

Individual Sewage Treatment System (ISTS) Program

Information and Application Procedure

The ISTS Loan Program will be used to repair or replace existing septic systems in Cass, Crow Wing and Wadena counties. Loans at a rate of 3% will be provided to qualified property owners. The Minnesota Department of Agriculture has allocated funds to these counties to finance loans. The Region Five Development Commission will administer these funds.

Terms:

- No income limits but must show repayment ability
- On loans greater than \$5,000, the landowner is required to pay 10% of the amount over \$5,000 as an owner's equity injection into the project.
- Maximum interest rate shall be 3% per annum
- Maximum term is five (5) years
- An origination fee of ½% shall be charged to the borrower, along with other customary closing costs and recording fees.
- Landowner will sign a promissory note and mortgage lien on real estate to secure the loan.

Eligible Projects:

- Repair or replacement of an existing ISTS that does not conform with the provisions of the MN Rules Chapter 7080.
- Relocation of ISTS out of environmentally sensitive area
- Replacement of ISTS that is failing or non-conforming
- Mandated connection or hook-up to a city waste-water system. **Do not submit to county; send these project applications directly to Region Five**

Ineligible Projects:

- ISTS in excess of 5,000 gallons of waste water per day.
- Installation of ISTS for new construction, **new construction does not qualify.**
- Expansion or upgrading of a conforming ISTS due to construction of additional living quarters or expanded use.
- Costs incurred before the loan is approved, or before receiving a letter committing funds to your project.
- Costs incurred after the expiration date on the commitment letter.

Process:

1. Request or download an application. Loan funds can be disbursed to property owners in Cass, Crow Wing or Wadena County.
2. Complete the application packet and return it to your county contact listed below. If the project is a city sewer hook-up, send the packet directly to Region Five. The application packet should include: 1)personal financial statement, 2) County-wide ISTS Loan Application, 3)a contractor's bid, 4)proof of income, 5)complete and accurate legal description and 6) \$50 application fee, make the check out to: Region Five.
3. The loan board usually meets the second Thursday of each month. They review the financial package and make a recommendation to the Commission, the Commission gives final approval. Allow 2-4 weeks for a decision.
4. You will receive the Board's decision in writing. If your request is approved, Region Five will send you a confirmation letter, committing ISTS funds to your septic system project. Sign and return the commitment letter to Region Five.
5. Retain the ISTS installer/contractor to begin the work.
6. After the system is installed, contact Region Five to arrange a closing date. ISTS funds will be disbursed for the bid amount authorized in your commitment letter. The check will be made out to both the applicant and the installer.

Cass County Environmental Services

Dawn Berg
PO Box 3000
Walker, MN 56484
Phone: 1-218-547-3300

Crow Wing County Planning & Zoning

Tom Espersen
200 South 4th Street
Brainerd, MN 56401
1-218-824-1134

Wadena County Soil & Water Conservation District

Malinda Dexter
4 Alfred Street NE
Wadena, MN 56482
1-218-631-3195 x 3

For information only:

Region Five Development Commission

Anne Hanson
1-218-894-3233
ahanson@regionfive.org

COUNTYWIDE ISTS LOAN APPLICATION

Complete this application, sign it and return it with your completed application packet to the contact agency.

Applicants Name: Last, First, MI		
Street Address		County
City	State	Zip Code
Legal Description of Property Township	Section	¼ ¼
Home Phone	Work Phone	# Years at Residence
Employer Name	Address	Phone
Credit Reference Name	Address	Phone
Amount of Total Project Cost	Amount of Loan Requested	
<p>I authorize NCEDA and Region 5 to contact my credit references and view my credit report. I authorize NCEDA and Region 5 to contact my employer to verify employment or salary information. I authorize NCEDA or Region 5 to contact the county for a lien search of the property listed above.</p> <p>I certify and affirm by my signature that the information contained in, and otherwise supplied as part of this application, is complete and current to the best of my knowledge. I further understand that intentional misrepresentation of facts may be the basis for a denial of credit.</p>		
Signature	Social Security Number	Date
Signature	Social Security Number	Date



U.S. SMALL BUSINESS ADMINISTRATION

OMB APPROVAL NO. 3245-0188
EXPIRATION DATE:3/31/2008

PERSONAL FINANCIAL STATEMENT

As of _____, _____

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.

Name, Residence Address, City, State, & Zip Code, Business Name of Applicant/Borrower, Business Phone, Residence Phone

Table with columns ASSETS and LIABILITIES. Rows include Cash on hand, Savings Accounts, IRA, Accounts & Notes Receivable, Life Insurance, Stocks and Bonds, Real Estate, Automobile, Other Personal Property, Other Assets, Accounts Payable, Notes Payable, Installment Accounts, Loan on Life Insurance, Mortgages, Unpaid Taxes, Other Liabilities, Total Liabilities, Net Worth.

Section 1. Source of Income and Contingent Liabilities. Rows include Salary, Net Investment Income, Real Estate Income, Other Income, As Endorser or Co-Maker, Legal Claims & Judgments, Provision for Federal Income Tax, Other Special Debt.

Description of Other Income in Section 1.

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Table for Section 2 with columns: Name and Address of Noteholder(s), Original Balance, Current Balance, Payment Amount, Frequency (monthly, etc.), How Secured or Endorsed Type of Collateral.



Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

Section 6. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).

Signature: _____ Date: _____ Social Security Number: _____

Signature: _____ Date: _____ Social Security Number: _____

PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20416, and Clearance Officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO OMB.**



MINNESOTA DEPARTMENT
OF AGRICULTURE

www.mda.state.mn.us/en/grants/loans/agbmploan.aspx

Minnesota Department of Agriculture
625 Robert St. N., St. Paul, MN 55155-6120

Agricultural Best Management Practices Loan Program 651-201-6618 Fax: 651-201-6120 Dwight.Wilcox@state.mn.us

County: North Central Minnesota Joint Powers Board

Borrower Information:

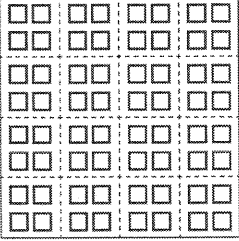
Name: _____ Company: _____
 "911" Street Address: _____
 City: _____ State: _____ Zip: _____ Telephone: () - _____

Project Information: On a Farm: Non-Farm:

Locate project within 10 acres for Twp/R/Sec on Section Map below
 Each square is 10 acres. Check only one.

Brief description of what will be purchased or constructed:

Twp #: _____
 Range: _____
 Sec: _____



Borrower Signature: _____ Date: _____

PROJECT BUDGET INFORMATION

Category	MAXIMUM Ag BMP Loan	
Ag Waste Management	\$	State Cost Share
Structural Erosion Control		
Con-Tillage Equipment		Federal Cost Share:
Sewage Systems		
Wells - Other		
Odor Control - Air Quality		
Estimated Total Project Cost (ALL EXPENSES)		\$

FARM OPERATION INFORMATION

Beginning Animal Units:	Ending Animal Units:
(Facilities with NPDES permits or > 1000 au are ineligible)	
Primary Animals or Crop Raised:	
Current Con. Till Acres:	
Con-Till Acres after Equip. Purchase:	
Total Acres Farmed:	

Project Approved by: _____ Approval Date: _____

Completion Certification: This project is complete, operable, and in compliance with accepted standards, specifications or criteria.

Project completion certified by: _____ Date: _____

LENDER INFORMATION & LOAN TERMS	Local Revolving Funds	TOTAL PROJECT COST
	\$	\$
Project approval expires on: _____		
Other restrictions: _____		
Number of payments per year: _____ Total number of payments: _____		
Bank Name and Address: _____		
Lender	Amount Requested:	Date:
Request # 1 - Signature:	\$	
This money WILL be sent to you.		
Optional	Amount: \$	Date:
Request # 2 - Lender Signature:		
This money WILL be sent to you.		
Attach copies of the invoices or affidavits provided by the individual borrowers, which support the request for disbursements		
FAX, SCAN or MAIL TO: Ag BMP LOAN PROGRAM, Minnesota Department of Agriculture, 625 Robert St N, St Paul, MN 55155-2538 Fax: (651) 201-6120 Dwight.Wilcox@state.mn.us		

ISTS Application Checklist

Your application for ISTS, *Individual Sewage Treatment System*, funding should contain the following documentation:

- [] **1. Countywide ISTS Loan Application**-completed and signed by applicant.
- [] **2. Personal Financial Statement**-Completed and signed by applicant.
- [] **3. AgBMP Form**-top section signed and dated by applicant
- [] **4. MPCA Compliance Form**-to be completed and signed by the ISTS inspector. This certifies that you have a non-compliant system.
- [] **5. Contractor bid**-Contractor will provide a cost estimate and design approved by the county ISTS inspector.
- [] **6. Complete and accurate legal description**- you may submit or Region Five can obtain from the county at an additional cost to you.
- [] **7. Proof of repayment ability**, A copy of current income taxes or pay subs with Year To Date payroll information.
- [] **8. A \$50 application fee** (check or money order made out to: Region Five) should be submitted along with the application packet to the county.

SUBMIT THE ENTIRE PACKET TO YOUR COUNTY CONTACT