

## LYON COUNTY SEPTIC SYSTEM IMPROVEMENT LOAN APPLICATION

**CRITERIA:** *Septic Systems eligible for this program are listed on Page 3 of this document.*

**APPLICATION DEADLINE:** This loan application, complete installation of the septic system approved for the property, and all bills must be completed before October 10<sup>th</sup> of the current year.

### INSTRUCTIONS:

1. Contact a licensed site evaluator/designer to complete a preliminary site evaluation and design plan.
2. Have a designer or loan applicant submit design to Planning & Zoning Office for review and approval. This may involve a preliminary site visit by staff from Planning & Zoning Office.
3. Once the design is approved, get estimates from the contractor(s) for the cost of the system. Also include plumbing and/or electrical estimates that pertain the installation of the system.
4. Complete application form (Page 2-3) and submit it to the Lyon County Environmental Office along with the written cost estimates. At this time the Auditor's Office will certify that property taxes on the described property are current and that the value of the property is greater than the cost estimates for installing septic system.
5. Necessary fees must be attached to the application. \$150.00 *Non-refundable* Septic System Permit fee payable to the Lyon County Treasurer. \$20.00 Lien document filing fee payable to the Lyon County Recorder. (Please note: When the loan amount is satisfied the applicant files a Satisfaction of Septic Lien document with the Lyon County Recorder)
6. Applicant and installer sign the septic system permit for construction.
7. Application will be reviewed by the Environmental office. Septic System Permit will be signed by Planning & Zoning staff upon approval of the Septic System design. This should take no longer than 7-10 working days.
8. Letter will be sent to applicant and contractor(s) regarding the approval status of the loan, along with necessary instructions.
9. If approved, construction of septic system may begin.
10. A final inspection of the installed septic system will be done by Planning & Zoning staff. Upon approval, the ISTS Permit and Inspection form will be issued by the Planning and Zoning staff. 607 West Main Street, Marshall, MN 56258. (507) 537-6823.
11. Loan applicant submits final bill(s) and voucher(s) signed by contractor(s) regarding the status of approval. If the application is denied, the applicant can initiate an appeal process by contacting the Environmental Administrator. Telephone (507) 537-6733.
12. Environmental staff coordinates processing of bills to obtain loan funding from the State of Minnesota. Contractor(s) will be paid by the Auditor when funds are received by the County.

**LYON COUNTY SEPTIC SYSTEM IMPROVEMENT LOAN APPLICATION**

NAME OF PROPERTY OWNER (PLEASE PRINT)

MAILING ADDRESS CITY MN ZIP CODE

ABBREVIATED LEGAL DESCRIPTION

TOWNSHIP SECTION PARCEL ID NO.

HOME PHONE WORK PHONE

Septic System Permit Fee: \$ 150.00 Septic Lien Recording Fee: \$ 20.00

List the construction to be done and/or other costs relative to this activity and the estimated costs. Written estimates must be attached. This can include all related electrical and plumbing costs. Total loan amount requested may not exceed the total cost of estimates.

<u>ITEM</u>	<u>TOTAL COST</u>	<u>LOAN AMOUNT REQUESTED</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
<b>TOTAL COST OF ACTIVITY</b>	_____	_____

**Loan repayment schedule request:**  
Select the requested number of year you would like for repayment of the loan. **Please note:** If the loan amount is Less than \$5000, the maximum number of years allowed for repayment is 5 years. **Also Note:** Loans may not be extended beyond 2008.

\_\_\_ 1yr \_\_\_ 2yrs \_\_\_ 3yrs \_\_\_ 4yrs \_\_\_ 5yrs \_\_\_ 6yrs

**PLEASE NOTE: YOUR SIGNATURE ON THE FOLLOWING PAGE INDICATES YOUR INTENT TO BORROW THE ESTIMATED LOAN REQUESTED UNDER THE TERMS DESCRIBED ON THIS APPLICATION.**

# LYON COUNTY SEPTIC SYSTEM IMPROVEMENT LOAN APPLICATION

- 1) The system must serve residential, non-commercial property located in Lyon County.
- 2) Applicant must be the property owner.
- 3) Property must have an existing prohibited or non-conforming septic system. Specifically, this includes the following type of failed system:
  - a) discharge to surface
  - b) discharge to cesspool, seepage pit or dry well, or tiled to drainage or road ditch
  - c) less than 2 foot separation to seasonally saturated soil
  - d) lack of a system
  - e) does not meet setback requirements to existing well
- 4) Ineligible activities:
  - a) refinancing a previously installed system
  - b) septic for new home
  - c) non-residential property
  - d) project started before loan approval with the exception of a preliminary site evaluation
  - e) under court order to repair the system
- 5) Amount of loan is limited to not more than the total cost of designing and installing a conforming septic system, however the applicant may borrow less than the total construction cost. The cost of the system may not exceed the reasonable cost of similarly designed system.
- 6) Construction must occur within one year of the loan pre-approval date.
- 7) The contractor must be certified to install systems by the MPCA and hold a current state license. The preliminary design must be approved by the county inspector prior to loan pre-approval. The system design must meet or exceed the minimum standards set forth in the MPCA Rule 7080 and the Lyon County Zoning Ordinance. No alternative systems, warrantied systems, or experimental systems will be permitted to be financed by the program.
- 8) The application must conform to and meet the minimum criteria stated in the order. Construction may not begin prior to receiving written approval from the Lyon County Environmental Office.
- 9) **Interest Rate: Annual 3.5% APR.** Interest accrues on the date Lyon County pays the contractor bills.
- 10) **Septic System Permit fee: \$150.** This non-refundable fee payable to the Lyon County Auditor must be paid when the septic system installation permit application is made with Lyon County. **Recording fee: \$20.** Must also be paid at the time of application. If the application is denied, this fee will be returned to the applicant.
- 11) Payment to contractors for valid bills will be made by county upon submission by applicant of:
  - a) Bills for work done in accordance with the estimates and approved designs with a signed permit.
  - b) Notarized signature of statement for loan amount that will be recorded as a lien against the property.
- 12) Loans to be repaid in level principal amounts. May be paid in full at any time. If the loan amount is Less than \$5000, the maximum number of years allowed for repayment is 5 years. Last payment on loans must be paid with taxes payable in 2008. Loans may not be extended beyond 2008.
- 13) Upon satisfaction of the lien the county will submit to the owner a statement of satisfaction of the lien, which will be the responsibility of the property owner to record.

*I HAVE READ AND UNDERSTAND THE TERMS OF THE LOAN PROGRAM AS STATED ABOVE.*

*FAILURE TO ABIDE BY THE ABOVE TERMS MAY RESULT IN THE NULLIFICATION OF THE LOAN AGREEMENT.*

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**Signature of Property Owner**

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**Date**

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**Signature of Property Owner**

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**Date**