



**DOCKET**

**10-IEP-1D**

DATE \_\_\_\_\_

RECD. SEP 29 2010



**MIST**  
**(Moderate Income Sustainable Technology Program)**  
**RESIDENTIAL RETROFIT PROGRAM**

**Creating new jobs and promoting energy  
efficiency in California**



**May 2010**

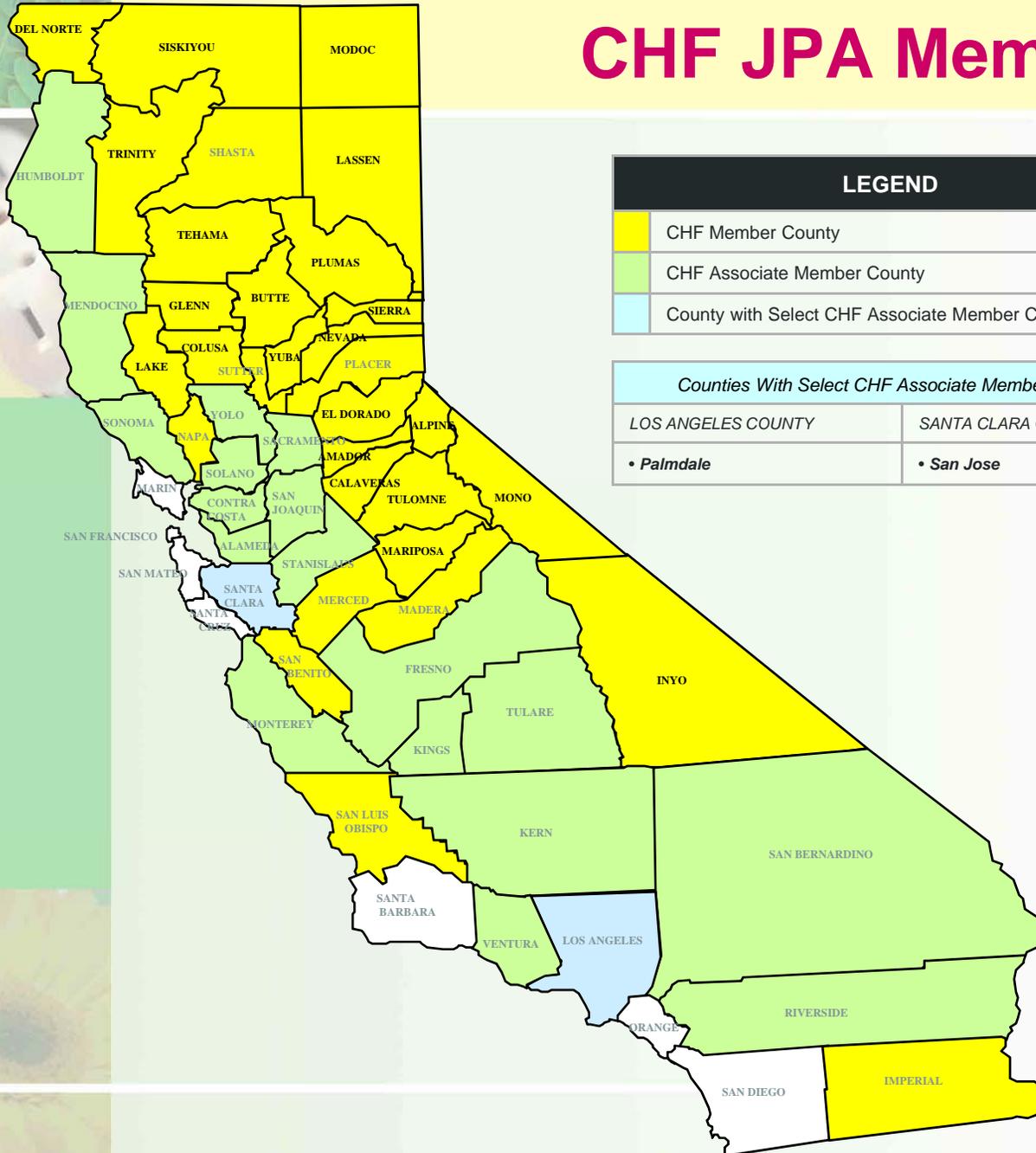
# MIST Program

- **\$16.5 M. Grant From the California Energy Commission**
- **Purpose is to Create Jobs Through Energy Efficiency Upgrades in Single Family Residences**
- **Contract Begins in 2010 and Terminates the End of March 2012**
- **CHF has Added \$2 million of Its Own Funds to be Included in the Program**

# Sponsoring Organizations

- **Regional Council of Rural Counties (RCRC)**
- **California Rural Home Mortgage Finance Authority Homebuyers Fund (CHF)**
  - CA Joint Powers Authority (JPA)
  - 30 Member Counties
  - 18 Associate Member Counties

# CHF JPA Members



LEGEND	
<span style="display:inline-block; width:15px; height:15px; background-color:yellow; border:1px solid black;"></span>	CHF Member County
<span style="display:inline-block; width:15px; height:15px; background-color:lightgreen; border:1px solid black;"></span>	CHF Associate Member County
<span style="display:inline-block; width:15px; height:15px; background-color:lightblue; border:1px solid black;"></span>	County with Select CHF Associate Member Cities

Counties With Select CHF Associate Member Cities	
LOS ANGELES COUNTY	SANTA CLARA COUNTY
• Palmdale	• San Jose

# Eligible Parties / Transactions

- **Moderate Income Individuals/Families**
  - Within CHF's Member Counties
  - With Income >200% of Poverty Level
  - With Income  $\leq$ 140% of County's Area Median Income
- **Energy Efficiency Measures**
  - Tier I & II Energy Efficiency Improvements
  - Most Projects will Focus on Tier III Comprehensive Retrofits (whole-house upgrades)
  - Projects MUST Result in Monthly Energy Savings  $\geq$  Monthly Payment for CHF Loan

# Financial Assistance Options

**Over \$11 M Available for Loans**

**Over \$4 M Available for Grants**

**Phase 1 - Loans/Grants on Existing Property**

**Phase 2 - Grants in conjunction with a Home Purchase**

**Phase 3 - Grants in conjunction with a Refinance**

## Financing Terms (CHF Loan)

- **3% Fixed Interest Rate**
- **15-year Fully Amortizing**
- **Relatively Generous Underwriting Restrictions**
- **Secured with a Lien against the Property that Includes Language Indicating Energy Efficiency Work Has Been Performed on Home**
- **Loan Serviced by CHF**

# Grant Terms & Conditions

- **Grant in Conjunction with MIRACL Loan**
  - For Retrofit Projects on Existing Homes
  - Homeowner Must Obtain Loan
  - 10% Grant (up to \$1,250)
  
- **Grant Provided with Home Purchase or Refinancing**
  - First Mortgage Must be an FHA 203(k) or Similar Loan Type
  - 10% Grant (up to \$1,500) with a Home Refinancing
  - 10% Grant (up to \$2,500) with a Home Purchase

# Retrofit Project Flow

- 1. Contractor Identifies Energy Efficiency Needs**
  - Comparing Past Energy Use Records
  - Utilizing HERS II (or other approved) Software
- 2. Contractor Identifies Financial Assistance Sources**
  - Manufacturer Incentives/Rebates
  - Utility Incentives/Rebates
  - CHF Loan Availability
  - CHF Grant Availability
- 3. Contractor Develops Project Proposal & Discusses with Applicant**
- 4. Contractor Submits Proposal to CHF**
  - Project Analysis and Support Documentation
  - Loan/Grant Application

## Project Flow cont...

5. **CHF Reviews/Approves Proposal**
6. **Contractor Completes Retrofit**
  - Coordinates 3<sup>rd</sup> Party Verification of Energy Savings
  - Submits Project Completion Package to CHF
7. **CHF Reviews Completed Project**
8. **Applicant Signs Loan Docs and Receives Loan Funds from CHF**
9. **Contractor Receives Payment from Applicant**

# Verification of Energy Savings

## After Installation is Complete:

1. Energy Savings will be Verified by Independent Third Party
2. Verification will be Done Utilizing HERS II (or other approved) Software
3. No Funds will be Dispersed from the Program Until the Independent Verification Occurs

***Future Energy Use Records will also be Collected and Stored for Review***

# Contractor Participation

- **Standard License/Insurance Requirements**
- **CBPCA, BPI Training**
- **Energy Efficiency Measurement Software (HERS II or other approved)**
- **Work with CWIB & Local WIBs**
- **CHF Program Training**

# Program Partners

- **Primary Partner: Beutler Corp.**
- **Other Contractors Trained to Utilize Approved Software**
- **Utilities and Other Energy Providers**
- **CHF Member County Housing Offices**
- **Realtors and Mortgage Professionals Serving CHF Member Counties**
- **Local Workforce Investment Boards**



# Marketing the MIST Program

## **In Coordination with the CEC, CHF Will:**

- Market Program to Potential Participants in CHF Member Counties
- Promote Program through Member County Housing Offices and Contacts
- Conduct Regional Trainings With Contractors
- Conduct Regional Meetings With Realtors and Mortgage Brokers
- Meet with Applicable Local Workforce Investment Boards
- Promote and Coordinate Services with Utilities Serving Member County Jurisdictions

# Program Sustainability Long-Term

- **CHF's Goal is to Continue Program Beyond Contract Period**
- **As Loans Prepay, CHF Will Used Prepaid Principle to Fund New Loans**
- **CHF will Continue the Program As Long As It Is Feasible To Do So**

**Program Administrator**  
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