Sonoma County Energy Independence Program
Property Assessed Clean Energy Financing Eligibility Requirements

Property

1. Property title is vested in the applicant(s), without federal or state income tax liens, judgment liens, or similar involuntary liens on the property.
2. If the property is subject to any involuntary liens, property owner must provide documentation that liens have been released.
3. Property appears on the Sonoma County secured tax roll; many non-profits do not pay property taxes and, therefore, are not eligible.
4. For a mobile home to be eligible the applicant must own the land and the mobile home must be attached to a foundation; title for land and mobile home must match exactly.
5. If the property is subject to Covenants, Conditions and Restrictions (CC&Rs), property owner must furnish written permission authorizing the installation from the entity placing the restriction.
6. Owners of property governed by a Home Owners Association must conform to HOA policies.
7. Owners of property in Historic Districts must conform to Historic District policies.

Property Owners

1. Property owner is current on all property taxes for all properties owned in the County. This includes any property outside the subject property that is owned by any of the applicants on title. Applicant cannot be on a payment plan with the County as this is considered delinquent.
2. In the case of a property with multiple owners on title, all must sign the application.
3. Property owner must be current on the mortgage payments as demonstrated on the most recent mortgage statement.
4. If property owner was involved in a loan modification for default, the loan modification must have been completed at least one year prior to application filing. In addition, the applicant must provide the most recent six months' worth of mortgage statements on the new loan showing no late payments. If the property was subject to loan modification for any reason other than default, the one year waiting period is waived and the applicant must provide the most recent six months' worth of mortgage statements on the new loan showing no late payments.
5. Property owner is not in bankruptcy for any of the owner's properties and the property is not an asset in a bankruptcy proceeding. If property owner has been in bankruptcy on any owned properties between one and three years from the date of application filing, the property owner may participate in SCEIP if they can provide documents that all liens have been current for the six months prior to their application date. If property owner has been out of bankruptcy for 3 years, property owner may participate in SCEIP. Property owners who have declared bankruptcy

more than once are not eligible for SCEIP. If the property owner is a corporation or LLC, any personal bankruptcies of the corporation's officers do not affect eligibility.

6. If a property owner is planning to sell the home, SCEIP financing is available only if the project is completed and all disbursements are issued prior to the listing of the property.
7. Reverse mortgages are acceptable, provided applicant meets all other criteria.
8. Property owner does not owe more on the home than the home's market value (i.e. "lien to value ratio" is 100% or less). The amount owed on the property is the sum of all existing liens, including tax abatements. In order to compute the balance on a Home Equity Line of Credit, the total amount available is used since this amount could be used by the applicant at any point after Application submission. The Intake Calculator found in Appendix B may be used to automate verification of this requirement.

Improvement

1. Improvement costs are reasonable to property market value.[1] For residential properties, the total amount of requested funding may not exceed 10% of the market value. As a guideline for commercial properties, proposed improvements should not exceed 10% of market value. If the proposed project exceeds this guideline program staff will require additional information supporting both the reasonable relationship of the improvements to the property and information related to the ability of the property owner to repay the assessment. These applications will be reviewed on a case-by-case basis.
2. The sum of the annual property tax and assessments plus the additional annual SCEIP assessment must not exceed 5% of the property's market value (i.e., the "assessment to value" ratio is 5% or less).
3. Improvement is permanently affixed to real property.
4. Improvements must be retrofits to existing infrastructure. Repairs and/or new construction do not qualify for SCEIP financing except to the extent that the construction is required for the specific approved improvement. Repairs to existing infrastructure, such as water and sewer laterals, are considered repairs and are not eligible.
5. The physical installation or construction of a project cannot have begun. A property owner can get an energy analysis, estimates, and contract with a vendor prior to applying for SCEIP funding, but work may not begin until the Notice to Proceed is issued by SCEIP to the property owner.
6. Projects that entail moving from a utility to propane as the energy source are not eligible.

[1] Property market value ("property value" or "market value") is determined by the Automated Valuation Model for residential properties up to $1.5 million, or by an appraisal by a California certified real estate appraiser, or, for commercial properties only, by a signed lender acknowledgement form.