The Clean Water Partnership Program offers low interest loans in addition to grants. These loans are available for implementing “best management practices” (BMPs) and other activities that target the restoration and protection of a water resource (i.e., lake, stream or ground water aquifer). The loans are available to local units of government sponsoring CWP projects. A local government can use the funds itself to implement best management practices, or it can re-loan the funds to private parties for further activities to implement the practices.

Who is eligible?

To qualify for a grant or loan, a local government must have received Minnesota Pollution Control Agency approval of a "Diagnostic Study and Implementation Plan," (a CWP Phase I or equivalent). This plan must identify and describe the project in detail and include the following:

- a description of the water of concern and the project area, including historical uses, previous studies, and current water quality
- identification of existing and potential water-quality problems
- project goals and objectives
- proposed implementation measures
- procedures for monitoring and evaluating implementation measures
- a project budget

Implementation activities eligible for CWP financial assistance are described in Minn. R. 7076.0130, subp. 2. In addition to funding the traditional CWP best management practices activities, the loans make more funds available for upgrading or replacing individual sewage treatment systems, for dredging activities, and for the use of chemical additives to remove phosphorus. The local government receiving the loan will be required to establish a dedicated source of revenue for repayment and secure the loan with a general obligation note.

What are the interest rates?

The interest rate for loans to local governments is at two percent. Interest rates available to individuals from local governments will be determined at the local level, but must be kept below market rate as determined by the current Wall Street Journal prime rate.

For more information, please call the Minnesota Pollution Control Agency at 651-296-6300 or 800-657-3864 and request to speak to the CWP Loan Program staff.

As of June 2008, 66 projects have constructed $28.7M of BMPs:

- $ 22M Individual Septic Treatment Systems
- $ 2.8M Feedlots
- $ 1.5M Permanent structures
- $ 0.8M In-lake chemical treatments
- $ 0.8M Equipment
- $ 0.5M Land use practices/erosion control activities
- $ 0.3M Administration/education and training