



# OHIO AIR QUALITY DEVELOPMENT AUTHORITY (OAQDA) BOND ISSUANCE FEE SCHEDULE

## CLEAN AIR RESOURCE CENTER (CARC)

### **BOND ISSUANCE FEE**

CARC recipients will be charged a one-time fee of (0.50%) of the bonds. CARC recipients will pay bond counsel fees. Payment is due at the time of closing and shall be made by wire transfer, or in the form of a check made payable to the "Ohio Air Quality Development Authority." Borrowers will receive the applicable grant subsidy as described in the program and specified in the bond resolutions and documents approved by OAQDA.

## **CLEAN AIR IMPROVEMENT PROGRAM (CAIP)**

### **APPLICATION FEE**

A non-refundable application fee of \$2,500 is due to OAQDA at the time of application. This fee shall be made by wire transfer or in the form of a check made payable to the "Ohio Air Quality Development Authority." The payment must be received prior to the evaluation of the project application and consideration by the OAQDA board.

### **ONE-TIME FEES AT CLOSING**

#### **One-time Administrative Issuance Fee**

<b>Principal Amount of Each Project In note or Bond Issue</b>	<b>Administrative Fee</b>
\$1.00 - \$3 million	1%
Above \$3 million - \$6 million	\$30,000 + ¾ % over \$3 million
Above \$6 million - \$12 million	\$52,500 + ½ % over \$6 million
Above \$12 million - \$100 million	\$82,500 + ¼ % over \$12 million
Above \$100 million - \$ 200 million	\$302,500 + ⅛ % over \$100 million
Above \$ 200 million	\$427,500 + 1/16 % over \$200 million

#### **Professional Services**

Per the program guidelines, projects will be assessed on legal, financial, technical and other criteria to fulfill the mission to conserve air as a natural resource. As a result, OAQDA reserves the right to appoint expert professionals to validate the merits of the project and all expenses will be charged directly to the beneficiary company. These services include, but not limited to the following:

- **Legal Fees of Bond and Issuer's Counsel**

The Executive Director will appoint the bond and issuer's counsel on the project after considering the recommendations from the beneficiary company. Generally, the fiduciary duty runs to OAQDA.

- **Financial Advisor Fees**

In general, OAQDA will appoint a Financial Advisor for original issues in an amount of \$10,000,000 or higher and for tax-exempt financing requests. Other projects will have case specific determination.

- **Technical Review Fees**

OAQDA will assign a technical firm responsible for the review and verification of the project application, including the expected performance, and assist in developing the monitoring plan during the term while the bond is outstanding.

- **Green Bonds Designation**

Green Bonds are those that are specifically issued to fund projects that have positive environmental and/or climate benefits.

OAQDA is currently developing a Green Bond Framework, as part of CAIP that is expected to result in a second party opinion that will allow all bonds issued through OAQDA, as “air quality facilities,” to be labeled as “Green Bonds.” The second party verifier will work with OAQDA to identify compliance with the following Green Bond Principles as promulgated by the International Capital Markets Association (ICMA).

The borrower may choose to have the issued bonds labeled as “Green Bonds” through the OAQDA CAIP, as applicable, by utilizing the second-party opinion secured by OAQDA for CAIP. In some cases, the borrower may need to obtain a second-party opinion due to the specifics and complexities of their project. Fees associated with the additional use of an outside firm to provide the second-party opinion specific to the project and any ongoing reporting expenses required with the use of the Green Bonds designation will be the responsibility of the beneficiary company.

### **Payment of Bond Issuance Fee**

Payment of OAQDA’s bond issuance fee is due at the time of closing and shall be made by wire transfer.

### **ONGOING ADMINISTRATIVE FEE**

Annual administrative fee equal to 10 basis points (0.10%) based on the outstanding par amount of the bond. Payment due date(s) will be specified in the bond documents, and shall be made by wire transfer, or in limited circumstances, made in the form of a check made payable to the “Ohio Air Quality Development Authority.”

### **NON-PERFORMANCE FEE**

In addition to fees duly posted by OAQDA in effect at the time of the approved bond resolution, projects approved through CAIP will have a waivable non-performance fee.

Projects that are within 10% of their performance goals, on an annual basis, will have this fee waived. Projects that are outside of the 10% performance window may be assessed the fee after due diligence is performed on extenuating circumstances causing the performance issues. The fee will be assessed as follow:

<b>Project Performance off approved metrics by:</b>	<b>Fee</b>
Greater than 10%, less than 15%	.10% of outstanding par
15% or greater, less than 25%	.25% of outstanding par
25% or greater	.50% of outstanding par

Simple projects, initially defined as those below \$2M or as determined by OAQDA, will have their non-performance fee established at a flat rate for the first three years, as defined in the Bond Purchase Agreement. Simple project performance meeting defined targets for approved metrics for three consecutive years may have subsequent years' reporting requirements modified or released. The determination of project specific fees is subject to OAQDA discretion in conformance with final bond financing documents.

## **REFUNDING/REFINANCING REQUESTS**

Requests for refunding/refinancing of existing OAQDA bonds will continue the ongoing annual fee assessed with the original issuance, as well as a \$500 application fee. OAQDA bonds issued prior to January 1, 2021 will be subject to the fee schedule at the time of the original issuance, if there is a refinancing request in the future.