



CONSUMER FAQs



CaliforniaFIRST is a government-supported financing program from national energy finance leader Renew Financial that provides upfront funding for energy efficiency, renewable energy, and water-saving improvements.

1. What is CaliforniaFIRST?

CaliforniaFIRST is property-based PACE financing, so there are no FICO or income requirements, and it's repaid on the customer's property taxes over the course of 5-30 years at a fixed rate that never rises.

Renew Financial offers CaliforniaFIRST through a public/private partnership with the California Statewide Community Development Authority (CSCDA).

2. How is CaliforniaFIRST different from traditional financing?

CaliforniaFIRST is financed through assessments collected on the property tax bill, and the assessment obligation may be assumed by the new owner when the property is sold.

3. How do I know if my city is participating in CaliforniaFIRST?

CaliforniaFIRST is available to more than 23 million Californians in cities and counties across the state, from San Diego to Humboldt and El Dorado to Monterey. See the CaliforniaFIRST website for a list of all participating jurisdictions.

Renew Financial may only accept applications for CaliforniaFIRST financing from property owners located in jurisdictions that have opted in to the program. Local governments around the state can join CaliforniaFIRST by passing a simple "opt-in" resolution.

Give us a call if you have questions about getting your city or county involved in the program.

4. Does Renew Financial use taxpayer dollars to fund projects or administer CaliforniaFIRST?

No. Renew Financial uses private capital to fund every project. Costs to administer the program are paid by program participants through fees that are rolled into each project's financing.

County tax assessors and tax collectors incur small costs to place each PACE assessment on the tax rolls and to collect and distribute the PACE assessment payments. Counties are reimbursed for these costs through the above-mentioned fees. Cities do not incur any costs as a result of opting in to the program.

5. What are the benefits?

CaliforniaFIRST solves many of the financial hurdles facing property owners wanting to install energy and water improvements:

- Competitive, fixed interest rates
- Flexible repayment terms: 5,10, 15, 20, 25, or 30 years (not all terms available in all areas; subject to eligible equipment, eligible jurisdiction, and approval)
- May reduce electricity and water usage
- The PACE assessment obligation may transfer to the new owner if the property is sold

6. How do I qualify for financing?

Qualifying for CaliforniaFIRST financing is primarily based on:

- The property’s estimated market value;
- The amount of the property owner’s equity in the property;
- The property owner’s recent mortgage and property tax payment history; and
- The dollar value of the proposed renewable energy and energy- and water-saving improvements;

Qualifying is not based on FICO score

7. How much money can I borrow?

The minimum amount that can be financed is \$5,000. The maximum financing amount is 15% of the property value, but may not exceed \$250,000.

8. What are the interest rates?

YEARS TO REPAY	INTEREST RATES
5	6.75%
10	7.59%
15	7.99%
20	8.29%
25	8.39%
30	8.49%

Interest rates are subject to change. Consult with your contractor to confirm if interest rates have changed.

9. How is the length of the repayment period determined?

Repayment periods can be 5, 10, 15, 20, 25, or 30 years, depending on your preference and are limited by the expected useful life of the most costly product of the project’s CaliforniaFIRST financed improvements.

10. How does repayment work?

As a property owner applying for CaliforniaFIRST financing, you will agree to a levy of a “contractual assessment” on your property. You will receive funds to pay the up-front costs of installing the approved improvements. The PACE assessment will appear as a new line item on your property tax bill.

11. Are there any penalties for prepayment of the PACE assessment?

There are no penalties for paying all or a portion of the PACE assessment early. Please see Question 18 below for additional information.

12. What happens when I sell my property?

As part of the property record, the assessment will be disclosed at the time of property sale, and the remaining unpaid balance of the financed amount may be transferred to the new property owner. For more information, see the info sheet “PACE Assessments and Transferability” from Renew Financial.

13. Can CaliforniaFIRST finance solar leases or Power Purchase Agreements (PPAs)?

Yes, certain pre-paid solar leases and PPAs can be financed through CaliforniaFIRST. Please call for more information.

14. Do I need to complete an energy audit of my home?

In certain cases you may want to have a qualified auditor evaluate your home to determine the most cost-effective measures to reduce the home’s energy use, but it is not required.

The costs of an energy audit can be financed with CaliforniaFIRST financing.

15. Is there an application fee?

No, there is no fee to apply for CaliforniaFIRST.

16. Why do you need my Social Security Number on the application?

As part of the application, Renew Financial requests a credit bureau report for each homeowner. FICO score is NOT used as part of the application, but other elements of the credit report such as mortgage payment history are necessary to determine eligibility for financing.

17. Can I use any contractor?

In order to participate, contractors must be registered with Renew Financial. As long as contractors meet program requirements, they can register by visiting:

californiafirst.org/for-contractors

All participating contractors must have a valid and active contractor’s license with the Contractors State License Board.

18. How are tax credits, rebates and other incentives incorporated into CaliforniaFIRST financing?

We encourage you to pursue available Federal Investment Tax Credits (ITCs), utility rebates and any other incentives. All or a portion of total incentives may be subtracted from the amount financed under the program; however, it is not required that the financed amount be reduced by the estimated value of the incentives.

Once you receive your rebates and tax credits, those funds may be used to pay down the PACE assessment balance; resulting in lower annual PACE assessment payments.

19. Is some or all of my annual PACE payment deductible from my state or federal income taxes?

According to the IRS, “the interest portion of your payment may be deductible as home mortgage interest.” In California, the Franchise Tax Board follows the lead of the IRS on this topic.

Actual tax savings will depend on the marginal rate of your federal and state income taxes, annual income, and other factors. Consult with your tax advisor to determine if, and to what extent, you may deduct amounts paid under the Assessment Contract.

20. Who do I contact with additional questions?

Renew Financial staff are available 8 a.m. to 9 p.m. Monday to Friday, 9 a.m. to 6 p.m. Saturday, and 10 a.m. to 6 p.m. Sunday to answer additional questions. We can also be reached via email at **info@renewfinancial.com** or by phone at 844-736-3934.

NOTES:

For additional information, please visit californiafirst.org or call 844-736-3934