

Funds Available to Correct Septic and Water Well Issues in Rural Areas

If you thought you couldn't afford to correct a septic system or a well problem at your home, a couple of new programs have just been announced that could make repairs possible and more affordable. For the health of your family and for environmental improvement, a properly functioning septic system or a water well source and system that is free of structural and water quality problems is extremely critical.

The Great Lakes Community Action Partnership (GLCAP) has loan funds available for Indiana, owner-occupied rural households to correct septic and well failures. The residence must be in a rural community (i.e. Townships, Villages, Towns, etc.) with a population not exceeding 50,000 people. The funds are available for water well improvements, in home water treatment and septic systems. Applicants must own and occupy the home being improved or be purchasing the home. New home construction and community water systems are not eligible. The maximum loan amount is \$15,000 with a 1% interest rate and loan maturity of up to 20 years. To obtain an application call 1-800-775-9767 (or go to www.glcap.org). For questions, contact Angie McConnell at 800-775-9767 (ammcconnell@glcap.org).

The second funding assistance source for these same type of rural living improvement projects is the USDA-Rural Development agency. They have funds available to owner-occupied rural households to repair or modernize their home (which includes hooking onto sewer systems or correcting septic and well failures). USDA-Rural Development has two loan programs and one grant program available for these improvement projects:

- SFH 504 Loan Program – a 1% interest rate with a 20 year term
- SFH 504 Grant Program – this is for removing health and safety hazards where one of the applicants is 62 years old or older; a faulty septic system would be a health and safety hazard
- SFH 502 Loan Program – a 33 year loan term with a higher interest rate and a higher household income level than the SFH 504 Loans

For application procedures or questions regarding the USDA-Rural Development loans and grants, contact Mark Zukunft (mark.zukunft@usda.gov), State Loan Specialist; 317-295-5776.