



Auditor, Controller, Treasurer, Tax Collector
and County Administrator's Office

Sonoma County Energy Independence Program Update

July 8, 2025

Recommended Actions

Recommended Actions:

- A) Approve a wind-down of the residential component of the Sonoma County Energy Independence Program, and
- B) Accept recommendation to continue the commercial-only program, effective March 1, 2026, and direct staff to return to the Board with an annual program update.



Cost of Compliance: Costs are Pass Thru and paid by Property Owner

There would be a significant increase in pass thru fees for applicants which would make the program less attractive to borrowers. The greater number of legal owners per title per parcel will increase the cost of underwriting per application.

- Estimate of cost for underwriting requirements - \$800 to \$1200 per application (up from \$0)
- Cost of Title Search - \$140 per application (same)
- Cost of Automated Valuation of property - \$16.50 per application (same)
- Recordation of contracts - \$41 per application (same)

Estimated cost for applications with two or fewer owners: \$ 997.50- \$1397.50 (up from \$197.50)



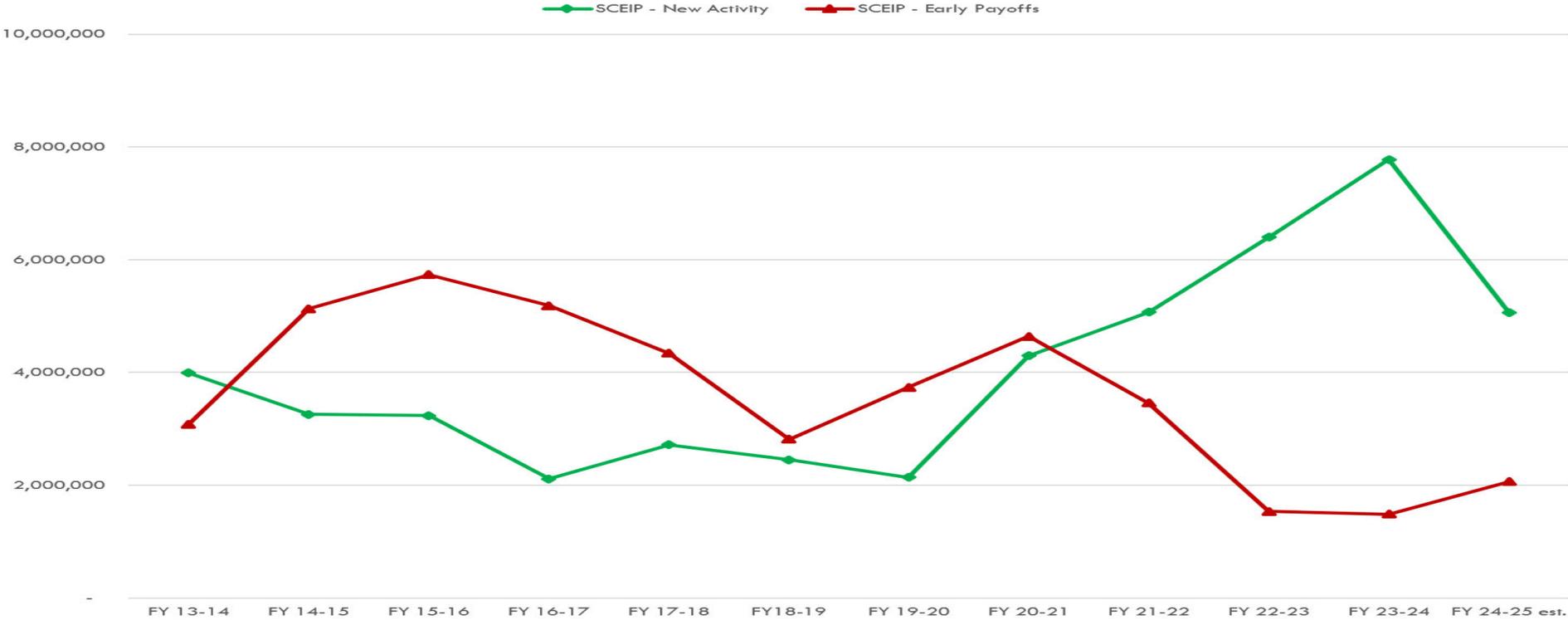
Commercial-Only SCEIP Program

- ▶ A Commercial Marketing Campaign is being developed for roll-out in September 2025
- ▶ Staff will no longer accept Residential Applications as of 1-12-26
- ▶ Staff will build on past successful projects such as: Guayaki Yerba Mate, Slipstone Vineyards, The Upton Building, Cloverdale Mobile home Park, The Rothman Building, Kistler Vineyards, Trenton Vineyards

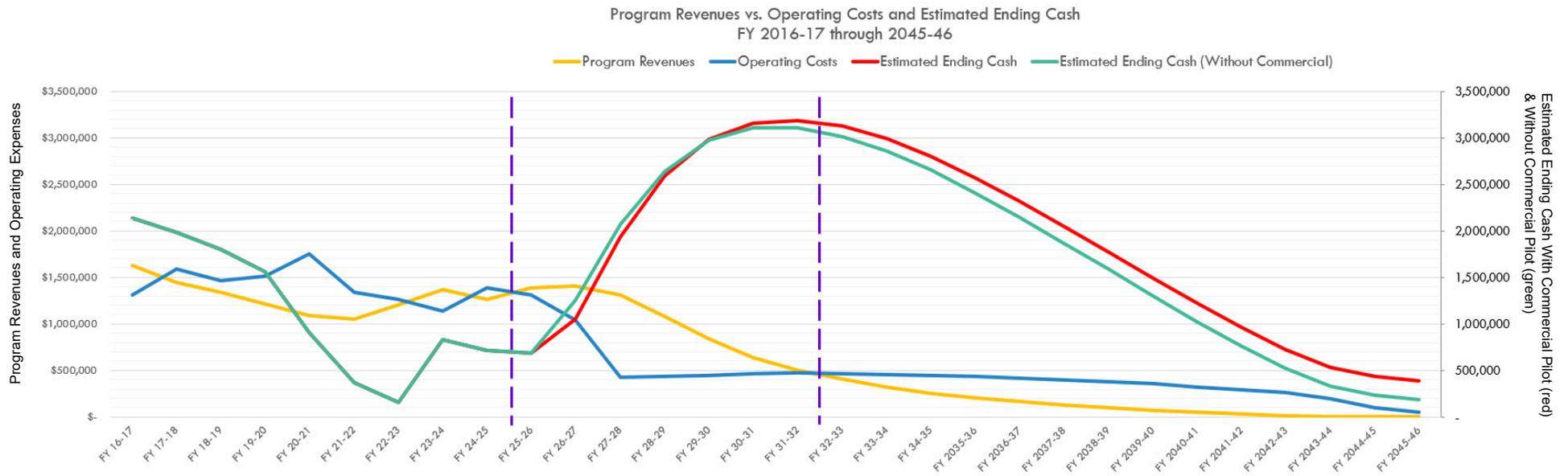


SCEIP New Activity vs. Early Payoff

SCEIP New Activity vs. Early Payoffs 2013/14 through 23/24 and 24/25 Estimated



SCEIP Cash Flow with Commercial Only



- ▶ Staff reduction will result in near term positive effect on fund condition but costs for legally required fund management continue until FY 2045-46
- ▶ With commercial only, the outstanding principal and interest revenue both drop, and by 2031-32, revenues are once again lower than operating costs. Ending Cash balance covers expenses thru 2045/46
- ▶ General Fund impact : None



SCEIP's Service to Sonoma County

- Disbursed over \$112M in financing to date with a tax default/delinquency rate of less than 0.15%
- Provided financing to over 3200 Sonoma County properties
- Financed over \$7.8M in Wildfire Safety Improvements
- Financed over \$75.6M in Generation Improvements
- Financed over \$27.7M in Energy Efficiency Improvements
- 90% of the projects completed by local contractors



Discussion

