

**Engagement Between the  
Lorain Port Authority & LongEDA  
City of Lorain Tax Increment Assistance**

**received**  
3-12-15



P. O. 3-2015

On behalf of Long Economic Development Advisors, LLC ("LongEDA"), we are pleased to confirm the arrangements ("Engagement") under which LongEDA has, as of the execution date hereof, been engaged by the Lorain Port Authority (the "Port") to assist in reviewing the City of Lorain's ("City") current tax increment financing projects and implementing and coordinating future tax increment financing projects ("TIF Projects") as described below.

**I. Services:**

LongEDA will assist the Port in its efforts of reviewing, administering and monitoring current and future TIF Projects within the City ("LongEDA Services"), including but not limited to:

**Project Review:**

- Coordinate future TIF transactions
- Summarize options and help determine best financing structure
- Assist City in minimizing its exposure on future TIF transactions
- Summarize and minimize financing costs
- Assist City in determining use of TIF Proceeds/Revenues
- Prepare distribution list
- Arrange meetings or conference calls as needed
- Prepare timetable for approval and closing
- Prepare preliminary and final term sheets
- Prepare TIF projections
- Prepare TIF debt schedules (if bonds are issued)
- Review TIF documents

**Approvals:**

- Keep City informed of each transaction
- Assist City, as directed, with School Board approval
- Assist with City Council presentation and approval of each transaction
- Assist in closing the transaction

**Issuance of TIF Bonds:**

- If TIF bonds are issued, the Port will issue TIF revenue bonds unless the City elects to issue City general obligation bonds

**Monitoring and Reporting:**

- Monitor completion of the project
- Assure TIF documents have been filed with all appropriate government entities
- Monitor TIF collections
- Complete TIRC reporting
- Represent the City at TIF monitoring meetings

**II. Compensation:**

LongEDA will be compensated for its services, in accordance with the compensation schedule below.

<b>Annual Net TIF Revenue to the City*</b>	<b>Port Authority/LongEDA Compensation</b>
<u>Less than \$20,000</u>	<b>Year 1: \$1,000 (Split 60/40)</b> <b>Year 2 - Expiration: \$1,000 (Split 60/40)</b>
\$20,001 to \$50,000	<b>Year 1: 10% Fee (Split 60/40)</b> <b>Year 2 - Expiration: \$3,000 (Split 60/40)</b>
\$50,001 to \$250,000	<b>Year 1: 9% Fee (Split 60/40)</b> <b>Year 2 - Expiration: \$3,000 (or \$5,000 involving single family parcels) (Split 60/40)</b>
\$250,001 to \$750,000	<b>Year 1: 7% Fee (Split 60/40)</b> <b>Year 2 - Expiration: \$3,000 (or \$5,000 involving single family parcels) (Split 60/40)</b>
Over \$750,000	<b>Year 1: 5% Fee (Split 60/40)</b> <b>Year 2 - Expiration: \$3,000 (or \$5,000 involving single family parcels) (Split 60/40)</b>

\* Revenue is based upon on a per project basis after all distributions, including Auditor fees and Compensation Agreement, except Port compensation and transaction closing costs described herein.

**III. Information:**

The Port will provide LongEDA with all information that it has concerning the prior or future TIF Projects.

**IV. Arbitration:**

Except as provided below, any controversy or claim arising out of or relating to this Engagement or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any Ohio court having jurisdiction thereof.

**V. Termination:** The Port may terminate the Engagement for cause if:

- The FA Services are not provided in a reasonably timely and professional manner;
- Port sends a written notice to LongEDA describing its concerns; and
- LongEDA has not reasonably responded and cured such concerns within 10 business days after such notice.
- If City has cancelled Agreement with the Port, this Engagement may be cancelled after one year from the date of the Engagement for future TIF transactions, except for TIF transactions with executed term sheets.

**VI. Term of Engagement:**

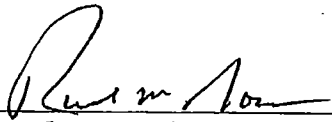
The Engagement may be cancelled after one year from the date of the Engagement for future TIF transactions, except for TIF transactions with executed term sheets.

**VII. Confidential:**

The Port and LongEDA will keep all information, which is not accessible to the public, related to the TIF Projects and work product related to the Engagement confidential (except for the Port and Developer's advisors, consultants and legal counsel involved in the transaction, unless agreed to by both parties).

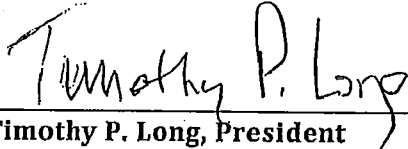
**VIII. Approval:**

If this Engagement accurately sets forth our understanding, please execute below and the Engagement will become a mutually binding obligation.



\_\_\_\_\_  
Richard M. Novak, Executive Director  
City of Lorain, Ohio

1/12/15  
Date



\_\_\_\_\_  
Timothy P. Long, President  
Long Economic Development Advisors, LLC

1/15/15  
Date



# LORAIN PORT AUTHORITY

319 Black River Lane  
Lorain, Ohio 44052  
440.204.2269  
lorainportauthority.com

## INVOICE

To: City of Lorain  
Office of the Mayor  
200 West Erie Avenue  
Lorain, OH 44052

Date: 2/23/2016

Description: Tax Incentive Finance (TIF) Management

Name	Project	Location	TIF %	Term	Fee
Gen. Fed. Credit Union *	Office Development	5320 Oberlin Avenue	75	10	\$
Taco Bell *	Retail/Restaurant	3670 Oberlin Avenue	75	10	\$
Dollar General *	Retail	Grove Avenue	75	10	\$
CVS **	Retail	3288 Oberlin Avenue	100	30	\$
Walgreens	Retail	2730 Oberlin Avenue	100	30	\$ 3,000.00
Superior Medical	Medical Office Bldg.	5172 Leavitt Road	100	30	\$ 3,000.00
CAMACO (2005) **	Mfg. Building	River Industrial Pk. Rd.	N/A	N/A	\$
CAMACO (2007) **	Mfg. Building	River Industrial Pk. Rd.	N/A	N/A	\$
Harborwalk	Residential	California Avenue	75	30	\$ 5,000.00
Deerfield I	Residential/ Commercial	Oak Point Road/ Cooper Foster Pkwy	100	30	\$ 5,000.00
Deerfield II	Residential/ Commercial	Oak Point Road/ Cooper Foster Pkwy	100	30	\$ 5,000.00
Lighthouse Village	Big Box Retail Center	Leavitt Road/Jaeger Rd.	100	30	\$ 3,000.00
Dollar General	Retail	Leavitt Road/21st Street	75	10	\$ 1,000.00
<b>Total</b>					<b>\$ 25,000.00</b>

\* Will be applicable in 2016.

\*\* To be determined.