

RD – MISSOURI
**APPLICATION FOR CONSENT
AND BORROWER CERTIFICATION**

CASE NO. *(Agency to Complete)*

**ONLY TO BE USED FOR PROJECTS
INVOLVING MO DEPARTMENT OF
NATURAL RESOURCES (MODNR)**

COUNTY:

The undersigned _____
(Name of Rural Development Borrower)

whose address (Including ZIP Code) is _____
in accordance with the terms of the security instruments held by Rural Development (hereafter referred to as "Agency") on their
property, apply for consent to the following transaction: Parity Bond(s)

BORROWER CERTIFICATION

The following certification, by the owner, is required when the Missouri Department of Natural Resources (MODNR) is requesting parity standing with the borrower's existing USDA Rural Development loans. This certification is required by USDA Rural Development Regulation 7 CFR 1780, subpart C.

1. The owner certifies that it, and its consultants, has engaged in early development public involvement, environmental review, design, and construction.
2. The project has used either the Interagency Preliminary Engineering Report Template, or an equivalent technical planning document (PER/Facility Plan), to identify, evaluate, and prioritize needs. A copy of the PER/Facility Plan, has been submitted to USDA Rural Development for project information purposes.
3. DNR has completed and documented their environmental review process and the FONSI or CatEx has been provided to USDA Rural Development.
4. The proposed engineering design has considered the following when required by Federal Law, State Law or the rules of the Agency funding the project:
 - a. Architectural barriers
 - b. Energy/environment
 - c. Fire protection
 - d. Water conservation
 - e. Conforming with State Drinking water standards or Federal and State water pollution control standards
 - f. The project does not involve combined sewers (combined sanitary/storm system)
 - g. Use of appropriate pipe for the project
 - h. Water/sewer system testing
 - i. Seismic Safety-if appropriate for the project
 - j. In the design, economical service to residents has been considered
5. Project utility purchased contracts, sewer treatment contracts, bulk water sales contracts and land leases that are an integral part of a treatment process have been submitted to USDA Rural Development for approval/concurrence.
6. Owner's procurement regulations:
 - a. Owner has procurement standards in accordance with State or local laws or funding Agency/entity requirements.
 - b. Contracts shall be made only with responsible parties processing the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall include but not be limited to matters such as integrity, and record of past performance, financial and technical resources, and accessibility to other necessary resources. Contracts shall not be made with parties who are suspended or debarred by an Agency of the United States Government. MODNR receives documentation from the owner and engineer and verifies through the SAM.gov process that this requirement is met.
7. The following items have been submitted to USDA Rural Development for Review:
 - a. An explanation of the purpose of the request for parity; amount of the loan for which parity is being requested; description of security property; type of security instrument; name and address of financial institution requesting the transaction; and other information determined necessary by the USDA Rural Development to evaluate the request.

This CP Guide 465-1, Request for Parity Consent, executed form by the owner and RD will be used to internally document RD's consent to allow the owner to issue parity revenue bonds.

- b. Owner's current financial statements or audits.
- c. Owner's annual operating budget which projects income and expenses for a typical year's operation. If construction is involved, the budget must be projected through the first full year of operation following completion of the planned improvements.
- d. Copy of the proposed security instrument.
- e. Owner's certification that the USDA Rural Development existing loans cannot be refinanced at reasonable rates and terms.
- f. An appraisal when real estate is the primary security. (Generally this will not apply.)

The signature below, by the authorized representative, certifies the above requirements have been met.

Date _____

Signed _____
(Borrower)

(Co-Borrower)

APPLICATION FOR CONSENT

1. Outstanding bond(s), listed in lien priority order:

2. Describe purpose of the consent, description of facility to be covered by the consent, type of security instrument(s), and name and address of financial institution handling the transaction:

3. Dollar amount of proposed bond(s), detailed use of bond(s) proceeds, and how it will improve the water or sewer system:

4. The borrower(s) agrees that none of the funds obtained as a result of the consent covered by this application will be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands.

It is expressly understood that unless a separate written instrument of approval of this application will merely constitute evidence of its consent, as lienholder, to the proposed transaction without in any way subordinating its lien, releasing any of its security, modifying the payment terms of the loan, or otherwise affecting any rights of Agency.

Date _____

Signed _____
(Borrower)

(Co-Borrower)

AGENCY TO COMPLETE

1. The proposed transaction:

WILL WILL NOT prevent or make more difficult the successful operation of this facility.
WILL WILL NOT reduce the efficiency of the facility.

2. The proposed transaction will affect the value of this facility as security for the loan(s) as follows:

3. The following will: Damage Benefit the facility as a result of this transaction. Please describe how.
(Select Only One)

4. The borrower certification has been completed and executed.

Date _____ Recommended by _____
(Specialist)

Date _____ Approved Disapproved by _____
(Area Director)

Date _____ Approved Disapproved by _____
(Community Program Director)

This fillable form is located on Missouri's Water & Waste Disposal Loan & Grant Program website
[\(<http://www.rd.usda.gov/programs-services/water-waste-disposal-loan-grant-program/mo>\)](http://www.rd.usda.gov/programs-services/water-waste-disposal-loan-grant-program/mo)
Click on the Forms & Resources tab.
The direct link to the PDF form is <http://www.rd.usda.gov/files/MO-CPGuide465-1.pdf>