

# *Loan Handbook*

## *Summer 2009*

*City of Tallahassee Residential Energy Efficiency Loan Program*

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**City of Tallahassee**  
**Your Own Utilities<sup>SM</sup>**



***Energy Services***

*For information and eligibility determination call 891-4YOU*

*For tax credit information, search online using keywords "Energy Star Tax Credits"*

# Eight-Step Loan Procedure

1. **Call Energy Services at 891-4YOU to start.** We can schedule an energy audit if needed, pre-screen for loan eligibility and begin your loan file. Information to have ready:
  - a) Name on utility account, and your account number
  - b) Phone and fax numbers, and email address
  - d) Your Social Security Number (and your spouse's SSN)
  - e) Your Drivers License Number (and your spouse's DLN)
  - f) We may ask for a Marriage License to document a name change, or a Death Certificate for deceased persons named on a current Deed.
2. **Get contractor proposals for loan program installations.**

Installing contractors must show their Florida License # on proposals. You are not required to get competing bids or take the lowest bid. Getting several bids is advised, but not a loan program requirement.
3. **Send copies of your current Deed, and contractor proposal(s):**
  - a) Send a copy of your current recorded Warranty Deed or Quit Claim Deed (with Attachment A if any). We cannot use a Deed printed from the County website that has an "Unofficial" watermark.
  - b) Send your installing contractor's proposal(s) or any vendor price proposals. Heating and air contractors should include the "Certificate of ARI Certified Performance" document with their HVAC equipment proposal.
  - c) Our fax number: 891-6127 (Attention: Loan Officer)
  - d) Our mailing address (*not our physical location*):

Energy Services Loan Officer  
300 South Adams St. #B32  
Tallahassee, FL 32301-1731
  - e) You can call County Property Records at 577-4050 to get a copy of your deed faxed to you for a small fee.
  - f) Let your chosen contractor know that you're applying for the City's energy efficiency loan, **but don't have work started until after you sign the Loan Promissory Note and the loan is Approved.**

*Eight-step procedure (continued)*

- 4. Our loan officer fills out your Application for you! We'll send it to you, for you to sign and send back.**
- 5. Then our loan officer prepares your Loan Promissory Note, and contacts you when it's ready for notarized signing.**
- 6. The Promissory Note is signed and notarized at the new Renaissance Building (435 North Macomb St.)** After you sign the Note, we'll fax, email or mail Loan Approval confirmations to you and your contractor. Work can begin.
- 7. The City or County will inspect the completed work.**
  - a) Heating, air conditioning, solar, windows, roofing and natural gas appliance installations are inspected by City or County Building Inspection in accordance with the Florida Building Code. Note that the Florida Building Code does not address comfort, neatness, cleanup or quality of workmanship.
  - b) For verifications or inspections of insulation, solar screen/film, clothes washers, refrigerators, freezers, and pool pumps, please call Energy Services at 891-4968.
- 8. Check release procedure:**
  - a) The City will mail the loan check after a passed inspection.
  - b) The City's loan check will be made payable to your contractor and mailed to your contractor within 30 days after a passed inspection.
  - c) If you prefer to have the City's loan check made out to you and not to the contractor, let your contractor know before you accept his/her bid, and let the City know before you sign the Application. Then provide the City with a copy of your paid contractor invoice and/or copies of paid vendor receipts.
  - d) As noted in #6a above, Building Code inspections do not insure quality of workmanship. Nevertheless, it is a contractor's responsibility to satisfy his or her customer and provide quality work.

# Frequently Asked Questions

**1. *Is a City energy audit required?***

- An energy audit is required for solar measures.
- For other measures, an audit may be required.

**2. *Am I required to get more than one contractor bid?***

- No. But getting competing bids is recommended.

**3. *Am I approved for the loan? When will I be approved?***

- You are not approved for the loan until after you sign the Loan Promissory Note, a final step. You sign the Note (and have it notarized) at the new Renaissance Building, 435 North Macomb Street.
- After review/Approval of signed Note, the City's loan officer will let your contractor know work can begin.
- The City cannot loan for equipment installed before you sign the Promissory Note and loan officer's Approval.

**4. *Does the City recommend contractors?***

- No. The customer chooses his or her contractor(s). The City of Tallahassee does not recommend, endorse or certify installing contractors, or warrant or otherwise guarantee their work.

**5. *Will the City's loan check be mailed to me, or mailed to my contractor?***

- Normally, loan checks are mailed directly to your contractor.
- If you want the loan check made out to you alone, be sure to tell us, and tell your contractor before he or she prepares a proposal for you. Before we send the loan check(s) to you, we require a copy of your *paid contractor invoice* or *paid vendor receipt*.

**6. How do I find out if I'm eligible to apply for a loan?**

Call 891-4YOU; press 4, then 2 for Energy Services.

**7. How do I apply?** Energy Services prepares your Application and mails, emails or faxes it to you to review and sign.

**8. After I send back the Application, how long does it take to get loan Approval?** Usually three to five days. Energy Services calls you to sign a loan Promissory Note at the new Renaissance Building (435 North Macomb Street). Your loan is Approved after you sign the loan Note and it passes review by the City's loan officer. Our loan officer then signals to you and your contractor that work can proceed.

**9. How does a 5% annual interest loan compare to an 8.5% rate (bank home improvement loan) or 18% (credit card rate)?** If you borrow \$4,000 over a 5 year (=60 month) term:

<u>Interest rate</u>	<u>Monthly payment</u>	<u>Total of payments</u>
5%	\$75.48	\$4,529.10
8.5%	\$82.07	\$4,924.15
18%	\$101.57	\$6,094.42

**10. How much will my monthly payment be?** At 5% interest, 5 years term (or 10 years term for photovoltaic systems):

<u>\$ Borrowed</u>	<u>\$ Monthly Payment</u>
\$500 to \$1,325/5 years	\$25 (minimum)
\$2,000/5 years	\$37.74
\$3,000/5 years	\$56.61
\$4,000/5 years	\$75.48
\$5,000/5 years	\$94.36
\$5,000/10 years (solar)	\$53.03
\$7,000/5 years	\$132.23
\$10,000/5 years	\$188.71
\$20,000/10 years (PV)	\$212.13
\$20,000/5 years (Energy Star roof)	\$377.42

## 5% LOAN MATRIX

<b>Loan Measure</b>	<b>Maximum Loan Minimum Requirement</b>	<b>Amount</b>
<b>1) Straight Cool AC*</b> Split: SEER 14, EER 11.5 Package: SEER 14, EER 11		\$5,000
<b>2) Heat Pump*</b> Split: SEER 14, EER 11.5, HSPF 8.2 Package: SEER 14, EER11, HSPF 8 <i>*New AC/ Heat Pump rebates @ \$100 and \$350 see page 6</i>		\$10,000
<b>3) Water Source Heat Pump, Closed loop</b> Minimum EER 14.1, COP 3.3. <i>New rebate: \$750</i>		\$10,000
<b>4) Natural Gas Furnace</b> minimum AFUE=80% → <i>New rebate 4/1/08: \$700</i>		\$5,000
<b>5) Natural Gas Water Heater</b> Min. efficiency EF = .58 if tank-style; min. EF = .82 if tankless. → <i>New rebate 4/1/08: \$675</i>		\$5,000
<b>6) Combination Appliance</b> .76 recovery efficiency → <i>New rebate 4/1/08: \$1,375</i>		\$10,000
<b>7) Waste Heat Recovery</b> ARI Standard 470-80		\$1,000
<b>8) Natural Gas Range</b> → <i>New rebate 4/1/08: \$200</i>		\$5,000
<b>9) Natural Gas Dryer</b> → <i>New rebate 4/1/08: \$200</i>		\$2,000
<b>10) Ceiling Insulation</b> Up to R-49 → <i>80% of cost up to \$400 provided in City grant program</i>		Call!
<b>11) Duct testing, sealing, insulation, repair, replacement</b>		\$10,000
<b>12) Floor Insulation</b> minimum R-11 fiberglass batts		\$5,000
<b>13) Wall Insulation</b> minimum R-11		\$5,000
<b>14) Solar screens/films</b> Shading coefficient 50%+		\$5,000



## **New Rebates for High Efficiency AC and Heat Pumps**

*\$100 rebate for air conditioner @ SEER 14 and EER 12, or higher*

*\$350 rebate for air conditioner @ SEER 15 and EER 12.5, or higher*

*\$100 rebate for heat pump @ SEER 14 and EER 12 and HSPF 8.2, or higher*

*\$350 rebate for heat pump @ SEER 15 and EER 12.5 and HSPF 8.2, or higher*

### **Summary of Loan Terms and Policies**

- 1. Loans are not available for measures installed before the Promissory Note is signed. Exception to this policy requires approval in writing, prior to equipment installation, by the Loan Officer or Energy Services Manager.**
2. Current terms: No down payment. 5% interest. 5 years term.
3. Minimum loan amount \$500. Maximum amount \$10,000 including documentary stamps and recording fees. (Measures have individual limits. Maximum loan \$20,000 for solar photovoltaic systems.)
4. Solar equipment (PV or thermal): 10 year loan term available.
5. A City energy audit may be required for certain measures.
- 6. The customer chooses his or her installing contractor. The City does not recommend, endorse or certify contractors, or warrant or otherwise guarantee their work.**
7. Loan payments are made on the monthly utility bill.
8. The minimum loan payment arrangement is \$25/month.
9. The loan is recorded and secured with a property lien.
10. Applicant must provide a copy of the recorded Warranty Deed or Quit Claim Deed (not Contract for Deed) showing property ownership.
11. All owners named on the Deed must be on (or added to) the Account, and must sign the loan Note. **All past due amounts on all of the Applicants' account(s) must be paid before loan approval.**
12. No income eligibility requirements. Loan applications will be approved or disapproved on the basis of established program criteria, availability of funds and utility payment records of the Applicants.
13. Loans will not be approved for Applicants in foreclosure proceedings or with bankruptcy declaration or discharge within the past 7 years.
14. Loan payments are billed to the property owner's home address.

15. Loans are not approved for applicants with City of Tallahassee utility billing address outside the City's electric territory (or gas territory if only that utility is served).
16. **Loan is due upon sale of the property or account name change.**
17. Loans are not transferable.
18. The City may subordinate its position among lien holders, on request.
19. Customers with outstanding City loans may apply for a subsequent loan at the same location as long as the total amount of both loans is within the maximum allowed.
20. Loans are approved for specific recommended energy conservation measures that meet the City's established standards, including minimum efficiency standards.
21. No loan for heat pump replacing a natural gas furnace.
22. No loan for straight cool AC matched with new oil furnace or new propane gas furnace, where natural gas is available.
23. Solar water heating must be FSEC certified indirect system or drain-back system; not drain-down. No solar loan if existing natural gas water heater is to be replaced by electric storage/backup water heater.
24. The City will be held harmless from any liability in connection with its approval or disapproval of any loan application or the manufacture, supply or installation of any energy efficiency measure.
25. If the customer defaults on loan repayments and the City is required to take any action to enforce the terms of the note, the customer shall pay all costs incurred by the City for such enforcement, including reasonable attorney's fees, including the costs and attorney's fees incurred as a result of any appellate proceedings.
26. The City reserves the right to revise these policies and to approve or disapprove loans in the best interest of the City.
27. **The City's loan checks are made out to installing contractors and mailed to contractors on completion of work and a passed City final inspection, unless the customer requests a different check release procedure that is satisfactory to his or her contractor as well as the City.** If a different check release procedure is desired, the customer and contractor should agree on that procedure before the contractor's bid is accepted by the customer.

*Last revised 4/16/09*

# Local Natural Gas Installers

The City of Tallahassee does not recommend, endorse or certify particular contractors, or warrant or otherwise guarantee their work. *Lists updated 6/12/09*

**List A: These smaller firms install natural gas water heaters, ranges, dryers, firelogs.**

American Backflow & Plumbing, Inc.	251-7586
Brill's Plumbing Co.	878-1234
C & C Plumbing Contractors, Inc.	536-0064
C.L. Williams Contracting, Inc.	894-5875
Capital City Gas Service	942-1739
Clinton Smith Plumbing	224-9592
Clyde's Heating & Air, Inc.	556-0133
Cureton Plumbing, Inc.	222-4412
D. G. Miller & Sons Plumbing & Heating	386-4238
Florida Air Specialists	576-3582
G & G Heating & Air Conditioning, LLC	321-8096
Gandy Gas Connections, Inc.	508-0448
George's Plumbing of Tallahassee	562-8905
Glen Mullens Plumbing	926-3768
Guaranteed Plumbing of Tallahassee	561-3702
Hardy's Plumbing and Welding	544-3016
H. C. Frasona Plumbing, Inc.	627-7741
Hodges Heating & Air Conditioning, LLC	576-1401
Jennings Gas	562-4321
Jim Bennett's Plumbing, Inc.	878-3178
Journey-Man Plumbing	942-6000
Keith McNeill Plumbing Contractor, Inc.	562-5504
Lance Maxwell Plumbing	562-6227
M & L Plumbing	5759393
Mark McKinney Plumbing	508-0634
Mr. Rooter Plumbing	222-7668
NRG Industries, Inc.	671-5325
Piney's Piping	694-2688
Roto Rooter	386-5614
Roy King Plumbing	681-0002
S. E. Barco Gas Piping Services	386-1951
Seminole Plumbing Inc.	459-8212
Smith Plumbing Company	251-5789
Snyder's Refrigeration, Heating, & Air Conditioning	251-1099
Tallahassee Plumbing Service LLC	668-4581
T.L. Carnes Plumbing	443-5718
T.K. A/C, Heating & Appliance, Inc.	668-6161
T MAC Contracting, Inc.	933-8838
Watts Plumbing, Inc.	562-6290
White's Plumbing	576-3510
Williams Panhandle Propane, Inc.	656-1700
Wooten Plumbing	514-7404

**List B: These *larger* heating and air conditioning firms prefer to bid on jobs involving a natural gas furnace for heating.**

6/12/09

A & W Services, LLC	528-5549
AAA Constant Comfort	893-9566
Accurate A/C, Inc. Heating & Air	580-2503
Advanced Building Corp.	907-3580
Advanced Climate Service	559-7134
Air Control	562-1234
Air Supply, Inc.	926-5550
B. F. Wood Plumbing & Heating	576-3434
Barineau Heating & Cooling, Inc.	580-4029
Benson's Heating & Air Conditioning	562-3132
Bill Holland Heating & Air Conditioning	545-2628
Bill Laughlin's Heating & Air Conditioning	599-6153
Buddy Stirners Heating & Air	509-1000
C & C Mechanical Contractors	580-2575
C.E.S. Heating and Air	575-9996
C. L. Williams Contracting, Inc.	894-5875
Climate Control Heating & Air Conditioning, Inc.	350-0040
Calvin Robinson Repair and Maintenance	544-0323
Capital City Air, Inc.	878-4995
Central Heating Consultants	877-4136
Clyde's Heating and Air, Inc.	556-0133
Conditioned Air of Tallahassee, Inc.	574-1403
Connell's Heating & Air Conditioning	878-3159
Curtis Sales & Service Center	574-1300
Dell's Heating & Air Conditioning	219-0811
Donald A. Guy Heating & Cooling	562-6309
Donny's Heating & Air Conditioning, Inc	942-4349
E & B Heating & Air Conditioning	575-9119
Edens Heating & Air	562-1511
Florida Air Specialists	576-3582

*Continued on the next page*

G&G Heating & Air Conditioning, LLC	321-8096
Gandy Gas Connections, Inc.	508-0448
Gallon & Sons Mechanical	222-4329
Garrett & Sons Heating & A/C	668-2665
Harper Revell Heating & Air Conditioning	877-1306
High Quality Heating & Air, Inc.	926-1021
Holland's Air Conditioning	421-9567
Homer C. Floyd Air & Heat, LLC	528-9062

*Updates 06/12/09*

**List B, continued: These *larger* firms prefer to bid on jobs involving a natural gas furnace for heating.**

Homer C. Floyd Air & Heat, LLC	528-9062
John Jones AC Heating & Refrigeration	539-7294
Johnson's Heating & A/C Service	421-3805
Johnson Heating and Air Inc	574-2785
Keith Kratofil's Heating & Air Conditioning, Inc.	942-6895
Keith Lawson Heating & Air	562-2600
Key Heating & Cooling	656-4740
M & N Quality Heating and Air	443-7925
Locke's Heating & Air Conditioning	576-3196
MED-HVAC	894-4390
Mike Kress Heating and Air, Inc.	926-3669
Parker Services	222-7722
Payne's Heating & Air Conditioning	386-3324
R.J. Collins	894-1118
Rick Watson Heating & Air	942-6660
Scott Henderson Heating and Air	556-0347
Sheffield Air Conditioning & Heating	222-7057
Shur-Cool Air Conditioning & Refrigeration	562-4931
Snyder's Refrigeration, Heating & Air Conditioning	251-1099
Southern Comfort Heating & A/C	570-3302
Stanley Barineau and Son, Inc.	386-2327
Stewart Heating & Cooling, Inc.	342-3294
Tallahassee Mechanical, Inc.	216-1718
T. K. A/C, Heating & Appliance, Inc.	668-6161
T MAC Contracting, Inc.	933-8838
Tony Kelly Air Conditioning, Heating & Refrigeration	385-3774
Watts Mechanical	224-4822
WEC Heating & Air	878-5398