**Lessons learned by VT WAP regarding Multi Family (MF) Weatherization 6-29-2022**

**Background on VT WAP:**

NOTE: MF= Multi Family Buildings or Projects with 5 or more units.

1. VT has Weatherized large MF buildings for well over 25 years. In the last 10 years on average, 20-40% of our total units each year are MF units (5 or more units).
2. The largest MF buildings we have served include 80 or so units. Typically though, they average between 10-40 units per project.
3. In VT MF Wx, the Wx program pays for all cost effective (SIR 1 or more) energy savings work, and the owner pays for all Health and Safety work (prior to WAP commencing the energy work).
4. VT has strong State Funding from a tax on heating fuel. Traditionally 85% of our total Wx funds are State funded and DOE makes up the remainder. We follow DOE rules for the most part with State Funds, but have the flexibility to do things different such as a higher ACPU and Flexible ACPU as described below.

**Issues we saw with MF Weatherization or areas that needed addressing:**

1. We found that without good and comprehensive policies regarding MF expectations and procedures, building owners and clients will receive different services depending on what part of the state they live in (and which WAP serves them).
2. Allowing or budgeting the same average cost per unit for a single family unit as for a MF unit will lead to struggling and inefficient agencies completing a higher percentage of MF units each year. (We saw this in VT, and it will happen elsewhere unless there are controls or limits in place). This results in less single family homes being served in an area. Why? It costs approx. $2-$3k to weatherize each MF unit, but costs over $10k to weatherize a single family unit. Each count as 1 unit. Inefficient or struggling agencies will fall back on Weatherizing the lower cost MF unit as a way to meet their contract (units and ACPU).
3. Agencies that work on or complete MF projects once a year or once every few years typically are not as good at providing MF Weatherization services as an agency that specializes in them and does them regularly. MF is different than SF and there is a specific expertise involved and the stakes are higher.
4. Getting the minimum number of units income qualified and getting demographics on the entire building can be difficult.
5. MF projects can take a long time to come to fruition and planning for them and completing them within a planned 1 year program year can be challenging.

**How VT has addressed MF issues and evolved its program over the years (10 or so years):**

1. First, developed a MF Policies and Procedures manual with accompanying forms that the entire program (all WAPS) would follow. We did this by hiring a facilitator (Rick Karg) and convening a Wx MF Committee to hash out the details (our state office and a rep from each local Wx office). We developed what we called Chapter 6. our Rental and MF Chapter of our Weatherization Manual. Accompanying forms were also developed for every required situation that every agency had to use and could not modify. **Recommendation:** Don’t start a MF Program until you have good policies and procedures.
2. We instituted a Flexible Job Cost Average (in VT we refer to the ACPU as the Job Cost Average (JCA)). The JCA or ACPU an agency would receive each year in its grant would depend on the percentage of MF units completed out of the total completions at the end of the year. For example, If less than 10% of an agencies completions were MF units, they would have a much higher ACPU than an agency that completed 40-50% of their units as MF. The sliding scale is below. We used State Wx funds for this. We rarely complete many MF units with the small DOE allocations each agency receives each year.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 0-10% MF | 11-20% MF | 21-30% MF | 31-40% MF | 41-50% MF |  |
| ACPU | 13,097 | 12,442 | 11,788 | 11,132 | 9,494 |  |

**Recommendation:** have some way to address the difference in costs to complete a MF and SF unit.

1. We issued an RFP for a statewide MF provider to help Weatherize more units each year and spend the influx of Wx dollars (non DOE) that we kept seeing each year and which our local WAP Agencies couldn’t ramp up sufficiently to spend. We received a good proposal and issued that organization a grant on a pilot basis. The ACPU for the MF Wx grant was $4,000. The local agencies still had the right of first refusal for any MF project in their area but if they couldn’t serve the project in the timeframe needed, they had to pass along to the statewide entity. The pilot was a great success with all the funds being spent and extra units being completed (actual ACPU was less than the budgeted $4k and thus more units completed).
2. We have since lifted the pilot status and have welcomed the MF Wx Agency as our 6th official VT WAP. They have since received State and ARPA (Fed.) funding for Wx and continue to exceed grant expectations and do very good work.
3. We developed a MF Referral Form and process. Owners of MF rental buildings can approach the local WAP or the statewide MF WAP for services. The form captures the information about the requested project, and once filled out it is sent to the other (local WAP sends to statewide MF WAP or vise versa). On the form, the building owners time frame which they hope to get their building Weatherized is documented (sometimes MF Wx is part of a larger project). The local WAP must be able to meet that timeline and have the budget for the project in order to keep it. If not they must refer, via the form to the statewide MF WAP. They have 2 weeks to decide and send the form.
4. We hope (or at least I personally hope) to eventually have our statewide MF WAP provide services to all the MF projects in our state. That or issue separate grants to an agency that wants to continue to complete MF projects, a SF Wx grant and a MF Wx grant. The Flexible JCA has worked well but separating SF from MF completely would be better.

**Other Benefits of the Statewide MF WAP:**

1. More fluent in working with and consulting with building owner and other sub contractors on multi step large scale projects. More adept at dealing with the challenges of MF eligibility and demographic requirements when that is what they do every day. More fluent with larger heating systems and controls found in MF buildings.

NOTE: The steps outlined here started in approximately 2013 and the most recent (hiring a statewide MF Provider) occurred 3-4 years ago. We still aren’t totally were we want to be with MF Wx but in a lot better place than where we were.

