

**WHAT: County Coastal Erosion Control Program** (or Lake Erie Soil Erosion Prevention Program)

**For WHAT:** LOANS for Construction of Lake Erie Coastal Erosion Control Structures

**WHY:** To provide financing to property owners via the county for construction of erosion control structures in coastal erosion areas.  
(Purpose)

**By WHOM:** Administered by: OWDA and ODNR  
Funded by: OWDA Erosion Control Fund from OWDA Bonds Surplus

**For WHOM:** 8 counties with Lake Erie shoreline containing coastal erosion areas:  
(Eligibility Criteria) Ashtabula, Lake, Cuyahoga, Loraine, Erie, Sandusky, Ottawa, Lucas Counties that have:  
1. Plans approved by ODNR;  
2. Local rate legislation enacted to ensure revenues adequate to meet annual loan repayments.

**HOW MUCH:**

Loan Amount:	Max: No limit
Eligible Costs:	Engineering & design fees, construction costs, legal and inspection fees
Loan Admin Fee:	.35% (.0035) of total estimated project costs. The minimum loan fee is \$400.
Contract Interest Rate:	Calculated quarterly beginning Jan 1 based on previous 8 week average of Bond Buyer 20 Bond Index + 50 basis points
Rate Discounts:	NA
Capitalized Interest Rate:	Same % as Contract Interest Rate; Accrues on portion of loan disbursed, until 6 months prior to the Loan Maturity Date
Retainage:	8% of first 50% of labor until project is substantially completed (as defined by community), for all Ohio communities except home-rule Choice of equal annual repayments, OR
Repayment Rate:	equal annual principal with amortized interest repayments 5 day grace period
Late Payment Penalty:	Less than 30 days: Greater of: Contract Interest Rate OR 8% More than 30 days: Same as above, plus 1% interest on the default amount increase every 30 days overdue

**HOW LONG:** Construction Loan: Min & Max: Determined by useful life of project as agreed upon by owner, ODNR, and OWDA  
(Contract Term)

**WHEN:** Application: Due 15<sup>th</sup> of the month  
Loan Admin Fee: Due when the Loan Agreement is executed (signed by all parties)  
Repaymt Invoice: Mailed approximately every May 15 and Nov 15 by OWDA to loan recipients\*\*  
Construction Loan Repayment: Invoice Option:

\*\*Limited Repay Option Eligibility:

\*\*Semi-Annual Repayment Date Option:  
\*\*Repayment

Begins maximum of: 29 months from Cooperative Agreement date OR 6 months after project completion date;	2010: LGA's which have, at time of loan award, a cumulative outstanding loan value of \$500 million or greater; & have a water or sewer revenue bond rating of AA1 or AA+ or higher from a nationally recognized rating agency.
with Semi-annual repayments due every Jan 1 and July 1**	Due date of every April 1 and October 1 OR January 1 and July 1, through written notification to OWDA at time of loan
Loans originated after May 27,	Mailed approximately every February 15 and August 15 OR approximately every May 15 and Nov 15 by OWDA to loan recipients

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**WHERE:** Application from and to: OWDA Chief Loan Officer

Disbursement request: OWDA Chief Engineer

Repayment to: OWDA Accounting Dept

**HOW: To Apply the Borrower must:**

- 1. Fill out and submit application form with supporting documents as listed on the application.

**For Cooperative Agreement approval the Borrower must:**

- 1. Receive bids and tentatively approve contract awards.
- 2. Pass legislation authorizing signing of the Cooperative Agreement.
- 3. Complete any necessary assessment, tap-in and/or rate legislation.
- 4. Prepare a Projection schedule of revenues, debt service obligations, and operation and maintenance costs, over the contract term of years repayments are to be made to OWDA.

**For Disbursement of loan funds the Borrower must:**

- 1. Submit Loan Payment request letter with
  - 1a. Supporting technical services invoices,
  - 1b. Contractor's Estimate Form and supporting contractors' documentation.

Historic

Documentation: Ohio Revised Code: Sections 1506.1 and 1506.44 (rev 1521.26)  
 OWDA Board Action: Resolution 31-00  
 Motion July 29, 2010