Section 5.11 This Section 5.11 shall apply if Exhibit 1 hereto indicates that the Contract Interest Rate includes a Water Resource Restoration Sponsor Program (WRRSP) discount.

(a) In accepting the WRRSP discount, the Borrower agrees that to the fullest extent permitted by law it shall assure implementation of the WRRSP Project in accordance with the specific terms and conditions of each of the following as applicable: approved Restoration / Protection Plans, the Finding of No Significant Impact, agreements or other mechanisms to restrict or maintain the identified uses associated with the WRRSP Project, and agreements between the Borrower and an entity responsible for implementing approved Restoration / Protection Plans (hereinafter the “Implementer”) which are attached hereto as exhibit 5 and made a part hereof. The Borrower accepts such performance as an essential element of this Agreement.

(b) Following the award of assistance, the Borrower may request disbursements for completion of a Restoration / Protection Plan and for implementation of an approved Restoration / Protection Plan. All such disbursements will be requested on the “Ohio Water Pollution Control Loan WRRSP Disbursement” form provided by the Director. The parties to this Agreement expect that costs directly associated with implementing the Restoration / Protection Plan will be disbursed by the OWDA either to the Borrower, an escrow agent jointly selected by the Borrower and the Implementer, or to contractors supplying materials or performing services in furtherance of this Agreement which have been designated by the Borrower as authorized recipients of such disbursements.

When WRRSP-eligible costs are incurred on behalf of the Implementer, invoices shall first be submitted to the Implementer which shall approve them to be requested for reimbursement by the Borrower and shall certify such invoices as eligible for assistance prior to forwarding them to the Borrower. The Borrower shall approve and certify all invoices (whether incurred by the Borrower directly or the Implementer) prior to submitting them to the Director with the accompanying disbursement request form. The Director shall review the disbursement request, including accompanying invoices, and if it is approved, shall transmit it to OWDA which then will be responsible for disbursing funds directly, either to the Borrower, escrow agent or to the contractor.

(c) Each interest in property acquired by either the Borrower or the Implementer as part of the WRRSP Project shall be subject to legally enforceable use restrictions which shall run with the property, perpetually limiting the use of the property to natural area uses consistent with the approved Restoration / Protection Plan. All conservation easements acquired either by the Borrower or the Implementer to implement or maintain the WRRSP Project shall be permanent easements and shall limit the uses of the land under easement to natural area uses consistent with the approved Restoration / Protection Plan. Borrower shall submit to the Director copies of documents containing such restrictions within ninety days of acquisition of the property interest.
(d) Borrower’s failure to comply with any of the terms of this Section or the terms of any WRRSP-related requirements identified in any of the documents listed above during the time this Agreement is in effect shall be considered a default under this Agreement. If the State provides written notice of such default to the Borrower and the Borrower fails within sixty days of the date of such notice to satisfactorily demonstrate in writing to the Director that the Borrower is taking appropriate actions which will cure the default and will result in compliance with the WRRSP requirements, then from and after the date that is sixty days after the date of such notice the State will increase the Contract Interest Rate to a rate necessary to recover the amount of WRRSP funds disbursed and to eliminate the 0.1% discount for the remainder of the Contract Period of Years, and all subsequent semi-annual payments for the remainder of the Contract Period of Years will be adjusted accordingly. Borrower agrees to submit in a timely manner the amounts required by the revised semi-annual payments for the remainder of the effective period of this Agreement.

The amount that the State recovers through the remedy provided for in this paragraph shall not exceed the total of the WRRSP Project cost financed by the WPCLF and the 0.1% interest discount for the remainder of the Contract Period of Years, and any amount thus recovered by the State shall be credited toward the liquidation of any liability of the Borrower under this Section 5.11.

(e) To the extent that Borrower’s failure to comply with WRRSP-related requirements involves a failure on the part of an Implementer to carry out a term or condition of an approved Restoration / Protection Plan for which a remedy exists via a separate enforceable agreement between the Director and the Implementer, the Director shall first attempt to address such non-compliance through the agreement between the Director and the Implementer prior to invoking any remedies under this agreement or otherwise available. If the Director, after exercising its obligation to attempt to address non-compliance through direct action between the Director and the Implementer, provides written notice to the Borrower that noncompliance continues to exist, the Director or the State may undertake any remedies under this agreement or otherwise available.