

MULTIPLE DWELLING UNIT GUIDANCE

A Multiple Dwelling Unit is defined as buildings containing 5 units or more. Up to 25% of the eligible dwelling units served are targeted to be rentals. This is based on census data for the percentage of low-income renters in West Virginia. Of the 25% of these eligible dwellings, the majority of these units in West Virginia are considered to be primarily Garden Style Apartments, with less than 25 units per structure, 3 stories or less where the units are individually heated and/or cooled and have exterior access. For this reason, we feel we can best serve the maximum amount of MDU households in this segment given our current weatherization skills. Multi-family structures will follow established client prioritization protocols as established in single-family weatherization.

All units in a building can be served and all must be reported if they meet the following requirements. Multiple dwelling units can be weatherized if 66% (50% for duplexes and quadruplexes) of the occupants qualify for weatherization assistance pursuant to Federal Regulation 440.22.

ELIGIBILITY

Income verification must be obtained for each individual apartment and documented in the West Virginia Information Management System.

DOE and HUD have already identified a list of housing units that meet certain eligibility criteria for the weatherization program. For a complete list of eligible properties, go to the DOE web page at: http://apps1.eere.energy.gov/wip/eligibility_hud.cfm. These lists may be utilized to prequalify buildings.

No rented dwelling unit can be weatherized without first obtaining the written permission of the owner of the dwelling unit or agent. Completion of the Multi-family Owner Agreement Form is mandatory.

AUDIT REQUIREMENTS

Each individual weatherization material and each package of weatherization materials installed in an eligible dwelling must be cost effective on a building wide basis. All measures must have a savings-to-investment ratio of 1 or greater.

MDU Type	Audit Tool
1-5 units that are individually heated or cooled, garden style apartments	Priority list or NEAT audit with 3 or less stories
Small MDU less than 25 units where units are <u>individually heated or cooled</u>	NEAT audit sampling*

*Audit Sampling: To insure a true representation of the building, an audit(s) must be completed on apartments with different configurations and heat loss characteristics. (ex: 1 bed. bottom floor, 1 bed. middle floor, 1 bed. top floor, 2 bed. Bottom floor) an audit of at least 25% of the total number of units in each building must be conducted. Each audit must include photo documentation of existing conditions (ex, insulation levels, venting, etc.)

CALCULATING FUNDING AVAILABLE FOR EACH BUILDING

When addressing multi-family units with DOE funds, multiply the total number of income-eligible units in the multi-family building by the current statewide average cost per unit. This will give you the maximum allowable expenditure allowed per structure.

REPORTING AND INSPECTION REQUIREMENTS

For multifamily buildings, all of the units in the building, along with any common measures must be complete and post work inspected before any of the units can be reported. If each apartment is standalone in the complex, then all of the individual apartments must be completed before any can be reported.

If a complex contains multiple buildings, then all of the units in the building must be complete and post work inspected to report the building as complete. However, each building in the complex may be weatherized separately and reported separately. It is allowable to weatherize a subset of the buildings in the complex.

Agency must complete all contract specific work on a complex or building within the weatherization program year. If the entire project cannot be completed in program year it should be scheduled the following contract year.

Agency Post Work Inspections shall be conducted utilizing current inspection protocols as outlined in the West Virginia Installation Standards.

Multi-unit projects will be monitored by grantee in accordance with the current compliance monitoring policy.

COMMON AREAS

Common areas shall include, but not be limited to, stairwells, hallways, basements and boiler rooms.

For documentation and reporting purposes, materials used to weatherize common areas must be tracked and documented separately from the units. However, the cost of the common area must be allocated equally to each of the units in the building. For example, building A has 4 units and a common area. The total cost of materials used for the common area is \$100. Each of the units in the building has \$25 added to their overall job cost. The total cost of weatherization per building, including common areas, cannot exceed the calculated cost for income eligible units.

LANDLORD CONTRIBUTION

In rental dwelling units where owners are responsible for paying heating costs, or multifamily units that are master-metered, owners are required to make a contribution amounting to 25% of the total cost of the weatherization work. Organizations that are non-profit and are owners or managers of eligible rental property are not exempt from the 25% cost of weatherization work. An exception is made for owners who are themselves eligible for weatherization services.

An owner may meet the owner contribution requirement in any of the following ways:

- 1) Cash contribution;
- 2) Weatherization materials installed by the owner to the dwelling unit to facilitate weatherization services, except that labor performed by the property owner may not count toward the contribution.

An owner must agree not to raise rent(s) for a period of one year because of the increased value of the dwelling unit(s) when the value is increased solely because of the weatherization work. Agencies must agree to inform tenants of this rent provision and of owner contributions that result in rebates or rent reductions.

All Landlord contributions must be used in Program Operation line items to assist with production related activities. Any Landlord contributions must be reported to GOEO at closeout.

REQUIRED DOCUMENTATION

Client File - Apartment & Building Identification

- Each client file shall identify client by name, apartment number and Building Identification.
- A client file must be maintained for clients that are not income qualified but qualify under the building eligibility requirements.
- An effort should be made to obtain one year of existing utility billing information for each client. This information should be part of the client file. If building owner does not provide data then a client release must be obtained.
- Must include a signed Post Work Inspection Report

Building File

- Each building File must have a copy of the Multi-Family Owner Agreement with the Eligible Dwelling Units and Rents Form (Exhibit A) and Planned Scope of Work Summary (exhibit B) attached. If Agreement is valid for entire project it may be maintained in the project file.
- Energy Audits relevant to Building, identified by apartment number. Each audit must include a signed Estimate of materials and labor. Estimates are required for apartments that require special requirements (ex: HVAC replacements).
- A copy of certificate verifying Lead safe status of building.
- All common area associated costs and estimates must be maintained in the Building File. The material cost records must be specific to each common area.
- Must include all structure specific documentation (ex: Mold, Moisture Form, Hold Harmless, etc.)
- A digital photo of front view of structure must be attached to the client file in the WV Information Management System
- Common area cost documentation

Project File

- Assign Project ID
- Maintain all specific information as it relates to entire apartment complex. (Drawings, etc.)

OWNER OR AUTHORIZED AGENT AGENCY AGREEMENT

Agency must obtain a signed contract with the owner or authorized agent that stipulates that the benefits of weatherization assistance shall accrue primarily to low income tenants, as outlined in Weatherization Program Notice(WPN)10-15A.

- that rents shall not be raised because of the increased value of dwelling unit(s) due solely to weatherization assistance provided under this program;
- that no undue or excessive enhancement shall occur to the value of the dwelling unit; and

- that the landlord understands the requirements set forth by the Financial Participation Policy for Rental Units.
- To ensure compliance with these requirements, Agencies are required to have the owner/authorized agent sign an agreement, which describes the terms under which the weatherization work will be done. Agencies are required to use the sample agreement included with this guidance.

**DOE HISTORIC PRESERVATION REQUIREMENTS
FOR COMPLIANCE WITH THE WV STATE HOUSING PRESERVATION OFFICE
(SHPO) AGREEMENT**

- The date of Construction of Structure must be recorded in the WV Information Management System
- A digital photo of front view of structure must be attached to the client file in the WV Information Management System
- If structure is 45 years old or older, the Estimator/Auditor must compare proposed work plan activity/estimate against the “Weatherization Undertakings Exempt from Section 106 Review” (WUE-106) document. If estimated undertakings fall outside of the WUE-106 list, the file information, including client name, address, county, picture of the structure, and proposed work plan must be submitted to the State Weatherization Program Historic Preservation Specialist for further review. No federal funds on weatherization undertakings can begin on this structure until approval is obtained.

FINANCIAL PARTICIPATION POLICY FOR RENTAL UNITS

1. If an owner of the dwelling unit (hence landlord) qualifies for weatherization assistance then no landlord contribution is required.
2. Landlords are required to contribute 25% of the total cost of weatherization to the subgrantee performing the work. A breakdown of these costs will be included on the Exhibit B, Planned Scope of Work Summary. The owner's signature must be witnessed by someone other than the tenant. It is recommended that the owner's signature be notarized.
3. In all cases, a written agreement acknowledging the existence of these requirements must be included in accordance with the rent release agreement between the landlord and the subgrantee.
4. When health and safety problems are identified and the owner does not want to participate or sign the agreement forms, the subgrantee will send a letter by registered mail to the owner and client. The letter will apprise the owner and client of the existing health and safety problems, and identify the owner's responsibility for rectifying the situation. A copy should also be sent to any other appropriate body, such as the Gas Company, housing authority, etc. The letter can give the owner the option of fixing the identified problem within a certain period of time and then notifying the subgrantee so weatherization work can resume. If the owner agrees to correct any structural (health and safety) problems that would otherwise inhibit the agency's ability to weatherize, the owner contribution funds may be utilized as part of the repair dollars. These contributions that would normally be beyond the scope of regular weatherization can be considered an "in kind" contribution and negotiated as part of the landlord contribution.
5. Subgrantees will be required to submit a completed cost form to the landlord upon the completion inspection and sign off of the work. A copy of this form will become a part of the client file.
6. The use of these contributed funds must be for reasonable weatherization related activities under the budget's material, program support, and personnel line items. All landlord funds are considered leveraged funds and will be tracked and reported on the monthly Non-GOEO Expenditure reporting form to the State.
7. In special cases, the subgrantee maintains the right to find exception with this policy when client needs or landlord circumstances justify. The subgrantee's Weatherization Committee made up of Board of Directors members should be involved in developing and monitoring a local landlord contribution policy to be kept on file.