



SEPTIC SYSTEM UPGRADE LOW-INTEREST LOAN PROGRAM

LOAN DETAILS:

Interest Rate: 1.0%

Term of Loan: 1 year per \$1,000 borrowed (rounded)
(Examples: a \$4,600 loan would have a term of 5 years; a \$8,200 loan would have a term of 8 years)

Repayment: Special Assessment on Property Taxes

Application Fee: \$96 (to be approved by the County Board 9/6/16)

LOAN REQUIREMENTS:

- 1.) The property must have an existing non-compliant septic system. If no certificate of non-compliance has been issued, Pine County will visit the property and verify the non-compliant status.
- 2.) There are no delinquent property taxes.
- 3.) The value of the property must be more than the cost of the septic system
- 4.) Property must be homestead, non-homestead residential, or commercial. Seasonal recreational properties are not eligible.
- 5.) Systems installed on non-homestead residential and commercial properties, may not exceed \$20k of total septic system cost.
- 6.) The amount of the loan shall not be more than the total cost of designing and installing a compliant septic system. Applicant may borrow less money than the total cost of designing and installing a compliant septic system.
- 7.) The applicant may request a lesser term at the beginning of the loan, however there is no penalty for early payoff.
- 8.) **Loans are non-transferable, and due immediately upon sale or transfer of the property.**

APPLICATION PROCEDURES:

- 1.) Property owner completes application for Septic System Upgrade Loan.
- 2.) Pine County Planning and Zoning will determine if the project meeting the above loan requirements.
- 3.) If application is approved, applicant must have septic system designed by a certified septic designer. Applicant may chose to pay the septic designer with loan funds, however these funds are not available until after the system is installed. **Property owner must ensure the designer understand this if the design is to be paid out of loan funds.**
- 4.) Property owner must solicit at least 2 bids to install the system based on the design provided by the certified septic designer. Property owner must share these bids with Pine County Planning and Zoning and identify the contractor of their choice. Property owner is not required to proceed with the lowest bid, however all bids received must be determined to be responsible and reasonable by Pine County.
- 5.) The property owner or contractor applies for a permit to install the septic system with the required jurisdiction. The contractor may include the permit fee in their bid.
- 6.) The compliant septic system is installed and certificate of compliance is issued.
- 7.) Contractor and/or designer provides Pine County Planning and Zoning with the final bill.
- 8.) Pine County Planning and Zoning will prepare and send the final loan document for the property owner's signature.
- 9.) Payment to the contractor will only be released upon receipt of executed final loan document and compliance certificate issued from the permitting authority.