



# Florida HERO Program Handbook

January 2018

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# 1 Program Introduction

## 1.1 Program Overview

In 2010 and 2011, the State of Florida approved Property Assessed Clean Energy (“PACE”) legislation authorizing local government entities to establish voluntary programs to finance energy efficiency, renewable energy, and wind resistance improvements which are permanently attached to property (“Qualifying Improvements”).

Renovate America, Inc. (“Renovate America” or “Program Administrator”) created the Florida Home Energy Renovation Opportunity Program (“Florida HERO Program” or “Program”) as part of the state-wide Florida Development Finance Corporation (“FDFC”) PACE program to enable local government entities to provide property owners and businesses with financing to pay for energy efficiency, renewable energy, and wind resistance improvements and their installation. The FDFC PACE Program works through the Florida Resiliency and Energy District (“FRED” or the “Local Government”), which is a separate legal entity and local government formed under Florida Statutes Section 163.01 to levy the voluntary non ad-valorem assessment placed on the property to repay PACE financing throughout Florida under Florida Statutes Section 163.08.

Once a local government entity has elected to participate as a member in the Local Government (each, a “Program community”), owners of homes within such city or county may utilize the Program to finance Qualifying Improvements. Property owners repay the financing through annual installments collected on their property tax bill. Participation in the Program is completely voluntary. Property owners agree to repay the amount financed over a 5-, 10-, 15-, 20- or 25-year period dependent upon the Qualifying Improvements being financed.

To see if your local government entity is a Program community, enter your address at [www.renovateamerica.com](http://www.renovateamerica.com). If your city has not yet elected to participate in the Program, we recommend you contact one of your local elected officials and ask them to contact us so you can obtain Program Financing.

## 1.2 Handbook Structure

The purpose of the handbook is to help property owners apply for and receive financing for energy efficiency, renewable energy, and wind resistance improvements. The handbook is divided into nine sections plus appendices, which will take the reader through the process necessary to complete and fund the Qualifying Improvements. For the meanings of capitalized terms used in this Handbook, please see Appendix A – Glossary of Terms.

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|-------------|--|
| Section 1:  | Program Introduction provides a brief overview of Program basics;  |
| Section 2:  | Program Contact Information;   |
| Section 3:  | Future Program Changes to the Handbook;  |
| Section 4:  | Program Eligibility describes eligibility requirements for residential properties, property owners, and Qualifying Improvements; |
| Section 5:  | Program Requirements outlines the requirements for Program participation;  |
| Section 6:  | Financial Terms outlines the cost of the Program;  |
| Section 7:  | Program Process provides a detailed description of the Program process;  |
| Section 8:  | Dispute Resolution provides summary of steps to take if an applicant wishes to dispute decisions by the Program;                 |
| Section 9:  | Additional Requirements and Terms provides information about additional Program requirements and terms; and                      |
| Appendices: | Appendices provide important forms, definitions and Eligible Products List, which are required by the Program.                   |

For purposes of the handbook, all references to “days” are in calendar days, unless otherwise specified.

### 1.3 Other Terms and Disclaimers

All applicants **must** (and interested parties such as contractors should) read the Additional Requirements and Terms in Appendix B. **Applicants will be required to certify that they have read the Additional Requirements and Terms as a precondition to participating in the Program.** This section outlines many of the legal issues associated with the Program, including the responsibilities and obligations of both participating property owners and Program staff.

## 2 Program Contact Information

The Florida HERO Program is not a municipal or County program. As detailed below, please direct all questions to the Program Administrator.

### 2.1 Program Website

The Program website address is [www.renovateamerica.com](http://www.renovateamerica.com). The Program website provides a variety of useful information, including information on how the Program works, Eligible Products, available rebates and tax credits, a list of contractors who have registered with the Program, and Program news and events. In addition, residential property owners will be able to apply to participate in the Program online and contractors will be able to register online. Frequently Asked Questions, the Eligible Products List, and certain other documents will also be available for download.

### 2.2 Program Call Center

Property owners and contractors may call 855-HERO-411 to ask questions about the residential financing Program or request a copy of the application by mail or email. Program Call Center hours are available on the Program website at [www.renovateamerica.com](http://www.renovateamerica.com).

Please also see the Program website at [www.renovateamerica.com](http://www.renovateamerica.com) for recent updates about the call center operation times, phone number and other relevant information.

### 2.3 Program Contact Information and Other Useful Resources

General questions about the Program can be answered by visiting the Program website at [www.renovateamerica.com](http://www.renovateamerica.com), calling the Program Administrator's toll free number at 855-HERO-411, or clicking "Chat Now" at the top of any HERO Program webpage.

<b>Program Contacts</b>
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	<b>Phone Number(s):</b>	<b>Address:</b>
<b>Florida Development Finance Corporation ("FDFC")</b>	(407) 956-5696	156 Tuskawilla Road Suite 2340 Winter Springs, FL 32708
<b>Renovate America, Inc.</b>	<b>Program Call Center Number:</b> 855-HERO-411  <b>Program Fax Number:</b> (858) 815-6860  <b>Program Email:</b> info@heroprogram.com  <b>Contractor Email:</b> contractor@heroprogram.com	16409 W. Bernardo Drive, San Diego, CA, 92127

Other Useful Information		
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<b>Building Performance Institute</b>	BPI is a national standards development and credentialing organization for residential energy efficiency retrofit work – providing training through a network of training affiliate organizations, individual certifications, company accreditations and quality assurance programs.	<a href="http://www.bpi.org">www.bpi.org</a> (877) 274-1274
<b>Construction Industry Licensing Board</b>	The Construction Industry Licensing Board (CILB) is under the Florida Department of Business & Professional Regulation and protects consumers by licensing and regulating Florida's construction industry.	<a href="http://www.myfloridalicense.com/dbpr/pro/cilb">www.myfloridalicense.com/dbpr/pro/cilb</a> <a href="#">CILB License Check</a>
<b>DSIRE</b>	DSIRE is a comprehensive source of information on state, federal, local, and utility incentives and policies that support renewable energy and energy efficiency.	<a href="http://www.dsireusa.org">www.dsireusa.org</a>
<b>Energy Star</b>	Energy Star is a government-backed program helping businesses and individuals protect the environment through superior energy efficiency. Energy Star provides energy efficiency standards, qualified and labeled energy efficiency products and recommended installation methods, among other things.	<a href="http://www.energystar.gov">www.energystar.gov</a> Energy Star Hotline for specific questions about specific products (888) 782-7937
<b>Federal Tax Credits</b>	Information page about federal tax credits available for energy efficiency and renewable energy improvements.	<a href="http://www.energysavers.gov/financial/70010.html">www.energysavers.gov/financial/70010.html</a>
<b>State and Local Rebates</b>	See your local utility company information above.	See local utility company information above.

### 3 Future Program Changes

Renovate America, in cooperation with the FDFC, reserves the right to change the Program and its terms at any time; however, any such change will not affect a property owner's existing obligation to pay the non ad-valorem assessment agreed to in the executed Financing Agreement.

A property owner's participation in the Program will be subject to the regulations and terms set forth in this Handbook and the Financing Documents that constitute the agreement between the FDFC, the Local Government and the property owner. If any provisions of this Handbook are determined to be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from the Financing Documents and shall not affect the validity and enforceability of any remaining provisions.

### 4 Program Eligibility Requirements

Potential applicants should carefully review this section in order to determine whether they are eligible for the Program before submitting an application. The Program website for each participating community will list any community-specific requirements.

## 4.1 Eligible Properties

To be eligible, the property must pay property taxes. Single-family residential properties consisting of no more than 4 units on a single parcel are eligible, with the following limitations as set forth below:

### 4.1.1 No “New Construction”

Only improved properties will qualify for Program financing. New construction is not eligible, unless ownership has been transferred from the developer to the property owner. “New construction” includes new homes under construction or construction for which a certificate of occupancy or similar evidence of substantial completion of new construction or improvement has not been issued.

### 4.1.2 Mobile Homes, Manufactured Homes, Condominiums, and HOA’s

Mobile homes and manufactured homes are eligible if the homes are permanently attached to the real property, and if the mobile/manufactured home owner(s) also own the underlying land and pay real property taxes (not DMV fees).

Condominiums are eligible to participate in the Program, but such participation may be restricted as to the Qualifying Improvements that may be installed depending on the rules of the condominium association as well as the physical design of the unit. Condominium owners who are approved for Program financing will be required at the time they request specific Qualifying Improvements approval, to provide written authorization by the condominium association’s management stating that the property owner is allowed to install the requested Qualifying Improvements.

Single family homes that are subject to Home Owner Association (“HOA”) restrictions may also be required to provide written documentation that any Eligible Products to be installed on the Property meet applicable HOA guidelines or requirements.

### 4.1.3 Property Must Be Located in a Florida HERO Program Community

All financed properties must be located in a city or county that has signed up to be a Program community (in other words, they are a member of the Local Government for the purpose of levying and collecting the voluntary non ad-valorem assessment). To see if your city or county is a participating Program community, enter your address at [www.renovateamerica.com](http://www.renovateamerica.com). If your city has not yet signed up, we recommend you contact one of your local elected officials and ask them to contact us so you can obtain Program financing.

### 4.1.4 Maximum Assessment to Value Amount

The combined amount to be financed under the Program plus the mortgage-related debt must not exceed 100% of the value of the property. The total amount of any non-ad valorem assessment for a property must not exceed 20% of the just value of the property as determined by the county property appraiser. Household income is also a consideration and may affect application approval and maximum approval amounts. The all-in tax payment on the property (including the assessment and any other assessments) must not exceed 5% of the value of property.

In Broward County, the total amount of annual PACE assessments must not exceed 4% of the total annual gross income of the property owner in the prior calendar or fiscal year. In addition, the all-in tax payment on the Property (including the assessment and any other assessments) must not exceed 5% of the just value of the property, as determined by the county property appraiser or by other valuation method provided for in the Broward County PACE resolution.

For certain homeowners in Palm Beach County and for homeowners in the City of West Palm Beach, all mortgage-related debt on the Property may not exceed 90% of the value of the Property.



The value of the property will be the market value based on an automated valuation model (“AVM”) value provided by a third party independent vendor selected by the Program. If an AVM value is not available for a particular property, the Program will use the assessed value unless the property owner can provide an appraisal prepared by a licensed appraiser with a date of value not older than 6 months. In addition, if a property owner disagrees with the AVM value, the property owner may choose to pay for an appraisal from a licensed appraiser approved by the Program and the Program will review the appraisal and provide a determination, which shall be final, whether such AVM may be used for eligibility calculations. However, in no case can the maximum assessment amount exceed 20% of the just value of the property as determined by the county property appraiser.

#### **4.1.5 Liens on Property**

The Property must not have any involuntary liens, including but not limited to, construction liens.

#### **4.1.6 Additional PACE Program Requirements for Certain Program Communities**

In addition to any requirements in the Florida PACE statute (Section 163.08) or FDFC PACE program, the Program will comply with all applicable county or local codes, ordinances, and resolutions.

### **4.2 Eligible Property Owners**

In addition to the property eligibility requirements, residential property owners must meet specific criteria in order to be eligible to participate in the Program. The eligibility criteria for residential property owners are set forth below.

#### **4.2.1 Property Owners:**

1. Property owner(s) must be the owner(s) of record of the property upon which the Eligible Products are to be installed;
2. Property owner(s) must be current on all mortgage debt on the property;
3. Property owner(s) must not have any notices of default or other evidence of property-based debt delinquency during the preceding three years of the period of ownership, whichever is less;
4. Property owner(s) must be current on their property taxes and any other assessments levied on the same bill as property taxes are paid and property taxes must not have been delinquent for the preceding three years or the property owner's period of ownership, whichever is less;
5. The property owner is not involved in bankruptcy proceedings.
6. Property owner(s) must sign all required documentation, including but not limited to the Application, the Completion Certificate, and the Financing Agreement with all other required Financing Documents.

#### **4.2.2 Trust Ownership of the Property**

If the subject property is owned by a Trust, the property is eligible for Program participation if adequate documentation of the Trust and the applicants' authority under the Trust is provided with the application. Trustee(s) must sign all Financing Documents, including the Financing Agreement.

#### **4.2.3 Business Entity Ownership of the Property**

If the property is owned by a business entity, the property is eligible for Program participation if adequate documentation of nature and existence of the business entity and the applicants' authorization to act on behalf of the entity is provided with the application, such as a corporate resolution authorizing named officers to apply and sign the Financing Agreement and other Program required documents on behalf of the corporation.

## 4.3 Qualifying Improvements

The Program offers financing for various energy efficiency, renewable energy, and wind resistance improvements (“Qualifying Improvements”).

### 4.3.1 Qualifying Improvements Must Be Permanently Fixed, New and Eligible Products

Only permanently fixed, new Eligible Products can be financed by the Program. The following are not eligible for Program financing:

- Remanufactured, refurbished, slightly used, or new equipment transferred from a previous location;
- Previously installed products;
- Products that are not permanently fixed, including appliances, light bulbs and other non-fixtures; and
- Any structural alteration of the roof, the building, or the property related to the installation of a solar PV system or solar thermal system

### 4.3.2 Proposed Eligible Products Must Meet Minimum Eligibility Requirements

There are minimum efficiency and/or other requirements for each Eligible Product, which includes only those improvements or products that meet all relevant energy efficiency, renewable energy, wind resistance, and building code standards established by the U.S. Department of Energy, the U.S. Environmental Protection Agency, the State of Florida, the County, and the municipality, if any, in which a PACE Eligible Product is constructed or installed. A complete list of Eligible Products with minimum efficiency and other specifications for residential properties is available on the Program website ([www.renovateamerica.com/support/faq#tab5](http://www.renovateamerica.com/support/faq#tab5)).

**Property owners will be responsible to confirm with their contractor(s) that only bids with at least the minimum specifications set forth in the Eligible Products List will be acceptable for Program financing.**

Before ordering or installing products, contractors or property owners are required to obtain approval from the Program Administrator that the proposed products are Eligible Products, which they can do by calling the Program (see Section 7.3). When calling, contractors or property owners will need to have all details pertaining to the proposed Eligible Products such as manufacturer, model number, and other typical identification information readily available in order to complete eligibility approval in a timely manner. Before calling the Program to request approval of Eligible Products, contractors or property owners may also explore the Eligible Product models at the Program website ([www.renovateamerica.com/support/faq#tab5](http://www.renovateamerica.com/support/faq#tab5)).

### 4.3.3 New Products and Custom Projects May Be Eligible

Property owners who would like to install a product that is not on the Eligible Products List can fill out and submit a Product Application. This form is available on the Program website and it typically filled out by the contractor. The Program will review the new product request and determine if the product meets necessary energy efficiency, renewable energy, or wind resistance performance attributes. A decision will be made by the Program Administrator, in conjunction with the FDFC, to either add the new product to the Eligible Products List, not approve the new product, or consider it a Custom Project (defined below).

A Custom Project is defined to be a one-time requirement whereby the circumstances are such that the project (product included) passes the energy efficiency, renewable energy, or wind resistance scrutiny in the specific case that is being requested. Approval of a Custom Project for one property will not be considered to establish a precedent that would necessarily be applied to other homes such that it should be considered a new product or placed in the Qualifying Improvements List. The Program reserves the right to approve or disapprove of new products and custom projects.

## 4.4 Eligible Costs

Eligible costs that may be financed under the Program include both the cost of the Eligible Products and the installation costs for such Eligible Products. Installation costs may include, but are not limited to, energy audit costs, appraisals, labor, design, drafting, engineering, permit fees, and inspection charges. The installation must be completed by a licensed contractor of the property owner's choice (who is properly certified pursuant to part 1 Chapter 489, of the Florida Statutes), and who is registered with the Program.

For property owners who elect to complete their Program retrofits utilizing financing from the Program at the same time as a larger remodeling project, financing is only available for the retrofitting of the existing structure with retrofit Eligible Products. Repairs to the existing building's envelope, systems, and/or infrastructure are not eligible except where they are necessitated by the installation of the Eligible Product. If a property owner is planning to finance Eligible Products included in a larger remodeling project, they should first contact Program Representatives to determine what costs will be eligible for financing.

The cost of installing the Eligible Products must be reasonable and accomplished within industry cost guidelines. The Program shall have the right to refuse to finance any portion of costs reflected in a Completion Certificate that exceeds such guidelines, and/or to request additional documentation or other information to determine the reasonableness of any Completion Certificate.

## 4.5 Eligible Contractors

Only contractors who have registered with the Program may undertake Program-financed installation work. Contractors may register with the Program if they have an active certification license with the Construction Industry Licensing Board (CILB) including being properly certified pursuant to Part 1, Chapter 489, of the Florida Statutes, meet the CILB's bonding and workers compensation insurance requirements, and agree to all Program terms and conditions. In addition, Contractors may only install Eligible Products for which they have the appropriate CILB license. Contractors must comply with all applicable state and local construction laws, ordinances, building codes, and zoning regulations.

**PROPERTY OWNERS ARE SOLELY RESPONSIBLE FOR THE SELECTION OF AND CONTRACTUAL ARRANGEMENTS WITH THE CONTRACTOR(S) TO PROVIDE THE INSTALLATION OF THEIR ELIGIBLE PRODUCTS. THE PROGRAM, THE FDFC, THE LOCAL GOVERNMENT, RENOVATE AMERICA, AND EACH OF THEIR RESPECTIVE OFFICERS, CONSULTANTS, GOVERNING BOARD MEMBERS, EMPLOYEES, MEMBERS, AGENT AND ASSIGNS NEITHER ENDORSE NOR RECOMMEND CONTRACTORS WHO REGISTER WITH THE PROGRAM, NOR DO THEY GUARANTEE, WARRANTY OR OTHERWISE ENSURE THE COMPLETION OF THE INSTALLATION OF THE ELIGIBLE PRODUCTS OR THE OPERATION OF THE, ANY OTHER PERSON INVOLVED WITH THE INSTALLED PRODUCTS, OR THE DESIGN OF SUCH PRODUCT ELIGIBLE PRODUCTS, OR WARRANT THE ECONOMIC VALUE, ENERGY SAVINGS, SAFETY, DURABILITY OR RELIABILITY OF THE ELIGIBLE PRODUCTS.**

A current listing of contractors registered for the Program can be found on the Program website ([www.renovateamerica.com/find-a-contractor](http://www.renovateamerica.com/find-a-contractor)).

## 4.6 Eligible Assessment Amounts

The minimum assessment amount is \$2,500. The maximum assessment amount shall be determined by the parameters outlined in Section 4.1.4 above.

## 4.7 Eligible Assessment Term(s)

Financing Agreements may include financing with a 5-, 10-, 15-, 20 or 25-year term, but the financing term may not exceed the "useful life" of the installed Eligible Product. A listing of Eligible Products and useful life can be found on the Program website listed on Appendix D. The Program reserves the right to approve a different assessment term than requested by a property owner based on the useful life of the Eligible Product(s) to be

installed. Property owners may select any term not to exceed the useful life of the Eligible Products(s) to be installed. When installing multiple Eligible Products, the maximum financing term available is the financing term associated with the greatest combined financing amount.

## 4.8 Eligible Rebate Programs and Tax Credits

For energy efficiency, renewable energy, and wind resistance Eligible Products, various federal tax credits, state and local rebates, and incentive programs may exist.

Not all Eligible Products under the Program will qualify for available federal tax credits and/or state or local utility rebates. For example, some of the federal tax credit specifications require a higher energy efficiency standard than those required by the Program.

**Neither the FDFC, the Local Government, Renovate America, nor their respective officers, employees, consultants, governing board members, members, and assigns make any representation or warranty whatsoever that any Eligible Product will qualify for or be granted any tax credits, rebates or other incentives.**

The Program makes no representation or warranty that Eligible Products will qualify for any tax credits, rebates or other incentive programs.

For information on rebates and tax credits, please contact your utility provider, visit the Energy Star website (<http://www.energystar.gov>), or visit the Database of State Incentives for Renewables & Efficiency (DSIRE) website (<http://www.dsireusa.org>).

### 4.8.1 Deductions from Financing Amount

All available up-front federal, state, or utility rebates that are assignable to the contractor must be deducted from the assessment amount at the time of financing. **The property owner and the contractor will be responsible for notifying the Program of the qualification for or award or grant of any such assignable rebates for the Eligible Products installed or to be installed on such owner's property.**

Performance-based incentives which are paid over time, will not be deducted. State or federal tax credits and rebates that are not assignable to the contractor will also not be deducted from the assessment amount, but property owners may wish to consider these additional benefits in determining the amount of their financing request after consulting with their tax advisor.

## 4.9 Eligible Number of Assessments

A property owner may apply for another assessment under the Program for the same property or an additional property(s), as long as all assessments under the Program for a particular property owner still meet all Program requirements, including, but not limited to, guidelines as to maximum assessment limits.

# 5 Program Requirements

## 5.1 Contractor Registration

All contractors who install Program-financed Eligible Products must register with the Program.

Any contractor who is licensed by the State of Florida, including being properly certified pursuant to part 1, Chapter 489, of the Florida Statutes, is in good standing with the CILB, including meeting all applicable bonding and insurance requirements, who meets any fraud check requirements, is eligible to register with the Program. Contractors must comply with all applicable state and local construction laws, ordinances, building codes, and zoning regulations.

Contractors must also agree to abide by all Program terms and conditions, including:

- Pulling permits as required by the local building department for the installation of the Eligible Products;
- Obtaining approval of proposed Eligible Products in advance of ordering or installing such Eligible Products by calling the Program or completing the Custom Product Application process;
- Installing only Eligible Products that meet the required eligibility specifications; and
- Only installing Eligible Products for which he/she has the correct contractor's license;

**PROPERTY OWNERS ARE SOLELY RESPONSIBLE FOR AND MUST INDEPENDENTLY CHOOSE AND CONTRACT WITH THE CONTRACTORS TO WORK ON THE INSTALLATION OF THEIR ELIGIBLE PRODUCTS. FDFC, THE LOCAL GOVERNMENT, RENOVATE AMERICA, AND THEIR RESPECTIVE OFFICERS, EMPLOYEES, CONSULTANTS, MEMBERS, GOVERNING BOARD MEMBERS, AGENTS AND ASSIGNS NEITHER ENDORSE NOR RECOMMEND CONTRACTORS WHO REGISTER WITH THE PROGRAM, NOR DO THEY GUARANTEE, WARRANTY OR OTHERWISE INSURE THE COMPLETION OF THE INSTALLATION OF THE ELIGIBLE PRODUCTS OR THE OPERATION OF THE ELIGIBLE PRODUCTS, ANY OTHER PERSON INVOLVED WITH THE INSTALLED PRODUCTS, OR THE DESIGN OF SUCH PRODUCTS, OR WARRANT THE ECONOMIC VALUE, ENERGY SAVINGS, SAFETY, DURABILITY OR RELIABILITY OF THE ELIGIBLE PRODUCTS.**

## 5.2 Building Permits and Inspection

Property owners and contractors (on behalf of property owners) are responsible for obtaining any required building permits for Eligible Products. If permits are required, the pulled permit documentation must be submitted with the Completion Certificate.

Property owners should speak with their contractors to determine if their Eligible Products will require a permit and/or inspection.

Program staff may also schedule an on-site validation visit to confirm that the approved Eligible Products was fully and permanently installed before approving a submitted Completion Certificate.

## 5.3 Fraudulent Activity

Any misrepresentations made to the Program in the application, the contractor's bid or any other document at any time during the Program may cause the property owner and/or the contractor to be terminated from the Program and may result in legal action. For example, such misrepresentation may, in the sole discretion of the Program, result in a denial of an application, a notification that any installed Eligible Products will be ineligible to be financed by the Program, or a legal proceeding, civil or criminal, to recover any fraudulently obtained funds.

## 5.4 Required Financing Documents

Financing and other documents must be submitted at different steps in the Program process. For a list of required documents which must be submitted and when they need to be submitted, please see Section 7.4, Program Process.

# 6 Financial Terms

## 6.1 Costs to Apply

There are no costs to apply for HERO Financing.

## **6.2 Assessment Costs**

Below are the costs to utilize Program financing for the installation of Eligible Products on your property.

### **6.2.1 Program Administration Fee**

A Program Administration Fee is a one-time fee of 4.99% of the project cost.

### **6.2.2 Interest Rate**

Your interest rate will be provided in your financing documents and may be subject to change until you have signed financing documents.

### **6.2.3 Interest Before First Payment**

Interest before first payment will be added to the property owner's assessment amount for the period between the closing date and May 2<sup>nd</sup> of the year the property owner makes his or her first assessment payment. Interest before first payment can be rolled into the financed amount or paid upfront by the property owner at closing. The maximum amount of interest will be disclosed in the property owner's Financing Documents (based on the project expiration date). Depending on the date the assessment is recorded on the property owner's property, the first assessment payment may not be due until the following tax year.

### **6.2.4 Recording Fees**

Property owners will pay for all fees that the County charges to record the assessment lien documents and related notices on the property. These fees are added to the assessment amount or paid upfront by the property owner. The recording fee is identified in the Financing Documents. Property owners will not be charged for the state documentary stamp tax; the Florida HERO Program will pay this cost on the property owners' behalf.

### **6.2.5 Annual Assessment Administration Fee**

The payment due for the voluntary non ad-valorem assessment will be collected with property taxes that are due annually each year for the property owner's real property, or in accordance with the property owner's regular property tax payment schedule. Each tax year an annual assessment administration fee will be added to the Assessment Installment on the property tax bills for collection. This fee covers the annual costs to place the assessment on the property tax bill, administer collection and disbursement of the assessment payments, and to administer the bonds issued to finance the installation of Eligible Products. This fee is currently \$35, but is subject to increase to an amount not to exceed \$95. The annual assessment administration Fee will be identified in the Financing Documents.

### **6.2.6 Tax Collection Administration Fee**

Each year, an annual tax collection administration fee may be added to the assessment lien amount on your property tax bill. This fee is collected by the local county tax collector as part of the ordinary tax collection process, and generally ranges between local county tax collector as part of the ordinary tax collection process, and generally ranges between 0%–2% of the annual assessment payment amount (depending upon the county where the Property is located), but is subject to change in subsequent years. However, the tax collection administration fee may exceed this estimate. The Program does not determine or guarantee the amount of the fee, which may vary by year depending upon the county where the Property is located. Property owners should Please contact the local county tax collector for more information.

### 6.3 Annual Repayments

Property owners will repay principal and interest over 5, 10, 15, 20, or 25 years, depending on their approved term and the property owner's selection of such term. Payment will be listed as a separate line item on the property owner's property tax bill. As with property taxes, the assessment payment is due each year (known as an "Assessment Installment"), or in accordance with the property owners' regular property tax payment schedule. Pursuant to Section 163.08(4) of the Florida Statutes, the assessment shall not be subject to discount for early payment. The estimated not-to-exceed payment schedule will be attached to the Financing Agreement that property owners sign, which sets forth the estimated maximum annual payments due during the assessment term. The final payment schedule will be provided to each property owner by Renovate America pertaining to such property owner's Financing Agreement. Failure to make the full annual assessment payment when due will result in the accrual of additional interest and penalties and may result in the sale of a tax certificate on the property, and possible loss of the property.

### 6.4 Prepayments

Property owners may choose to pay off their assessment amount at any time in full, or in any amount of at least \$2,500. A prepayment is calculated to include the principal amount of the assessment to be prepaid (and interest on the assessment prepayment amount to the second business day of the second month following the date the prepayment is made).

In order to prepay, the property owner will need to contact the Program to initiate the prepayment process.

## 7 Program Processes

The Program Process section describes the entire process for residential property owners, contractors, and Program Representatives from before the project begins, through all steps of the financing process.

### 7.1 Process Overview

The chart below shows the steps for the completion of a residential project financed through the Program:



**1****Apply**

Property owner submits application online, through a contractor, or by hard copy.

**2****Product Approval**

Contractor or property owner calls HERO Program Representative with specific product details before installing products.

**3****Sign Financing Documents**

Property owner is emailed Financing Documents, which they sign and return.

**4****Install Eligible Products****5****Payment Issued**

The contractor and property owner must sign and submit a Completion Certificate. Payment is then issued.

The property owner consents to the Program's providing to the holders or loan servicers of any existing mortgages encumbering or otherwise secured by the property a notice of the owner's intent to enter into a financing agreement together with the maximum principal amount to be financed and the maximum annual assessment necessary to repay that amount. A verified copy or other proof of such notice shall be provided to the Local Government. A provision in any agreement between a mortgagee or other lienholder and a property owner, or otherwise now or hereafter binding upon a property owner, which allows for acceleration of payment of the mortgage, note, or lien or other unilateral modification solely as a result of entering into a financing agreement as provided for in this section is not enforceable. Florida Statutes Section 163.08(13). This does not limit the authority of the holder or loan servicer to increase the required monthly escrow by an amount necessary to annually pay the Eligible Product assessment. Florida Statutes Section 163.08(13).

## 7.2 Step 1: Apply

### 7.2.1 Application

Each property owner will need to complete an application.

Property owners have the option of submitting the application:

1. online: [www.renovateamerica.com](http://www.renovateamerica.com),
2. phone: 855-HERO-411,
3. fax: (858) 815-6860,
4. email: [info@heroprogram.com](mailto:info@heroprogram.com),
5. mail:

**Florida HERO Program**  
16409 W. Bernardo  
Drive, San Diego, CA,  
92127

6. or through a contractor registered with the Program.

Submission of an application does not guarantee that a property owner will be approved for financing. Also, if a property owner proceeds with ordering or the installation of any Eligible Products prior to approval of the application and entering into a Financing Agreement, the property owner risks becoming ineligible for Program



financing. Furthermore, if a property owner is approved for financing, but then installs products that are not eligible, those products will not be funded.

By submitting an application, property owners are specifically authorizing and agreeing that the Program Administrator has permission to obtain a credit report for each property owner and any other informational reports needed to verify bankruptcy and current property debt, obtain a property valuation, verify the property owners' declarations regarding title to the property and current and historical property tax status, and complete any other necessary record checks to verify information in the application or confirm eligibility for the Program.

#### 7.2.1.1 Secure Online Application

A secure, online application for the Program is available on the Program website ([www.renovateamerica.com](http://www.renovateamerica.com)). The online application is a step-by-step process where each applicant provides personal and property information. Applicants who receive an "approved" response to their application may then obtain approval of the proposed Eligible Products by calling the Program at 855-HERO-411 (see Section 7.3 for details). Applicants who receive a "conditionally approved" or "in review" message regarding their application will be contacted by a Program Administrator Representative once the application has been reviewed, but may also correspond with the Program either by email at [info@heroprogram.com](mailto:info@heroprogram.com) or through the call center at 855-HERO-411. Applicants will also receive notification emails regarding their application status.

#### 7.2.1.2 Hard Copy Application

In addition to the online application, a hard copy application is also available for property owners to fill out. The applicant may obtain the hard copy application by downloading it from the Program website, calling Program Administrator Representatives at 855-HERO-411, emailing Program Administrator Representatives at [info@heroprogram.com](mailto:info@heroprogram.com). Program information and documents are available through these same methods. Once completed, a property owner may submit a hard copy application by mail, email, facsimile, or in person to the contact information stated above.

#### 7.2.1.3 Contractor Call In

Contractors who have registered with the Program Administrator may, with the approval of a property owner, call in an application to the Program Administrator and receive approval over the phone. The property owner must fill out the hard copy application, provide that information over the phone, and then fax, email or mail a signed version of the application with a copy emailed by the Program Administrator to the property owner. As with the online application, calling in and then faxing or emailing the signed application allows quick processing and official notification of financing eligibility.

### 7.2.2 Application Results

Applicants will receive official notification of the status of their applications immediately if applying through the online system or through the contractor call in method (with a confirming email). If applying through a hard copy application, the Program will notify applicants of the application status determination by email or mail once the application is processed. There are four possible application review results:

**Approved.** An application for financing will be approved if Program Administrator staff have verified all of the items listed in the Eligibility Requirements for properties and property owners. An "approved" applicant will receive an Approval Letter with instructions about the next steps for obtaining Program approval of Eligible Products, signing Financing Documents, installation of Eligible Products, and submitting the Completion Certificate. **An "approved" applicant must comply with all Program requirements for these items, or will not be approved for funding at a later date.**

**Conditionally Approved.** An application will be conditionally approved if all the submitted information meets the underwriting eligibility requirements, but, based on certain information that was encountered

during processing, additional information or documentation is required. If the property owner complies with the listed additional conditions, the application will then be approved. Examples of “conditions” that might be required are trust documents for property in a trust’s name or corporate authorization documentation when the property is owned by a corporation. It is within the Program Administrator’s discretion to request specific types of additional documentation depending on the issues related to the application.

***In Review.*** An application will be “in review” if the Program Administrator staff and/or the automated underwriting system is unable to connect the property with the property owner using the information that was submitted by the applicant or any issues arise during verification of eligibility requirements. “In review” applicants will be notified by email or mail of the issues that need to be resolved before the application can move forward. If the applicant has any questions, he or she can always call the Program Administrator to speak with a Program Administrator Representative at 855-HERO-411.

***Denied.*** An application will be denied if Program Administrator staff determines the property owner or the property do not meet the eligibility requirements. A property owner will be notified in writing by mail of the specific reason(s) why his or her application was denied. If the property owner believes there has been an error based on the stated reasons in the declination letter and is unable to resolve it quickly by contacting Program Administrator staff, the property owner must follow the steps set forth in Section 8, Dispute Resolution, to formally contest the Program Administrator’s decision.

## 7.3 Step 2: Obtain Product Approval

Property owners must obtain approval of all Eligible Products, sign a Financing Agreement and receive a Notice to Proceed from the Program **PRIOR TO** ordering the contractor to order or install the Eligible Product.

### 7.3.1 Scope of Project - Obtain Quote

Property owners must determine which Eligible Product(s) they wish to finance through the Program.

Property owners can work directly with an energy auditor and/or contractors to determine the scope of their project. Funding is only available for products listed on the Eligible Products List and Custom Products, if approved by the Program.

Contractors may explore what products and models are eligible by using the “Product Look Up” function of the Program Administrator website at [www.renovateamerica.com/support/faq#tab5](http://www.renovateamerica.com/support/faq#tab5).

It is highly recommended that property owners perform a comprehensive energy audit on their property before considering any Eligible Products. A comprehensive audit applies building science principles from data collected on the subject property utilizing sophisticated diagnostic equipment including a blower door, duct blaster, and digital infrared camera to precisely detect the cause and measure the effects of building performance related problems.

To find an energy auditor, contact the Building Performance Institute (BPI) or Residential Energy Services Network (RESNET). Some energy auditors also provide home performance contracting work and specialize in energy efficiency products.

As some homes may not have proper solar exposure or the structural framework to support the weight of a solar system, property owners who are considering the installment of a solar PV or solar thermal system are encouraged to contact one or more qualified solar system installers for a free solar site evaluation.

### 7.3.2 Eligible Product Look Up

Prior to submitting an application, contractors and property owners may do preliminary research to determine whether a product is eligible by downloading and reviewing the current Eligible Product List from the Program Administrator website at (<https://www.renovateamerica.com/support/faq#tab5>) to explore eligibility of particular products in advance. However, property owners may not purchase or install Eligible Products until they have received confirmation from the Program Administrator with an attached Notice to Proceed, listing the approved Eligible Product(s) (including the particular model(s) and its cost) for all of the items they plan to install and signed all Financing Documents.

### 7.3.3 Contact Call Center for Product Approval

Contractors or property owners will need to call the Program at 855-HERO-411 to obtain approval of specific Eligible Products and installation costs before Financing Documents, including the Financing Agreement, are created for the property owner to sign and Eligible Products may be ordered or installed. The materials and labor costs provided by the contractor or property owner is a "Not to Exceed" amount and the final invoiced amount of the project may not exceed this amount.

This process should be followed for each Eligible Product included in the project. If a different Eligible Product or model needs to be installed, the contractor or property owner must contact the Program Administrator Representatives again and repeat the process outlined above in this subsection.

### 7.3.4 New Products or Custom Projects

If a property owner wishes to finance a product that is not listed on the Eligible Product List, he or she must complete the New Product Request Form. The property owner and contractor will need to provide the following:

- (a) the product/project they wish to install;
- (b) the cost to install;
- (c) the basis for eligibility (energy savings, renewable energy production, or wind resistance savings); and
- (d) the product, if any, they are removing.

During review, Program Administrator representatives may request additional documentation or additional contractor(s)' bid(s) for proposed products/project for any reason, including if the Program Administrator determines that the submitted bid(s) appear to be unreasonable as to cost or scope.

The Program Administrator reserves the right to deny any New Product or Custom Project. Reasons for denial may, but need not, include any of the following: it appears that the proposed product is not cost effective, is too experimental or unreliable, the claimed energy or wind resistance savings or renewable energy generation product is not clearly supported, the costs do not appear to be in conformance with industry standards, or installation of the product may violate local laws or regulations. The Program Administrator will provide a written explanation for any denial of a New Product Request Form.

## 7.4 Step 3: Sign Financing Documents

After Eligible Products are approved, Program Administrator Representatives will provide property owners their Financing Documents, which must be signed and received by the Program online or mailed to 16409 W. Bernardo Drive, San Diego, CA, 92127 by the due date stated on the signature page of the Financing Agreement:

1. Signed Financing Estimate;
2. Signed Financing Agreement with exhibits thereto;
3. Signed Application; and
4. Acknowledged Right to Cancel.

The due date on the signature page of the Financing Agreement will generally be ten (10) calendar days from the date of issuance of the Financing Documents. This means that the original, property owner-executed Financing Documents must be received by the Program by the close of business on the stated due date.

If all property owner(s) for a particular property fail to sign and submit Financing Documents by the required date, new Financing Documents may need to be issued with a new interest rate. Repeated delays requiring repeated reissuance of Financing Documents, however, may result in a cancellation of approval or any processing fee charges for Program financing.

The property owner will also receive an email (or if applicable, a mailed copy), which informs the property owner and contractor of the next steps. Included with the Financing Documents will be a copy of the Completion Certification, which will list the approved Eligible Products and the date by which the installation of the Eligible Products must be completed.

The property owner and contractor can update the details of a Financing Agreement through an Addendum to the Financing Agreement.

Samples of all the Program Financing Documents referenced in Section 7.4 can be found on the Program website.

The Program Administrator will record a summary memorandum of the Financing Agreement within five (5) days of execution of the Financing Agreement. The recorded agreement shall provide constructive notice that the non ad-valorem assessment to be levied on the property constitutes a lien of equal dignity to county taxes and assessments from the date of recordation.

## 7.5 Step 4: Install Eligible Products(s)

**A property owner must sign all Financing Documents (see Step 3 above), and receive a Notice to Proceed PRIOR to causing the commencement of installation of such Eligible Products.**

Installation may only be completed by a contractor who has registered with the Program Administrator. Eligible contractors may register with the Program Administrator if they have met all the requirements and sign an agreement to comply with all Program Administrator terms and conditions. **See Section 4, Eligibility Requirements.**

All Eligible Product installations, inspections or validations, and submission of the Completion Certificate and required attachments must be completed on or before the date specified on the Completion Certificate. Applicants who are completing larger projects and/or who believe they need more time than the date specified in the Completion Certificate may contact the Program to come to an agreement on an appropriate completion period.

If the completion date occurs without the Program Administrator agreeing to an extension in writing, the property owner may be required to sign new Financing Documents.

**THE FDFC, THE LOCAL GOVERNMENT, RENOVATE AMERICA, AND THEIR RESPECTIVE OFFICERS, EMPLOYEES, CONSULTANTS, GOVERNING BOARD MEMBERS, MEMBERS AND AGENTS DO NOT ENDORSE OR RECOMMEND CONTRACTORS WHO REGISTER WITH THE PROGRAM ADMINISTRATOR, NOR DO THEY GUARANTEE, WARRANTY OR OTHERWISE ENSURE THE COMPLETION OF THE INSTALLATION OF THE ELIGIBLE PRODUCTS BY SUCH CONTRACTORS OR THE OPERATION OF THE ELIGIBLE PRODUCTS OR ANY OTHER PERSON INVOLVED WITH THE INSTALLED PRODUCTS, THE DESIGN OR MANUFACTURE OF SUCH PRODUCTS, OR THE ECONOMIC VALUE, ENERGY SAVINGS, SAFETY, DURABILITY OR RELIABILITY OF SUCH ELIGIBLE PRODUCTS.**

### 7.5.1 Building Permit Requirements

Property owners and contractors (on behalf of property owners) are responsible for obtaining building permits and completing inspections, including final inspection sign-off, by the appropriate City or County Building Department. Property owners are also responsible for ensuring that their Eligible Products have met all other applicable federal, state and local laws and regulations. Property owners should speak with their contractors to determine if their Eligible Products require a building permit and/or inspection and what requirements must be met.

The Program has the right to schedule an on-site validation visit once the Completion Certificate is submitted for any installed, Program-financed Eligible Products (see Section 5.2 above).

## 7.6 Step 5: Payment Issued

### 7.6.1 Submit Completion Certificate

Once installation of the Eligible Products is complete, the property owner must complete and submit an executed Completion Certificate and all required attachments to the Program for approval. To do so, the following conditions must be met: (1) all installed Eligible Products or Custom Products have been specifically approved by the Program in advance of installation and listed in one or more Completion Certificate(s); (2) all Eligible Products or Custom Products to be financed have been completed and installed in compliance with Program rules; and, (3) property owner(s) are submitting a complete Completion Certificate within the financing period set forth in the application approval letter.

**In executing the Completion Certificate the property owner is certifying, among other things, that:**

- **The products installed on such property owner's property are completed to such property owner's satisfaction; and**
- **The property owner understands that the selection of the contractor and acceptance of the materials used and the work performed is such property owner's responsibility and that the FDFC, the Local Government, the Program Administrator, and their respective officers, employees, consultants, governing board members, members and agents do not endorse or recommend contractors who register with the Program Administrator nor do they guarantee, warranty or otherwise ensure the completion of the installation of the Eligible Products by such contractors or the operation of the Eligible Products or any other person involved with the installed Eligible Products, the design or manufacture of such Eligible Products, or the economic value, energy savings, safety, durability or reliability of such Eligible Products.**

**If any property owner has any questions regarding the certifications contained in the Completion Certificate or concerns regarding the effect of executing such Completion Certificate, the property owner is advised to consult such property owner's own legal counsel prior to executing the Completion Certificate.**

The Completion Certificate must be submitted with signatures from the contractor and property owner(s) and may additionally require the following documents:

1. A fully executed home improvement contract, including all pages and addendums from all contractor(s);
2. If required by the jurisdiction, a pulled (initial) building permit from the appropriate city or county building department for all permitted Eligible Products or Custom Products, unless additional permitting requirements are specifically required below. The Program reserves the right to require a final permit for all permitted Eligible Products or Custom Products, as determined by the Program and as practiced by the jurisdiction;
3. Specific Eligible Product Attachments:
  - a) Custom Products- Approved Program custom product application;
  - b) Energy Audit- Copy of energy audit report; and

A current list of the required attachments for the Completion Certificate will be provided on the Completion Certificate Instructions page that a property owner receives with their Completion Certificate.

Completion Certificates and required attachments may be submitted to the Program Administrator by facsimile, email, mail or hand delivery.

If an on-site validation visit is required before approval or the Completion Certificate is incomplete, Program Administrator Representatives will notify the property owner by email or mail of the next steps.

It typically takes less than 3 business days to receive payment after the Completion Certificate and associated documents have been properly submitted and approved, however, the time to receive payment may take a longer period of time.

### **7.6.2 Right to Validate Products by the Program**

The Program reserves the right to perform independent on-site validation(s) of any Eligible Products financed by the Program even if permit inspections have already been completed. If a validation visit is required, Program Administrator staff will schedule any such on-site validation visit with the property owner, at a reasonable time and with reasonable notice. In addition, the Program Administrator reserves the right to perform online monitoring of any installed renewable energy systems' generation data, if applicable, as well the tracking of energy consumption impacts and utility usage for any installed/financed product via property utility bill data.

## **7.7 Issue Payment and Record Summary Memorandum of Financing Agreement**

After receiving the executed Completion Certificate, payment will be issued to the contractor(s) listed in the Completion Certificate(s) and signed by the property owner. The Program Administrator will record a summary memorandum of such agreement within five (5) days of execution of the Financing Agreement. The recorded agreement shall provide constructive notice that the assessment to be levied on the property constitutes a lien of equal dignity to county taxes and assessments from the date of recordation. The FDFC will issue bonds to finance the cost of the installation of the Eligible Products and other costs of the financing.

## **7.8 Add Assessment to Property Taxes**

For all property owners who sign Financing Documents, the Local Government will annually submit to the Tax Collector of the county in which such property owner's properties are located, an assessment roll that identifies the assessment lien and the Assessment Installment, together with all administrative fees due (including but not limited to an annual assessment administration fee and an annual tax collection administration fee). This assessment payment will appear as a separate line item on a property owner's property tax bills for the term of the financing.

### **7.8.1 Assessment Payments on Property Tax Bill**

Property owners who apply to the Program must be able to pay the agreed-upon assessment regardless of a change in personal financial circumstances, the condition of the property, or the condition or operation of the installed Eligible Products. As with property taxes, failure to pay the assessment when due may result in the accrual of additional interest and penalties and may result in the sale of a tax certificate on the property, and possible loss of the property.

Recordation of the assessment lien on the property will establish a continuing annual lien.

If the property owner wishes to sell the property, property taxes typically stay with the property when it is sold and the same is true with assessments. Under the Program, when a property owner sells or refinances their property, the Local Government and the Tax Collector in which the owner's property is located will permit their assessment



to stay with the property; **however, the seller's lender or the buyer's lender may require that the seller pay off the remaining outstanding balance of their assessment when the property owner refinances their home or sells their property. Accordingly, depending upon the requirements of the lenders, the assessment lien may be able to remain (or in the case of a refinancing allow it to remain with the property), or the seller may need to pay the unpaid balance at the time of transfer or refinance.** Property owners should consult with their lenders at the time of refinance or sale of the property to determine whether their Program assessment will need to be paid in full. In addition, by law, property owners must provide notice of the assessment to the buyer prior to sale of the property.

In addition, per Florida Statutes Section 163.08(14), at or before the time a property owner executes a contract for the sale and purchase of the property for which an assessment has been levied and has an unpaid balance due, the seller shall give the prospective purchaser a written disclosure statement in the following form, which shall be set forth in the contract or in a separate writing: "QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY, RENEWABLE ENERGY, OR WIND RESISTANCE. The property being purchased is located within the jurisdiction of a local government that has placed an assessment on the property pursuant to s. 163.08, Florida Statutes. The assessment is for a qualifying improvement to the property relating to energy efficiency, renewable energy, or wind resistance, and is not based on the value of property. You are encouraged to contact the county property appraiser's office to learn more about this and other assessments that may be provided by law."

If a property owner uses an impound or escrow account to pay his or her taxes, he or she can contact his or her lender to verify that monthly impound or escrow payments are increased by an amount equal to the total annual assessment divided by twelve (12) months.

The assessment amounts and any associated ongoing fees will be based on the installation costs, Program financing fees, ongoing administrative fees and the effective interest rate of the Program. Amounts will be specified in the Financing Documents in the Schedule of Assessment Payments attached to the Financing Agreement.

## 8 Dispute Resolution

The parties who have signed a Financing Agreement for the Program shall attempt in good faith to promptly resolve any dispute arising out of or relating to any Financing Agreement under the Program by negotiations between the Program Administrator or his or her designated representative and the Property Owner. Each party must give the other parties written notice (sent by certified mail) of any dispute. Within thirty (30) calendar days after delivery of the notice, the Program Administrator and the property owner shall meet at a mutually acceptable time and place, and shall attempt to resolve the dispute. If the matter has not been resolved within thirty (30) calendar days of the first meeting, any party may pursue other remedies, including mediation. All negotiations and any mediation conducted pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations. Each party is required to continue to perform its obligations under the Financing Agreement pending final resolution of any dispute arising out of or relating to the Financing Agreement.

Property owners who wish to dispute decision(s) made by the Program Administrator, but who have not signed a formal Financing Agreement, shall use a similar process. Written notice must be sent by certified mail the Program Administrator at 16409 W. Bernardo Drive, San Diego, CA, 92127. The notice must identify the issue(s) for resolution, the circumstances that surround the issue(s), the section in the Handbook that the issue(s) pertain(s) to, and a timeline of events. Within thirty (30) calendar days after delivery of the notice, the Program Administrator with the property owner, and shall attempt to resolve the dispute. The Program Administrator shall render a written decision in 30 calendar days and send that decision to the property owner. The decision of the Program Administrator is final.

## 9 Additional Requirements and Terms

Additional requirements and terms for the Program are set forth in Appendix B to this Handbook. All Program applicants, and contractors are subject to these additional terms as applicable. **ALL PROGRAM APPLICANTS, AND CONTRACTORS ARE SUBJECT TO THESE ADDITIONAL REQUIREMENTS AND TERMS AS**

**APPLICABLE AND ARE RESPONSIBLE FOR REVIEWING AND UNDERSTANDING THESE ADDITIONAL REQUIREMENTS AND TERMS. APPLICANTS, AND CONTRACTORS ARE RESPONSIBLE FOR CONTACTING THE PROGRAM STAFF FOR CLARIFICATION OF ANY ADDITIONAL REQUIREMENT OR TERM THAT IS NOT UNDERSTOOD AND/OR SEEKING ADVICE FROM THEIR OWN ATTORNEY REGARDING ANY SUCH ADDITIONAL REQUIREMENT OR TERM.**



## 10 Appendices

### Appendix A: Glossary of Terms

**Annual Assessment Administrative Fees:** The annual assessment administrative fee due and payable pursuant to a Financing Agreement that shall be collected on the property tax bill pertaining to the subject property.

**Annual Fuel Utilization Efficiency (AFUE):** AFUE is the standard measurement of efficiency for gas and oil-fired furnaces. Given in percentages, this number tells you how much of your fuel is used to heat your home and how much fuel is wasted. The higher the AFUE rating, the greater the efficiency.

**British Thermal Units (Btu):** The amount of heat required to raise the temperature of one (1) pound of water one (1) degree Fahrenheit.

**Building Performance Institute (BPI):** BPI is a national standards development and credentialing organization for residential energy efficiency retrofit work – providing training through a network of training affiliate organizations, individual certifications, company accreditations and quality assurance programs. BPI certifications include building analysts (for energy audits) as well as building envelope professionals (envelope or manufactured housing) and mechanical professionals (heating or cooling).

**Building Permits:** Formal approval of building plans by the designated government agency as meeting the requirements of prescribed codes. It is an authorization to proceed with the construction or reconfiguration of a specific structure at a particular site, in accordance with the approved drawings and specifications.

**Coefficient of Performance (COP):** The COP is the basic parameter used to report efficiency of refrigerant based systems.

**Commercial:** Commercial entities are defined as all non-residential properties and include apartment buildings, industrial properties, and agricultural properties.

**Completion Certificate:** A document signed by the property owner and contractor upon completion of the project that indicates both parties are satisfied with the installation and workmanship of the products.

**Contractor:** A person or business entity who contracts to erect buildings, or portions of buildings, or systems within buildings.

**Cool Roof:** A cool roof reflects and emits the sun's heat back to the sky instead of transferring it to the building below. "Coolness" is measured by two properties, solar reflectance and thermal emittance. Both properties are measured from zero (0) to one (1) and the higher the value, the "cooler" the roof.

**Cool Roof Rating Council (CRRC):** The CRRC is an independent, non-profit organization that maintains a third-party rating system for radiative properties of roof surfacing materials.

**Construction Industry Licensing Board (CILB):** CILB is under the Florida Department of Business & Professional Regulation and protects consumers by licensing and regulating Florida's construction industry.

**Custom Products:** Energy or wind resistance products that require special approval to be financed through the Program because the products are not included on the approved Eligible Products List. Custom Products should save energy or resist wind or produce renewable energy for a reasonable cost.

**Disbursement Date:** The date that FDFC disburses payments to those entitled to receive them.

**Eligible Products:** All products purchased and installed through the Program must identify as a Qualifying Improvement and listed on the Program website (see Exhibit D).

**Energy Audit:** An evaluation of energy consumption, as in a home or business, to determine ways in which energy can be conserved.

**Energy Efficiency Ratio (EER):** EER is a measure of how efficiently a cooling system will operate when the outdoor temperature is at a specific level (95°F). The higher the EER, the more efficient the system.

**Energy Star:** EnergyStar is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy helping us all save money and protect the environment through energy efficient products and practices.

**Evapotranspiration (ET):** ET is a term used to describe the sum of evaporation and plant transpiration from the Earth's land surface to atmosphere.

**Financing Agreement:** A contract entered into between a property owner or property owner(s), the FDFC, and the Local Government to provide financing for the installation of Qualifying Improvements and to levy assessments on property of such property owner(s) under the Program.

**Financing Agreement Addendum:** An addendum to the Financing Agreement requested by the property owner(s) that is used to make corrections to the contract and/or modify the contract to make desired project changes.

**Financing Documents:** The Financing Documents are all the documents which the property owner must sign as set forth in the Program application, Completion Certificate and Financing Agreement.

**Heat Seasonal Performance Factor (HSPF):** HSPF is the most commonly used measure of a heat pump's heating efficiency. The higher the HSPF, the more efficient the heat pump.

**Home Energy Rating System (HERS):** Based on the home's plans, the Home Energy Rater uses an energy efficiency software package to perform an energy analysis of the home's design. This analysis yields a projected, pre-construction HERS Index. Upon completion of the plan review, the rater will work with the builder to identify the energy efficiency Qualifying Improvements needed to ensure the house will meet ENERGY STAR performance guidelines. The rater then conducts onsite inspections, typically including a blower door test (to test the leakiness of the house) and a duct test (to test the leakiness of the ducts). Results of these tests, along with inputs derived from the plan review, are used to generate the HERS Index score for the home.

**Improved Property:** Improved property is land with one or more structures on it. It is the opposite of vacant or unimproved property. Only approved products on Improved Property are financeable through the Program.

**Interconnection Agreement:** A legal document authorizing the flow of electricity between the facilities of two electric systems. Eligible renewable energy systems must be permanently interconnected and operating in parallel to the electrical distribution grid of the utility serving the customer's electrical load. Portable systems are not eligible. Proof of interconnection and parallel operation is required prior to receiving an incentive payment.

**Investor-Owned Utility (IOU):** For purposes of the Program, this refers to non-municipal utilities.

**Just Value:** The application of the eight statutory factors in Florida Statutes §193.011 that property appraisers consider in arriving at just value for taxing purposes.

**Kilowatt (kW):** A unit of electrical power equal to 1,000 watts, which constitutes the basic unit of electrical demand. The watt is a metric measurement of power (not energy) and is the rate (not the duration over which) electricity is used. 1,000 kW is equal to 1 megawatt (MW).

**Kilowatt Hour (kWh):** The use of 1,000 watts of electricity for one full hour. Unlike kW, kWh is a measure of energy, not power, and is the unit on which the price of electrical energy is based. Electricity rates are most commonly expressed in cents per kilowatt hour.

**Megawatt (mW):** Unit of electrical power equal to one million watts; also equals 1,000 kw.

**Net Operating Income (NOI):** Net operating income is rental income of a property after operating expenses. These expenses would include all operating expenses, including maintenance, janitorial, supplies, insurance, accounting, management, etc.

**Program:** The Florida HERO Program.

**Qualifying Improvements:** Improvements for energy conservation and efficiency, renewable energy, and wind resistance in Section 163.08(2)(b), Florida Statutes, and as amended.

**Real Property:** A property in a city or county that is participating in the Program that is subject to a real property tax.

**Renewable Energy:** Electricity supplied by energy sources that are naturally and continually replenished, such as wind, solar power, geothermal, small hydropower, and various forms of biomass.

**Residential Energy Services Network (RESNET):** RESNET is a not-for-profit member corporation, and a recognized national standards-making body for building energy efficiency rating and certification systems in the United States. RESNET trains, tests and certifies energy auditors/raters.

**R-Value:** R-Value is a measure of thermal resistance used in the building and construction industry, usually for insulation. The higher the R-Value, the greater the insulation qualities of the product.

**Seasonal Energy Efficiency Ratio (SEER):** SEER is most commonly used to measure the efficiency of central air conditioners and air source heat pumps. SEER measures how efficiently a cooling system will operate over an entire season. The higher the SEER, the more efficient the system.

**Solar Heat Gain Coefficient (SHGC):** SHGC measures how well a product blocks heat by sunlight. SHGC is expressed as a number between 0 and 1. The lower the SHGC, the less solar heat is transmitted into the building.

**Solar Rating and Certification Corporation (SRCC):** The SRCC currently administers a certification, rating, and labeling program for solar collectors and a similar program for complete solar water heating systems.

**Summary Memorandum of Financing Agreement:** A summary of the Financing Agreement entered into between a property owner or property owner(s), the FDFC, and the Local Government and recorded in the public record of the county where the Property is located as part of the lien process to secure the repayment of the financings through a voluntary non ad-valorem assessment placed on the tax bill.

## Appendix B: Additional Requirements and Terms

In addition to the Program eligibility criteria and requirements described above in the Handbook, the following additional terms are required of property owner(s) who participate in the Program.

### Property Owner Agrees to All Program Terms

By execution of the Financing Agreement documents, each executing property owner certifies that they have read, understood and agreed to the terms of the Program as outlined in the Program Handbook in addition to the terms of the Financing Agreement. Property owner(s) also thereby certifies that the property owner(s), the property, and the Eligible Products meet all Program eligibility requirements.

### Authority to Install Products

By execution of the Financing Agreement documents, each property owner represents that he or she has the authority to install the Eligible Product(s) on the property named in the Financing Agreement documents.

### No Endorsement by FDFC or Renovate America

The property owner(s) understand, acknowledge and agree that review of the Eligible Products, the determination that such Eligible Products are Qualifying Improvements and authorization for Program funding of the installation of such Eligible Products by FDFC and Renovate America shall not be construed as a confirmation or endorsement of the qualifications, efficiency or performance of such Eligible Products, the contractors that installed such Eligible Products, the manufacturer of or any other person involved with the Eligible Products, the design of the Eligible Products, or a warranty or guaranty the performance, economic value, energy savings, safety, durability or reliability of such Eligible Products.

### Property Owner and Contractor Are Responsible for Products, Permits and Inspections

The property owner is responsible for all Eligible Products or other ineligible products installed on his or her property, including the selection of any contractor(s), energy auditor(s), or equipment, including manufacturers. Any performance-related issues are the responsibility of the property owner and the property owner's contractor(s). Neither the FDFC nor its agents are responsible for the performance of the Eligible Products.

**FDFC, THE LOCAL GOVERNMENT, RENOVATE AMERICA, AND THEIR RESPECTIVE OFFICERS, EMPLOYEES, CONSULTANTS, MEMBERS, BOARD MEMBERS, AND AGENTS DO NOT ENDORSE OR RECOMMEND CONTRACTORS WHO REGISTER WITH THE PROGRAM, NOR DO THEY GUARANTEE, WARRANTY OR OTHERWISE ENSURE THE COMPLETION OF THE INSTALLATION OF THE ELIGIBLE PRODUCTS BY SUCH CONTRACTORS OR THE OPERATION OF THE ELIGIBLE PRODUCTS OR ANY OTHER PERSON INVOLVED WITH THE INSTALLED ELIGIBLE PRODUCTS, THE DESIGN OR MANUFACTURE OF SUCH ELIGIBLE PRODUCTS, OR THE ECONOMIC VALUE, ENERGY SAVINGS, SAFETY, DURABILITY OR RELIABILITY OF SUCH ELIGIBLE PRODUCTS.**

Completion of all city and county permitting and inspections are the responsibility of the property owner and the contractor (on behalf of the property owner).

### Program May Inspect Eligible Products

The Program reserves the right to inspect any and all Eligible Products financed by the Program at any time during installation or when a Completion Certificate is submitted to ensure compliance with the Program.

### Defaults on Assessment Payments

After written notification, defaults in payment of assessments will result in the initiation of tax sale proceedings sixty days after the tax/assessment becomes delinquent (generally, June 1).

### Rebates and Tax Credits

Federal, state, or local laws or rebate programs may change at any time. Therefore, the Program is not liable for any loss of or change in a rebate or tax credit. Property owners should consult with their tax advisors and/or accountants as to the applicability of any federal tax credits to their personal tax situation.

### **Tax Deductibility of Contractual Assessment**

Please confer with your tax advisor as to whether he or she recommends deducting any part of your contractual assessment on your tax return.

### **Program Database**

All information obtained from property owners through the Program will be used only for purposes of the Program or other utility rebate programs, energy savings tracking, and federal or state grant program funds tracking and surveys.

### **Releases and Indemnification**

**By submitting a Program application, property owner thereby acknowledges that the Program Administrator has established the Florida HERO Program, through the FDFC PACE Program solely for the purpose of assisting the property owners in the local government entities who are members of the Local Government where their property is located with the financing of Eligible Products and that FDFC, the Local Government, Renovate America and their respective officers, employees, members, agents and assigns have no responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing or maintenance of such Eligible Products. Property owner agrees that property owner and his or her successors in interest to the fee simple title in the subject property shall be solely responsible for the installation, operation, financing, refinancing or maintenance of such Eligible Products. Participation in the Program does not in any way obligate FDFC, the Local Government, Renovate America and/or their respective officers, employees, consultants, members, board members, agents and assigns to guarantee or ensure the performance of any Eligible Products. Property owner thereby acknowledges that the subject property will be responsible for payment of the assessment amount placed on the tax bill by the Local Government once the Completion Certificate is executed and the Summary Memorandum is recorded in the public record of the county where the property is located, regardless of whether the Eligible Product(s) are properly installed or operate as expected.**

Property owner also agrees to release, defend, indemnify, and hold harmless FDFC, the Local Government, their respective officers, employees, consultants, members, governing board members, agents and assigns, from and against any claims, actions, demands, costs, damages or lawsuits, including the payment of attorney fees and cost of court, arising out of or in any way connected with his or her participation in the Program, including, without limitation, the installation, maintenance or repair of the Eligible Products or compliance with any applicable federal, state or local laws.

### **Disclosure of Participant Information**

By submitting a Program application, property owner agrees that the Program may disclose his or her personal information to Program staff, and that the FDFC and Program staff may disclose that information to third parties when such disclosure is essential to the conduct of the FDFC's or its member agencies' business or to provide services to property owner, including, but not limited to, where such disclosure is necessary to (i) comply with the law, legal process or our regulators, (ii) enable the FDFC or the Program staff or consultants to provide services to property owner and to otherwise perform their duties, and (iii) obtain and provide credit reporting information.

### **Renewable Energy Certificates and other Green Attributes**

Owners of systems financed under the Florida HERO Program (including, as the case may be, property owners or third party companies) shall retain rights to all green attributes that result from projects financed through the Program and/or any other federal, state or other incentives that could be attributable to such system owners.

## **Appendix C: Program Forms and Documents**

### **Sample Financing Documents and Program Handbook**

Available at: [www.renovateamerica.com/financing/hero/sample-documents](http://www.renovateamerica.com/financing/hero/sample-documents)

### **Contractor Participation Terms and Conditions**

Available at: [www.renovateamerica.com/terms-conditions](http://www.renovateamerica.com/terms-conditions)

### **Privacy Policy**

Available at: [www.renovateamerica.com//privacy-policy](http://www.renovateamerica.com//privacy-policy)

## **Appendix D: Qualifying Eligible Products List**

The Florida HERO Program's Eligible Products List can be found below on the Program Administrator's website:

<https://www.renovateamerica.com/support/faq#tab5>