

Water and Sewer Loan Programs



Fresh Water Loan Program



Water Pollution Control Loan Program (Ohio EPA)



Drinking Water Assistance Fund Program (Ohio EPA)



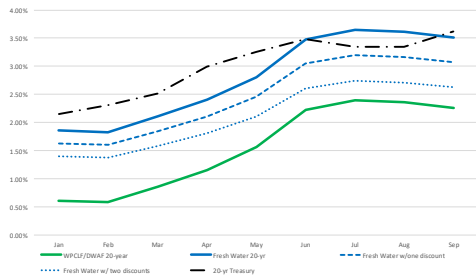
Interest Rates

Interest rates are published monthly at www.owda.org

The monthly OWDA Fresh Water rates is based on a rolling 8 week average of 20 year AA MMD + .30% with possible discounts based on eligibility



2022 Interest Rates



Fresh Water Loan Program Interest Rate Discounts

- Community has borrowed from OWDA previously
- Community under OEPA Findings and Orders, consent order, or documented health risks
- Connecting to existing treatment system
- Communities purchasing another system
- Compliance with a Balanced Growth Plan certified by the State



Why OWDA?

Pros

- One times coverage
- No debt service reserve requirement
- OWDA loan takes subordinate lien to past and future debt issued
- Our loan fee is .35% for first \$100 million, .175% for \$100-150 million and free after \$150 million.
- No rating required
- OWDA loan is considered revenue debt and therefore will not count against a local governments General Obligation Bond issuing capacity/statutory debt limitation
- A borrower only pays interest on portion of loan drawn.
- OWDA loans are quick and efficient. An LGA can go from application to approval to drawing funds in a month, compared to conventional financing that can often take 2-4 months to complete
- You know your loan rate before you apply.
- No arbitrage calculation required for OWDA loan
- No annual post issuance continuing disclosure filing in accordance with SEC rule 15c2-12

Con

- No prepayment





Refinance Loan Program

- Established January 2021
- Eligible borrowers include public entities having the authority to own and operate water and sewer systems
- Loans thru the Fresh Water Program, Water Pollution Control Loan Program, and the Drinking Water Assistance Fund Program are not eligible for this program

- To date:
- 102 refinance loan applications have be received totaling over \$150 M
 - Refinancing USDA Rural Development Loans with interest rates ranging from 3.0% to 4.75%
 - New loans have interest rates ranging from 0.5% to 1.77%
 - Total savings to borrowers - \$49 million



Refinance Loans less than \$50 million

| Refinance Interest Rates (as of September 6, 2022) | |
|---|-------|
| Tax-Exempt (AAA Non-call MMD yield curve plus .30%) | |
| 10 year term | 2.70% |
| 20 year term | 3.29% |
| 30 year term | 3.80% |
| Taxable (AAA Taxable MMD yield curve plus .30%) | |
| 10 year term | 4.05% |
| 20 year term | 4.62% |
| 30 year term | 4.82% |
| Community Assistance | |
| 20 year term | 1.01% |
| 30 year term | 1.15% |



Refinance Loans greater than \$50 million

- The Borrower and OWDA will sign a commitment letter to borrow at a not to exceed rate determined by OWDA based on the structure of the loan
- The contract interest rate will lock in contemporaneously with the pricing of a linked OWDA Bond issue plus 0.05%
- If the pricing of the OWDA bonds exceeds the not to exceed rate in the signed commitment, then OWDA will not issue the bonds and the commitment letter shall be extinguished



Refinance Loan Program Application Process

- Application Fee
 - \$250 to \$1,500
- Loan Administration Fee
 - 0.35% of the loan amount
 - reduced fee for loans greater than \$100M
- All the details can be found at www.owda.org



Loan Programs



Onsite Stormwater



Local Economic Development



Brownfield



Solid Waste



Contact Information

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www.owda.org



Questions
