Section 1 – Program Description

1.1 The Ohio Water Development Authority created the Alternative Stormwater Loan Program to provide financial assistance for stormwater management projects that promote economic development in a manner that is environmentally beneficial by reducing the volume of stormwater runoff, reducing pollutant loads and protecting against streambank erosion. Eligible projects include but are not limited to bioretention, bioswales, permeable pavement and pavers, and vegetated roofs.

Section 2 – Eligible Borrowers

2.1 Local government agencies that meet the following criteria:

- Own or have access to the property that is the subject of the application
- Authorized to incur debt and enter into legally binding agreements
- Financially sound and have the ability to repay the loan
- Currently in environmental compliance
- Current on all taxes, loan payments, or other indebtedness to the State of Ohio or any political subdivision

Section 3 – Eligible Project Costs

3.1 Eligible project costs include: application preparation, legal and accounting work related to the application and/or project implementation,

3.2 Consulting fees, including those for professional engineering design services are eligible costs.

3.3 Site preparation, including grading, earthwork, and demolition required to support the stormwater project are eligible costs.

3.4 Materials for alternative stormwater project including but not limited to: quality control components such as pipes, concrete, plantings, and soils; hardscape materials such as permeable pavement, permeable asphalt, and permeable concrete; and educational signage used to inform the public about the project are eligible costs.

3.5 Construction and installation costs specific to the project are eligible costs.

3.6 Associated maintenance for the initial period of project establishment prior to owner acceptance, based on the project contract, is an eligible cost.

3.7 Fees required for Leadership in Energy and Environmental Design (LEED) green building certification are an eligible cost.

3.8 The loan amount is dependent upon the available funds in the program.

3.9 Ineligible costs include the following: demolition related to redevelopment activities on the site outside of the stormwater project area, costs for operation and maintenance of the stormwater project (not including the maintenance for the project establishment period as specified in 3.6), acquisition costs, infrastructure activities unrelated to the stormwater project.
Section 4 – Loan Terms

4.1 Term
   • Maximum of 10 years

4.2 Application Fee
   • $1,500
   • Applied to the loan administration fee

4.3 Loan Administration Fee
   • 0.5% of the loan amount or $500 minimum.

4.4 Contract Interest Rate
   • Equal to the treasury rate at the time of loan approval for the term of the loan

4.5 Capitalized Interest Rate
   • Same rate as the contract interest rate
   • Accrues on disbursed loan amount until 6 months prior to the first payment date

4.6 Repayment
   • Begins 12-months after the project is in service on January 1 or July 1
   • Payments due January 1 and July 1 of each year during the repayment period

4.7 Repayment Rate
   • Choice of equal annual repayments or equal annual principal with amortized interest repayments

4.8 Late Payment Penalty
   • Payments received less than 30 days after the payment date:
     o will be charged the default rate (contract interest rate plus 3%) on the default amount from the due date until the date of payment
   • Payments received more than 30 days after the payment date:
     o will be charged the default rate (contract interest rate plus 3%) on the default amount from the due date until the date of payment plus a late charge of one percent (1%) on the amount of each default; additional one percent (1%) for each additional 30 days

Section 5 – Application Process

5.1 All applicants are required to hold a pre-application meeting with Ohio Development Services Agency (DSA) prior to the submission of the application to DSA.

5.2 DSA will make a recommendation to OWDA for consideration of loan approval.

5.3 Applicant will present their project to the OWDA Board prior to loan approval.

Section 6 – Authorization

Ohio Revised Code Section 6121
Program Guidelines

Alternative Stormwater Loan Program

OWDA Board Action
Resolution 104-10
Motion September 27, 2012
Motion October 29, 2015