

## 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*
- *Maximum interest rate is 3%*
- *Lender may charge customary fees*
- *Lender may require collateral*
- *Borrower must meet lending criteria*
- *Additional local limitations may apply*



*Sedimentation basin*

## Contact Information

Contact your local Soil and Water Conservation District, local county environmental office, or local water planning officials shown below.

### **Local Government Offices:**

Carlton SWCD  
414 South Avenue  
PO Box 29  
Carlton MN 55718  
(218) 384-3891

### **Local Participating Lenders:**

CornerStone State Bank  
1516 Cloquet Avenue  
Cloquet MN 55720  
(218) 879-6781

There may be other participating local lenders available. Ask your local government office for a full list of participating lenders.

### **Additional Information or Questions:**

Dwight Wilcox  
AgBMP Loan Program  
625 Robert St N  
St. Paul, MN 55155  
651-201-6618 fax: 651-201-6120  
[Dwight.Wilcox@state.mn.us](mailto:Dwight.Wilcox@state.mn.us)

[www.mda.state.mn.us/grants/loans/agbmploan.htm](http://www.mda.state.mn.us/grants/loans/agbmploan.htm)



In accordance with the Americans with Disabilities Act, an alternative form of communication is available upon request. TTY: 1-800-627-3529. MDA is an equal opportunity employer and provider.

## *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*





*Lakeshore stabilization*

## 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

Each year \$10 million is available for loans in Minnesota. The AgBMP Loan 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.



*Conservation tillage equipment*



*Manure application equipment*

## Application Process

1. The borrower proposes a project to the county for approval.
2. If the borrower is eligible and the project addresses local water quality problems, the county 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 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*