	\$1,175,625	\$2,131,875
Total Income Tax (Construction Jobs)	\$2,175,214	\$2,674,234	\$4,849,448
New City Income Tax (Apartment Residents)	\$8,231,226	\$7,700,179	\$15,931,405
<b>TOTAL RECURRING TAX REVENUE</b>	<b>\$104,247,405</b>	<b>\$189,305,438</b>	<b>\$293,552,843</b>
 City of Richmond Heights Tax Revenues over 30 Years	\$12,692,877	\$20,022,133	\$32,715,010
Richmond Heights Local School District Tax Revenues over 30 Years	\$1,242,543	\$0	\$1,242,543
South Euclid-Lyndhurst Schools Tax Revenues over 30 Years	\$0	\$4,285,635	\$4,285,635
Cuyahoga County Tax Revenues over 30 Years	\$14,937,268	\$26,741,971	\$41,679,239
State of Ohio Tax Revenues over 30 Years	\$75,374,717	\$138,255,699	\$213,630,415
Permanent Jobs	141	391	532
New Residents	420	390	810

\*Assumes Incremental Property Taxes are Exempt through either TIF or Tax Abatement for 30 Years

## Exhibit B

### Preliminary Site Plan

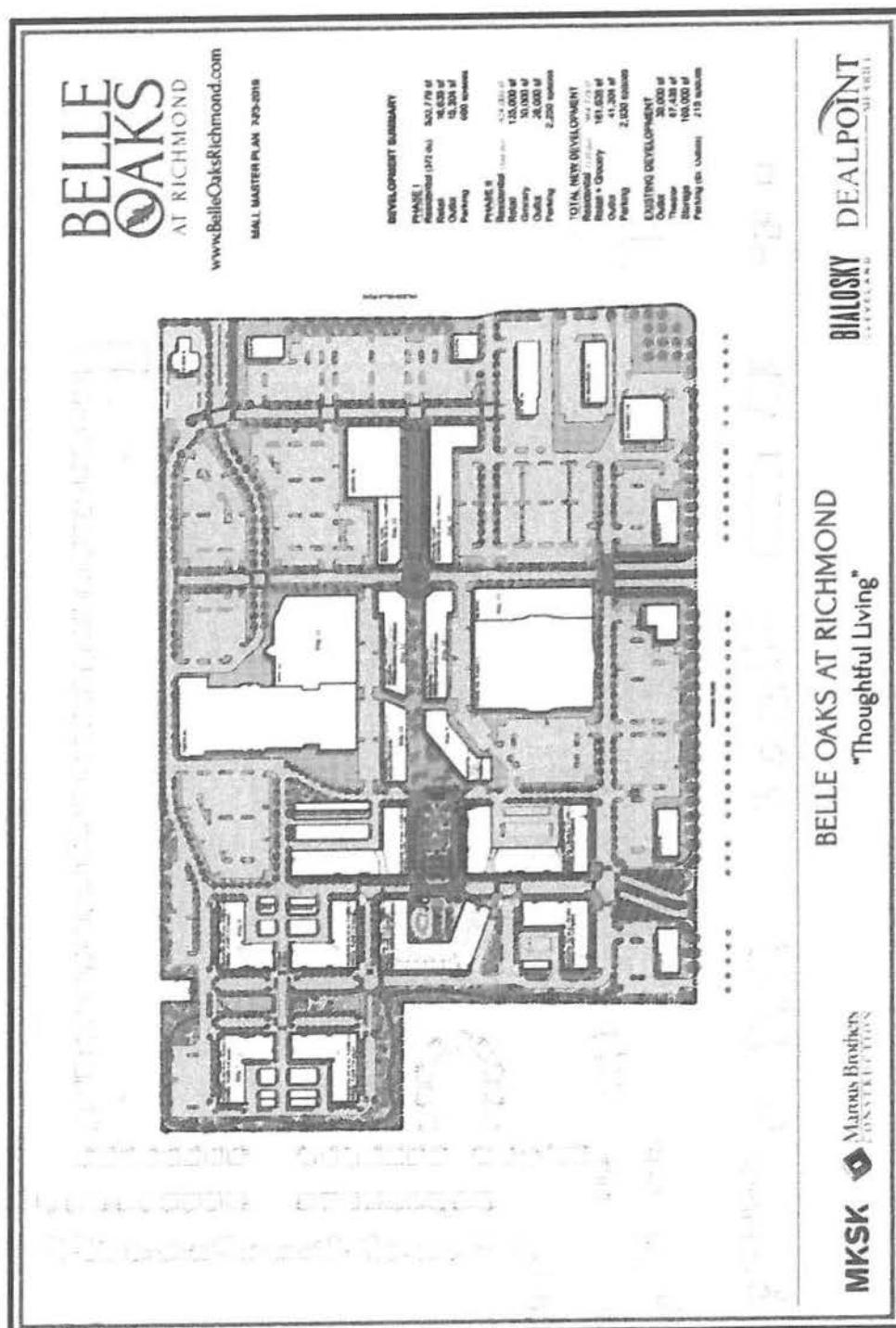
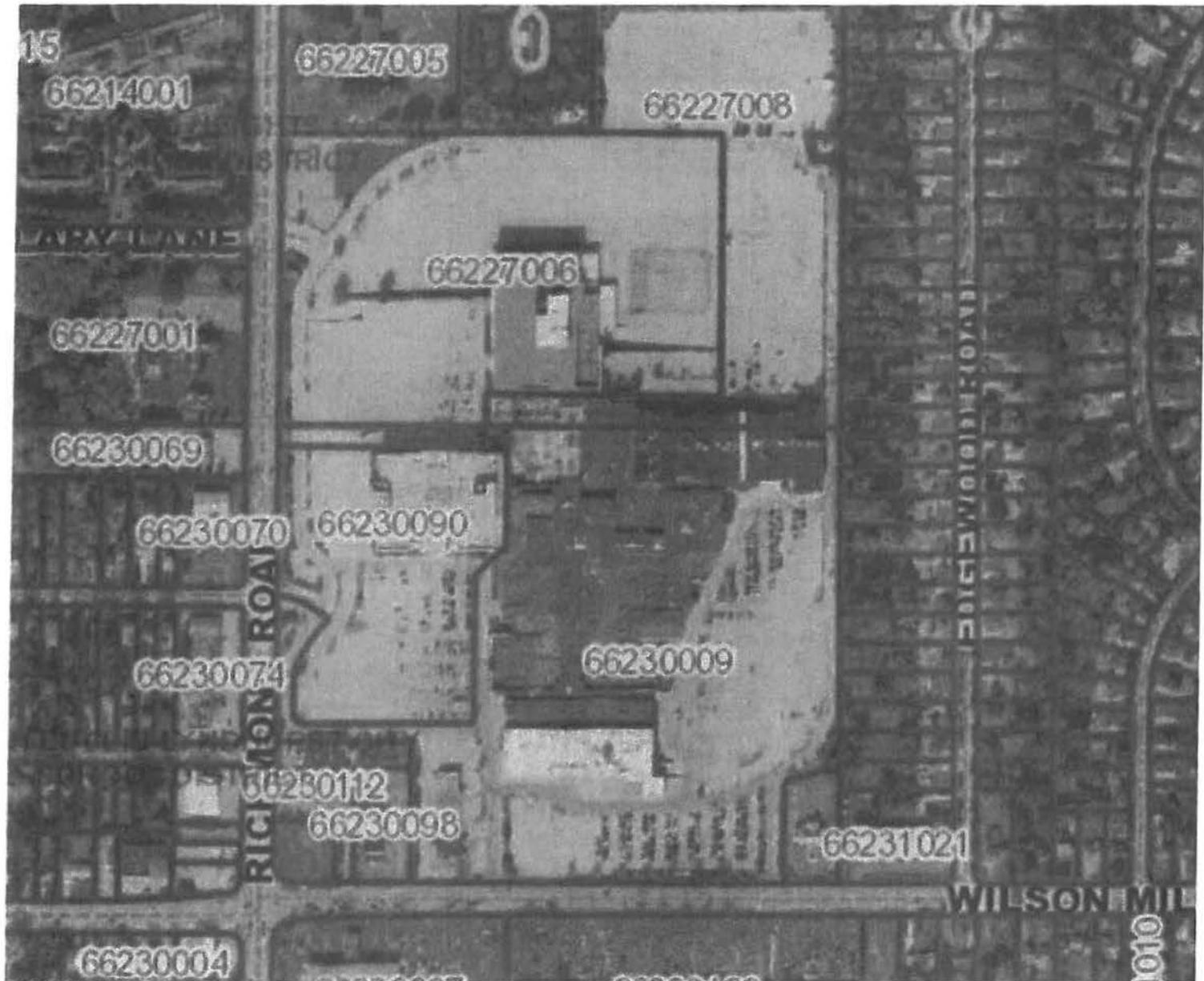


Exhibit C

RICHMOND HEIGHTS AND SOUTH EUCLID SCHOOL DISTRICTS



66227005

66218002

RICHMOND HEIGHTS LOCAL  
SOUTH

66227006

66227008

66230118

66230090

SOUTH ELECTRICAL

66230009

1500

150

300ft

**EXHIBIT F**  
**FINANCIAL PLAN**

The Developer seeks to create the Authority to promote and coordinate the financing and construction of Community Facilities that are estimated to cost \$285,000,000 to construct. These Community Facilities are detailed in Exhibit D. It is anticipated that the Authority will issue approximately \$80,000,000 in Bonds to finance the Community Facilities. The Bonds will be secured by the Community Development Charge and other available revenue and funds of the Authority.

**Determination of Community Development Charges**

The Authority will impose a Community Development Charge determined as generally described in this Exhibit F on all real property within the District, subject to exceptions that may be determined by the Authority from time to time. The Community Development Charge will be a dollar amount determined on the basis of the assessed valuation of real property or interests in real property in the District owned, sold, leased, or otherwise conveyed by the Developer. The Community Development Charge will be levied by the Authority annually in an amount that, when added to other available revenue and funds of the Authority, will be sufficient to pay Bond Debt Service then due on the Bonds, Administrative Expenses of the Authority, and any O&M costs approved by the Developer. It is expected that, as a result of tax increment financing (TIF) exemptions authorized by the City under Ohio Revised Code Chapters 725 and 5709, TIF revenue associated with payments in lieu of property taxes (PILOTs) will be available to pay Bond Debt Service, Administrative Expenses, and O&M costs by agreement of the Authority and the City.

**Allocation of Community Development Charges**

Community Development Charges shall be allocated and applied in the following order:

- (1) Payment of Administrative Expenses of the Authority;
- (2) Bond Debt Service; and
- (3) As directed by the Developer, toward the optional redemption of Bonds or otherwise as permitted in the indenture securing the Bonds; and
- (4) As directed by the Developer, toward payment of costs of other Community Facilities not funded with the proceeds of the Bonds, including O&M costs.

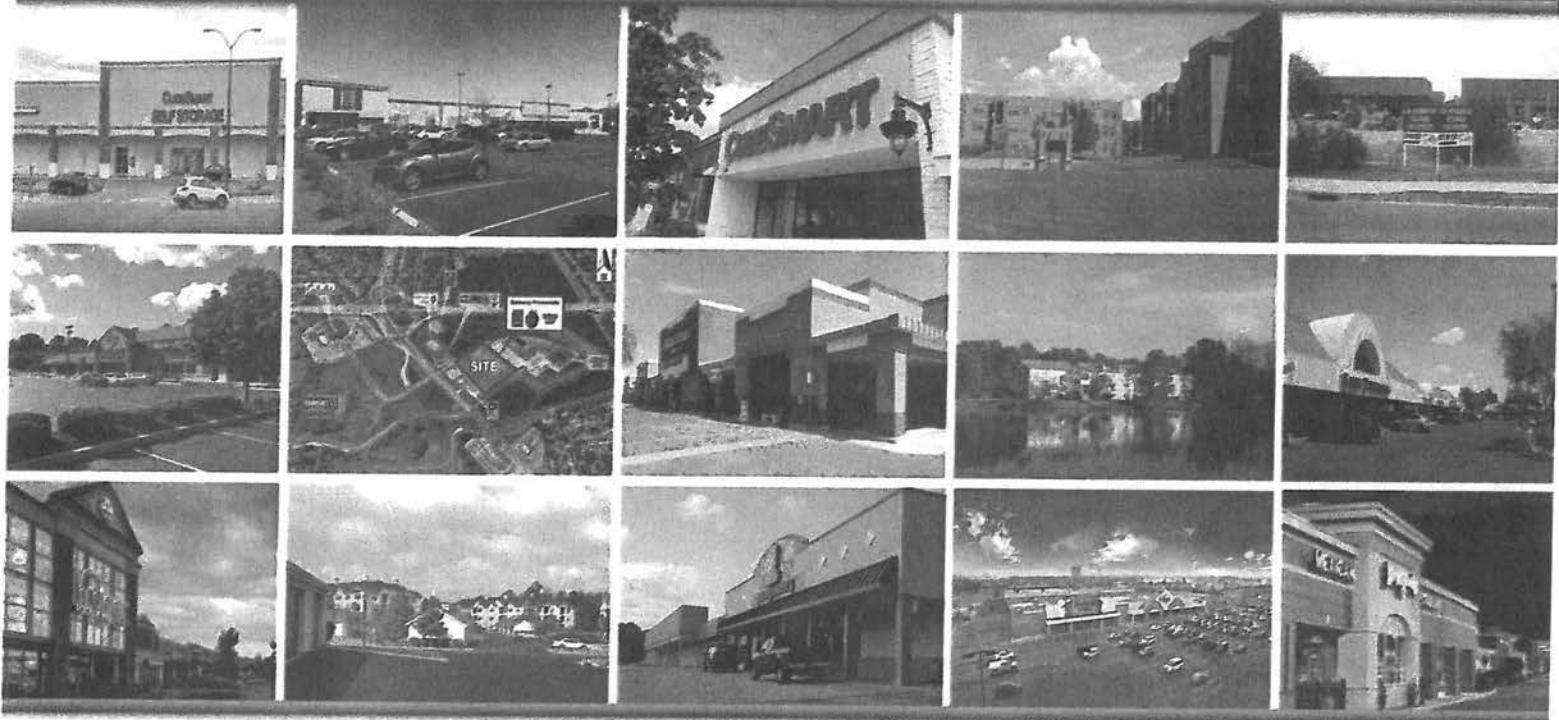
**Timing and Collection of the Community Development Charges**

Community Development Charges will be imposed within the District not earlier than the tax year commencing January 1, 2020 (for collection in the succeeding collection cycle) and will continue to be imposed by the Board for so long as is necessary to pay Bond Debt Service on the Bonds, to pay Administrative Expenses, to pay O&M costs, or to pay any other costs of Community Facilities that are approved by the Authority.

As permitted by Section 349.07 of the Ohio Revised Code, the Authority may certify the Community Development Charges to the Cuyahoga County Fiscal Officer, who will enter the Community Development Charges on the tax list and duplicate of real property and certify the Community Development Charge to the Cuyahoga County Treasurer for collection with the tax bills.

**EXHIBIT G**  
**THE DEVELOPER'S MANAGEMENT CAPABILITY**

# The Intersection of Capital and Opportunity



**DEALPOINT**  
MERRILL



22815 Ventura Boulevard, Suite 310 • Woodland Hills, CA 91364  
Office 310.671.3900 • Fax 310.671.4100

[www.DealPointMerrill.com](http://www.DealPointMerrill.com)

## DEALPOINT MERRILL OVERVIEW

DealPoint Merrill is an owner and operator of value-added and redevelopment assets, as well as a sponsor of real estate co-investment offerings. For more than 30 years, the principals and its affiliated companies have earned a reputation for client-centric management services from a broad range of financial institutions and individuals.

**Family Office:** Headquartered in Woodland Hills, CA.

Value-added and opportunistic investment philosophy. Owner and operator of value-added retail conversions and adaptive reuse properties with an emphasis on self-storage.

Highly evolved management team. 30+ year average tenure of senior management team with highly disciplined internal systems control and accounting infrastructure.

In addition to our retail shopping centers, DealPoint Merrill has extensive in-house self-storage redevelopment/construction, land entitlement, asset management expertise with a national development portfolio of approximately 15,000 "Class A" institutional quality units, branded and managed by CubeSmart, [See NYSE: CUBE].

## MISSION STATEMENT

We seek to significantly add value to each property that we acquire which may include: (a) new capital improvements to include modifying tenant mix, redevelopment of the exteriors to include modernization of building facades, new development of well-located out parcel "pad" tenants and so forth; (b) adding value that can be enhanced by new ownership, replenished capital structure, aggressive leasing and marketing, strong property management and lowering of operating costs; and (c) changing the property use or modification/change in zoning through entitlement. Rezoning appeals can be a lengthy and time-consuming process but also create significantly higher land values.



David Frank, CEO and Sterling McGregor, President

## WHY DEALPOINT MERRILL

- Experienced operators with a nationwide redevelopment portfolio
- Alignment of investor interests by co-investing in 100% of our acquisitions
- 30+ year track record during multiple investment cycles with total transactions in excess of \$1 billion
- We only acquire properties with an optimal exit strategy
- We control risk in every aspect of our business development
- We focus on urban locations, deeply supply constrained markets, high barriers to entry, meticulous research and due diligence, in-house construction, land entitlement, and asset management expertise

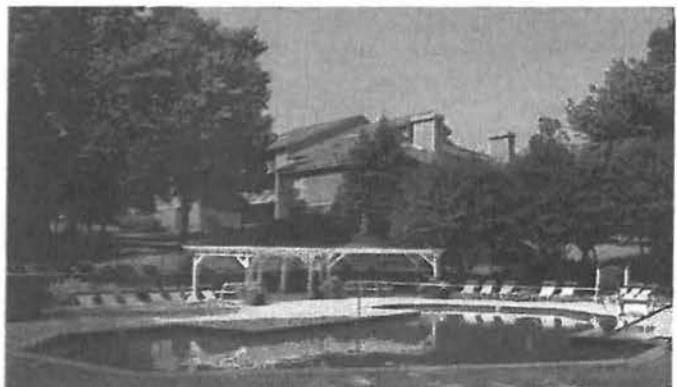
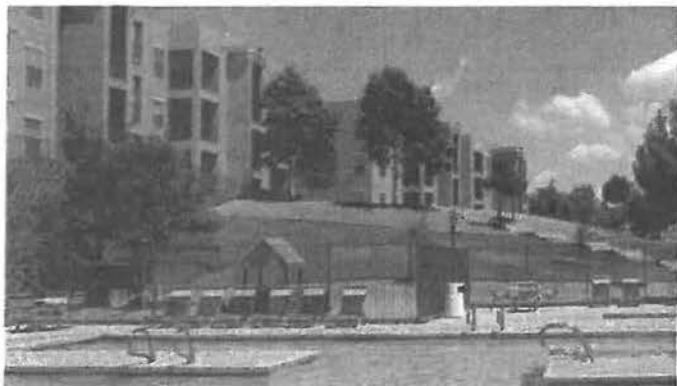


Current Nationwide Redevelopment Projects

***"Exceeding Our Client's Expectations for Service and Performance"***

***"Our mission is to provide service and performance beyond our client's expectations by creating real estate investment strategies delivered with the highest standards of excellence and integrity. We meet these expectations by creating and implementing client-focused real estate investment strategies, staying centered on what we know and understand, while maintaining ethical standards in our business practices."***

**Multi-Family Properties - Nationwide**



**INVESTMENT OBJECTIVES**

**REDEVELOPMENT, GROWTH AND INCOME**

With our priority being capital preservation, our investment philosophy is focused on redevelopment of distressed commercial property investments that offer near-term upside through the prospect of stabilized income. We look for assets that can be acquired at the lowest price, thereby creating an immediate margin of safety and value for our investors, then strive to secure a prompt return of capital through sale or refinancing.

Our growth and income co-investment objectives generally prefer the purchase of "off market" projects where we can: (a) quickly maximize land value through entitlement; (b) create redevelopment opportunities;



(c) generate superior cash on cash returns; (d) provide for return of capital through refinance or sale; (e) create relatively short holding periods of 3 to 5 years; and (f) provide minimal development risk and quick market exit.

## FROM INTUITION TO EXECUTION

Our investment philosophy is rooted in acquiring value added properties at prices below replacement value, thereby creating an immediate margin of safety for our clients. We then add value by adaptive reuse or repositioning of each property we acquire. Adaptive reuse includes modifying tenant mix, redevelopment of the exteriors to include modernization of the facade, new development of well-located out parcel tenants and so forth. We sell our properties, once we stabilize operating performance, and when market conditions make sense.

*"With taxation in mind, our exit strategy is keenly focused on keeping what we have made. Consequently, we provide exit strategies designed to protect our investor's hard won profits."*

~Sterling McGregor  
President



### **- Strategic Investments**

Our goal is not only to outperform in good markets, but more importantly, to provide investment strategies that protect our investors during economic downturns as more fully described below:

### **- Cautious Entrepreneurs**

We are not only cautious and entrepreneurial investors focused on our market niche, but we also stay focused on what we know and understand, while maintaining the highest ethical standards in our business practices.

### **-We are Cautious Contrarian Investors**

- Niche investors with focused experience
- We buy direct from institutions and/or "off market" or "closely held" offerings
- Exploit market misalignments
  - Out of favor sectors or markets
  - Poorly managed properties
  - Distressed sellers

### **- Control Risk**

We control risk by meticulous due diligence and purchase assets priced well below replacement cost in sub markets that feature strong amenities, central locations and sturdy infrastructure. We also look to exploit market misalignments and quickly acquire and restore to profitability poorly managed properties in the hands of distressed or time-constrained sellers.

### **- We look for ways to Control Risk in Every Aspect of our Business**

- Acquire assets supported by neighborhood amenities and infrastructure
- Seek to acquire off market properties from institutional sellers
- Purchase assets below replacement cost
- Acquire multi-tenant properties only
- Deploy meticulous research and due diligence

### **- Hands On**

As the manager of our capital, we have owned and operated properties over the years using our own internally-generated profits to contribute to our long term growth. One of the key ingredients sustaining our long-term growth and consistent financial performance has been strict adherence to maintaining quality in every area of our operation, coupled with "lean operations" and staying within our area of expertise.

## FOUNDERS APPROACH MANAGEMENT TEAM

- Entrepreneurial culture of achievement and communication
- Highly cohesive management team tempered with disciplined lean operations
- Common sense application of complex solutions



### ***- Add Value***

Our properties are internally managed to maximize performance, where value is created by the continuous cycle of tenant recruitment, building renovation and tenant repositioning. Assets are sold when profitable.

### ***- We only acquire properties where we can add value and implement an optimal exit strategy***

- Create value by lease-up, renovation, repositioning tenancy and vigilant management
- Strong internal “day to day” asset management by company principals
- Properties are internally managed for maximum performance
- Disciplined to sell when we can make a profit

### ***- Reporting Transparency***

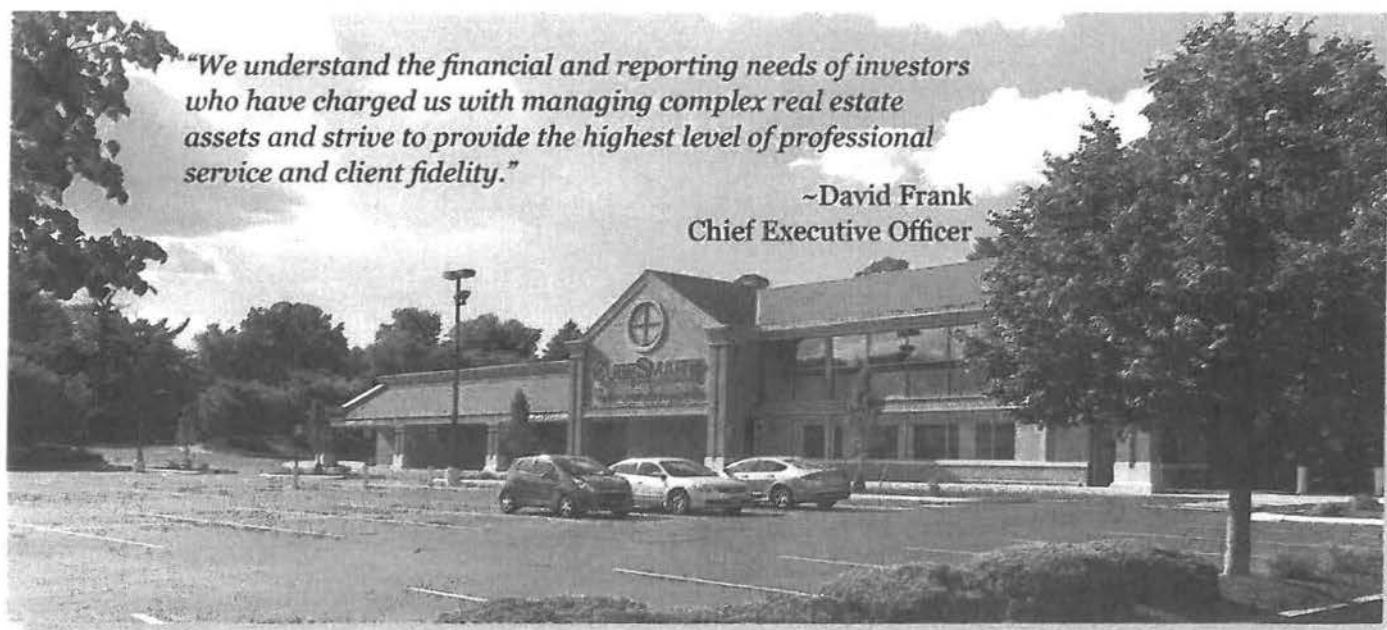
We provide investors with timely and transparent financial reporting within a public reporting format designed to meet both entrepreneurial and institutional requirements.

### ***-We seek to create an alignment of Investor Interests***

- Company principals are also investors
- Audited Financials
- Full Reporting Transparency
- Use third party transfer agent and investor services
- Real time web based online financial reporting

*“We understand the financial and reporting needs of investors who have charged us with managing complex real estate assets and strive to provide the highest level of professional service and client fidelity.”*

*~David Frank  
Chief Executive Officer*



## REDEVELOPMENT AND ADAPTIVE REUSE BUSINESS MODEL

- Is more conservative than development; eliminates construction and other types of discovery risks
- Provides access to locations with high visibility that can be bought at deeply discounted prices substantially below the cost of new construction
- Provides stable cash flows upon property stabilization
- We focus on proven market concepts that will provide economic stability in both strong and weak economic markets

## INVESTMENT STRATEGIES

- Use of leverage to enhance returns
- Refinance when feasible to return 100% of investor capital and enjoy long term cash flow
- Three (3) to five (5) year typical holding period, but may invest for shorter or longer periods depending upon market conditions
- Provide geographic diversification where possible
- Lease and market aggressively; control and lower operating expenses

DealPoint Merrill works diligently to increase cash flow by tightly controlling operating and redevelopment expenses, aggressive use of our proprietary marketing and branding platform, and securing attractive financing to generate the best cash flow. Lastly, we dispose of properties when market conditions are compelling.

## INVESTMENT OBJECTIVES

Our Investment objectives with each asset we acquire include the following: (i) preserve capital investment; (ii) realize income and capital appreciation through a combination of building or new space renovation, lease up of vacancy, tenant repositioning and strong management; (iii) making quarterly distributions until stabilization; (iv) achieve targeted annual rate of returns in the range of 15% to 30%; (v) provide a partially sheltered cash on cash return; and (vi) seek to reduce our cost basis through the sale or redevelopment of excess land.

## AT A GLANCE: ADAPTIVE REUSE AND REDEVELOPMENT INVESTMENT STRATEGIES

Our adaptive reuse and redevelopment investment objectives require projects where we can: 1) quickly maximize values; 2) generate superior cash on cash returns; 3) provide for prompt return of capital through refinance; 4) create relatively short holding periods of three to five years; 5) provide for minimal development risk and quick market entry.

## TARGETED PROPERTY TYPES

With our first priority being capital preservation, our investment strategy is focused on investments that can offer near term security through stabilized income. On a risk-adjusted basis, we prefer apartments, multi-tenant retail and self-storage properties. We look for properties located in supply-contained markets on an opportunistic basis as discussed below:

*Self Storage: Adaptive Reuse of Big Box Properties.* Adaptive reuse of well-located corporate manufacturing, distribution warehouses and vacant "big box" anchored retail properties which can be acquired at a deep discount to replacement cost, then redeveloped into climate controlled self-storage "super centers" augmented by onsite business amenities and retail tenancy.





## TARGETED PROPERTY TYPES (CONTINUED)

*Multi-Tenant Retail: Value Added Renovation and Addition of Bank Pads.* Value-added or adaptive reuse of grocery or shadow anchored multi-tenant shipping centers with vacancy, excess land, poor tenant mix or other value added components on an opportunistic basis. Value must be quickly realized through redevelopment to include new facades and landscaping features, new anchor and in-line tenants, addition of investment grade tenancy on excess land, coupled with aggressive leasing and marketing.

*Multi-Family: Redevelopment and Cap Rate Arbitrage.* This strategy includes new construction of multi-family housing, or refurbishing older properties with vacancy in supply constrained markets on an opportunistic basis that will provide strong incremental arbitrage returns from refurbishment and upgrades.

*Medical Office: Adaptive Reuse of Hospitals.* Our adaptive reuse of well-located vacant hospital properties capitalizes on rebranding refurbished hospital assets into "medical malls" anchored by large floor plate niche medical and surgical tenancy requiring specialized hospital type amenities and services, as well as a campus setting within a central business district milieu. The balance of the space is then leased to smaller medical groups.



***The Company and its construction and development affiliates is managed by a long term seasoned, cohesive team of real estate and investment professionals with expertise in deal structure, finance, acquisition and management.***

**DAVID FRANK**  
CEO

David, CEO and Co-founder of DealPoint Merrill started his Career in real estate development after attending law school. In 1985, Mr. Frank founded The Merrill Companies, a privately held development, asset management, and leasing firm in Southern California. During this time the Company completed 10 retail developments, and managed over 1 million square feet of retail shopping centers.



In 1992, Mr. Frank began to handle bankruptcy matters and business reorganization as a Court Appointed Receiver; worked with the Federal Deposit Insurance Corporation with over 75 public or institutional clients, and appointed to over 400 cases. By working with banks and lending institutions nationwide on their default loan portfolios, Mr. Frank's expertise had enabled the Company to diversify its management portfolio. Mr. Frank's background in Real Estate development, law, construction, asset and property management, and as a licensed General Contractor, positioned the Company to become one of the largest Federal and State Court Appointed Receivers in the nation for receivership and property management distressed portfolios.

In 1997, he co-founded NewMark Merrill Companies, which acquired millions of square feet of retail shopping centers and development projects. The Company was ranked "Top 10 Property and Development Firms" in the Los Angeles area by the LA Business Journal.

Continuing his retail, commercial, and multifamily development program in 2005, The Merrill Group of Companies developed anchor tenant shopping centers in established communities, bringing its hands-on approach to planning and developing commercial and retail projects to their full potential. Nationwide the Company currently manages over 4 million square feet of commercial, retail, and multifamily units. Mr. Frank has been a member of ICSC (International Council of Shopping Centers) since 1985 and continues to support philanthropic organizations.

**STERLING MCGREGOR**  
PRESIDENT



As the Chief Investment Officer and Co-founder of the Company, Mr. McGregor is responsible for acquisitions and operations to include formulation of offering structures and products. Mr. McGregor has over 30 years of commercial real estate experience and capital markets experience. Over the past decade, he has acquired and financed 20+ million SF of commercial and multi-family properties with values in excess of \$2.5 billion in structured real estate securities transactions.

Mr. McGregor was previously the President and Managing Director for a regional self-storage redeveloper and storage operator of about 4,000 units. Previously, he was a founding shareholder and Chief Operating/Investment Officer of CORE Realty Holdings, a national real estate sponsor, with responsibilities for acquisitions, financing, asset and property management where he acquired \$1.2 billion in real estate investments to include redevelopment of over 6,000 multi-family units. Mr. McGregor was also the Chief Operating/Investment Officer for several prominent national real estate sponsors to include a founding shareholder of a national real estate securities sponsor and successor in interest to Grubb and Ellis where he served as board of director for several of the company sponsored public REIT's. Prior to his experience in the real estate securities industry, he was responsible for the management of several institutional quality portfolios with values in excess of \$5 billion for Wells Fargo Bank; and due diligence, financing and acquisitions for Cal Fed Syndications, a \$1 billion publicly-traded NYSE-listed REIT.

Mr. McGregor is a licensed California Real Estate Broker and a Certified General Appraiser (inactive) with a Bachelor's Degree in Business Management and Finance.