
Energy Independence Financing - Pilot Program

Program Overview

The City of Bloomfield, Iowa is funding a pilot program to help homeowners make their residences more energy efficient and comfortable. Residents may borrow money directly from the City to pay for home energy efficiency improvements. The maximum loan amount will be \$15,000. Funds will be loaned at a 2% annual interest rate. A \$100 Administration/Origination fee will be charged for approved applications. Monthly principal and interest payments will be charged directly to the homeowner's monthly utility bill.

Funds can be used for the purchase and installation of approved equipment and energy efficiency measures (the "Approved Measures"). A list of Approved Measures is included in this packet. Items not on the Approved Measures list must go through an approval process to be considered for financing. The Approved Measures may be bundled into one loan. The resident is responsible for all payments to the contractor for the project. If the project cost exceeds the maximum amount of the loan it will be the resident's responsibility to pay the full balance owed to the contractor.

To qualify for the pilot program, the applicant must meet these requirements:

- Only single family, owner occupied homes are eligible to for loans under this program.
- The house must be the primary residence of the applicant.
- An energy audit must be conducted and provided to the City prior to the approval of this loan.
- The property must be served by the electric and gas utilities of the City of Bloomfield.
- The associated account must have a good payment history.
- There must be no postings on the associated account for the past 12 months.
- The Borrower must be willing to sign a contract (the "Loan Agreement").
- A UCC lien will be placed on the applicable Approved Measures until the principal and interest on the loan has been paid in full.
- Payments on the loan must be made each month with the customer's utility payment.
- If the customer receives energy assistance, the customer must make their monthly loan payment during the winter moratorium period.
- The account must be eligible for budget billing in accordance to the rules of that program.

A resident who fails to qualify or who loses qualification for a loan will remain responsible for full payment of all project contracts and work agreements approved by the resident. Use of loan proceeds for any purpose other than the applicable Approved Measures will cause all principal and interest on the loan to be immediately due and payable to the City.