



Solar on Multifamily
Affordable Housing

SOMAH Program Talking Points

What is SOMAH?

- Provides property owners with financial incentives to substantially offset the cost of a solar PV system on multifamily affordable housing properties.
- Offers direct financial benefit to tenants, decreasing energy bills with a minimum of 51% of benefits going to tenants.

What is the purpose of SOMAH and why was it created?

- The program ensures equal access to solar energy for all California households, regardless of income levels.
- As we transition into a future with clean energy, the SOMAH Program increases renewable energy opportunities for low-income customers to benefit on their bills as well as in their environment.
- Improving access to solar means lower utility bills, better housing security and a cleaner environment.

How will the program benefit property owners?

- Incentives provided by the program will **significantly reduce** the cost of solar installation on your property.
- Provides savings on energy costs for your common area and tenants loads.
- Long-term value will be added to your property.
- Offers free technical assistance and support services to assist you throughout your SOMAH application and solar installation.

How is the program funded?

- The SOMAH Program is funded by investor-owned utility greenhouse gas allowance auction proceeds amounting to \$100 million annually for 10 years.

What are the property eligibility requirements?

- Have at least five (5) units
- Be deed-restricted, low-income residential rental housing, including but not limited to manufactured and mobile home properties.
- Satisfy at least **one** of the following:
 - 66% of the property residents have incomes at or below 80% of the area median income (AMI).

OR

- Property is in a defined disadvantaged community (DAC) that scores in the top 25% of census tracts statewide in the [CalEnviroScreen](#) including property that is located on tribal land and is federally recognized.

OR

- The property is owned by a California Native American tribe.

OR

- The property is rental housing property that is owned by a public housing authority or public housing agency.
- Be an existing housing property or retrofit (with Certificate of Occupancy)
- Have individually metered units, not master-metered.
- Be a utility or community choice aggregator customer in the Pacific Gas and Electric (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E), PacifiCorp or Liberty Utilities territories.

What are the expectations and timeline of the application process?

- 18-month process with four main milestones (Reservation Request Package, Energy Efficiency Compliance Milestone, Proof of Project Milestone and Incentive Claim Package). However, a project can be completed at an earlier time frame if all program requirements are met.
- All applications have an applicant who is the entity that completes or submits the SOMAH Program application. The host customer (property owner) may act as the applicant or designate a third-party (contractor or developer) to act on their behalf.

How is the incentive payment amount calculated?

- Incentive rates vary depending on a couple of factors:
 - The capacity of the installed system
 - The energy percentage split between tenant and common area loads
 - Application of Federal Investment Tax Credit (ITC) or Low-Income Housing Tax Credit (LIHTC)

What project costs can the incentive cover?

- Total eligible project costs cover the solar energy system and its ancillary equipment. Additional equipment and other costs outside of the projectscope are considered ineligible.
- Some common costs covered by the total eligible project cost include:
 - Solar equipment capital costs, including tracking systems and other ancillary equipment associated with the solar energy system
 - Engineering and design costs for the solar energy system
 - Construction and installation costs
 - Engineering feasibility study costs
- To view all costs included in the total eligible project costs, please refer to Section 3.3.1 of the SOMAH Program Handbook.

Additional Resources

- Visit the [FAQ page](#) on our website to learn the answers to other common questions that property owners and their tenants may have.