

**WHAT: Local Economic Development Program**

**For WHAT:** LOANS for Construction  
of Drinking Water and/or Wastewater Infrastructure

**WHY:** To provide financing for Drinking Water and Wastewater services for industries making a significant investment in the state and creating new jobs.  
(Purpose)

**By WHOM:** Administered by: OWDA, with recommendation from Ohio Development Services Agency (ODSA)  
Funded by: OWDA Local Economic Development Fund from OWDA Revenue Bonds Surplus

**For WHOM:** Local Government Agencies (Cities, Villages, Counties) that have:  
(Eligibility Criteria)  
1. Plans or permits approved by OEPA;  
2. Local rate legislation enacted to ensure revenues adequate to meet annual loan repayments.

**HOW MUCH:**

Loan Amount:	Max: Determined by ODSA
Eligible Costs:	Engineering and 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:	Determined by Ohio Development Services Agency (ODSA), varies by loan
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 Ohio communities except home-rule
Planning/Design Repayment Rate:	NA
Construction Repayment Rate:	Determined by ODSA, varies by loan
Late Payment Penalty:	Determined by ODSA, varies by loan

**HOW LONG:** Planning/Design Loan: NA  
(Contract Term) Construction Loan: Min/Max: Determined by ODSA

**WHEN:**

Application:	15 <sup>th</sup> of each month
Loan Admin Fee:	Due when the Loan Agreement is executed
Repaymt Invoice:	Mailed approximately every May 15 and Nov 15 by OWDA to Loan Recipients
Planning/Design Loan Repayment:	NA
Construction Loan Repayment:	Earlier of: 29 months from Cooperative Agreement date OR project completion date; with Semi-annual repayments due every Jan 1 & Jul 1

**WHERE:**

Application from and to:	ODSA Director
Disbursement request:	OWDA Chief Engineer
Repayments to:	OWDA Accounting Dept

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

1. Be recommended in writing by ODSA Director to OWDA with required Borrower information included.
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**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.
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**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.
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Historic  
Documentation: Ohio Revised Code: Section 6121.01 and 6123.01  
OWDA Board Action: Resolution 45-95  
Motion May 27, 2010