

**City of Lorain**  
**(Camaco TIF Public Improvement Project)**  
**Financing Term Sheet**

Set forth below is the financing term sheet (the "Term Sheet") proposed by the City of Lorain for the transaction described herein and is provided for discussion purposes only and is subject to approval by all parties described herein:

**I – Parties to Transaction:**

<b>City/Port:</b>	City of Lorain ("City") in cooperation with the Lorain Port Authority ("Port").
<b>Financial Advisor to City/Port:</b>	Long Economic Development Advisors, LLC ("LongEDA")
<b>TIF Counsel to City/Port:</b>	Frost Brown Todd LLC
<b>Owner:</b>	Camaco, LLC ("Owner")

**II – Description of Development:**

Camaco, LLC is constructing a 66,000 sq. ft. expansion to its existing manufacturing facility (the "Development") located at 3400 River Industrial Park Road in the City of Lorain, Ohio.

**III – City Parking Project:**

Payments in lieu of property taxes (the "TIF Service Payments") from the Development will be used to finance a surface parking lot and related improvements to be constructed on City land directly adjacent to the Development, plus transaction costs, all to be approved by the City (the "City Parking Project"). The City Parking Project is projected to cost approximately \$350,000, plus transaction costs of approximately \$20,000. The final costs will be approved by the City.

**IV – Lease of Public Improvement Project:**

The Owner will lease a portion of the Parking Project (see attached proposed site map) for \$1.00 until December 1, 2028 ("Parking Lease"). Thereafter, the Parking Lease is subject to extension and modification by the City.

**V – Primary Agreements:**

**Tax Increment Financing Agreement:**

The City is expected to create the TIF District ("TIF District") and authorize 75% of the increased real property taxes generated by the Development to be available to pay certain public improvements related to the Private Project for 10 years commencing in 2018 for taxes payable in 2019 ("TIF Service Payments").

The Owner will agree to construct the City Parking Project, using prevailing wages, and will be reimbursed with interest as described herein. The Owner will only be reimbursed from the available TIF Service Payments.

The City will agree to reimburse the cost of: (i) City Parking Project and, (ii) interest, at a maximum interest rate of five percent (5.00%) until such costs have been fully reimbursed. Upon reimbursement of the City Parking Project costs, the City may use any excess TIF Service Payments for other eligible costs.

**School Compensation Agreement:**

The City is expected to enter into a Compensation Agreement with the Lorain City School Board ("Schools"). The Schools are expected to receive 25% of the increased real property taxes generated by the Development.

**VI - Attachment:**

See following attachment:  
• TIF Schedule

**VII - Indemnification:**

The Owner will indemnify and hold harmless the City for all costs incurred related to the transaction, except those costs payable from TIF Revenues.

**XIII – Approval and Acceptance**

This term sheet is subject to: (i) approval by the City and the Owner, (ii) review and approval of final documentation, and (iii) delivery of acceptable legal opinions. This term sheet will be void if not executed by the Owner and returned to the City no later than December 20, 2016. Please indicate your acceptance of the terms herein by signing below.

\_\_\_\_\_  
**By:**  
**Title:**  
**Camaco, LLC**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**By:**  
**Title:**  
**Lorain Port Authority**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**By:**  
**Title:**  
**City of Lorain**

\_\_\_\_\_  
**Date**