

# BerkeleyFIRST

## Financing Initiative for Renewable and Solar Technology

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### What is BerkeleyFIRST?

Residential and commercial property owners in Berkeley can finance new solar photovoltaic systems using the BerkeleyFIRST program. Property owners repay the cost of the solar system through a voluntary tax increment on their property tax bill. If you are approved, the City pays for the installation cost of your new solar system. In turn, the City adds a special line item to your property tax bill that is sufficient to repay the cost of the energy project plus interest over 20 years. If you sell your house, both the solar system and the remaining debt stay with the property.

### Benefits to Property Owners

The CityFIRST program solves many of the financial hurdles facing property owners desiring to install solar systems:

- No upfront cost to the property owner
- Incremental property tax payments are low and fixed for 20 years
- Property tax transfers to the new owner when the property is sold
- Utility bills decrease due to energy savings

### How BerkeleyFIRST works

Below is the process and typical timelines for the application, funding and repayment process. Only property owners can apply.

<b>1) Application + Allocation + Approval</b>
You apply for a funding reservation on-line. The application takes about five minutes to complete. Applications will be accepted for two weeks.  In the first round of funding, applications will be allocated based on council district and the date/time that application is received.  Selected applicants will then submit a reservation fee. After conducting a property record screen to verify applicants meet the program eligibility requirements, the administrator will approve applications for a funding reservation.
<b>2) Solar Installation</b>
If approved, you have 270 days from the date of approval to complete your project and request funding.
<b>3) Payment Request + Confirmation</b>
You will request your funding amount on-line. You can receive 100% of the cost of your system after the state rebate amount, up to a maximum of \$37,500. When you request funding, you will be asked to provide documentation along with a signed consent form for the special property tax levy and filing of a special tax lien on the property.
<b>4) Tax Lien on Property</b>
Once the documentation is received, the City places a lien on your property for 20 years for the amount necessary to repay the cost of your project.
<b>5) Payment Issued</b>
You will be issued a check for the amount requested.
<b>6) Repayment Over 20 Years</b>
You and any future owners of your property pay for the solar system over the next 20 years. Repayment is made semiannually through an addition to your property tax.

## Application Information & Criteria

### Timeline Overview

The City of Berkeley will accept applications for the first round of solar funding from **Wednesday, November 5th at 9 AM until Wednesday, November 19th at 9 AM**. Property owner(s) must apply on-line at [www.berkeleyfirst.renewfund.com](http://www.berkeleyfirst.renewfund.com). Applicants will use a valid email to create a username and password. This will allow them to return to the site at anytime to check their application status. In addition, the FIRST program administrator will use this email to contact the applicant with updates and notifications.

After the two-week period, the City in partnership with the administrator will notify 40 applicants to return to the website and complete the process, including submission of their \$25 reservation fee. Applicants invited to return will be based on 1) council district and 2) the date/time that application was received. All applicants will be notified of their reservation status by **Thursday, November 20th at 5 PM**.

- If invited to complete the application process, the applicant will be required to submit their \$25 reservation fee via the website using a credit or debit card. Applicants must submit their reservation fee by **Wednesday, November 26th at 5 PM**.
- Applicants that are not invited to return will be placed on a waitlist. In the case that an applicant decides not to participate or additional funding becomes available, the administrator will offer those on the waitlist a reservation.

After an applicant has confirmed their participation in the program by submitting a reservation fee, the administrator will screen property records to ensure that the property complies with the program terms and shows no signs of financial crisis. The administrator will complete the property screen within 7 calendar days of receiving the reservation fee and will notify the applicant of their approval or denial for a funding reservation. All applicants will be notified by **Wednesday, December 3rd at 5 PM**.

### You'll Need This Information

Listed below is the information that you'll need in order to complete the on-line application.

- Valid Email Address Where You Can Receive Notifications
- Name of Property Owner(s) as Appears on Title
- Property Address as Appears on Title
- Name, Date and Initial Bid Amount from Qualified Solar Installer
- Debit or Credit Card Information to Submit Reservation Fee

### Eligibility

In order to be considered for and to receive financing, the property owner(s) must meet the following requirements:

- Property must be located in the City of Berkeley
- Applicant to the FIRST Program must be an owner on the property title
- All owners on the property title must agree to the terms of the program and sign the required FIRST documents
- Before requesting funding, property owner must ensure that their property meets the City's Residential/Commercial Energy Conservation Ordinance
- Property owners must participate in the California Solar Initiative Rebate program and use a qualified installer
- Property owners have not declared bankruptcy in past 7 years
- Property owners are current on all property related debt
- Property owners do not have significant involuntary liens, defaults or judgments on their property

### Other

Property may be used for residential or commercial purposes. If the property is residential, the property owner(s) do not have to occupy the property as their primary residence.

Property owners must participate in surveys and program evaluations directed by the City of Berkeley.

### Reservation Fee

If funding is available and you meet the initial criteria set by the City, a reservation fee of \$25 via debit or credit card will be required to complete the application.

[www.berkeleyfirst.renewfund.com](http://www.berkeleyfirst.renewfund.com)  
**510-451-7900**

## On-line Application

### Home Page

**BerkeleyFIRST**  
Financing Initiative for Renewable and Solar Technology

Learn More   Apply Now   Check Status   Contact Us

Login Email

New Applicants Start Here »   Login Help »

**Go Solar with BerkeleyFIRST!** Berkeley has launched a new program to help property owners 'go solar'. Property owners install solar now and pay for it over 20 years through their property tax bill.

**Learn More »** Finance your solar installation with the FIRST Program.

**Apply Now »** Five minutes to complete your application.

**Check Status »** Returning applicant? Log-in and check your status.

**NEWS & UPDATES**

- 09.17.08 [Berkeley Approves City-Backed Loans for Solar »](#)
- 09.15.08 [Berkeley Council to vote on solar tax district »](#)

[Receive email updates about the BerkeleyFIRST solar financing program »](#)

**Welcome from the City of Berkeley!**

Thank you for visiting BerkeleyFIRST. We are very pleased to offer Berkeley property owners this exciting new way to "go solar" without the upfront cost.

In 2006, Berkeley residents overwhelmingly approved Measure G, which called for aggressive local action to reduce greenhouse gas emissions. BerkeleyFIRST is one of the new tools we are putting in place to help the community meet our ambitious goals. With energy costs on the rise and the impacts of global warming already being felt, there is no better time for residents and businesses to reduce their utility bills and their carbon footprints.

[\[read more\]](#)

Once you create a user log-in email and password, you can return to check your status at anytime.

Start your application by going to the "Apply Now" section.

### Check Status Page

**BerkeleyFIRST**  
Financing Initiative for Renewable and Solar Technology

Learn More   Apply Now   Check Status   Contact Us

Welcome: Berkeley FIRST   Logout »

» My status  
My account  
Log out

**Status checklist**

Welcome back. Please review where you are in the application process.  
Your application status is: **Reservation Fee Required**

**Questions?**  
[Contact FIRST Administrator »](#)  
[Contact the City of Berkeley »](#)

**Contact Information** [ [Edit Contact Information](#) ]   COMPLETED 1   Account Created: [berkeley@first.com](mailto:berkeley@first.com)

**FIRST Application** [ [View Application](#) ] [ [Print Your Application](#) ]   COMPLETED 2   Application Submitted   10/03/2008

**Application Processing** [ [Enter Credit Card Information](#) ]

- COMPLETED 3   Funding Available
- 4   Reservation Fee of \$25
- 5   Property Records Checked
- 6   Application Approved

**Request Payment & Submit Documentation**

- 7   Online Payment Requested
- 8   Unanimous Consent & Other Documents

On the check status page, you can see your status, edit contact information and print your application.

If you are invited to complete the application process, you will click here to pay your fee.

Once you have been approved for funding, you can return to the site and request funding here.

[www.berkeleyfirst.renewfund.com](http://www.berkeleyfirst.renewfund.com)  
510-451-7900

## Application Program Costs

The cost of financing your solar system through the FIRST program includes– a one–time reservation fee, the cost of your solar system and installation, interest payments, and city administrative costs.

The reservation fee is a one–time charge at the time of application. All other costs are built into the amount you pay in property tax twice a year. There are no other costs for participation.

### 1) Reservation Fee

You will be charged a one–time fee to reserve funding for your application. This fee covers all of the costs of processing your application, checking your property, and providing funding. If you are not approved for participation in the FIRST program, or if funding is not currently available, your fee will be refunded.

During the initial two–week application process, we will not charge an application fee until you have been allocated a reservation slot. If you receive a reservation slot, then you will be asked submit your reservation fee via the website within 7 days in order to secure your space. The reservation fee is \$25. Failure to remit the payment on–line will result in forfeiture of your reservation.

### 2) Cost of Your Solar System

You can finance up to the full cost of your solar system, as invoiced by your contractor, minus your CSI rebate. The minimum financing amount is \$5,000 and the maximum is \$37,500. You do not have to report the exact amount of your system until after your system is installed. We strongly encourage you to do your research and receive bids from multiple solar installers before signing a contract.

### 3) Interest Rate

You will be charged interest on the amount you have financed through the FIRST program. The interest rate will be fixed for the entire 20 years once you request payment and is included in your property tax payment. The rate is fixed when you request payment, not at application. The interest rate for the bond repayment is set at 3.25% over the 10–year U.S. Treasury Note or 6.75%, whichever is greater, plus a 1% addition for city administrative cost.

Please note that the interest rate based on the U.S. Treasury Note can adjust monthly before you request your funding. You can track the program's published rate on the BerkeleyFIRST application website.

## Required FIRST Documents

Property owners must submit the following FIRST documents following the installation of their project in order to receive funding from the FIRST program:

- Unanimous Approval notarized and signed by the property owner(s)\*
- Information Verification Form signed by property owner(s)\*
- Program Terms, which includes authorization to release PG&E and CSI information, signed by property owner(s)\*
- Final Invoice from Installer (listing total system cost, expected State rebate, and total amount due)
- California Solar Initiative (CSI) Confirmed Reservation Notice Letter with CSI Reservation #
- Signed Final Electrical Permit Inspection from the City's Building Department

\*These items are provided to you when you make your funding request.

## Frequently Asked Questions

### What does FIRST stand for?

Financing Initiative for Renewable and Solar Technology.

### What is BerkeleyFIRST?

BerkeleyFIRST is a program of the City of Berkeley. In its first phase, the program provides funding to allow residential and commercial property owners to install solar photovoltaic systems and pay for the cost over 20 years through an annual special tax on their property tax bills. No property owner will pay the special tax unless they have work done on their property as part of the program. Those who do have work done on their property will pay only for the cost of their project (including interest) and administration costs. Individual property owners will contract directly with qualified private solar installers and contractors for energy efficiency and solar projects on their building. The City will provide the funding for the project through proceeds derived from the creation of a bond that is repaid from special taxes on participating property owners' tax bills for 20 years.

### Who will provide the up-front funding for the program?

The City will provide funding for the program through the issuance of a special tax bonds (held by the financing partner) that are repaid semi-annually through the special taxes on the annual tax bill of participating property owners. The financing mechanism similar to California's "Mello-Roos" financing law.

### What energy projects can be funded by BerkeleyFIRST?

The pilot program will provide funding only for solar photovoltaic systems. Ultimately, it is hoped that Berkeley FIRST will fund solar thermal and major energy efficiency projects. In many circumstances, the most cost effective way to reduce energy costs is to improve the efficiency of a building.

### Are there limits to the number of people who can participate?

The FIRST program will initially fund 40 installations distributed throughout Berkeley. It will provide financing up to \$37,500 per installation for either residential or commercial properties Citywide. Property owners in all areas of the City are encouraged to apply. During this pilot phase the City will evaluate the program and determine whether another round of funding can be made available.

### Who will be eligible to participate?

All owners of residential or commercial property in Berkeley are eligible to participate in the pilot program if they meet program terms.

### What will be the amount of increase in a participant's property taxes?

If you participate in the program, you repay only the cost of your project – plus a charge for interest and administration.

### How will this plan affect property owners that choose not to participate?

The special tax is not imposed on taxpayers who choose not to participate in the program. Property owners will pay an incremental special tax only if they "opt-in" to the Special Tax District and have work done on their property as part of the program.

### Can the property owner use any contractor for solar installation?

The owner will contract directly with any qualified private solar installer registered with the California Solar Initiative.

### What happens if a participant sells their property?

The special tax obligation will remain as an obligation of the property when the property is sold. If the owner sells their property prior to the end of the 20-year tax period, the new owner takes over the special tax obligation as part of the annual tax obligation on the property. The energy systems are part of the property and ownership of the energy system will transfer to the new owner at the close of the real estate sale.

### Are participants eligible for the California solar rebates and other energy efficiency incentives?

Yes, and participation is required by the Berkeley FIRST program. This financing plan does not reduce rebates available through the California Solar Initiative ("CSI") program. More information is available on the CSI website.

#### **Are there other program requirements?**

The City is requiring all participants be compliant with the Residential/Commercial Energy Conservation Ordinance to be eligible for Berkeley FIRST. RECO/CECO requires basic energy efficiency improvements be installed such as weather-stripping, water heater blankets, and attic insulation. You can see the list of requirements on the City's website.

#### **How is the Special Tax calculated for each Property Owner?**

The annual special tax amount for each property owner is calculated based upon (a) the cost of the energy project installed in that property owner's residential or commercial property, (b) the interest rate paid by the City on Special Tax Bonds or other monies used to fund the cost of that property owner's energy project, (c) administrative charges levied by the City.

#### **How will the interest rate on the Bonds be calculated?**

The interest rate is set at 3.25% over the 10-year U.S. Treasury Note or 6.75%, whichever is greater. The interest rate is fixed for the 20-year duration of the repayment once a participant requests funding.

#### **How does the City get this on a property tax bill?**

The City will record a Notice of Special Tax Lien against the property. The Notice of Special Tax Lien imposes a lien to secure the obligation to pay special taxes.

#### **What if the Special Tax is not paid by the property owner?**

The Special Tax, like other property taxes, will be secured by a lien on the subject property, which ranks senior to the first mortgage. As a general matter, if a property owner fails to pay ad valorem property taxes for 5 years, the county will foreclose on the property to collect delinquent taxes.

#### **Who is the administrator of the FIRST Program?**

Renewable Funding LLC, a contractor of the City of Berkeley, administers the FIRST program. To learn more about Renewable Funding, please visit: [www.renewfund.com](http://www.renewfund.com).