

# Agricultural Best Management Practices Loan Program

The Agriculture Best Management Loan Program (AgBMP) was established by the State Legislature in 1994, providing farmers, rural landowners, and agri-businesses with low interest loans for mitigation and prevention of non-point source pollution.

Olmsted Soil and Water Conservation District has been awarded funds to implement this program.

## Who is eligible?

Farmers, individual rural landowners, and agri-businesses.

## What practices are eligible?

- **Ag Waste Management Systems**
- **Conservation Tillage Equipment**
- **Erosion Control Structures** including waterways, terraces and sediment control basins.
- **Individual Sewage Treatment Systems (ISTS)** for on-farm and individual rural housing. Systems must replace a failing system and not meant for new housing.
- **Well Sealing** for on-farm and individual rural housing.

## What practices are not eligible?

Refinancing.

Individual projects started or equipment purchased prior to loan approval

Livestock operations currently containing more than 1,000 animal units.

## What is the interest rate and maximum loan amount?

The interest rate is a fixed at 3% for the term of the loan. Closing costs include a 1/2% origination fee and out-of-pocket expenses necessary to close the transaction. The maximum loan to any individual borrower is \$100,000.

## What are the lengths of the loans?

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|------------------------------|----------|
| 1. Facilities and Structures | 10 years |
| 2. Equipment                 | 10 years |
| 3. Septic Systems            | 10 years |

## How do I apply for a loan?

Potential borrowers should contact Olmsted Soil and Water Conservation District (SWCD) for an application. The SWCD will then evaluate and certify if the proposed project is eligible.

