

MULTIFAMILY WEATHERIZATION ASSISTANCE

Program Guidelines
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pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT



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Section I – Statement of Purpose

The **Weatherization Assistance Program (WAP)**, originally authorized by the Energy Conservation in Existing Buildings Act of 1976, Title IV of the Energy Conservation and Production Act and reauthorized by Title 42, Chapter 81, Subchapter III, Part A of the Energy Conservation and Resource Renewal and the Consolidated Appropriations Act, 2021 Section 1011, was established to help low-income families reduce energy costs by increasing the energy efficiency of their homes, while ensuring their health and safety. The program is intended to reduce national energy consumption and reduce the impact of higher fuel costs on low-income families.

Section II – Background

The Pennsylvania WAP was initiated in 1977 and is funded by the U.S. Department of Energy (DOE). It is administered through the Pennsylvania Department of Community and Economic Development (DCED), Center for Residential Reinvestment Programs. Direct weatherization services are provided through a network of public and non-profit agencies operating either single or multi-county areas serving all 67 counties within the commonwealth. Weatherization services primarily involve diagnostic assessment of air leakage, health and safety repairs, electric baseload measures and client energy education.

Additional program funding is received from the U.S. Department of Health and Human Services (HHS) through the PA Department of Human Services (DHS) as part of their Low-Income Home Energy Assistance Program (LIHEAP). These funds support the Crisis Interface Program, which provides emergency services such as the repair or replacement of heating systems or fuel lines, loan and/or provision of auxiliary heat and pipe-thawing. LIHEAP funds not used to provide emergency services are used to support weatherization services, the Deferral Program and programs that support the purpose of the federal funds.

The multifamily service provider for the Weatherization Assistance Program (WAP) will provide energy efficiency, health and safety, and other eligible retrofits to eligible multifamily (MF) properties. The measures for any property receiving weatherization services must be supported by an energy audit performed on the project. The energy audits need to meet all DOE requirements for MF properties. The maximum allowable average cost per unit per U.S. Department of Energy's (DOE) Bipartisan Infrastructure Law (BIL) Funds is \$8,009. Therefore, this allowable average cost per unit will remain in effect for the entire length of the contract, regardless if the specific funding source changes.

The purpose of this program application is to select qualified Program Administrators for a multifamily focused program. The MF Administrators for the WAP will provide energy efficiency, health and safety and other eligible retrofits to eligible MF properties. The measures for any property receiving weatherization services must be supported by an energy audit performed on the project. The energy audits need to meet all DOE requirements for MF properties.

In WAP, a multifamily building is any residential building containing five or more units. Residential buildings with more than 25 units or are more than three stories are usually referred to as large multifamily buildings. Residential buildings with 5-24 units that are 3-stories or fewer are usually referred to as small multifamily or low-rise multifamily buildings. Multi-unit buildings with fewer than 5 units are called 2–4-unit buildings.

DCED is planning to select at least one Multifamily Program Administrator through this application process. The Multifamily Weatherization Program is intended to serve all 67 counties in Pennsylvania. However, applicants who are able to provide service to a specific region of the state will also be considered.

Applicants should have demonstrated experience implementing weatherization, residential energy efficiency, and health and safety remediation programs for multifamily properties. Applicants should be able to demonstrate knowledge of the DCED WAP State Plan and the ability to serve the entire state or a specific region. Applicants should be certified as an RRP firm with the U.S. Environmental Protection Agency at the time of the application. Applicants should have on staff a Building Performance Institute (BPI)-certified Quality Control Inspector/Energy Auditor (QCI/EA) for multifamily projects. Demonstrated capacity to provide services on a long-term and ongoing basis is looked upon favorably in the application review process to ensure continuity of services.

The objectives of WAP's multifamily program in Pennsylvania are as follows:

- Provide energy savings and health benefits for households in multifamily buildings and structures in Pennsylvania.
- Increase energy and conservation efforts of state and local agencies to reduce dependence on foreign oil and reduce Pennsylvania's carbon footprint.
- Ensure multifamily weatherization work will benefit the residents and not just the property owner.

All grant awards made under this Program shall comply with applicable law and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at 10 CFR 440 and DOE Financial Assistance Rules at 2 CFR 200.

Section III – Eligibility for WAP Grant Funds

A. Subgrantees

PA WAP serves the entire state of Pennsylvania. There are subgrantees who are each assigned service areas, which includes all counties, cities, and areas of the state.

1. As required by the Federal Register, Section 440.15, all current subgrantees have experience in dealing with, identification of, and service to, the low-income population of their service areas.
2. All current Weatherization Program subgrantees have been presented in the plan and announced by DCED at the public hearing for public comment.
3. Any future new Weatherization Program subgrantees will be presented in the plan and announced by DCED at the public hearing for public comment.
4. Criteria used in the selection of multifamily subgrantees include, but are not limited to:
 - a. **Experience and Abilities**
 - Have demonstrated experience implementing weatherization, residential energy efficiency, and health and safety remediation programs for multifamily properties.
 - Experience coordinating weatherization services including the ability to read, incorporate, and interpret energy data.
 - Be able to demonstrate the ability to serve the entire state or specific region.
 - Have qualified staff or contractors responsible for performing all services.
 - Demonstrate knowledge of WAP State Plans.
 - Have demonstrated experience in providing Davis-Bacon wages and meeting payroll requirements.
 - Ability to coordinate with the current Weatherization Assistance Program service providers.

b. Certifications and Qualifications

- Be certified as a Lead Renovation Repair and Painting firm with the U.S. Environmental Protection Agency at the time of application.
- Have on staff a Building Performance Institute (BPI)-certified Quality Control Inspector/Energy Auditor (QCI/EA) for multifamily projects.
- Have qualified staff or entities responsible for performing the services, including energy audits and quality assurance inspections.
- Submit proof of status if a non-profit.
- Submit proof of all required work permits and/or licenses.

c. Multifamily Specific

- Have the ability to ensure that during the multifamily/rental weatherization work process and for 18 months after weatherization is complete, the tenant(s) will not be subject to rent increases or eviction unless it can be demonstrated that such rent increases or eviction is related to matters other than the weatherization work performed.
- Have the ability to ensure that during the multifamily/rental weatherization work process and for 18 months after weatherization is complete, the landlord cannot sell the property (unless there is repayment of the DOE investment and/or the new owner assumes and agrees to abide by the terms of the WAP restrictions/requirements) nor can they determine an alternate purpose for the property (e.g. no longer participate in affordable housing programs).
- Have the ability to ensure that multifamily/rental weatherization work performed will benefit the resident and not just the owner of the property.
- Have the ability to ensure that multifamily/rental weatherization work performed will not increase the value of the rental to an undue or excessive amount.
- Have the ability to complete at minimum one successful multifamily weatherization project (of at least 30 units) in the first full program year of this funding.
- Have a plan to incorporate landlord participation, contributions, and buy-downs.

5. Types of Subgrantees:

- a. Community Action Agencies
- b. City Government Agencies
- c. County Government Agencies
- d. Local Housing Authorities
- e. Local Redevelopment Authorities
- f. Other Public or Nonprofit entity

Section IV – Program Services

The specific scope of services for the WAP Multifamily Program would include, but are not limited to:

A. Core Component of Service

1. Client intake, including, where required, confirmation of eligibility to receive WAP assistance.
2. Ability to provide outreach to target income group to be served.
3. Have adequate field capacity to meet production goals, including performing necessary services, energy audits, and quality assurance inspections.
4. Conducting of required energy audits and submit the MF audit report for approval by DOE.
5. Complete and facilitate weatherization and energy efficiency measure installations after approval of project by DCED.
6. Manage/work with subcontractors to carry out weatherization work according to Department of Energy, federal, state, and local regulations/standards.
7. Document weatherization measures completed by weatherization measure(s) installed and geographic location.
8. Require and accept client consent before sharing customer information outside of WAP.
9. Other duties and functions in furtherance of program goals as required.

B. Service Coordination

1. Create a production schedule of the units required to be weatherized.
2. Coordinate with clients to qualify, install, and inspect weatherization measures.
3. Coordinate with programs, agencies, and other state, local, utility and non-profit organizations that may provide complementary home and energy assistance funding and offerings to leverage WAP funding and avoid duplication.
4. Demonstrate the interest and ability to coordinate with the PA Weatherization Program Network, or local utility-leveraged or non-utility leveraged funds.
5. Respond to technical inquiries from field subcontractors/specialists and provide guidance in accordance with the rules and regulations of the Program.
6. Perform outreach, education, and recruitment activities to ensure customer participation in the program.

C. Staffing

1. Retain a sufficient number of qualified employees to complete necessary tasks in a timely manner and within the budget.
2. Track the training and development needs of participating subcontractors to ensure adequate staffing and supply of a diverse, equitable, and skilled workforce.

D. Reporting

1. Track and report monthly (on the 20th of each month) on performance metrics and weatherization measures including but not limited to:
 - a. Expenditures documenting the allocation of funds by funding source.
 - b. Costs expended per household.
 - c. Number of households served.
 - d. Number of multifamily buildings served.
 - e. Any other reporting requirements established by DCED.
2. DCED will determine the system that will be used for reporting purposes.

E. Budget

1. Have sound and solid fiscal resources.
2. Create a budget approved by DCED for program funds.
3. Provide clear and accurate invoices in conformance with state and local standards.
4. Ensure payment to subcontractors in a timely manner and for allowable expenses.
5. Ability to leverage funds and resources from multiple programs, such as utility rebates, grants, financing incentives, and more, to deliver weatherization measures in concert with other high-impact updates such as solar and high-efficiency heat pumps.
6. Capacity to secure multifamily owner/landlord contributions.

Section V – General Program Requirements

A. Weatherization Measures

Subgrantees' trained Auditors must conduct a standardized energy audit to determine the weatherization measures needed for specific dwelling. These energy conservation measures include air-sealing, insulation, heating system modification or replacement, minor repairs and health and safety repairs, electric baseload measures and consumer energy education. All Weatherization work must meet the standard work specifications (SWS) which are nationally approved for use in the home energy professional field. Quality home energy work is further emphasized with a quality control inspection requirement for all completed dwellings. The quality control inspections must be conducted by a certified Quality Control Inspector.

B. Income Guidelines and Criteria

Subgrantees must qualify each dwelling unit in accordance with DCED Directives, DOE Program Guidelines and Regulations and the Federal Poverty Income Guidelines (FPIGs). Subgrantees must maintain records for each client served which may be inspected by DCED and DOE at any time.

C. Household Prioritization

The WAP prioritizes qualified low-income families using a point and ranking system using multiple factors such as ages of occupants and energy use and burden.

For determining eligibility, Multi-Family Buildings are defined as those containing 5 or more units:

1. The entire building may be weatherized if at least 66% of the dwelling units in the building are eligible or will become eligible dwelling units within 180 days.
2. When appropriate PA will implement the HUD/DOE eligibility certification process described in WPN 22-5.
3. Weatherization services must primarily benefit tenants who can qualify as eligible clients.
4. Weatherization services may not be performed on buildings in which the weatherization services would not primarily benefit eligible clients.
5. Subgrantees who provide weatherization services which would not primarily benefit an eligible client may be responsible for reimbursing disallowable costs.

For multi-family, since DCED is allocating a specific amount of funds for multi-family work, the standard priority requirements for WAP will be waived so that the building can be addressed with the ‘whole building as a system’ approach. At least one client/unit in the building should be classified as a “priority client” but does not have to be prioritized in the Weatherization Service List as referenced in W2023-03 titled “Eligibility, Client Prioritization, and Weatherization Service List.”

D. Client Complaints and Appeals

Subgrantees must provide forms to clients outlining the complaint and appeal processes at the time of application. The forms must capture client information, the nature of the complaint, the subgrantee personnel assigned to resolve the complaint and any resolution steps.

E. Procurement, Bidding and Subcontracting Procedures

All procurement of goods and services with Weatherization Assistance Program (WAP) funds will be made in accordance with Subtitle A, Chapter II, Part 200, 2 CFR Subpart D and as directed by DCED, with the understanding that more stringent local purchasing policies may apply provided they are consistent with DCED Directive Procurement, Bidding and Subcontracting Procedures, applicable federal statutes, regulations, rules, and directives. The federal statutes, regulations, rules, and directives are available online through the [Energy.gov](https://www.energy.gov) website and WAP Technical Assistance Center at nascsp.org/wap/waptac.

Subgrantees must procure competitive proposals from an adequate number of sources. Requests for proposals must be publicized (exceptions may apply) and include all necessary information for a contractor to adequately analyze and respond with a reasonable offer.

All subgrantees must establish and maintain written procurement procedures that comply with DCED directives and all federal, state, and local laws, rules and regulations.

F. Training and Technical Assistance

Pennsylvania requires that all weatherization workers (auditors, crew chiefs, and crew members), regardless of whether the individual is an employee of the subgrantee, or a contractor or subcontractor operating on behalf of the subgrantee, obtain the appropriate Pennsylvania weatherization certifications to perform all weatherization work. Additional trainings such as Occupational Safety and Health Administration

certification, Environmental Protection Agency Lead certifications are also required. In addition, per a PA and DOE requirement, Quality Control Inspector certification is required to perform all quality control inspections. Also, per PA requirements, the energy auditor and quality control inspector cannot be the same individual. To find out more about the weatherization training process, go to pct.edu/business/clean-energy, the website for the Clean Energy Center at Pennsylvania College of Technology.

G. Allowable Expenditures

Allowable Costs include (but not limited to):

1. Administrative costs
2. Financial Audit
3. Direct Services including:
 - a. Program Support
 - b. Direct and Subcontract labor
 - c. Materials
 - d. Purchase of Vehicles and Major Equipment with the cost of \$5,000 or over with prior approval by DCED and DOE/PA DHS
4. Health and Safety
5. Liability Insurance

H. Reporting Requirements

Subgrantees must:

1. Enter production and cost data in the DCED/software computer tracking and reporting system on a weekly basis
2. Submit monthly -Financial Status Reports (FSRs)
3. Provide a WAP year end reconciliation report at the end of the expenditure period
4. Provide interim reports as required by DCED
5. Provide annual property and equipment inventory

I. Other Requirements

1. Conflict of Interest Provision

An officer, director, member or employee of an applicant who is a party to or has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant and may not vote on action of the applicant concerning the project, nor participate in the deliberations of the applicant concerning the project. Additionally, the applicant's board members and directors must complete an annual financial disclosure statement.

2. **Non-discrimination**

No assistance is awarded to an applicant under this program unless the applicant certifies to DCED that they shall not discriminate against any employee or against any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable federal laws. All contracts for work to be paid with program assistance must contain the commonwealth's official nondiscrimination clause.

3. **Program Records**

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. DCED requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of DCED, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

4. **Financial Audit**

For subgrantees with expending federal funds, a single audit may be required. Title 2 CFR Subtitle A, Chapter II, Part 200, Subpart F - Audit Requirements should be reviewed to determine if a single audit is required.

5. **Performance Standards**

Subgrantee Performance Standards and program metrics utilized in annual Risk Assessment can be found in the DCED Program Directives.

Section VI – Application Process

A. Application Procedures

Agencies must apply electronically through the Electronic Single Application for Assistance system located at dced.pa.gov/singleapp.

Applications will be accepted between January 22, 2024 and March 21, 2024. All applications and required supplemental information must be electronically submitted by 5:00pm on March 21, 2024.

B. Application Evaluation

Applications for the grant Master Agreement are reviewed for the completion of basic information. The subsequent Funding Release includes a general project work plan, a subgrantee's proposed budget and production schedule which are based on an assigned allocation.

1. **Criteria:**

- a. **Alignment with State Plan and Goals:** Demonstrate that the proposed program meets or exceeds program goals. Demonstrate that the proposal is in alignment with the State WAP Plan.
- b. **Multifamily Experience:** Demonstrate that the applicant has multifamily program experience. Demonstrate that the applicant has experience working with affordable housing (HUD, LIHTC, USDA) regulations. Demonstrate that the applicant can manage multifamily subcontractors locally.

- c. **Capacity:** Demonstrate that the applicant has the capacity to implement the program. Demonstrate that the applicant has the capacity to manage federal grant funding of the proposed size and scale. Demonstrate that the proposed implementation plan is sound.
- d. **Weatherization Program Management Experience:** Demonstrate that the offeror has experience managing, implementing, complying with regulatory requirements, and reporting for WAP.
- e. **Finance:** Demonstrate that the financial implementation and spending for the program is sound and offeror has the ability to fund the projects and ask for reimbursement. Demonstrate that the organization is financially healthy based on the results of offeror's independent audit or audited financial statements for their most recent completed fiscal year.

C. Procedures for Accessing Funds

Following acceptance of the application, a grant Master Agreement will be sent to the applicant for execution. Upon finalization, DCED will prepare a Funding Release which will indicate the source of funding and the approved award amount.

Subgrantees will invoice the department on at least a monthly basis on the official Weatherization Assistance Program Invoice with the required Financial Status Report.

Section VII – Program Inquiries

Program inquiries should be directed to:

PA Department of Community and Economic Development
Center for Residential Reinvestment Programs
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Phone: 1-866-466-3972
Email: ra-wxmail@pa.gov

Appendix I – Supplemental Items

- Organization Background and Experience
- 3 Year Multifamily Program Plan
- 3 Year Production Schedule
- 3 Year Budget Justification/Cost Estimate
- Coverage Area Map