

Mower County SSTS Loan Program Summary

This is a summary of Mower County's adopted STSS loan policy. If for any reason this summary and the actual policy are in conflict; the adopted policy shall prevail.

The application must be completed in full including:

- Name: first, middle, last – for all owners
- Address – for all owners
- Telephone number – for primary contact person
- Parcel identification number (tax ID #) for the subject parcel where septic system will be installed.
- Signatures of all owners who have ownership interest in the subject property
**additional pages may be added as needed.*
- Tennessee Warning, Data Privacy Statement & MN Privacy rights- *these documents must be signed and returned to Mower County along with the completed application.*

Payments from Mower County will be disbursed on a first-come / first-install basis until available loan funds are exhausted annually.

The following conditions will apply to loans granted under this program.

1. Only existing Mower County single-family residences qualify for loans.
2. The existing system must be a failing/non-conforming system according to MPCA Rules 7080-7083.
3. The applicant must secure a subsurface septic treatment system permit which includes plans and specifications as required by Mower County SSTS Ordinance.
4. The SSTS system installed under this program must be installed by a MPCA licensed SSTS installer.
5. The county will lend up to \$11,000 for an in-ground (trench) system or up to \$14,000 for an at-grade or mound system, per project. The loan may be used to pay for site evaluation, system design, installation and county permit fees. Any cost over the loan limit for each system will be the responsibility of the property owner.
6. Lending limits may be changed by Resolution of the Mower County Board of Commissioners, at any time.
7. A 3% interest rate will be charged on the unpaid balance.
8. The loan is not assumable and must be paid off at property transfer.
9. Loan eligibility:
 - a. Borrower's (applicant's) property taxes for all properties within Mower County must be current.
 - b. Borrower's (applicant's) property taxes for all properties within Mower County shall not have been delinquent within the preceding 3-years for a period exceeding 3 months.
 - c. Borrower's (applicants) shall not have filed bankruptcy within the past 5 years.

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10. Mower County, via County Board approval, may choose to subordinate the SSTS loan in the following event:
 - a. for refinancing of a mortgage by the original borrower(s) who originally applied for the SSTS loan based on the following condition:
 - i. Refinancing of pre-existing mortgage amount shall be in an amount either equal to or less than the original mortgage at the time of SSTS loan application was approved. The applicant shall provide this information to the county from the lender.
11. The applicant will have ten (10) years for repayment. There shall be no penalty for early pay-off of the loan.
12. Principal and interest payments will be collected with the property tax payment when due unless prepaid each year to the Mower County Treasurer before December 31st.
13. Loan funds cannot be used to reimburse costs for system installation prior to an application being approved by the County. However, reimbursement may be made for site evaluations and a system design conducted prior to application if the system is installed and funded under this program.
14. Installation of the SSTS must be completed within six months of application approval.
15. To obtain the funds; the County Board must approve an assessment prior to issuance of payment. Once the assessment is entered against the property a check will be issued and will be released to the SSTS installer.

EXPECTED REPAYMENT AMOUNTS

Questions have been raised from individuals interested in Mower County's loan program for homeowners wishing to replace their existing individual sewage treatment system. Below is a chart showing what you can reasonably expect for payment amounts if you participate in Mower County's SSTS loan program. Remember, the loan is at 3% interest for ten years and repayment is placed on the Mower County tax statement you receive for your taxes payable for the subject property. Taxes are generally due twice per year (May and October), (payable to the Mower County Treasurer); so you can expect to have twenty total payments due over the life of the loan if no early repayments have been made.

Amount Borrowed	Expected monthly repayment with the added 3% interest	Expected payment due with taxes in May & October for the full 10-years	Expected interest paid in 10-years
\$7,500.00	\$72.42	\$434.52	\$1,190.47
\$9,000.00	\$86.90	\$521.40	\$1428.56
\$11,000.00	\$106.22	\$637.32	\$1,746.02
\$14,000.00	135.19	\$811.14	\$2,222.21

These are not exact figures, but will give you an idea of what your payments will look like (in addition to your normal property taxes). The assessed amount will appear on your tax statement as a special assessment. Please remember, if you escrow your taxes to your mortgage company, your monthly house payment will increase to cover this expense; so the funds are available when your property taxes come due.

Application Request Form for SSTS Loan

Full Name: _____
List name of property owner(s) as listed on tax records: First, Middle, Last & date of birth. Additional pages may be submitted

Full Name: _____
List name of property owner(s) as it is listed on tax records: First, Middle, Last & date of birth.

Address: _____

City/State: _____ Parcel Number: _____

Primary phone #: (_____) _____ home phone cell phone Parcel Acreage: _____

Amount requested: \$ _____ .00 (Up to: \$14,000. for Mound/at grade OR \$11,000. for a Trench system)

Type of System: *as determined by the SSTS designer:* Mound/At-grade or Trench (in ground)

Is this property under a contract for deed? Yes No (check one)

Is this property under a trust: Yes No (check one) All trustees, must be listed.

Are all property taxes in Mower County under ownership of the above-listed applicants current?
 Yes No (check one)

Have all property taxes in Mower County been current in the past 3-years for a period not exceeding 3-months? Yes No (check one)

Have any of the above-listed loan applicants file bankruptcy in the past 5 years? Yes No

Septic Installer will be: _____

AGREEMENT: I hereby certify that the information contained herein is true and correct and am agreeing to the loan being repaid to Mower County as an assessment against the above-listed property. I have received, reviewed and understand Mower County's STS loan policy and I am agreeing to the terms and conditions set forth by that adopted policy. (You may attach additional sheets necessary for all owners' signatures; all property owners must sign the application.)

Borrower's Signature

Date

STATE OF MINNESOTA)
) ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by

Notaries Stamp or Seal

(Borrower's name)

Notary Public Signature

Application Request Form for SSTS Loan

Borrower's Signature

Date

STATE OF MINNESOTA)
) ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by

Notaries Stamp or Seal

(Borrower's name)

Notary Public Signature

Borrower's Signature

Date

STATE OF MINNESOTA)
) ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by

Notaries Stamp or Seal

(Borrower's name)

Notary Public Signature

Borrower's Signature

Date

STATE OF MINNESOTA)
) ss.
COUNTY OF MOWER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by

Notaries Stamp or Seal

(Borrower's name)

Notary Public Signature

Attach additional signature sheets as needed.

Return this form to:

Mower County Public Works
1105 8th Avenue NE
Austin, MN 55912

Certification of Authorized Representative: This form certifies that the proposed activity meets a priority need identified in the local comprehensive water management plan, is eligible for funding under the Environmental Protection agency or other applicable guidelines, and is in compliance with accepted standards, specifications, or criteria.

County Authorized Representative

Date

TENNESSON WARNING: DATA PRIVACY STATEMENT TO BE READ BEFORE SIGNING

All information you provide about you and your household is considered private data as defined by the Minnesota Government Data Practices Act.

The information collected from you or from other agencies or individuals (authorized by you) is used to determine your eligibility for the rehabilitation program. You are not required to provide any information regarding your marital status or race. However, on occasion this information is vital to determine to what extent our programs are used by minorities or certain types of households. All other information on the form is required to determine your eligibility for participation in this program or required by the State or Federal agency funding for your loan.

We will use your private data only when it is required for administration and management of the program. Persons or agencies with whom this information may be shared include:

- Staff who are involved in program administration;
- Auditors who perform required audits of our programs;
- State and Federal agencies providing funding assistance to your loan;
- Those persons authorized to see it;
- Law Enforcement personnel in the case of suspected fraud.

Unless otherwise authorized by State Statute or Federal Law, other government agencies using the private data must also treat it as private. You may wish to exercise your rights as contained in the Minnesota Government Practices Act. The rights include:

- The right to see and obtain copies of all the data maintained on you.
- Be told the contents and meaning of the data.
- Challenge the accuracy and completeness of the data.
- To exercise these rights contact 507-437-7118.

To the best of my knowledge the information included in the application is accurate and true. I give my permission to this agency to verify my eligibility and share necessary private data with those who need to know or are required by Federal and State Law to know it. I understand that I will be prosecuted for fraud and perjury under Minnesota Statutes if I knowingly provide false information.

I may appeal for a review of my application if assistance is denied.

Applicant's signature: _____ Date: _____

Applicant's signature _____ Date: _____

Applicant's signature _____ Date: _____

Applicant's signature _____ Date: _____

MINNESOTA PRIVACY RIGHTS

This sheet tells you about your rights under the Minnesota Government Data Practices Act. This Act protects your privacy, but also lets us give information about you to others if a law requires it and we tell you before we do it. This sheet tells when and why we will ask for and/or give information about you. It applies to all future contracts you have with this agency. Those contacts may be in person, by mail, or on the telephone.

Why do we ask you for information? We may ask you for information so we can:

- Tell you from other persons by the same or similar name
- Decide if you can get money or services from us and what or how much you can get
- Help you get financial services.
- Collect money from the state or federal government for help we give you.
- Make reports, do research, audit and evaluate our programs.
- Investigate reports of people who may lie about the help they need.
- Collect money from other agencies.

Do you have to answer the questions we ask? Generally the law does not say you have to give us this information.

What will happen if you do not answer the questions we ask? We need information about you to tell if you can get help from any program. Without some information, we may not be able to help you. Giving us wrong information on purpose may result in investigating and charging you with fraud.

Who may we share the information about you with? We may give information about you to the following agencies, if they need it for investigations, or to help you, or to help us help you. This does not mean we always share information about you with these people. It only says that there is a law that says we may share information about you with these people sometimes. If you have questions about when we give these people information, please ask the worker involved with your project.

- Collection agencies, if you do not pay fees you owe to us for services.
- U.S. Dept. of Labor and Minnesota Dept. of Labor and Industry.
- County Attorney, Attorney General or other law enforcement officials, if your case is referred for investigation, litigation or prosecution.
- Employees or volunteers of this agency who need the information to do their jobs.
- U.S. and Minnesota Department of Agriculture (sponsor of this loan)
- State and Federal Auditors

You have the right to a copy of information we have about you.

- You may ask if we have information about you.
- If we have information about you, you may ask for copies (*you may be charged a nominal fee for copies*)
- You may give other people permission to see and have copies of private data about you.
- If the information is unclear, you may ask to have it explained to you.

How do you appeal if you think information is not accurate or complete? Your objection must be in writing and be sent to the head of this program. You must tell us why the information is not accurate or complete. You may send your own explanation of the facts you disagree with. Your explanation will be attached any time that information is shared with another agency.

If you have any questions about the information on this form, please ask the worker involved with your project.

Applicant's signature: _____ Date: _____

Applicant's signature _____ Date: _____

Applicant's signature _____ Date: _____

Applicant's signature _____ Date: _____

Policy for Mower County SSTS Loan Program

Adopted June 12, 2018

SECTION 1 – PURPOSE OF POLICY

1.1 This Individual Sewage Treatment System (SSTS) Loan Policy establishes guidelines and procedures for administration of the Mower County SSTS Program.

SECTION 2 – DEFINITIONS

2.1 SSTS LOAN

SSTS Loan or “Loan” means the commitment of funds on behalf of recipient(s) for the purpose of making eligible improvements to eligible properties as described in this Policy. Loans will be installment, as an assessment against the subject property which requires repayment of the principle at 3 percent interest per year within a 10 year term.

2.2 RECIPIENT

“Recipient” means an individual, legal entity, or household meeting the requirements of this policy that applies for and receives a loan.

2.3 LOAN PACKAGE

The “Loan Package” consists of a loan application and all other information required by the Minnesota Department of Agriculture and/or Mower County.

2.4 RESIDENT

“Resident” means a person, other than a renter, living in the household for at least 9 months of the year.

2.5 MOWER COUNTY ENVIRONMENTAL SERVICES DEPARTMENT

Mower County Environmental Services Department is the Administrative Agency for Subsurface Sewage Treatment System loan funds. The Environmental Services Department as administrator will assume responsibility for soliciting, collecting, and processing applications, determining financial obligations of property owners, monitoring construction and approving disbursements of funds to contractors.

2.6 PROJECT

As used in this document: “project” means the replacement of an existing, failing/non-compliant septic system meeting the eligibility requirements in accordance with this policy.

2.7 LIEN WAIVER

Lien waiver is a document from a contractor, subcontractor, materials supplier, equipment lessor or other party to the construction project stating they have received payment and waive any future lien rights to the property for the amount paid.

Policy for Mower County SSTS Loan Program

Adopted June 12, 2018

SECTION 3 – ELIGIBILITY

3.1 VERIFICATION

The Mower County Environmental Services Department must verify the following information from the Register of Deeds regarding each property:

- The full names of all owners of record, including first name, last name, middle name, or initial and any additional names which may appear in the records, such as maiden names.
- Subject parcel is properly identified.

3.2 OWNERSHIP

Upon obtaining this information, the Mower County Environmental Services Department must determine that the applicants individually or in the aggregate have qualifying interest in the property consisting of the least:

- A valid life estate. life estates must be recorded and must appear in the records of the County;
- A 1/3 interest in the fee title. Such interest may be subject to mortgage, or
- A 1/3 interest as a purchaser in a contract of deed with respect to the structure being improved.
- All individuals having an ownership interest in such structure must join in the loan application.

3.3 ELIGIBILITY OF THE PROPERTY

To be eligible, the property to be improved:

- Must conform to all applicable zoning ordinances and possess all appropriate use permits.
- Must be used primarily for residential purposes.
- Must be a permanent structure. Mobile homes and trailers are eligible ONLY if the wheels and axles are removed and are taxed as real property.
- Must lie outside cities that have a municipal sewer system or be deemed not feasible to connect to the municipal sewer system.
- Must be within Mower County, Minnesota.

3.4 ELIGIBILITY OF IMPROVEMENTS

Replacement or repairs needed to bring into compliance an existing, failing or non-conforming individual sewage treatment system and any necessary plumbing.

- Site evaluation completed by a MPCA licensed designer.
- Design of new system (plans & specs) shall be prepared by MPCA licensed designer.
- In-place abandonment of existing failed, non-conforming or substandard systems.
- Construction costs of new system by a MPCA certified septic contractor.
- Easements (for cluster systems).
- Land purchase for drain fields.
- Individual or cluster systems.
- Mower County SSTS application fee.

3.5 INELIGIBLE IMPROVEMENTS

- SSTS for a new dwelling, additional bedrooms or new building construction which increases capacity above and beyond the existing system.
- Limitation. Loans may not be used to facilitate new building construction. As used in this subdivision, "facilitate new building construction" includes increasing capacity of an individual sewage treatment system beyond what is reasonably required to serve existing buildings and lots in existing recorded plats.
- Connection to municipal sewer.

Policy for Mower County SSTS Loan Program

Adopted June 12, 2018

3.6 CONTRACTOR REQUIREMENTS:

Contractors must be a Minnesota Pollution Control Agency (MPCA) licensed SSTS designer, installer or evaluator, whichever applies to the work conducted. The contractor shall be responsible for providing an "as-built" drawing of the system to Mower County Environmental Services. The as-built must be received by the department before request for assessment, by the Environmental Services Department, will be made to the County Board. Following approval of the County Board of the assessment, the assessment shall be entered into the tax record, and then a check will be processed for payment.

3.7 APPLICABILITY OF CODES:

SSTS improvement must be made in compliance with the MPCA 7080 Code and Mower County Ordinance.

3.8 ASSUMPTION:

The loan is not assumable and shall be satisfied before a property transfer of ownership.

3.9 SUBORDINATION:

Mower County, via County Board approval, may choose to subordinate the SSTS loan in the following event:

- for refinancing of a mortgage by the original borrower(s) who applied for the SSTS loan based on the following condition:
 - Refinancing of pre-existing mortgage amount shall be in an amount either equal to or less than the original mortgage at the time of SSTS loan application was approved. The borrower(s) shall be responsible to provide this information to the county from the lender(s).

3.10 SALE:

The recipient shall notify the county immediately upon the sale, transfer, or conveyance of the subject property.

3.11 PROPERTY TAX:

Taxes on the property must be current. Properties which are Delinquent or in Confession of Judgement are ineligible for the loan. Property Tax Delinquency and Confession of Judgement status will be determined in accordance with Minnesota Statutes Chapters 277 and 279.

3.12 BANKRUPTCY:

Property owners who have filed bankruptcy within the past five years are ineligible for this loan.

SECTION 4 – RESPONSIBILITIES OF ADMINISTERING ENTITIES

4.1 OUTREACH AND PUBLIC INFORMATION

The Mower County Environmental Services Department will be primarily responsible for the promotion of the loan program at the local level. The Mower County Environmental Services Department will exercise care in avoiding any advertising or outreach methods which may be deemed to systematically exclude potentially eligible applicants. Access to program materials may not be denied to any person for any reason.

Policy for Mower County SSTS Loan Program

Adopted June 12, 2018

4.2 APPLICATION SELECTION AND APPROVAL

The following factors will be considered in selection:

- Applicants will be accepted throughout the entire length of the program or until available funds are exhausted.
- No eligible applicant shall be selected or rejected on the basis of nationality, ethnic origin, race, color, creed, religion (or lack thereof), language, gender or lifestyle.
- Applications will be rated on a first come first serve basis per date of completed application.
- Letters of rejection will be issued to applicants who are not selected stating the reason(s) for rejection.

4.3 APPEALS

Appeals for rejection can be made to the Mower County Environmental Services Department. The appeal must be in writing and no later than 15 calendar days after the date of the rejection letter.

4.4 COMPLAINTS

Mower County will work with all applicants to resolve complaints.

4.5 INSPECTION OF PROPERTIES

The Mower County Environmental Services Department shall be responsible for carrying out a minimum of one inspection of each approved project.

After all work is finished, the inspection shall take place to determine that all work has been completed in a satisfactory manner and in compliance with MPCA 7080-7083.

4.6 PREPARATION OF INDIVIDUAL SEWAGE TREATMENT SYSTEM SITE EVALUATION

The County shall require the completion of an Individual Sewage Treatment System site evaluation. The site evaluation must be completed by a MPCA licensed designer. The applicant has six months after submitting the loan application to provide site evaluation and design plans to the County Environmental Services Department. If not received within this time, applicant will be removed from the list and the next person will be contacted. Mower County reserves the right to extend or rescind the loan application based on project progression moving forward or any lack thereof.

4.7 PREPARATION OF LOANS

The Mower County Environmental Services Department shall be responsible for the thorough and accurate completion of all program documents.

The Mower County Environmental Services Department will provide assistance to applicants in the preparation of any program forms which are necessary for packaging the loans.

4.8 FUND DISBURSEMENT

Disbursement of funds may be authorized by the Mower County Environmental Services Department after:

- An final SSTS inspection is conducted;
- It is determined that the specific work for which payment is requested have been completed in a satisfactory manner;
- The County Board consents to the assessment;
- A Lien Waiver has been submitted.

Policy for Mower County SSTS Loan Program

Adopted June 12, 2018

SECTION 5 – FILE CONTENTS

The Mower County Environmental Services Department shall maintain the following items in the Loan File.

- Applicant(s) loan documents
- Lien Waiver
- Property Title Verification
- Tennessean warning, data privacy rights, data privacy statement

Original documents will be maintained in the applicant's files of the Mower County Environmental Services Department.

SECTION 6 – LOAN

6.1 Terms of the loan:

- 3% interest on the unpaid balance.
- Up to 10 years for repayment.
- The loan is not assumable.
- Principal and interest payments will be collected on property taxes unless prepaid each year to the Mower County Treasurer before December 31st.
- The county will lend up to \$11,000 for an in-ground (trench) system or up to \$14,000 for an at-grade or mound system, per project. The loan may be used to pay for site evaluation, system design, installation and county permit fees. Any cost over the loan limit for each system will be the responsibility of the property owner.
- Assessments. Any amount lent under the loan program, including accruing interest, shall be assessed against the property or properties benefited unless the amount is prepaid. The loan amount will be specially assessed against the property;
- The right of the property owner to prepay the entire assessment;
- The public official to who repayment must be made;
- The time within which repayment must be made without the assessment of interest;
- The rate of interest to be accrued if the assessment is not prepaid within the required time period;
- The period of the assessment;
- Property owners have the right to prepay the assessment without penalty.

SECTION 7 – AMENDMENT

These policies may be amended by motion of the Mower County Board of Commissioners.