



Le Sueur County, MN

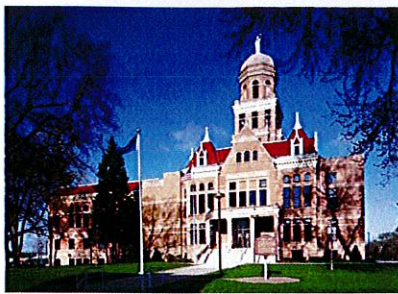
Tuesday, October 13, 2015

Workshop

Item 1

9:00 am Sulp Workshop

Staff Contact:



LE SUEUR COUNTY SEPTIC UPGRADE LOAN PROGRAM APPLICATION

APPLICANT INFORMATION

Name: _____ Phone: _____
 Mailing Address: _____ City: _____ State: _____ Zip: _____
 Property Address: _____ City: _____ State: _____ Zip: _____

LANDOWNER INFORMATION

Name: _____ Phone: _____
 Mailing Address: _____ City: _____ State: _____ Zip: _____
 Property Address: _____ City: _____ State: _____ Zip: _____

PID (Property Identification Number): _____

LEGAL DESCRIPTION

A copy of your **Recorded Deed** shall be submitted with the application.

If Contract for Deed (CFD), landowner shall sign documents.

 Applicant's Signature: _____
 Landowner's Signature: _____

FEE:

Fee: \$150.00 shall be paid at time of application. Receipt Number: _____

ESTIMATE

A copy of the itemized estimate shall accompany the application.

FOR OFFICE USE ONLY

Application Complete Copy of Deed Copy of CFD Fee Paid
 Septic Estimate Total: \$ _____ Interest Rate **3%**
 Taxes Paid: Yes--Proceed No

Approved/ Denied Date: _____ Signature: _____

- Letter Sent to Applicant/Landowner: Date: _____ Initial: _____
- Design Received: Date: _____ Initial: _____
- Design Approved: Date: _____ Initial: _____
- Design Permitted: Date: _____ Receipt #: _____
- System Installed: Date: _____ Initial: _____
- Invoice Received: Date: _____ Initial: _____
- Letter for Lien Signature: Date: _____ Initial: _____
- Lien Signed: Date: _____ Initial: _____
- Recorded Lien: Date: _____ Initial: _____
- Recording Fees Paid: Date: _____ Initial: _____
- COC & Copy of Lien Sent: Date: _____ Initial: _____
- Claim Sent to Aud. Office: Date: _____ Initial: _____
- Final Documents-Finance Dir. Date: _____ Initial: _____

LE SUEUR COUNTY SEPTIC UPGRADE LOAN PROGRAM TERMS

- _____ 1. I was informed by Le Sueur County Environmental Services regarding additional low interest loan programs available for septic upgrades.
- _____ 2. The system must serve residential, non-commercial property located in Le Sueur County. Applicant must be the property owner. No income requirement.
- _____ 3. Property must have an existing prohibited, or non-conforming septic system. Specifically, this includes the following types of Failing system:
 - Discharge to surface
 - Tiled to drainage or road ditch
 - Discharge to cesspool, seepage pit or dry well
 - Does not meet 7080 and 7081 soil separation requirement
 - Does not meet setback to existing well
- _____ 4. Ineligible activities:
 - Refinancing a previously installed system
 - Septic system for new building site
 - Non-residential use
 - Projects started before loan approval with the exception of a preliminary site evaluation
- _____ 5. Amount eligible: Limited to not more than the total cost of designing and installing a conforming septic system up to **\$15,000** maximum, depending upon the type of system. Applicant may borrow less than the total construction cost but may not request more than the actual cost of design and construction. The cost of the system may not exceed the reasonable cost of a similarly designed system.
- _____ 6. Interest Rate: **3%**
- _____ 7. The lien must be paid in full within five (5) years if the loan amount is \$5,000.00 or less; and within ten (10) years if the loan is more than \$5,000.00. Loans are repaid in level principal payments. Construction must occur within 1 year of the **LOAN APPROVAL DATE**.
- _____ 8. The contractor(s) used must be licensed by the State of Minnesota for the work being performed on the system. The design must be approved by the county and permitted prior to installation. The system design must meet or exceed the minimum standards set forth in MPCA Rule 7080 and the Le Sueur County Zoning Ordinance.
- _____ 9. **Construction shall not begin prior to obtaining a zoning permit from the Le Sueur County Environmental Services office.**
- _____ 10. Administrative fee **\$150.00** includes cost of processing fee and filing. Administrative fee is Non-Refundable. These fees must be paid at the time of application. *(Does not include septic permit fee).*
- _____ 11. Payment to contractors for valid bills will be made by county upon submission by applicant:
 - a. Appointment shall be made with Environmental Services (507-357-8538).
 - b. Submit invoice for work done in accordance with the estimates and permitted design with an As-Built and
 - c. Certificate of Compliance.
 - c. Sign final documents.
- _____ 12. Upon satisfaction of the lien, the county shall submit to the owner a statement of satisfaction of the lien, which will be the responsibility of the property owner to record.

YOUR SIGNATURE INDICATES YOUR INTENT TO BORROW THE ESTIMATED LOAN REQUESTED UNDER THE TERMS DESCRIBED ON THIS APPLICATION. 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.

Landowner's Signature

Date

Applicant's Signature

Date

SEPTIC UPGRADE LOAN PROGRAM ADMINISTRATION PLAN

Project Description

The Le Sueur County Board has approved an Ordinance establishing a loan fund to assist property owners in replacing failing septic systems in Le Sueur County. This ordinance permits Le Sueur County to administer loan funds and collect the repayment as a lien against the property in accordance with Minn. Stat. Chapter 115.

Le Sueur County has provided funding to make low interest loans available to the citizens of Le Sueur County to replace non-complying and/or failed septic systems. The loan program does not include new construction systems.

Eligible Participants

Property must be residential property with an existing non-complying and/or failing septic system located within Le Sueur County. Applicant must be the property owner.

Income requirement - none.

Terms of the Loan

Amount eligible - Limited to not more than the total cost of designing and installing a conforming septic system to **\$15,000 maximum**. Applicant may request less than the total cost.

Interest Rate - 3%.

Term length - Loans up to \$5,000 to be repaid within 5 years. Over \$5,000 may be repaid for up to 10 years.

Administrative fee- \$150. For recording fees, processing fees.

Priority of Lien - In accordance with MS 115.57 subd. 6, "An amount loaned under the program and assessed against the property shall be a priority lien only against subsequent liens."

Loan Pre-approval

Loan pre-approval by the Environmental Services Department is required. To qualify for the loan, the following requirements must be confirmed:

Taxes Current - No delinquent taxes may owe on the subject property.

Location - The dwelling that the system serves must be located within Le Sueur County.

Loans will be made available on a first come, first serve basis.

Application:

Must be accompanied by a contractor's estimate. The administrative fee (*does not include septic permit fee*) must be paid at the time of application. The permit must be purchased and issued prior to construction of the replacement system. No loans will be approved for any work on the system that has been done prior to loan approval.

Final loan approval

Is subject to contractor's invoice and Certificate of Compliance of the septic system installed in accordance with Minn. Rules Chapter 7080 and 7081.

Installation Requirements

Site evaluation, design, and installation of septic systems must be performed by a state licensed contractor, with the license applicable to the type of work being performed, of

owner's choice.

County septic permit, review, and approval of septic system design required prior to any installation activities.

Final site inspections by County Inspector required.

Repayment of Lien

Repayment - 1st payment due with the first half of the property taxes due the first January after construction has been completed. Semi-annual payments with property tax payment thereafter. May be paid in full at any time with no prepayment penalty. Full payment of lien must be made at time of sale or transfer of property.

Funding Source, Disbursement and Longevity

Initial Funding -

Septic Upgrade Loan - \$500,000 in calendar year 2007

To be allocated from Environmental Services Fund.

The County Board will do annual review of the funding allocation use and projected need.

Administrative Fee disposition -

Le Sueur County Environmental Services -

\$ 46.00 Recording Fee

\$104.00 Administrative cost

Program ends at the resolution of the County Board of Commissioners with any accrued interest to the general fund used to defray the cost of delinquencies or defaults and administrative costs related to the program.

Disbursement system -

1. Contractor and/or property owner submits final bill to Environmental Services.
2. Contractor submits As-Built to Environmental Services Department.
3. Environmental Services Department completes Certificate of Compliance for the system.
4. Environmental Services Department prepares lien documents, has applicant sign and forwards bill and lien documents to Auditors office as authorization to pay contractor.
5. Environmental Services Office sends notice to property owner, a notice that states the following information:
 1. The amount to be specially assessed against the property;
 2. The right of the property owner to repay the entire assessment;
 3. The public official to whom prepayment must be made;
 4. The time within which prepayment must be made without the assessment of interest.
 5. The rate of interest to be accrued if the assessment is not prepaid within the required time period; and
 6. The period of the assessment.

Administrative Plan Amendment

The Le Sueur County Board, when needed, may amend the Septic Upgrade Loan Program Administrative Plan.

ORDINANCE AUTHORIZING THE LE SUEUR COUNTY BOARD TO ABATE NON-COMPLYING AND/OR FAILING INDIVIDUAL SEWAGE TREATMENT SYSTEMS ON PRIVATELY OWNED PROPERTY AND TO ESTABLISH A LOAN FUND FOR SAID ABATEMENT.

SECTION 1. AUTHORITY AND SCOPE. This Ordinance is adopted to provide for the creation of a public loan program that assists property owners to finance the site evaluation, design, installation, repair and replacement of failing individual sewage treatment systems on privately owned property pursuant to the authority granted under Minn. Stat. Chapter 115 and Minnesota Rules Chapter 7080 and as amended that may pertain to sewage and wastewater treatment and enforcement of standards for individual on-site sewage treatment systems as defined in the Le Sueur County Zoning Ordinance.


SECTION 2. DEFINITIONS. Unless specifically stated in this Ordinance, definitions shall be adopted by reference from Minnesota Pollution Control Agency Rules 7080 and as amended as previously adopted by Le Sueur County.

SECTION 3. GENERAL PROVISIONS.

- 3.1 The Le Sueur County Board shall establish a fund to assist property owners replace non-complying and/or failing residential on-site septic systems in Le Sueur County. At its discretion, the Board shall make an annual contribution to the fund.
- 3.2 Septic system replacement shall be constructed in accordance with the terms of the Le Sueur County Zoning Ordinance including but not limited to the following provisions:
 - 3.2a. All repairs and improvements made to non-complying and /or failing individual sewage treatment systems under this ordinance shall be performed by a licensed individual sewage treatment system professional and shall comply with agency rules adopted pursuant to Minn. Stat. section 115.55, subdivision 3, and other applicable requirements.
- 3.3 Access to the fund is voluntary and shall result in a lien on the benefiting property according to the terms set forth in the Administrative Plan. The Plan may be amended by the Le Sueur County Board.
- 3.4 The property owner has the right to prepay the assessment.
- 3.5 Administration of the Plan shall be the responsibility of the Le Sueur County Planning and Zoning Administrator. The County Auditor shall be responsible for administration of the lien against the benefiting property.

SECTION 4. SEPARABILITY. If any part of this Ordinance shall be held invalid by a court of competent jurisdiction, it shall not invalidate any other section, provision or part thereof.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after the date of its passage and publication according to law.

(signed) , Chairman
Le Sueur County Board of Commissioners

DATE May 8, 2007

ATTEST:


Clerk to the Board

SOLD

115.57 SUBSURFACE SEWAGE TREATMENT SYSTEM OR WATER WELL LOAN PROGRAM.

Subdivision 1. **Purpose.** The legislature finds that a need exists to provide for the creation of a public loan program that assists property owners to finance the site evaluation, design, installation, repair, and replacement of subsurface sewage treatment systems and to finance the sealing and replacement of wells on privately owned property. Such a public loan program promotes the public health and welfare by furthering the policy of the state of Minnesota to prevent, reduce, and eliminate water pollution. The legislature declares that the actions required to establish and implement a public loan program for the purposes stated in this section are a public purpose and that the execution and financing of such a program is a public purpose.

Subd. 2. **Definitions.** (a) The terms defined in this subdivision and section 115.55, subdivision 1, apply to this section.

(b) "Improvement" means the site evaluation, design, installation, repair, or replacement of a subsurface sewage treatment system or sealing or replacement of a well.

(c) "Municipality" means a township, city, ~~county~~, or any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state.

(d) "Property owner" means the owner or owners as recorded on the tax roll of the county where the real property on which the subsurface sewage treatment system or well is installed, repaired, or replaced is located.

(e) "Well" means a well as defined in section 1031.005, subdivision 21:

(1) that is required to be sealed under section 1031.301, subdivision 1; or

(2) the relocation of which is necessary for compliance with applicable requirements as defined in section 115.55, subdivision 1.

Subd. 3. **Authority.** A municipality may, individually or cooperatively with other municipalities, establish a ~~subsurface sewage treatment system~~ or well ~~loan program~~, or both, for the purpose of providing loans to property owners for the site evaluation, design, installation, repair, or replacement of subsurface sewage treatment systems or for the sealing or replacement of wells on privately owned property. The governing body of a municipality shall provide for the operation and administration of the program by ~~ordinance~~. A municipality may appoint an administrator to operate the program.

Subd. 4. **Limitations.** Loans may not be used to facilitate new building construction. As used in this subdivision, "facilitate new building construction" includes increasing capacity of a subsurface sewage treatment system beyond what is reasonably required to serve existing buildings and lots in existing recorded plats.

Subd. 5. **Financing.** A municipality may issue bonds in accordance with ~~chapter 475 to finance the program~~, except that an election is not required and the obligations are not subject to the general limit on net debt for the municipality. Financing may also be provided by issuing certificates of indebtedness, securing loans, or transferring available funds that the municipality is not obligated by law to use for some other purpose. Funds procured for the subsurface sewage treatment system or well loan program shall be dedicated to the program.

Subd. 6. **Assessments.** (a) An amount loaned under the program, including accruing interest, shall be a lien against the real property for which the improvement was made and shall be assessed against the property

or properties benefited unless the amount is prepaid. An amount loaned under the program and assessed against the property shall be a priority lien only against subsequent liens.

(b) Upon issuing a loan, the municipality shall provide the property owner a notice that states the following information:

- (1) the amount to be specially assessed against the property;
- (2) the right of the property owner to prepay the entire assessment;
- (3) the public official to whom prepayment must be made;
- (4) the time within which prepayment must be made without the assessment of interest;
- (5) the rate of interest to be accrued if the assessment is not prepaid within the required time period; and
- (6) the period of the assessment.

(c) The municipality shall, by ordinance, provide for a right of property owners to prepay the assessment and may establish such other assessment procedures as determined necessary and consistent with the provisions of this section.

Subd. 7. Ordinances; construction standards. A municipality may not establish a subsurface sewage treatment system loan program unless ordinances in compliance with section 115.55 are in full force and effect. All repairs and improvements made to subsurface sewage treatment systems under this section shall be performed by a licensed subsurface sewage treatment system professional and shall comply with section 115.55 and other applicable requirements. All improvements to wells under this section must be made by a well contractor or a limited well contractor, as appropriate, licensed under chapter 1031.

Subd. 8. Dissolution. The governing body of a municipality may dissolve the program by ordinance. The ordinance shall provide for the collection of all outstanding assessments, repayment of any remaining indebtedness incurred to finance the program, and the final distribution of any money remaining in the loan fund.

History: 1996 c 427 s 4; 1997 c 235 s 8; 2009 c 109 s 14