

THE TOWN OF HOPKINTON
RESOLUTION OF THE TOWN COUNCIL
ESTABLISHING TERMS AND CONDITIONS FOR THE
COMMUNITY SEPTIC SYSTEM LOAN PROGRAM

Whereas, the Town of Hopkinton desires to enter into a Loan Agreement with the Rhode Island Infrastructure Bank under the Community Septic System Loan Program (CSSLP), and

Whereas, the Town may apply specific homeowner loan criteria to the CSSLP, which will govern administration of the loan program by Rhode Island Housing, and

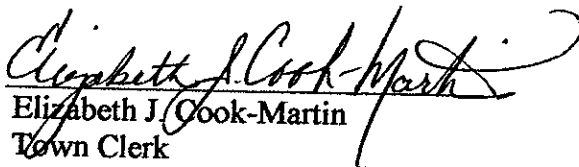
Whereas, said loan criteria has been reviewed and agreed upon by the Town Council of the Town of Hopkinton,

NOW, THEREFORE, BE IT RESOLVED, that the following criteria shall be added to the CSSLP loans administered by Rhode Island Housing:

1. Loans are for all single-family and multi-family dwellings up to four dwelling units in size and are to be used for the repair or replacement of failed and substandard Onsite Wastewater Treatment Systems (OWTS) and all cesspools located solely within the Town of Hopkinton. Loans are not allowed for group or cluster septic systems and cannot be used for bathroom or kitchen improvements, additions or remodeling projects. No institutions or commercial businesses are eligible for loans. A Rhode Island certified septic system inspector must find that the existing OWTS is either failed or substandard. All state and local approvals and procedures must be in place prior to any acceptance of applications.
2. If a system is failed, but the repair also calls for an increase in the number of bedrooms, the loan amount shall be limited to that required to repair or replace a system suitable for the original number of bedrooms.
3. Replacing a septic tank, even when no drain field repairs are necessary, is considered a legitimate expense of CSSLP funds.
4. Innovative & Alternative (I&A) systems may be required in areas where site conditions warrant, such as a wetland buffer, high water table soils, small lots, and lots with inadequate separation distance from a well, etc. Upgrading to I&A technology is eligible for loan funds.

5. In order to qualify for the loan fund, the owner must submit at least two bids. The construction portion of the loan shall be limited to the low bid plus 10 percent. Engineering and permitting costs are also legitimate loan expenses.
6. The maximum loan amount is to be \$20,000.00, except in instances I&A systems are required.
7. When the available pool of money is \$50,000 or less, hardship situations and emergency repairs will be given priority.
8. The term shall be up to a maximum of ten (10) years.
9. There will be no prepayment penalty.
10. There is no income level requirement or owner occupied restriction.
11. The debt to income ratio of the applicant shall be no higher than forty-five (45) percent, except that borderline cases in exceedance of forty-five (45) percent will be referred back to the town for consideration.
12. The borrower must be current with all financial obligations to the Town of Hopkinton at the time the application is submitted.
13. Funds will be available to the borrower after a certificate of conformance is issued by the RIDEM.

Introduced, Read, Passed and Adopted by the Town Council of the Town of Hopkinton Rhode Island, at a regular meeting held this 19th day of October, 2015.

ATTEST: 
Elizabeth J. Cook-Martin
Town Clerk

