

**City of Yucaipa
Energy Independence Program**

LOAN APPLICATION

APPENDIX C

APPLICATION INSTRUCTIONS

Please complete and sign the attached Application Form and include all requested attachments. Please type or print neatly in blue or black ink.

All applications are processed on a first-come, first-served basis, upon receipt, until funds are depleted. Incomplete or incorrect applications cannot be processed. Resubmitted applications are processed on a first-come, first-served basis upon the new receipt date. Application approval and the execution of an Assessment Contract is required before any Energy Independence Program (“EIP”) financing is made available.

If there are insufficient funds available, an approved applicant will be placed on a waiting list.

Keep a copy of your completed Application and all submitted documents for your records. Keep a copy of all receipts, paid invoices, and home improvement contracts.

Mail or deliver your completed Application and attachments to:

EIP Administrator
34272 Yucaipa Blvd.
Yucaipa, CA 92399

For questions regarding the status of your Application, call (909)797-2489 x282, or submit e-mail inquiries to dgray@yucaipa.org.

For information on home improvement contracts or the status of your proposed contractor’s state license, visit www.cslb.gov or call the Contractor’s State License Board at 1-800-321-CSLB. For information regarding energy audits, visit www.yucaipa.org .

CITY OF YUCAIPA

ENERGY INDEPENDENCE PROGRAM

LOAN APPLICATION

The Yucaipa Energy Independence Program (“EIP”) provides financing for the installation of distributed generation renewable energy sources and energy efficiency improvements that are permanently fixed to improved real property (collectively known as “Energy Improvements”). Loans will be made pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10) and the City of Yucaipa’s Energy Independence Program Report and Administrative Guidelines dated July 27, 2009.

SECTION 1. Eligibility Requirements

All owners of improved residential, commercial, and industrial property are eligible for the Program provided the following criteria are met:

- Applicant(s) is/are the legal owner of the property described in the Application (the “Property”)
- Property is developed and located within the City
- All taxes recorded on the Property are current.¹
- Property Owner is current on mortgage(s).²
- Property Owner is not in bankruptcy and the Property is not an asset in a bankruptcy proceeding.³
- There are no federal or state income tax liens, judgment liens, or similar involuntary liens on the Property.
- If deemed necessary by the EIP Administrator, property owner has received the consent of any pre-existing secured lenders, as evidenced by the attached consent agreement(s).
- Property owner has applied with state and/or federal rebate programs such as the California Solar Initiative, Self-Generation Initiative and Emerging Renewables Program, or other weatherization programs, as applicable.

¹ This means that for a minimum of twelve (12) months prior to the application date, no delinquent payments have been recorded by the County Tax Collector. Delinquent payments are those that result in incurred penalties and/or interest expense as a result of a late payment.

² This means that, for a minimum of six (6) consecutive months prior to the application date, the applicant will have incurred no late fees or penalties. In addition, no notice of default will have been filed relative to that mortgage(s), within the past twelve (12) months.

³ This means that, for a minimum of twelve (12) months prior to the application date, the applicant will not have filed for bankruptcy. In addition, any prior bankruptcy proceedings will have concluded at a minimum of twelve months prior to the application date.

For Office Use Only

Assessor's Parcel No. _____

File No. _____

Received by EIP on _____ by _____

Reviewed on _____ by _____

Property owner contacted on _____ by _____

SECTION 2: Applicant Information

Property Owner(s) Legal Name(s) as they appear on property tax records:

Owner #1: _____ SSN: XXX-XX-_____

Owner #2: _____ SSN: XXX-XX-_____

Owner #3: _____ SSN: XXX-XX-_____

Owner #4: _____ SSN: XXX-XX-_____

Property Owner Type (check one):

Individual(s)

Corporation

LLC

Trust

Partnership

Other

If other, please specify: _____

Contact Information:

Name: _____

Email Address: _____

Daytime Phone Number: _____

Physical Property Address (Site of Energy Improvements):

Street Address: _____

City: _____ State: _____ Zip: _____

Mailing Address (If Different):

Street Address: _____

City: _____ State: _____ Zip: _____

Are you, or the Property described herein, involved in a bankruptcy proceeding?

Yes

No

SECTION 3: Property Information

Is the Property developed? Yes

No

Property Type (check one):

Single Family Residential

Multi-family Residential

Commercial

Industrial

Mobile Home

Other

If other, please specify: _____

SECTION 4: Proposed Energy Improvements

Proposed Energy Improvements (attach separate sheet if necessary):

Energy Efficiency Measures:

Estimated Costs:*

1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
Solar Measures:		
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

<p>Custom Measures: List the proposed custom measures and their estimated costs below. Approval of custom measures may require technical review of requested engineering plans and other specifications, and may require additional fees. Additional fees will be discussed with the Property Owner prior to review.</p>

*See Eligible Costs in EIP Report and Administrative Guidelines

Itemized Estimated Cost of Improvement(s) – Documentation required*:

A.	(i) Construction contract(s) (bid price for cost of materials and labor less any applicable rebates): and/or	\$	_____
	(ii) If self-installing, cost of equipment (less applicable rebates; do not include any labor costs):	\$	_____
B.	Contingency allowance [10% of (i) and or (ii) above]:	\$	_____
C.	Energy survey/audit costs (highly recommended but not required to participate):	\$	_____
D.	Drafting, engineering and/or plan preparation costs:	\$	_____
E.	Estimated Permit fees:	\$	_____
F.	Title Fees* (if included in loan amount):	\$	32.00
G.	Other: _____		
	<input type="checkbox"/> See Attachment	\$	_____
	Total	\$	_____
	Requested Financing Amount	\$	_____

Minimum financing amount is \$5,000.

* The applicant will be responsible for the title report and title insurance costs. The applicant's title costs may be included in the loan amount or the applicant may pay this cost to the City at the time of the execution of the loan agreement.

Loan Term Requested (10, 15, or 20 years): _____

Multiple Disbursements requested (loans in excess of \$35,000): Yes No

(Note: Interest will accrue on the entire assessment amount at the time of the first disbursement.)

Required Attachments:

- Organizational documents (if Property Owner is not an individual), i.e., Trust Documents showing the ‘powers of the trustee’ to encumber the property.
- Home Improvement Contract(s) or contractor’s bid(s) or contractor’s proposal(s), which include contractor’s name and license number (unless self-installing).
- Statements, purchase orders, or other evidence of cost for items not covered by a Home Improvement contract or a contractor’s bid or proposal.
- Current mortgage statements or other evidence that mortgages or any other loans secured by the Property, home equity loans and home equity lines of credit are current.
- Disclosure Regarding Assessment Financing (please complete and sign).
- State of California Fair Lending Notice (please complete and sign).
- EIP Administrator may require the consent of pre-existing secured lenders.

Additional Documentation:

EIP Staff may require additional information and documentation they believe is necessary to prudently administer the Program. Such information and documentation could include, without limitation, additional comparison bids and information related to the Property’s market value. **Once the Application is approved, Property Owner will be required to submit copies of the permit(s) issued for the Energy Improvements before entering into the Assessment Contract.**

SECTION 5: Declarations

By signing this Application, the undersigned hereby declares under penalty of perjury under the laws of the State of California all of the following:

1. I/we am/are current owner(s) of record of the property described herein (the “Property”).
2. The Property is not currently involved in a bankruptcy proceeding.
3. I/we am/are current on any mortgage or other loan secured by the Property.
4. I/we and the Property meet the eligibility requirements listed in Section 1.

5. That (i) the information provided in this Application is true and correct as of the date set forth opposite my/our signatures on this Application and (ii) that I/we understand that any intentional or negligent misrepresentation(s) of the information contained in this Application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both and liability for monetary damages to the City of Yucaipa, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made in this Application.
6. I/we am/are applying to participate in the City of Yucaipa Energy Independence Program. I/we understand that I/we must execute an Assessment Contract with the City of Yucaipa in order to receive financing for the Energy Improvements and I/we have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Assessment Contract, this Application, and the various documents and instruments referenced herein.
7. I/we understand that the financing provided pursuant to the Assessment Contract will be repayable through an assessment levied against this Property. The Assessment Contract will specify the amount of the assessment and the assessment installments and the interest on the assessment to be collected on the tax bill for the Property each year. The assessment and the interest and any penalties thereon will constitute a lien against the Property until they are paid, even if I/we sell the Property to another person. I/we understand that assessment installments, together with the interest on the assessment, will be collected on my/our property tax bill in the same manner and at the same time as property taxes and will be subject to the same penalties, remedies, and lien priorities as for property taxes in the event of delinquency.
8. I/we have reviewed any existing loan agreements and security instruments applicable to the Property, and verified that executing the Assessment Contract, receiving financing for the Energy Improvements, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument which affects the Property or to which I/we am/are a party.
9. I/we agree that the selection of any product(s), equipment, and measures referenced in this Application (the "Energy Improvements"), the selection of any manufacturer(s), dealer(s), supplier(s), contractor(s) and installer(s), and the decision regarding the purchase, installation and ownership/maintenance of the Energy Improvements is/are my/our sole responsibility and that I/we have not relied upon any representations or recommendations of the City of Yucaipa, its agents, representatives, assignees, or employees, in making such selection or decision and that my manufacturer, dealer, supplier, contractor or installer of the Energy Improvements is not an agent or representative of the City of Yucaipa.
10. I/we understand that the City of Yucaipa makes no warranty, whether express or implied, with respect to the choice, use or application of the Energy Improvements, including without limitation, the implied warranties of merchantability and fitness for any particular purpose, use, or application of the Energy Improvements.

11. I/we agree that the City of Yucaipa has no liability whatsoever concerning (i) the quality or safety of any Energy Improvements. including their fitness for any purpose, (ii) the estimated energy savings produced by or performance of the Energy Improvements, (iii) the workmanship of any third parties, (iv) the installation or use of the Energy Improvements, including, but not limited to, any effect on indoor pollutants, or (v) any other matter with respect to the City of Yucaipa Energy Independence Program.

12. I/we understand that I/we am/are responsible for meeting all City of Yucaipa Energy Independence Program requirements and complying with all applicable Federal/State/County/City laws and the requirements of any agreement which affects the Property or the use of the Property (such as homeowner's association requirements, if any).

Signed on this _____ day of _____, 20____, in the City of _____, State of _____.

Property Owner Signature	Printed Name
Property Owner Signature	Printed Name

IF YOUR APPLICATION IS DENIED, YOU HAVE THE RIGHT TO A WRITTEN STATEMENT OF THE SPECIFIC REASONS FOR DENIAL. TO OBTAIN THE WRITTEN STATEMENT, PLEASE CONTACT EIP STAFF AT (909) 797-2489 x 282 WITHIN [60] DAYS FROM THE DATE YOU ARE NOTIFIED OF THE DENIAL. EIP STAFF WILL PROVIDE YOU A WRITTEN STATEMENT OF THE REASONS FOR DENIAL WITHIN 15 DAYS OF RECEIVING YOUR REQUEST FOR THE STATEMENT.

THE FEDERAL EQUITY CREDIT OPPORTUNITY ACT, WHICH MAY APPLY TO THIS TRANSACTION, PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT APPLICANTS ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, MARITAL STATUS, AGE (PROVIDED THE APPLICANT HAS THE CAPACITY TO ENTER INTO A BINDING CONTRACT); BECAUSE ALL OR PART OF THE APPLICANT'S INCOME DERIVES FROM ANY PUBLIC ASSISTANCE PROGRAM; OR BECAUSE THE APPLICANT HAS IN GOOD FAITH EXERCISED ANY RIGHT UNDER THE CONSUMER CREDIT PROTECTION ACT. THE FEDERAL AGENCY THAT ADMINISTERS COMPLIANCE WITH THIS LAW CONCERNING THIS CREDITOR IS THE FEDERAL TRADE COMMISSION, EQUAL CREDIT OPPORTUNITY, WASHINGTON, DC 20580.

DISCLOSURE REGARDING ASSESSMENT FINANCING

The City of Yucaipa Energy Independence Program (“EIP”) establishes the manner by which the City of Yucaipa (“City”) may finance, pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10), the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to an owner’s real property (“Energy Improvements”). Energy Improvements will be financed pursuant to an assessment contract between the City and the property owner.

The loan will be secured by and repayable through an assessment levied by the City against the owner’s property (the “Property”). Each year until the assessment is paid off, assessment installments (including principal and interest) will be collected on the property tax bill for the Property in the same manner and at the same time as property taxes. Assessment installments will be subject to the same penalties, remedies (including foreclosure and sale of the Property), and lien priorities as for property taxes in the event of delinquency.

The assessment and each installment thereof, and any interest and penalties thereon, will constitute a lien against the Property until paid even though prior to full payment the Property is conveyed to another person. An assessment lien will be recorded against the Property in the office of the County Recorder of the County of San Bernardino. Such lien will be paramount to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.

Before completing an EIP Loan Application, a property owner should carefully review any mortgage agreement(s) or other security instrument(s) which affect the Property or to which the property owner is a party. **ENTERING INTO AN EIP ASSESSMENT CONTRACT, WITHOUT THE CONSENT OF THE OWNER’S EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO THE PROPERTY OWNER, WHICH COULD INCLUDE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT.**

The property owner must declare under penalty of perjury in the EIP Loan Application that (i) the owner has the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Assessment Contract, the EIP Loan Application, and the various documents and instruments referenced therein; and (ii) that executing the Assessment Contract, receiving the loan proceeds, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security interest which affects the Property or to which the property owner is a party. **If you have any questions about any such agreements or security interest, or about your authority to execute the EIP Loan Application or enter into an Assessment Contract with the City without the prior consent of your existing lenders, the City strongly encourages you to consult with your own legal counsel and/or your lender(s).** EIP Staff will not provide property owners with advice regarding existing agreements or security instruments.

ACKNOWLEDGMENT OF RECEIPT	
I have received a copy of the Disclosure Regarding Assessment Financing.	
_____	_____
Signature	Date
_____	_____
Signature	Date

THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

FAIR LENDING NOTICE

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
2. Race, color, religion, sex, marital status, domestic partnership, national origin or ancestry.

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one to four unit family residences occupied by the owner and for the purpose of the home improvement of any one- to four-unit family residence.

If you have any questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or the Department of Real Estate at one of the following locations:

2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
1515 Clay Street, Suite 702
Oakland, CA 94612-1462

2201 Broadway
P.O. Box 187000 (mailing address)
Sacramento, CA 95818-7000
1350 Front Street, Suite 3064
San Diego, CA 92101-3687

ACKNOWLEDGMENT OF RECEIPT

I (we) received a copy of this notice.

Signature of Applicant

Date

Signature of Applicant

Date