



Sonoma County Energy Independence Program

Sonoma County's Energy Independence Program is an opportunity for property owners to finance energy efficiency, water efficiency and renewable energy improvements through a voluntary assessment. The program works by placing an assessment on the property which is paid back through property taxes over 10 or 20 years with an interest rate of 7%. Financing is available to both residential and commercial applicants with a minimum amount of \$2500. The amount available for financing is based on the value of the property, and the assessment stays with the property, it does not move with the owner.

Application Intake Procedure

Applications for the Sonoma County Energy Independence Program (SCEIP) are available on the program's website <http://sonomacountyenergy.org/>. Complete Applications are accepted by personal delivery at the SCEIP storefront by the property owner or contractor, via U.S. Mail to the storefront to 404 Aviation Boulevard, Suite 200, Santa Rosa, CA 95403, email to sceip@sonoma-county.org, or facsimile transmission to (707) 565-6474.

Upon receipt of an Application, SCEIP staff assigned to the Intake Desk reviews the document and attachments for completeness. An Intake Checklist is used to determine whether all requirements have been fulfilled. Applications are distributed to file managers on a rotational basis. Initial requirements for all Applications include:

Intake Review

1. All fields of Application are complete, application is signed, and required attachments are included:
 - a. **Bid and Contractor Documents:** Detailed improvement contracts, bid(s), or proposal(s), to include material specifications to meet SCEIP's eligibility measures and, unless self-installing, contractor's name and license number. Two bids are required if the selected contractor does not operate a business office within Sonoma County. One bid must be from a local contractor. If the selected contractor is local, only one bid is necessary. The selected contractor(s) must be on the SCEIP Participating Contractor list in order for the project to be funded.
 - b. **Mortgage statements:** Copy of current mortgage statement(s), no older than 45 days, including 1st, 2nd, Private Note, any home equity line(s) of credit, or anything that would show up on a title search. If an applicant has been discharged from bankruptcy between one and three years prior to the application date, they must provide the most recent six months' worth of statements showing no late payments. Applicant must be current on all mortgages, including other property owned.

- c. **If the property owner is not an individual**, the proper organizational documents need to be included which specify the authority to enter into an assessment contract (i.e., Trust, LLC, partnership, corporations, and who is authorized to sign on its behalf).
 - 1. Trusts: include title page, signature, notary block and pages from document that delineate the powers of the trustees to “encumber” and/or “hypothecate” the property. Alternatively, the certificate of trust will cite CA Probate Code 16200 – 16249, which allows the power to encumber the property.
 - 2. Corporation, LLC, 501(c) 3: Organizational documents with identification that a certain person is authorized to act/sign on behalf of the corporation or if a consent letter from the Board of Directors is required.
 - d. **Copy of appraisal**, if using.
 - e. **Rebate forms**: Check for any applicable rebates and make sure they are deducted from the requested financing amount, i.e. CSI, PG&E, manufacturer (No more than 45 days old).
 - f. **Energy analysis or Action Plan Tool results**.
 - g. **Customer Authorization**: If the property owner wants his or her contractor to be copied on personal and financial information as it pertains to the application, such as the title report, bank statements and contract documents, each property owner listed must sign and have notarized the Customer Authorization form. The original shall be included with the file with a copy given to the applicant(s).
 - h. **Review page 4 for completeness** to include last four of SSN on all parties on title (or full Federal EIN if a corporation), contact information and confirm mailing address if different from physical address.
- 2. Review and verify the math for the itemized, estimated costs in proposal(s) and on page 5 of the application.
 - 3. Verify property taxes are paid and current on **ALL** properties owned in Sonoma County.
 - 4. Verify proposed improvement listed is on the Eligible Improvements list and that the cost is reasonable.
 - 5. From the Prime Valuation property valuation report (residential applicants), County Assessor data (Commercial applicants), or submitted property appraisal, determine the reasonableness of proposed improvement costs. Must be $\leq 10\%$ property value. $(\text{Project Costs} \div \text{Assessed/Market value})$.
 - 6. From the Prime Valuation property valuation report (residential applicants), County Assessor data (Commercial applicants), or submitted property appraisal, determine Loan to Value (LTV) ratio. Must be $\leq 100\%$ property value. $(\text{Sum of current lien balances} + \text{total requested amount of application(s)} \div \text{assessed/market value})$.
 - 7. For commercial applicants, verify Lender Acknowledgement, PG&E Energy Audit, and copies of operating documents are received.
 - 8. Verify all declarations and disclosures have been initialed and signed by applicant(s).

Application Review Procedure

When an Application arrives on the File Manager's desk, the File Manager reviews it for completeness. At this point, the only outstanding item should be the Lending Disclosure Statement document and Title Fee payment for residential applications. When all documents have been received, a request for title search is sent to an outside vendor. Title search information is usually received within 1 – 3 business days. Depending upon the results of the title search, there may be more documentation required from the applicant. When all documentation has been submitted, the application is recommended for approval by the File Manager. If a Lending Disclosure is not received within 14 days, application is returned.

Recommendation for Approval

1. File Manager completes all information on Recommendation for Approval form (internal document), and reviews:
 - a. Project costs are reviewed to determine if costs meet guidelines.
 - b. Reasonableness of proposed improvement costs are reviewed. Must be $\leq 10\%$ of property value. (Assessed/Market value \div Project Costs)
 - c. Mortgage information is reviewed to verify all liens against the property are listed and current.
 - d. Owner type is reviewed and appropriate organizational documents are verified as attached, and powers given therein are verified.
 - e. Proposal(s) are reviewed to ensure all required information has been provided, including the status of the contractor's license.
 - f. Status of taxes as current for ALL parcel numbers of ALL owners are verified.
 - g. LTV ratio is reviewed, which must be $\leq 100\%$ of property value. (Sum of current lien balances + total requested amount of application(s) \div assessed/market value).
2. File is submitted for approval.

Under \$60,000 Approval

1. Authority has been delegated by SCEIP's Program Administrator for certain staff members ("Delegated Authority") to approve files with requests for assessment financing that fall under \$60,000.
2. The Delegated Authority reviews and verifies the information on the Recommendation for Approval form.
3. If approved, the Delegated Authority initials the Request for Approval sheet with the approval date and returns file to File Manager.
4. The File Manager sends a "Notice of Approval" letter to applicant.
5. If denied, the Delegated Authority returns the file to the File Manager with a request to provide additional information.
6. If no additional information can be provided, the File Manager sends the denial letter and requests reimbursement of fees as appropriate.
7. File Manager moves folder in SharePoint from Pending to Denied and updates Application Spreadsheet

\$60,000 and over Approval

1. All files go through steps 1 – 5 of the Under \$60,000 Approval process
2. Authority has been delegated by SCEIP's Program Administrator for the Steering Committee to approve files with requests for assessment financing that is \$60,000 and over.
3. Files for Steering Committee approval contain a Steering Committee Approval Form.
4. The representatives from County Counsel on the Steering Committee review the files containing organizational documents for appropriateness and sign the approval form as approved.
5. At least two other members of the Steering Committee review and verify the information on the Recommendation for Approval form and sign the approval form as approved.
6. The File Manager sends a "Notice of Approval" letter to applicant.
7. If denied, the Steering Committee returns the file to the File Manager with a request to provide additional information.
8. If no additional information can be provided, the File Manager sends the denial letter and requests reimbursement of fees as appropriate.
9. If request is for an amount over \$500,000, other procedures apply. Please contact the SCEIP office at (707) 565-6470 for details.

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