

Who May Apply for Loans

- *Farmers*
- *Rural landowners*
- *Farm supply business*

Loans are used to restore or protect water quality, whether on a farm, a rural home site, in an unsewered community, or at a lakeside cabin.



conservation tillage equipment

Loan Terms

- *Maximum loan amount is \$100,000*
- *Maximum loan length is 10 years*
Animal Waste: 10 years Structures: 10 years
Equipment: 5 years Septic Systems: 10 years
Well Sealing: 2 years
- *Maximum interest rate is 3%*
- *Lender may charge customary fees*
- *Lender may require collateral*
- *Borrower must meet lending criteria*



sedimentation basin

If you are interested in more information or making an application, **Contact:**

**Lac qui Parle
Soil and Water
Conservation District**
122 8th Avenue S. Ste. 1
Madison MN 56256
Phone 320-598-7321, Ext. 3

Lac qui Parle County Priorities:

- *Agricultural-Waste Control Facilities and/or Manure Management Systems*
- *Erosion Control/Conservation Practices*
- *Upgrades to Existing Rural Septic Systems*
- *Sealing Abandoned Wells*
- *Conservation Tillage Equipment*

Local Participating Lenders:

KleinBank, Madison
United Prairie Bank, Madison
State Bank of Bellingham
Farmers and Merchant Bank of Appleton

There are other participating local lenders outside Lac qui Parle County.

The Lac qui Parle Soil and Water Conservation District is an equal opportunity service provider and employer

Financing Solutions for Clean Water

Agricultural Best Management Practices Loans *AgBMP Loan Program*

Loans for:

- *Feedlot improvements, manure storage basins and spreading equipment*
- *Conservation tillage equipment*
- *Terraces, waterways, sediment basins*
- *Shore and river stabilization*
- *Septic systems*
- *Other projects that improve water quality*



feedlot improvements under construction

The AgBMP Loan Program is administered by a local unit of government through local businesses for locally set priorities. The program is funded by the Minnesota State Legislature, the Minnesota Public Facilities Authority, and the U.S. Environmental Protection Agency and is administered through the Minnesota Department of Agriculture.

No grants are given by this program.

Cost Savings

The AgBMP Loan Program provides financing at below-market interest rates. These 3% low-interest loans save you money, making it more economical to implement practices that improve and protect water quality.

Years	Loan Amount	Interest Paid		Interest Savings
		3%	9%	
5	\$10,000	\$781	\$2,455	\$1,674
5	\$30,000	\$2,344	\$7,365	\$5,021
7	\$50,000	\$5,496	\$17,574	\$12,078
10	\$100,000	\$15,873	\$52,011	\$36,138



replacing a septic tank and drain field



Money Available

Funds may be used with federal and state cost-share dollars for the landowner's share of installing approved practices. For example, if a terrace or ag waste system is installed with 65% federal cost-share and the owner's share is 35%, the 35% may be eligible for an AgBMP loan.



conservation tillage equipment



manure application equipment

Application Process

1. The borrower proposes a project to the Lac qui Parle SWCD for approval.
2. If the borrower is eligible and the project addresses local water quality problems, the SWCD approves the project and refers it to a participating local lender.
3. The lender evaluates the financial details of the project and decides whether to offer a loan.
4. The lender and the borrower negotiate the terms of the loan.
5. The borrower completes the project.
6. The borrower provides bills and receipts for the cost of the project to the lender.
7. The SWCD/lender requests money from the AgBMP Loan Program.
8. The AgBMP Loan Program sends the requested money to the lender.
9. The lender issues the loan to the borrower.
10. The borrower pays back the lender.
11. The lender pays back the AgBMP Loan Program.

Ineligible Projects

- *Projects already completed*
- *Improving feedlots with more than 1,000 animal units*
- *Constructing a new facility*