

## Redwood County Low Interest Septic Loan Application



1. The landowner needs to contact the Redwood County Environmental Office with interest in upgrading their failed or non-compliant individual septic treatment system. A compliance inspection may be requested and be done by a State Certified Compliance Inspector (*a list will be provided*), if there is a question of the system being non-compliant or failed. There is a cost for the SCCI inspection, to be paid by landowner; this is extra and is not included in the application fee (*see below*). These offices will also provide, upon request, a list of licensed SSTS designers and installers with the Loan Application.
2. The landowner submits the completed loan application with property owner signatures and a project estimate to the Office of the Redwood County Environmental Officer with \$225.00 application fee (*two checks - a non-refundable \$110 administration fee and \$115 for septic permit fee, make checks payable to Redwood County Treasurer*). Upon review of the application by the Redwood County Environmental Office, it is forwarded to the Redwood County Auditor-Treasurer's Office.
3. The Redwood County Auditor-Treasurer's Office will verify up-to-date taxes, accurate ownership, and check for any other property liens or assessments against the specified parcel. This information will be provided to a Review Panel, as set by ordinance. The Review Panel has 30 days to approve or not approve the application.
4. If the verification is approved and meets guidelines, the Redwood County Environmental Office will send a letter to the property owner approving project commencement.
5. The landowner needs to contact a state licensed septic system designer/installer and obtain/agree upon a design. The septic treatment system design must be submitted to Redwood County Environmental Office for approval (*the septic system permit fee of \$115.00 is included in the loan application fee, see #2*). All designs must meet the specifications of Redwood County Ordinances.
6. Redwood County Environmental Office will conduct a pre-site visit and design approval with contractor before construction of the septic system.
7. The Environmental Office will inspect the final completion of the project. If it meets requirements, a certificate of compliance is issued to the property owner. The landowner must submit a final itemized invoice for the project (*supplied by the contractor(s)*) to the Redwood County Environmental Office. The Redwood County Environmental Office will verify with the landowner(s) the exact amount to be borrowed. The Redwood County Environmental Office will contact the Auditor-Treasurer's Office with amount to be recorded.
8. A recordable lien document will be completed by the Redwood County Auditor-Treasurer's Office and sent to the landowner. This document will specify the loan principal, interest rate, term, and the legal description of the property the lien will be assessed against. This recordable lien document will need to have notarized signatures by the property owner(s).
9. After the recordable lien document is returned to the Redwood County Auditor-Treasurer's Office (*along with a check for the \$46.00 recording fee*) it will be forwarded to the Redwood County Recorder Office.
10. After the lien is officially recorded, the Redwood County Auditor-Treasurer's Office will send payment to the landowner in the name of both the landowner and the contractor(s).
11. The Auditor-Treasurer's Office will annually submit a list to the Redwood County commissioners of the liens, including applicable interest. The landowner(s) make payments to the Redwood County Auditor-Treasurer's Office semi-annually along with their respective property taxes.
12. After the final payment is received from the landowner, the Redwood County Auditor-Treasurer's Office will send a satisfaction of the lien to the landowner. The landowner is responsible to record the satisfaction in the Redwood County Recorder's Office, and pay the respective fee.

\_\_\_\_\_ Married or Single \_\_\_\_\_  
(name of applicant(s)/landowner(s) (please circle one) (spouses name, if applicable)

\_\_\_\_\_ (mailing address) \_\_\_\_\_ (city) \_\_\_\_\_ (state) \_\_\_\_\_ (zipcode)

\_\_\_\_\_ (legal description; attach if necessary) \_\_\_\_\_ (township & section)

\_\_\_\_\_ (parcel #) \_\_\_\_\_ (subdivision name, block #, lot #, if applicable)

*\*please complete the following loan information*  
contractor name \_\_\_\_\_ project cost estimate = \$ \_\_\_\_\_  
loan term requested **5** or **10** years (circle one) loan amount requested = \$ \_\_\_\_\_

**SEPTIC SYSTEM LOAN TERMS**

- The property to benefit from the septic system must have an existing prohibited or failing system. Specifically, this includes the following types of failed/failing systems; discharge to cesspool, seepage pit, or dry well, any system with less than three feet of soil or sand between the bottom of the distribution medium and the saturated soil or bedrock, or the current septic system does not meet current setbacks to the well, lake, property line, etc.
- Ineligible activities include: refinancing of a previously installed septic system, a septic system for a new home project, or if the system is currently under court order for replacement/repair.
- Applicant may borrow less than the total construction cost but may not request more than the actual cost of design and construction. Only one bid is needed, but a minimum of two (2) bids is recommended. The cost of the system must not exceed the reasonable cost of a similarly designed system, and construction must occur with one (1) year of the loan application date. Construction may begin after the approval letter is received.
- Interest rate for the term of the loan is 4.0% APR. The loan may be paid in full within thirty (30) days after Redwood County submits payment to the landowner/contractor(s) without accruing interest. Interest will begin to accrue after the thirty-day grace period. Loan terms are either five (5) or ten (10) years.
- All administrative fees including the application fee (currently \$225.00) may not be included in the loan amount requested. \$115.00 fee will be refunded if the application is denied.
- Payments made by the Redwood County Auditor-Treasurer's Office to the landowner/contractor(s) for the project will include contractor names jointly as payee.

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.

\_\_\_\_\_ (signature of property owner and spouse) \_\_\_\_\_ (date)

\_\_\_\_\_ (date)

**Your signature indicates your intent to borrow the estimated loan amount requested under the terms described on this application. Application signatures DO NOT require notarization.**