

**WHAT: Security Assistance Fund for Emergency Response**

**For WHAT:** LOANS for Planning/Design and/or Construction of Security Measures for Drinking Water and/or Wastewater and/or Storm Water Infrastructure

**WHY:** To provide financing for designing and installing protective measures for Drinking Water, Wastewater, and Storm Water infrastructure to safeguard the water supply .  
(Purpose)

**By WHOM:** Administered by: OWDA  
Funded by: OWDA Security Assistance Fund from OWDA Revenue Bonds Surplus

**For WHOM:** Local Government Agencies (Cities, Villages, Counties), Water Districts, Sewer Districts, Conservancy Districts, and Storm Water Management Districts that have:  
(Eligibility Criteria)  
1. Local rate legislation enacted to ensure revenues adequate to meet annual loan repayments.

**HOW MUCH:**

Loan Amount:	Max: \$100,000 for LGAs with less than 10,000 population \$200,000 for LGAs with more than 10,000 population
Eligible Costs:	Lighting, fencing, cameras, motion detectors, gating & security systems, and terrorism preparedness plans.
Loan Admin Fee:	.35% (.0035) of total estimated project costs. The minimum loan fee is \$400.
Contract Interest Rate:	2%
Interest 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 the community), for all communities except home-rule, on Construction Loans only
Planning/Design Repayment Rate:	Balloon payment at maturity, if no prior repayment made (May be rolled into subsequent Construction loan.)
Construction Repayment Rate:	Choice of equal annual repayments, OR equal annual principal with amortized interest repayments
Late Payment Penalty:	5 day grace period Less than 30 days: Higher of: 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:** Planning/Design Loan: Min: none Max: 5 years  
(Contract Term) Construction Loan: Min: 5 years Max: 30 years

**WHEN:** Application: Due 15<sup>th</sup> of each month

Loan Admin Fee:	Is included in total Loan amount
Repaymt Invoice:	Mailed approximately every May 15 and Nov 15 by OWDA to Loan Recipients**
Planning/Design Loan Repayment:	Due earlier of: 5 years OR at the time construction begins (May be rolled into subsequent Construction loan)
Construction Loan Repayment:	Begins maximum of: 29 months from Cooperative Agreement date OR 6 months after project completion date; with Semi-annual repayments due every Jan 1 and July 1 **

**WHEN**  
**(continued):**

**Limited Repay Option Eligibility:	For loans originated after May 27, 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.
**Semi-Annual Repayment Date Option:	Due date of every April 1 and October 1 OR January 1 and July 1, through written notification to OWDA at time of loan
**Repayment Invoice Option:	Mailed approximately every February 15 and August 15 OR approximately every May 15 and Nov 15 by OWDA to loan recipients

**WHERE:**

Application from and to:	OWDA Chief Loan Officer
Disbursement request:	OWDA Chief Engineer
Repayments to:	OWDA Accounting Dept

**HOW: To Apply for a loan 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.
5. Have OWDA staff review of all paperwork.
6. Receive OWDA Board approval of loan.

**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.
2. Submit Quarterly Planning reports to OWDA (for Planning/Design loans only).

Historic Documentation:	Ohio Revised Code:	Section 6121
	OWDA Board Action:	Motion Jan 31, 2002
		Resolution 14-02
		Motion July 29, 2010