

**State of Vermont** *Agency of Human Services*

**Department for Children and Families**

**Office of Economic Opportunity**

280 State Drive NOB2 North [phone] 802-241-0935

Waterbury, VT 05671-1050

[**http://dcf.vermont.gov/oeo**](http://dcf.vermont.gov/oeo)

**MEMORANDUM**

TO: Multi-Family Low-Income Weatherization Service Provider Applicants

FROM: Vermont State Office of Economic Opportunity

DATE: June 9, 2019

SUBJECT: Multi-Family Weatherization Grant Opportunity (SFY 2020 and SFY 2021)

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The Vermont Low-Income Home Weatherization Assistance Program is administered by the State Office of Economic Opportunity (OEO) and blends state and federal Weatherization funding to improve the energy efficiency and health and safety of low-income Vermonters homes, thus saving them fuel and money. The State Weatherization Program serves both low-income owner-occupied homes and rental housing. This grant opportunity is for the weatherization of low-income multi-family housing consisting of 5 or more living units (per building or project). This grant opportunity is to procure an entity / organization to serve the entire state of Vermont with multi-family weatherization services.

Enclosed you will find the Notice and Application for Vermont’s Multi Family Low-Income Weatherization Program:

**Section:**

1. Notice & Overview of Multi-Family Weatherization grant opportunity
2. Application
3. Appendices: Including Standard AHS Grant and Contract Provisions for information purposes only (Attachments C & F)

Awards will be made for August 1, 2019 – June 30, 2021.

**PLEASE REVIEW ALL MATERIALS CAREFULLY.**

**Questions on this Notice and Application for funding should be submitted in writing to** **geoff.wilcox@vermont.gov****.**

**APPLICATIONS ARE DUE BY 4:00 PM Friday July 19, 2019.**

**Department for Children and Families**

**OFFICE OF ECONOMIC OPPORTUNITY**

**Multi-Family Weatherization**

**(SFY 2020 & SFY 2021)**

**SECTION 1: NOTICE, OVERVIEW AND REQUIREMENTS**

**MULTI-FAMILY WEATHERIZATION OVERVIEW**

The Low-Income Home Weatherization Assistance Program is administered by the State of Vermont’s Office of Economic Opportunity (OEO). The Program provides energy conservation assistance to of income-eligible individuals and families to improve the energy efficiency of their dwellings and reduce their energy expenditures. Funds are provided to weatherize the dwelling units of homeowners and renters with high energy costs in relation to their household income. Priority for weatherization services is given to households receiving public fuel assistance, households with high energy usage, the elderly, persons with disabilities, and households with children. Households are eligible for Weatherization services if they are at or below 80% of the state median income, and priority is given to those below 30% and 60% state median income.

Program services are delivered through a statewide network of 5 nonprofit agencies which each serve a region of Vermont. Agencies receive a grant award from OEO, follow sound internal management policies and provide skilled workmanship, high quality materials, and timely production of weatherized units. The performance of these providers is evaluated on a continuing basis by OEO.

This funding opportunity seeks to establish a single nonprofit agency to pilot the statewide provision of Weatherization services to program eligible multi-family residential buildings.

**FUNDING AVAILABILITY**

For August 1, 2019 – June 30, 2021, $800,000 is available to provide assistance to targeted multifamily housing under the Low Income Home Weatherization Assistance Program. Initial funds will be awarded as a pilot, with the intention to continue based on provider performance and pilot evaluation.

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# APPLICANT ELIGIBILITY

To be eligible, an applicant must:

* be a non-profit, legally incorporated organization.
* be in legal and financial compliance with requirements and regulations established under State and federal law.
* demonstrate special expertise for providing energy conservation programs including management capability, technical skills, and outreach capabilities.
* have experience in housing and construction management oriented programs.

# APPLICATION AND SUBMISSION INFORMATION

1. **Content and Form**

Proposals should follow the outline in the section below. All proposals must include the following, in the order shown:

* 1. Cover Sheet
	2. Background
	3. Program Narrative
	4. Budget Proposal
	5. Staffing Plan
	6. Certificate of Insurance
	7. Organizational Chart

Proposals should be in 12 pt. font, with a header that includes page number and applicant name. There are no page limitations.

1. **Submission Process**

Applicants are encouraged to submit their proposal electronically by sending a PDF document to kristin.lyons@vermont.gov. Budgets may be submitted in excel. Applicants submitting their proposal by mail should send one original application to:

State Office of Economic Opportunity

ATTN: Weatherization Program

280 State Drive, NOB 2 North

Waterbury, Vt. 05671-1050

Applications will NOT be accepted by facsimile or hand delivery.

**Applications are due no later than 4:00 P.M. July 19, 2019.**

All questions should be directed to Geoff Wilcox, (802) 241-0943 or geoff.wilcox@vermont.gov

**APPLICATION TIMELINE**

* Notice of Funding Opportunity released: June 14, 2019
* Questions on proposal request due to Geoff Wilcox via e-mail no later than June 28, 2019.
* Applications due no later than 4:00 PM, July 19, 2019
* Award Notifications: July 19
* Program Start Date: August 1, 2019
* Program Period for Grant: August 1, 2019 – June 30, 2021

The Office of Economic Opportunity reserves the right to negotiate terms of the grant agreement with prospective grantee prior to grant execution. This may include refinement of the program outcomes, services provided and costs covered under the grant agreement. In some cases, this may also include a one-year program period.

**SELECTION PROCESS AND CRITERIA**

All applications will be evaluated by the Office of Economic Opportunity based on capacity of applicant, approach, ability to serve the entire state and coordination.

Proposals will be evaluated on:

1. Ability to meet the criteria as outlined in this Notice of Funding.
2. Previous program performance under the Low-Income Home Weatherization Assistance Program.
3. Previous experience providing energy efficiency services.
4. Ability to leverage and braid funding to support multi-family weatherization projects.
5. Ability to responsibly manage public funds and report expectations required under a grant agreement with the State of Vermont.
6. Previous experience with multi-family energy efficiency work.
7. Experience and ability to manage large projects with multiple stakeholders and funding sources.
8. Previous experience and ability to procure and manage subcontractors and materials to state and federal requirements.
9. Ability to provide services statewide.
10. Responsiveness and ability to effectively communicate with a wide array of people from low income tenants to large multi-family building owners.
11. Demonstrated commitment to low-income Vermonters.
12. Strong financial management system.
13. Ability to provide multi-family Weatherization services statewide.

**MULTI-FAMILY WEATHERIZATION PROGRAM COMPONENTS**

**Role of Grantee**

The selected grantee will perform the following services:

a) outreach and identification of appropriate properties and income eligibility verification of residents;

b) evaluation of the energy efficiency of dwelling units proposed to be weatherized;

c) installation of cost effective energy-saving measures and supervision of workers and subcontractors;

d) identification of related health and safety concerns and oversight of building owner to address any of these concerns prior to installation of energy saving measures;

e) maintenance of client and program files;

f) inspection of completed project by certified multi-family inspector to OEO specifications;

g) preparation of regular management and fiscal progress reports; and

h) other actions necessary to ensure compliance with State and Federal Program rules.

OEO monitors and oversees grantee work and provides ongoing training and technical assistance to grantees to improve services.

**Leverage and Efficiency**

The ultimate goal of this Multi-Family Weatherization pilot is to increase the State’s overall capacity to weatherize large multi-family buildings in an efficient, effective and timely manner. This pilot seeks to identify whether a statewide multi-family Weatherization provider will streamline delivery of weatherization services to low-income multi-family housing. Proposals that achieve these goals through partnerships with other entities such as lenders, government agencies and community based organizations are encouraged.

# Eligible Weatherization Activities

Grantees install measures permitted by state and federal Weatherization rules and regulations. The work performed in each unit is determined by a DOE-approved multi-family energy audit (B.E.A.S.T). Weatherization work consists of air sealing, insulation and other energy saving measures that are justified with a savings-to-investment (SIR) ratio of 1.0 or greater. Only those measures with a savings-to-investment ratio of 1.0 or greater can be installed.

The identification of related health and safety concerns is a critical and required part of each project’s scope of work. Issues identified must be outlined and presented to the building owner who must correct all issues to the program’s acceptance, before any energy saving measures are installed by the grantee.

Any materials used must meet the specifications listed in 10 CFR 440 or otherwise be approved for use in the program.

Potentially, the grantee may also provide LEEP electrical efficiency measures funded directly by Efficiency Vermont, under separate funding agreement with Efficiency Vermont (this is still to be determined). No costs for LEEP efficiency work can be expensed to any award made under this announcement.

# Population to Be Served

Income eligibility for the program is 80% State Median Income. A minimum of 25% of the total units in a building must be inhabited by income eligible households. For more details on income eligibility requirements, see Appendix 1 “Weatherization Program Notice 2019-1 Weatherization Income Guidelines”.

# Deliverables

Applicants responding to this RFP agree to complete all proposed work in accordance with applicable program rules and regulations. See Appendix 2 “The Weatherization Policies and Procedures: Rental and Multi-Family Dwellings (Chapter 6)” for full details. Chapter 6 outlines expected administrative and field deliverables. The selected grantee will implement multi-family weatherization in accordance with governing rules and regulations. OEO staff conducts regular monitoring of both field and administrative practices.

Grantee will:

* Provide Multi-Family Weatherization services throughout the entire state of Vermont.
* Operate a Multi-Family Weatherization program to serve buildings with 5 or more households.
* Adhere to OEO’s Weatherization Program rules and requirements including, but not limited to, Chapter 6.
* Determine eligibility of applicants per existing rules and regulations.
* Perform energy audits on multi-family buildings.
* Use the BEAST energy model to evaluate each MF building.
* Write a scope of work for each building served detailing allowable cost-effective measures that will be installed as well as the pre-requisite health and safety measures required to be installed by the building owner.
* Install the allowable measures identified via the energy audit. This work can be done by grantee employees or subcontracted.
* Allow a right of first acceptance to the existing regional Weatherization provider with any prospective multi-family building project.
* Use Hancock Energy Software to document and report program activities.
* Meet all required staff certification and training requirements.
* Provide in process and final inspections of multi-family weatherization work by certified QCI staff on both subcontracted and staff installed work.
* Purchase materials and hire subcontractors according to procurement requirements.
* Provide excellent customer service to building owners through a clear and consultative approach. Clearly communicate all program expectations and requirements of the building owner prior to weatherization commencing.
* Where applicable, provide Weatherization services to multi-family buildings in a way that accommodates multiple funders and partners in a mutually respective manner.
* Obtain all necessary client demographic information before proceeding with and completing a multi-family project (see Appendix 2 for full details).
* Ensure all paperwork is completed accurately and in full before proceeding and completing a multi-family project (see Appendix 2 for details).
* Manage Multi-family Weatherization projects from start to finish.

 **Reporting and Recordkeeping Requirements**

* Monthly Reports: Report monthly on all expenses and activities.
* Financial Reports: All cash requests must be accompanied by a financial accounting of expenditures.
* Participant Eligibility: Grantee will document eligibility as part of an intake process. Records and associated documentation may be kept in Hancock Energy Software and/or in hard copy form.
* Financial Records: Grantee will maintain complete financial records of all grant-funded activity, including invoices, receipts, and payroll records. Grantee may be required to produce these by OEO or Agency of Human Services at any time in connection with documentation of a disbursement request, program monitoring, or financial auditing.

**SECTION II: APPLICATION INSTRUCTIONS**

**Please provide all the information requested in Sections A through G explained below. Incomplete submissions will be rejected.**

**A) COVER SHEET**

Include a Cover Sheet with the following (# and label):

1. Applicant Name, Address, Telephone
2. DUNS # (if applicable)
3. Fiscal Agent Name and Address (if applicable)

 If using a Fiscal Agent, please attach signed written agreement between applicant and fiscal agent.

1. Contact Person, Telephone and Email
2. Add the following statement to your coversheet and sign. “To the best of my knowledge and belief, information on all forms in this application is true and correct, and the application has been duly authorized by the governing body of the applicant.”

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 Authorized Signature Date

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 Printed Name/Title

**B) BACKGROUND NARRATIVE**

(NEW APPLICANTS ONLY, i.e., organizations not currently Weatherization Program grantees of OEO)

1. General Background: Provide the following background information on your organization: brief history, structure of organization, mission, board members, staffing, affiliations and activities. Make clear how weatherization programming or services aligns with mission of the organization.
2. Management Experience & Capacity: Describe past experience and current capacity of the applicant to manage comparable state or federal grant programs in terms of scale/scope, in terms of program and financial management including procurement of materials and services.
3. Weatherization or Energy Efficiency Experience: Briefly describe the experience of the organization in providing weatherization or energy efficiency services and/or other relevant experience working with target population.
4. Demonstrated Results: Use data from past performance to demonstrate the applicant’s ability to operate and manage a construction or energy efficiency program.

**C) PROGRAM NARRATIVE (please use the following outline)**

1. Relevant Program Experience: Does your organization have previous experience in providing multi-family weatherization services? If yes, please explain.

 \_\_\_Yes \_\_\_No

1. Program Results: Provide data that demonstrates results your program has achieved in the past year. Use past performance data or other relevant data. If helpful, provide any analysis or explanation.
2. Service Model: Please describe how you will provide all aspects of the services required as described by this Notice. How will you provide energy measure installations? Will you subcontract out this work or hire staff to install the work directly? How will you provide the services required in detail by Chapter 6 (Appendix 2)?
3. How will your organization provide oversight of work performed? Please provide clear explanation of how you will provide oversight of any subcontracted work as well as oversight of staff (differentiate the two).
4. If your organization is a current regional Low Income Home Weatherization Assistance Program provider, please explain how you will maintain clear separation of duties, roles and responsibilities from the current program.
5. Explain existing experience you have in managing large projects with multiple stakeholders and funding sources. Explain how your organization will manage large multi-family weatherization projects with multiple stakeholders and funding sources in an efficient and successful manner. Explain how your organization will braid and leverage other funding and resources for maximum benefits to participants.
6. Explain your experience and any expertise in working with and communicating effectively with both low-income clients and with building owners.
7. Explain how your organization will operate a statewide program.
8. Provide a start-up plan that will describe how your organization will be able to start operations by October 1, 2019.
9. Additional Information (optional): Provide any additional information needed to understand your proposal.

**D) BUDGET PROPOSAL:**

**Use Appendix 3, Budget Proposal Worksheet and Appendix 4, Staffing Worksheet to complete a budget proposal.**

Past Weatherization Program data shows that the material and crew / subcontractor labor costs to complete the energy efficiency measures required by Chapter 6 (Appendix 2) equals $1,633 per unit on average. When preparing the budget proposal, assume each unit weatherized will cost $1,700 of material and on-site / construction labor per unit. Enter this information into “on-site” costs section of worksheet ($1,700 times the number of units projected to complete).

Applicants shall present their budget proposal using the excel template provided in Appendix 4. This may be modified for additional information only.

Off-site costs include all costs EXCEPT materials and labor (crew employees or subcontractor labor) to install materials in a building. Add offsite costs to the appropriate row of Appendix 4, Budget Proposal Worksheet. Be sure to show the cost for all services, fees, etc. to assure that the scope of work described within this funding opportunity is completed satisfactory.

Prepare a Budget Proposal using the Budget Proposal Worksheet (Appendix 4) for the program period (August 1, 2019 – June 30, 2021) that includes a monthly plan. The total proposal should be for $800,000.

Project how many multi-family units will be completed each month via the Budget Proposal Worksheet (labeled “Credited Dwelling Units”).

Only costs related to administration and provision of Weatherization services are allowed expenditures under any awards made under this announcement. Unspent/unexpended funds will be returned at the end of the grant period. Prepare a proposed budget based on this knowledge.

**Administrative Fees**

Grantee may use funds to support general administrative expenses at either 10% of the total grant (award) or by use of a federally approved indirect rate agreement. If using an approved indirect cost rate, please attach the indirect cost rate agreement to the application.

Administrative funds can support costs necessary for the organization to operate. Typical expenditures found in this category are wages and fringe benefits for executive, accounting, and administrative personnel. Other typical administration cost category expenditures are payroll processing costs, costs to administer health insurance programs, data processing costs, and other indirect costs such as bank service fees. As with the other weatherization cost categories, those costs applied to administration must be actual and allowable under the DOE Financial Assistance Rule (10 CFR Part 600).

**E) STAFFING:**

Provide a brief description of each position title and responsibilities, show calculation for $ request, including: Total FTE per year, hourly wage, fringe rate, and indirect costs (if applicable). Applicants shall use or adapt the Staffing worksheet provided in Appendix 3 to show total FTE, hourly wage, and fringe rate. Make sure to clearly differentiate “off-site” staffing from and crew staffing.

**F) CERTIFICATE OF PROOF OF INSURANCE**

Attach certificate of insurance. Minimum coverage limits are given in the attached standard Vermont and AHS provisions for grants and contracts (**See ATTACHMENT C**). This includes: Workers Compensation, General Liability & Property Damage, Automotive Liability

**G) ORGANIZATIONAL CHART**

Please include an organizational chart to clarify your organizations staffing and roles (title).

**WE RESERVE THE RIGHT TO REQUEST FURTHER INFORMATION**

**SECTION III: APPENDICES**

List of Appendices:

1. Appendix 1: “WPN 2019-1 Weatherization Income Guidelines:”
2. Appendix 2: “The Vermont Weatherization Policies and Procedures Manual: Rental and Multi-family Dwellings Chapter 6”.
3. Appendix 3: Budget Proposal Worksheet (excel)
4. Appendix 4: Staffing Worksheet (excel)
5. Appendix 5: “Attachment C: Standard State Provisions for Contracts and Grants”
6. Appendix 6: “Attachment F: Agency of Human Services’ Customary Contract / Grant Provisions”

**APPENDIX 1: WEATHERIZATION PROGRAM NOTICE 2019-1, WEATHERIZATION INCOME GUIDELINES**

**Vermont** **Weatherization** **Program** **Notice** **2019‐01**

**Weatherization Income Guidelines**

TO: Vermont Weatherization Assistance Program Providers

SUBJECT: Income Guidelines During HWAP Program Year 2019 *(July 01, 2018 – June 30, 2019)*

FROM: Office of Economic Opportunity, Geoff Wilcox Weatherization Program Administrator

DATE: June 26, 2018

**Income** **Eligibility** **Thresholds: Department of Energy (DOE) Grants:**

DOE Weatherization eligibility criterion is 200% of the federal poverty level (FPL). All Weatherization projects

that are funded by DOE must follow these income guidelines and eligibility rules.

**Home Weatherization Assistance Program (HWAP) Grants:**

HWAP Weatherization eligibility criterion is 80% of current county median income (CMI) or 80% of current state median income (SMI), whichever is greater. Service is to be prioritized to households living at 60% of current SMI or below.

Note that terms CMI and area median income (AMI) are used interchangeably and mean the same thing in

Vermont’s weatherization assistance program.

**Additional** **Eligibility** **Policies** **for** **Multi‐Family** **(MF)** **Weatherization** **Projects: DOE Grants:**

One of the following criteria must be met within all multi‐dwelling unit buildings:

1. A minimum of 66% of the dwelling units within a multi‐dwelling unit building must be occupied by a family/household that meets the income eligibility requirement, or
2. A minimum of 50% of the dwelling units within duplexes, four‐unit buildings and certain eligible types of large multi‐family buildings must be occupied by a family that meets the income eligibility requirement, or
3. The property is listed on a current DOE approved HUD list

***Maximum Allowable Project Investment Determination:*** When addressing MF units with DOE funds, multiply the total number of income eligible units in the building by the current allowable job cost average (JCA). This will be the maximum amount of funding available for the project as a whole, including any weatherization activity occurring at the units that did not meet the income eligibility requirements.

**HWAP Grants:**

One of the following criteria must be met for MF projects 5+ units in size:

a) ***Income Qualify the Building:*** At least 25% or more of the tenants in the building are income eligible for the Weatherization Program; or

b) ***Rent Qualify the Building:*** At least 50% of the units are weatherization affordable, and at least one tenant of the building has applied for the Program and has been determined to be eligible. For purposes of this subdivision, “weatherization affordable” means a unit having a rent that is established at less than 30 percent of the income level established by computing 80 percent of the area median income level or 80 percent of the State median income level, whichever is higher, for the relevant household size. Relevant household size means the number of bedrooms in the unit, plus one.1

 For rent qualification determinations WAP providers shall utilize Table 3 within the enclosure entitled, “2018‐2019 Wx Income Guidelines Packet\_OEO\_Final.xlsx”

c) ***Demonstrate Auto Qualification for the Building:*** The property is listed on a current HWAP approved list, including but not limited to a DOE approved HUD list.

***Clarification for 2‐4 unit projects:*** Options a and c listed above are applicable to 2‐4 unit projects.

Rent Qualifying a building—option b listed above—is not a building qualification option for 2‐4 unit projects.

**Definition** **of** **Income:**

The definition of income that shall be used for income eligibility for both DOE and HWAP funded Weatherization is included in DOE WPN 18‐3, titled 2017 Poverty Income Guidelines and Definitions of Income. On HWAP funded projects only, disability income from the Department of Veterans Affairs is considered excluded income when calculating household income.

**Action** **to** **be** **taken:**

This guidance is effective July 01, 2018 through June 30, 2019.

If a household was determined to be ineligible for WAP services during the period from April 01, 2018‐June 30

2018 but that household is eligible for services according to the new income guidelines the WAP provider shall inform the client that they are now eligible for services and continue processing their application.

**Documents** **enclosed** **with** **this** **guidance:**

* DOE’s WPN 18‐3, 2018 Poverty Income Guidelines and Definition of Income
* 2018‐2019 Wx Income Guidelines Packet\_OEO\_Final.xlsx

Date: June 26, 2018



**APPENDIX 2:**

**THE VERMONT WEATHERIZATION POLICIES AND PROCEDURES MANUAL:**

**RENTAL AND MULTI-FAMILY DWELLINGS, CHAPTER 6.**

**Rental and Multifamily Dwellings**

***Introduction***

This chapter addresses all rental units, including single-family homes and multifamily buildings of any size, unless otherwise noted.

The primary difference between the weatherization of single-family and multifamily buildings is that multifamily buildings require more upfront preparation, including coordination with the building owner/manager and examination of complex fuel consumption data. Additionally, a multifamily building owner who is not income eligible, has specific responsibilities that are part of the weatherization process, such as implementing required health and safety measures.

Advantages of multifamily weatherization projects to the tenants include:

* Preservation of the property as affordable housing;
* Further protection against rent increases;
* Lowering of energy bills;
* Increases in tenant comfort;
* Enhancements to indoor air quality;
* Health and safety improvements improving the quality of life; and
* Establishment of shared savings programs.

Advantages of weatherization to the building owner include:

* Lower vacancy rates;
* Higher tenant satisfaction levels;
* Increased durability of the building;
* Lower energy costs; and
* Healthier cash flow.

It is clear that multifamily weatherization projects can benefit all individuals and organizations involved.[[1]](#footnote-1)

Low-income rental and multifamily housing types include:

* Public Housing Authorities (PHAs) or Agencies that are partially or fully supported by the federal government. These are administered by the U.S. Department of Housing and Urban Development (HUD);
* Section 8 housing (from Section 8 from the Housing Act of 1937) authorized the payment of rental housing assistance to private landlords on behalf of low-income households. Administered by HUD.
* Section 202, for low-income individuals who are elderly. Administered by HUD.
* Section 811, for persons with disabilities. Administered by HUD.
* Section 515, Rural Housing Rental Assistance. Administered by the U.S. Department of Agriculture.
* Privately owned rental units of any size.

For larger multifamily projects, the building owner is usually the primary contact for a multifamily project; their participation is vital to the success or the weatherization project. The owner applies for the Weatherization Assistance Program (WAP) services, coordinates the WAP services delivered to the tenants, and can provide energy-use data and data for income qualification to the WAP agency.

For smaller multifamily projects, building residents play a role in the weatherization process. They might encourage or persuade the owner to apply for weatherization and/or participate in the application process. WAP agencies should always attempt to utilize the services of residents.

Weatherization is not intended to improve the building value of a non-eligible owner. The benefits of weatherization are intended to accrue to the income-eligible occupants of the building.[[2]](#footnote-2)

One-to-four unit buildings shall use the Vermont single-family audit modeling tool (Hancock Energy Audit Tool). Buildings of five units and more shall use the Vermont and DOE approved multifamily audit tool. Projects of 5 or more units in total, including multiple-building projects that include buildings with fewer than 5 units, must have OEO approval before the weatherization process begins.

Sections 0 through 0 provide a general outline of rental and multifamily procedure. Refer to Section 0 ***Process Flow for Multifamily Buildings (generally projects with 5 or more Units*** for detailed process flow. Refer to Section 0, ***Process Detail showing Relevant Forms for Rental and Multifamily Buildings***,for current forms required.

***Weatherization Intake and Application***

For rental and multifamily dwellings, the building owner or a tenant living in a building may initiate the application process with the WAP agency.

If a tenant requires weatherization services, provide the tenant with Tenant application forms, unless the building is categorically eligible (see 0 ***Building Eligibility Verification***). Contact the building owner to provide an overview and guide to the weatherization process. Provide the owner with forms necessary to qualify the building(s) as appropriate to the situation.

The building owner may also request weatherization services, either by contacting the WAP agency directly or through a partner program (3E Thermal or Efficiency Vermont).

Once the application process is initiated, the WAP agency must determine if the building is eligible for weatherization. Please refer to Section ***Building Eligibility Verification***.

The WAP agency must obtain fuel usage history for the building. Provide appropriate data release forms to the owner and tenants who pay for utilities. These forms must be signed by the person named on the fuel/electric service bill for that building/dwelling unit. This allows the fuel/electric service provider to release information on the recipient’s bills, past and future, to the WAP agency. This information is necessary for the WAP agency and OEO to assess the amount of reduction in fuel/electric service expenditures resulting from providing WAP services. This information is also required for any post-fuel/electric service consumption analysis required by OEO and any coordinated projects that may be developed.

Demographic information must be compiled for each household, even if the household does not require eligibility verification. This information may be requested from the owner, or collected by the energy coach, auditor, or office staff, as appropriate.

***Building Eligibility Verification***

Buildings are eligible for weatherization services if they have a minimum number of eligible client households. OEO issues specific eligibility guidelines annually. Buildings may also be categorically eligible if they are listed by the US Dept of Housing and Urban Development (HUD), or by Vermont Housing Finance Agency (VHFA), as rent-restricted by covenant.

For all projects, final eligibility verification is not required prior to providing walkthrough and/or audit services. Verification costs for any projects which were initially expected to be WAP-eligible, but determined later to be ineligible, shall be billable expenses to the agency's WAP grant.

DOE and Vermont Home Weatherization Assistance Program have different requirements. Please refer to Section 0 ***Process Flow for Multifamily Buildings (generally projects with 5 or more Units*** for details.

***Full services or partial services***

If the owner is eligible for weatherization service and the tenants are eligible, then health and safety and energy-saving measures can be installed by the WAP agency. On the other hand, if the owner is not eligible, then health and safety measures may not be installed by the WAP agency, but energy-saving measures may be installed as defined in this chapter.

If the building is found not to be eligible for weatherization because there are not enough units occupied by eligible families, weatherization of individual units and the entire building shall be denied. Exception: Eligible households in townhouse-type apartments having their own entries and which are effectively separate from neighboring units, including any attic and cellar/crawlspace areas, may be treated as individual units. See Hancock Guidance document.

Similarly, in the case of an eligible owner of a condominium unit that is part of a multifamily building, the WAP agency may weatherize the condominium as a single-family unit. Use Hancock Energy Audit Tool to enter the condominium as if it were a single-family dwelling.

Other ownership structures, such as cooperative housing, should be dealt with on a case-by-case basis by the OEO.

***Eligibility with U.S. Department of Energy (DOE)[[3]](#footnote-3) funding***

1. The building is verified by HUD lists as meeting tenant-income eligibility requirements;[[4]](#footnote-4) or
2. For buildings of 2 to 4 units, 50 percent of the dwelling units must be verified as eligible (or will become eligible within 180 days of project completion)[[5]](#footnote-5); or
3. For buildings of 5 or more units, not less than 66 percent of the dwelling units must be verified as eligible (or will become eligible within 180 days of project completion)[[6]](#footnote-6).

If any unoccupied units are required to meet thresholds, the WAP agency must obtain the owner’s written commitment to rent those units to eligible households within 180 days of completion.

If any of the above conditions are met, the entire building, including common areas within the building but not including separate unattached common areas or commercial spaces, if any, may be weatherized. All units in a building are considered to be WAP-eligible once the overall building has been deemed income eligible for WAP services (once completed, all units in building are credited as completed units). However, the total value of the measures installed in the entire building may not exceed the current average per-unit investment multiplied by the number of eligible units. (Applies to DOE-funded projects only.)

EXAMPLE: A 6-unit building has 4 units with eligible households. If the DOE average expense per-unit is $7,100 (in PY17), then the maximum allowable expense for the project would be 4 x $7,100 = $28,400.

***Eligibility with Vermont Home Weatherization Assistance Program (HWAP) funding***

1. The building is verified by HUD lists as meeting tenant-income eligibility requirements.[[7]](#footnote-7)
2. Income Qualify. Building is verified by VHFA as meeting tenant income eligibility requirements (OEO will provide VHFA contact who will verify property eligibility; a copy of the VHFA verification documentation shall be placed in the project file).
3. For buildings with 25 percent or more of the tenants verified eligible[[8]](#footnote-8) for the current year (tenants must provide documentation of household size and income to demonstrate eligibility).
4. Rent Qualify. Buildings may be qualified verifying rent levels as long as at least one household is verified as eligible and 50 percent of the units in the building have qualifying rent levels. Qualifying rent levels are currently 30 percent of 80 percent of State or area median income, depending on the size of the dwelling unit, as published annually by OEO. Owner must document current rent levels*.*

If any unoccupied units are required to meet thresholds, the WAP agency must obtain the owner’s written commitment to rent those units to eligible households within 180 days of completion.

If any of the above conditions are met, the entire building, including common areas within the building but not including separate unattached common areas or commercial spaces, if any, may be weatherized. All units in a building are considered to be WAP-eligible once the overall building has been deemed income eligible for WAP services (once completed, all units in building are credited as completed units).

***Buildings or units containing commercial spaces***

If a building contains one or more dwelling units and is also used for commercial purposes, only the residential part(s) of the building may be weatherized. The eligibility of buildings having commercial space and residential units will be determined based on multifamily eligibility requirements described in the previous parts of this Section. WAP agencies may not weatherize space used for commercial functions.

Rooms or other areas used for commercial purposes cannot be counted as a unit when determining the number of units in the building. Rooms or other areas used only for commercial/business purposes are not considered eligible space for weatherization services.

Where a measure will need to be installed on both the eligible dwelling unit and commercial area to be effective (for example, insulating sidewalls), the WAP agency shall charge the portion associated with the eligible unit to the program and charge the portion associated with the commercial area to the property owner. If the property owner declines the measure or declines to pay for the portion associated with the commercial area, the project must be denied or stopped.

***Weatherization of Shelters***

When weatherizing shelters, determination of the number of units might be problematic. The WAP agency may count each 800 square feet of a shelter as a dwelling unit or it may count each floor of the shelter as a dwelling unit.[[9]](#footnote-9)

***Prioritization of Multifamily Jobs***

The priority criteria in Table 6.1 shall be used as a guide when evaluating multiple multifamily weatherization projects. This prioritization process will be needed only when a WAP agency must consider more than one rental or multifamily project at a time.[[10]](#footnote-10) The agency weatherization director shall document reasons for selecting one project over another and make available to OEO on request.

|  |
| --- |
| **Table 6.1 Priority Criteria for Rental or Multifamily Jobs** |
| **Item in Rank Order** | **Priority given to. . .** |
| 1. LIHEAP | Buildings with LIHEAP-eligible tenants. |
| 2. Who pays for heat? | Buildings with tenants paying heat. |
| 3. Building demographics | Projects housing elderly, disabled, and families with children. |
| 4. Energy intensity | Buildings with highest energy intensity, measured in Btu/ft2/heating degree day. |
| 5. Rent stabilization period | Buildings with the longest existing or owner-agreed-to future rent stabilization period. |
| 6. Tenants’ average income | Buildings with the lowest average tenant income. |
| 7. Magnitude of job | Larger projects and/or full (“gut”) rehabilitation. |
| 8. Private or public project? | Projects that are publicly, rather than privately, owned. |

In addition to the criteria in Table 6.1, the weatherization director should consider the following for selecting one rental or multifamily project over another:

1. WAP agency internal variables, such as the effect on the agency work force and schedules;
2. Impact of job in the WAP agency budget;
3. Project schedule restrictions and requirements;
4. Projects that might span multiple program years; and
5. Current funding levels.

WAP agencies may decline to participate in a multifamily project, even though a building or project is WAP-eligible, for budgetary or other reasons approved by OEO. However, WAP agencies may not decline services to WAP-eligible buildings and then bid on for-fee work for the same building.

***Projects extending beyond current funding cycle***

For projects that are likely to extend beyond the current funding cycle, the weatherization director at the WAP agency, at their discretion, will deliver a letter to the owner ensuring a commitment to the project, but making it clear that funding cannot be guaranteed.

***Re-weatherization of Buildings***

Vermont Home Weatherization Assistance Program funds: Buildings weatherized after December 31, 2002 are not eligible for re-weatherization with Vermont Home Weatherization Assistance Program funds.

*Exception:* If it is determined that significant weatherization opportunities were missed during a weatherization project completed after this date, or weatherization opportunities have since become available because of major building rehabilitation, or if measures were installed in an ineffective or substandard manner; OEO may approve a waiver to re-weatherize based on the priority protocol in Table 6.1 or on other reasonable evidence.

DOE funds: Buildings weatherized after September 30, 1994 or units damaged by fire, flood, or an act of God, are not eligible for re-weatherization with DOE funds. However, there may at times be a need for re-weatherization. Re-weatherization must be processed as a new application, including all documentation requirements

In all cases, re-weatherization is subject to prior approval by OEO, and may require approval by DOE.

***Verification Expiration and Waiver***

Building recertification is required if the project is not completed within 12 months of eligibility verification or if it is not occupied within 6 months of completion of the WAP agency work. The WAP agency must obtain written waiver from OEO in these situations.

***Building Owner Requirements***

The requirements of the building owner are dependent on a number of items, including building characteristics, ownership structure, and eligible units.

***Proof of ownership***

Verification of ownership must be obtained for all buildings, regardless of whether they are owner-occupied or rental properties. Any one of the following documents is acceptable proof of ownership:

1. Copy of deed;
2. Copy of mortgage or mortgage payment book;
3. Real estate tax bill/receipt for address being weatherized;
4. School tax bill/receipt for address being weatherized;
5. Written statement from local tax assessor's office, county clerk, or deeds commissioner; or
6. Copy of an executed land contract, life tenancy agreement, or life lease.

The address on the proof of ownership must be the same as the address at which the unit to be weatherized is located.

***Life Lease Agreements, Land Contracts, Life Tenancy***

When an applicant for WAP services has an executed land contract, life tenancy, or life lease agreement that grants them use of the property that is being considered for weatherization for an extended period, such documentation may be accepted confirmation of “ownership” if the requirements of this section are met. A copy of the agreement(s) must be presented to confirm proof of ownership and meet the following conditions.

1. Income eligible applicants presenting documents meeting all the terms and conditions listed below may be considered “property owners” that are eligible for assistance, and will not be required to provide a contribution for WAP services.
2. The Agreement must meet the following conditions:
	1. The entire agreement must be in writing.
	2. It must identify the parties to the agreement (e.g., seller/purchaser; grantor/grantee).
	3. It must describe the property sufficiently to be able to identify it.

***Building owner responsibilities***

The owner shall be responsible for:

1. Compliance with all applicable local and state codes, such as life safety, electrical, and plumbing;
2. Repair of structural issues, including those required by efficiency improvements, for additional snow loads, etc.;
3. Documentation showing that space and domestic water heating equipment has been serviced by a qualified technician within 10 months prior to WAP's energy audit for oil or biomass equipment, and within 22 months for gas equipment. If these requirements are not met, the WAP agency should use its best judgment moving forward.
4. Energy retrofit “buy downs,” or cost sharing for threshold-screening (refer to Section 0 ***Measure Buy-Downs***);
5. Health and safety including, but not limited to, lead-safe costs, knob-and-tube removal, and ventilation and indoor air quality, combustion appliance safety, smoke detectors, asbestos, and HVAC work; and
6. All other requirements listed in the Rental or Multifamily Housing Weatherization Agreement, as appropriate. (Typically the Rental Housing Weatherization Agreement is used for small projects of 1 to 4 units; the Multifamily Housing Weatherization Agreement is for larger projects of 5 or more units.)

All health and safety work is the responsibility of the building owner (unless the owner qualifies for weatherization services) and shall be implemented in a manner that does not negatively impact the flow of the weatherization work by the WAP agency. Weatherization work shall not commence until all health and safety issues have been addressed by the building owner or their representative.

In some cases, a measure can be both energy-saving and a health-and-safety item, for example, a heat/energy recovery ventilation unit. In this case, the WAP agency may pay for the incremental cost of the heat/energy recovery unit (above the cost of a non-heat/energy recovery unit) and the building owner shall pay the remainder (the health and safety portion).

**Note that Vermont OEO requires all 1-unit rentals (i.e., single-family) to be completed using HWAP funds, since DOE does not require some of the above-stated Owner responsibilities.** Rental buildings with 2 or more units may be funded with either DOE or HWAP, at the discretion of the WAP agency.

Applicants in a rental building who request services due to a no-heat or unsafe heating situation must be refused and told to contact the building owner for assistance (unless the owner qualifies for weatherization services). When the heating problem has been corrected, the applicant may then be considered eligible for services under the WAP. In all rental buildings, provision of a heating system in good working order is the responsibility of the building owner.

***Ownership transfer***

For DOE funds, no weatherization services are permitted if transfer of ownership is pending.

For Vermont Home Weatherization Assistance Program funds, no weatherization services are permitted if transfer of ownership is pending, however OEO may grant a waiver based in part on documents demonstrating that the:

1. Final owner of the building demonstrates site control prior to receiving weatherization services, and
2. Final owner provides documentation demonstrating adequate assurance of intent to rent to weatherization-eligible tenants.

***Rent stabilization***

The Rental or Multifamily Housing Weatherization Agreement, as appropriate,place restrictions on a building in which weatherized rental units are located because of the increased value of the weatherized units. The benefits of weatherization to rental units are intended for and expected to accrue to the low-income-eligible tenants.[[11]](#footnote-11)

Rent stabilization should be based on rent levels at the time of application and the term of stabilization shall begin upon the completion of the WAP agency weatherization.

For DOE funds, there must be an agreement between the eligible tenants and the landlord with a minimum of one-year term for rent stabilization, or the building must be on the HUD List 1.

For Vermont Home Weatherization Assistance Program funds, the building owner shall agree to 1 year rent stabilization if the eligible tenants pay for their own heat or to 3 years if the building owner pays the heating bill.[[12]](#footnote-12) This agreement must cover all rental units in the building occupied by households eligible for weatherization at the time the owner signs the agreement.

Additionally, the tenant may not be evicted or involuntarily removed from a weatherized unit for the same time period if the tenant complies with all on-going obligations and responsibilities as a tenant.

Increases in rent during the rent stabilization period shall relate only to matters other than the weatherization work performed. These matters include, but are not limited to, increases in property taxes, insurance, and owner’s costs for subsequent building improvements, and for operations, maintenance and services such as trash hauling and snow removal.

OEO may grant a waiver of a rent-stabilization agreement based on documentation from the owner that existing covenants on the property adequately address the rent-stabilization requirement.

***Weatherizing vacant units***

If the building’s eligibility is dependent on vacant units, the building owner must agree to rent these vacant units to low-income households and abide by the rent stabilization requirements, these vacant units may be weatherized and counted toward meeting the qualifying minimum percentage. In such cases, the vacant units must be occupied within 180 days. The term of this requirement begins when the job has been signed off by the WAP agency as completed. If HWAP funds are used for a project, the State may grant a waiver to the 180-day occupancy term.

This requirement only applies when the multifamily project has not met the minimum eligibility threshold percentages for DOE or Vermont Home Weatherization Assistance Program funds.

***Owner refusal to install health and safety measures***

If the owner refuses to install the health and safety measures required by DOE or the State of Vermont, the owner should be served the deferral of service form.

***Maintenance and repair of combustion appliances***

Unless a landlord/owner can demonstrate that they are low-income or have some exceptional circumstances, the responsibility for the maintenance, repair or replacement of the combustion appliance in the rental unit is the responsibility of the building owner.

***Violation of Rental or Multifamily Housing Weatherization Agreement***

If the owner violates the Rental or Multifamily Housing Weatherization Agreement, then he/she may be billed for the cost of the WAP work. (Typically the Rental Housing Weatherization Agreement is used for small projects of 1 to 4 units; the Multifamily Housing Weatherization Agreement is for larger projects of 5 or more units.)

***Collecting Energy Information***

Collecting the energy-use data can be complicated depending on who pays the energy bills; the tenant, the building owner, or both; and how the energy use is measured, either individually or by master metering. Another factor to consider is that common areas are often metered differently than rental units.

***Tenants pay energy bills***

If the tenants pay the energy bills, then the benefits of the WAP improvements automatically go directly to them. In this case, the WAP agency must obtain copies of energy bills or have each head of household sign a waiver allowing the agency to obtain copies of bills from the energy provider. This energy data may be limited to the energy paid for directly by the tenants; for master-metered energy sources, common areas, security lighting, etc., the agency must obtain data from the building owner.

In some cases, it will be difficult to obtain more than 50 percent of the tenants’ energy data. In such cases, a representative sampling might provide a good estimate with as few as 10 to 25 percent of the tenants’ energy bills. It is always best to obtain as many energy bills as possible in order to increase the accuracy of a representative sample.

***Building owner pays energy bills***

If the building owner pays the energy bills, they must agree in writing that the tenants will benefit from the weatherization. This requirement is satisfied by their signature on the Rental or Multifamily Housing Weatherization Agreement, as appropriate. If any of the energy sources are master metered, the WAP agency must obtain energy data from the building owner.

***Approval to Proceed with Projects***

Upon approval to proceed from OEO, and if requested by the building owner, the WAP agency may provide a letter of Intent indicating preliminary commitment to the project.

The WAP agency may require a reciprocal letter of intent from the building owner.

***Permission to Enter Building***

The WAP agency representative shall not enter the building(s) to conduct the energy audit or to collect information before having written permission from the owner. The WAP agency shall provide a form for sign-off at the initial contact or meeting with the owner.

***Energy Audit***

WAP agencies play a central role in performing or facilitating the building analysis (energy audit), and in managing the process used to complete work on multifamily buildings, regardless of whether the work is subcontracted or performed by WAP agency staff.

The Vermont multifamily audit tool was approved by the Department of Energy in 2012 for use in the Vermont Weatherization Assistance Program. This tool will be used by the Vermont WAP agencies for analysis of multifamily buildings of 5 or more units. Rental properties with 1 to 4 units will be audited with the Hancock Energy Audit Tool.

When scheduling the audit site visit, the WAP energy auditor must advise the owner of requirements and expectations in order to complete the audit.

The following information is backup documentation for the energy audit:

1. Three-years fuel usage history, or documentation why it was not obtained. The more history obtained the better, since vacancies and differences in individual household use patterns become less significant over longer periods;
2. Justification for any instance where audit priorities are not followed (i.e., where a measure with a lower SIR is prioritized over one with a higher SIR), and written approval from OEO;
3. Documentation of negotiations on investment and scope of work with the owner (lead hazard control/abatement and related work to assure that WAP work can be conducted in a lead safe manner must be considered); and
4. Documentation of reason if the building was analyzed and then not subsequently funded with WAP.

WAP agencies are required to supervise the day-to-day work on their projects, are responsible for documenting inspections, and taking any other steps necessary to ensure that the building analysis is done properly and will result in a scope of work that meets the goals of the program. WAP agencies must perform a variety of tasks that cannot easily be assigned or left to consultants. It is OEO’s expectation that WAP agencies remain involved in every applicable phase of the project, and take any actions necessary to improve the overall performance of the work, to ensure proper quality control and energy savings on each project.

***Screening of Measures***

Qualifying measures shall be determined by the corresponding savings-to-investment ratio (**SIR**); the SIR shall be based on funding source requirements. Priority shall be given to measures with the highest SIR. See also ***Measure Buy-Downs***.

Repair costs required by any measure with WAP investment must be included in the overall SIR calculation of the project’s complete package of measures.

Health and safety costs are excluded from SIR calculations.[[13]](#footnote-13)

***Allowable measures***

Measures with high savings-to-investment ratios will be given priority, as budgets allow.

Allowable measures include air sealing and insulation on all qualified properties regardless of type of tenancy. On properties with rent-restricted tenancy of ten or more years (e.g., nonprofit trusts with housing covenants and project-based Section 8 units), heating system upgrades and heat/energy-recovery ventilators will be allowable contingent on other available funding and WAP agency budget.

All measures must be installed in accordance with the most recent version of the *Vermont Technical Policies and Procedures Manual*.

***Measure Buy-Downs[[14]](#footnote-14)***

WAP agencies will use their standard SIR calculation and minimum threshold; however, they have the discretion to use Owner’s or other funding to *buy-down* any allowable measures. Buy-downs reduce the Investment portion of a measure’s SIR calculation. Allowable measures are restricted to levels required by the Vermont energy code (for example, if R-60 attic insulation is specified, but code requires R-49, WAP agency investment for the measure is limited to a SIR threshold of R-49). Buy-downs may also be provided by 3E Thermal.

An energy-saving measure with a SIR of less than one[[15]](#footnote-15), but implemented with the use of buy-downs, cannot be completed until all higher SIR measures have been completed unless documentation outlining the reasons for the exception has been submitted and approved by OEO.

In all cases, the overall project SIR must be 1.0 or greater. Project SIR shall include all savings and investment costs for all measures supported in whole or in part by WAP funds.

WAP agencies will invest as much as possible in each project, taking into consideration such factors as building owner capacity; length of rent stabilization; the WAP agency overall budget; and other qualifying factors of tenants. See Section 0 ***Prioritization of Multifamily Jobs*** for more information.

For DOE-funded multifamily buildings, the total job expenditure by WAP agency is limited by the formula: Job expenditure = (job cost average) x (number of eligible units).

When weatherization shelters, determination of the number of units might be problematic. The WAP agency may count each 800 square feet of a shelter as a dwelling unit or it may count each floor of the shelter as a dwelling unit. See Section 0 ***Weatherization of Shelters***.

In income-eligible, owner-occupied units, energy-related measures that have an SIR of less than the allowable value may not be completed by the WAP agency unless it has received non-WAP funding to pay the un-screenable portion.

***Scope of Work***

WAP agencies shall complete all allowable measures that meet or exceed SIR screening requirements, including threshold screening, in order of SIR priority as budgets allow.

When the owner’s work is subject to the Lead Poisoning Prevention Act,[[16]](#footnote-16) copies of test results shall be provided to the WAP agency.

For projects in buildings with 5 units or more, a summary of the draft scope of work shall be included in the energy audit submitted to OEO as part of the agency’s submission to OEO for approval*.*

***Full rehabilitation of building***

Where energy use reduction cannot be safely achieved through WAP due to the need for extensive rehabilitation of the building or dwelling unit, the energy auditor must report this finding to his/her WAP agency supervisor. If the building or dwelling unit is to be rehabilitated under another program, the weatherization work may be coordinated with the overall rehabilitation project. Upon presentation as completed to OEO, all WAP agency work must be complete and of acceptable quality.

In coordinated energy/rehabilitation projects, documentation to show that a public procurement process was followed in the selection of contractors must be available for review upon request. Documentation of a production schedule must also be available for review upon request. Documentation of all rehabilitation work proposed and completed must be in the file explaining the nature and scope of the rehabilitation provided, and the WAP services provided documenting what each program paid for. Documentation should be available with pictures and relevant supporting data.

If a vacant building or dwelling unit is being rehabilitated using a combination of WAP and other funds, a production schedule should be part of the building file along with any other information that may impact the filling of vacant, eligible units, within 180 days.

Any additions to buildings will be considered new construction and therefore not eligible for WAP work.

All work, including gut rehabilitation, must be evaluated and screened based on the existing condition of the building. For example, for a wall renovation, the *existing* wall insulating value, the final wall insulating value, and the cost of the rehabilitation of the wall, must be considered when determining the savings-to-investment ratio of the wall renovation.

All projects involving full rehab must be approved by OEO. WAP agencies shall submit the appropriate approval form with the energy audit showing weatherization measures, SIR value for each, and estimated WAP-funding for each measure.

The project may not commence until this form is signed by the appropriate OEO representative.

***Letter of commitment***

After receiving project approval from OEO, the WAP agency may issue a Letter of Commitment for a specific scope of work and dollar value, if requested by the owner. Typically this will occur when construction is well in the future, and/or Owner is still securing final funding and financing. This letter will indicate that WAP agency is committing to provide certain services and funding contingent on the availability for funding when the project construction begins and the final scope of work and subcontractor bids.

***Ventilation fans in multifamily buildings***

WAP agencies are not required to install ventilation fans in rental and multifamily buildings, unless the owner qualifies for weatherization. It is the building owner’s responsibility to provide ventilation systems for adequate indoor air quality and to apply for the Efficiency Vermont rebate. The WAP agency shall inspect and assess ventilation systems and may provide technical expertise and design services.

Exception: The WAP agency may provide labor to install the ductwork and related items for exhaust-only ventilation fans if such installation by the building owner will impose a significant negative impact on the weatherization job workflow. For example, the agency may provide labor to install ventilation ductwork and termination devices in an attic in an effort to expedite the installation of insulation in the attic. This decision will be made by the weatherization director. Ductwork for heat- and energy-recovery ventilation systems should be installed by the firm installing the HRV or ERV equipment.

***WAP Agency Relationship with 3E Thermal***

3E Thermal (3E) is a statewide program that partners with Weatherization, Efficiency Vermont, and housing agencies. Its purpose is to analyze, recommend, and incentivize comprehensive energy improvements with the objective of improving long-term sustainability of Vermont’s affordable multifamily housing stock.

OEO, Vermont Housing and Conservation Board, Efficiency Vermont, Vermont Community Action Partners (representing the WAP agencies), Vermont Department of Housing and Community Development, and Vermont Housing Finance Agency agreed in December 2013 to a *Statement of Principles* regarding the implementation of Vermont’s low-income multifamily energy efficiency and weatherization programs*,* which describes shared goals for all programs, including 3E.

A companion document, *Operational Agreement* *for Maximizing Resources and Improving Energy Efficiency Services to Affordable Multifamily Properties in Vermont,* agreed to by WAP agencies, OEO, Efficiency Vermont, and state and local housing agencies in fall 2014, explains how OEO WAP, Efficiency Vermont, and 3E will coordinate and integrate service delivery. Refer to that document for specific outline of service coordination.

An important goal of both these documents, and the series of meetings that led to them, is to improve the “customer experience” for affordable housing owners, to reduce confusion and redundancy, and streamline the process for accessing all available services. WAP agencies are encouraged to take an active part in the evolving partnership of providers through the 3E Thermal Advisory Group.

WAP agencies also have individual subcontracts with 3E that describe services and payment provisions. Refer to current *Subcontract between 3E Thermal and WAP Local Agency Partners*.

WAP agencies are expected to coordinate services closely with 3E Thermal. 3E participates with WAP in projects wherever possible. Generally, if the building owner has resources to augment WAP-funded work, 3E can add incentives toward “deeper” energy retrofits. 3E should be notified at project inception and walkthrough and, if 3E is also participating in the project, at all subsequent stages through completion and final inspection.

Refer to Section ***Process Flow for Multifamily Buildings (generally projects with 5 or more Units*** for this process-flow detail.

***Multifamily-projects database***

3E Thermal maintains a database of multifamily projects, which it shares with OEO and the WAP agencies. Accordingly, WAPs shall update 3E as projects develop. A complete project pipeline will assist all parties in budgeting and planning production capacity (see 3E *Operational Agreement*).

***Eligibility verification***

Buildings receiving WAP services, or on the federal or state list[[17]](#footnote-17) of WAP–qualified properties, are automatically eligible for 3E; no further verification is required. Otherwise, qualification shall be based on current rent levels and apartment size. This is similar to HWAP rent-qualification procedure, except that it is not necessary to verify income eligibility of one household.

For all projects, final eligibility verification is not required prior to providing walkthrough and/or audit services. If a building is ultimately found ineligible, 3E will reimburse for these services. If 3E is not involved with the project, the auditor’s time will be reimbursed by the weatherization grant if the project is found to be not eligible.

***Audit and screening***

WAP agencies shall coordinate energy audit services with 3E, as appropriate for the particular project. In particular, WAP auditors shall make efforts to accommodate the schedules of Owners, project managers, consultants, and 3E and Efficiency Vermont, to coordinate walkthrough and energy audit site visits, in order to minimize disruption to client households. WAP auditors shall also cooperate to maintain progress on projects, through completion of audit reports, participation in design development meetings, etc., even though in some cases construction start may be in the distant future.

Screening of efficiency measures for multifamily projects of five or more units shall use an approved multifamily screening tool, currently 3E’s *Building Energy Analysis and Screening Tool.* Screening shall follow established protocols for all WAP projects, except that:

Measures may be bought-down or ‘threshold-screened’. WAP agencies may screen allowable measures using only the WAP investment in the SIR calculation. See Section ***Screening of Measures***.

Allowable measures may include heat- or energy-recovery ventilation and heating system upgrades (screening for savings realized), on certain long-term, rent-restricted properties.

***Project management and inspections***

WAP agencies shall coordinate with 3E project management and quality assurance inspections on any multifamily projects where 3E is participating. Refer to *Operational Agreement*, cited at the beginning of this section.

***Reporting and invoicing***

WAP agencies shall provide final project expense reports (as spreadsheet export) to 3E for reconciliation with estimated costs, and for inclusion 3E’s database.

WAP agencies shall invoice 3E for billable expenses in timely fashion, as described in 3E subcontracts with individual WAP agencies.

***WAP Agency Relationship with other Organizations***

WAP agencies are expected to initiate contact and coordinate with other efficiency programs that could benefit the project and the tenants, including, as appropriate Efficiency Vermont, Burlington Electric Department, Vermont Gas Systems, and any other available efficiency or renewable energy programs.

***Agreements and Contracts***

All projects with rental units shall have a signed *Rental Housing Weatherization Agreement* or *Multifamily Housing Weatherization Agreement,* as appropriate, before work can begin. The appropriate Agreement must be in force with the owner of record regardless of whether the owner resides in one of the units to be weatherized or whether the owner’s household is itself WAP-eligible.

***Owner agreement, 1-to-4 units project***

Rental and/or multifamily projects of four or fewer units shall use the OEO *Rental Housing Weatherization Agreement*, for all projects of this size. These properties will be audited with the Hancock Energy Audit Tool.

***Owner agreement, 5-or-more units project***

Multifamily projects of five or more units shall use the OEO *Multifamily Housing Weatherization Agreement*. This includes projects involving buildings with fewer than 5 units if the total in all buildings in the project is 5 or more units. Individual buildings with 5 or more units will be audited with the Vermont multifamily audit tool; buildings with 4 or fewer units will be audited with the Hancock single-family audit tool. The scope of work for the project shall be included with this agreement.

***Execution***

The Rental *or* Multifamily Housing Weatherization Agreement, as appropriate, must be signed before the work begins.

The execution of rental unit/multifamily weatherization work – installation of measures – should be implemented according to the most recent edition of Vermont Weatherization Program’s *Technical Policies & Procedures Manual.*

OEO will monitor work in process with the appropriate audit tool and may request justification for any work in process exceeding six months.

***Quality Assurance***

The WAP agency must conduct a final inspection of each completed dwelling unit before reported as completed to OEO. The following tests and inspections must be performed by a qualified inspector during final inspection and documented as indicated.[[18]](#footnote-18)

1. Review of the audit and work scope to determine that the work authorized was completed. Any changes to the work scope must be documented in the file and be justified with pictures and/or with a reasonable explanation;
2. Quality and quantity of materials installed;
3. Installation standards/work quality;
4. Blower door test to verify final air flow numbers, as allowed by Vermont’s *Technical Policies & Procedures Manual*
5. Health and safety tests that were performed, along with test results;
6. Steady-state efficiency test when necessary for compliance;
7. Building Owner signature verifying completion of work;
8. All applicable in-progress inspection reports must be included as part of the building information included in the job file; and
9. Any information including but not limited to pictures, written explanations, etc. that helps to explain and justify the condition of the dwelling unit when post inspected. WAP agencies should generally maintain digital photographs of all work completed in each weatherized unit.

Once a weatherized project is reported as complete, the required final inspection indicates that all applicable work performed has been done in a workmanlike manner, including all work that may have been contracted out, such as furnace work, etc. After the weatherization work is complete, coordinate with partner programs for the final inspection and sign-off.

Performing activities such as routine maintenance, repairs, or warranty-type work after a job is closed and reported is not permitted with DOE funds. WAP agencies may use other funds to pay for the costs associated with these activities after receiving OEO approval. The only method to address “call-backs” or “re-works” where DOE funds are used to pay for the additional work, is to have these previously completed units taken out of the DOE reporting system and subtracting the associated costs from the DOE funds category. WAP agencies faced with this situation should discuss this matter with OEO before proceeding. Refer to Section 2.21 for more information.

***Process Flow for Multifamily Buildings (generally projects with 5 or more Units)***

Refer to Section ***Process Detail showing Relevant Forms for Rental and Multifamily Buildings***, for list of specific forms and their appropriate use.

1. **Intake**

After determining that building has NOT been previously WAPed past applicable dates:

* 1. Determine **type of apartment building** and tenancy.
		1. **Large apartment building.** Best to contact Owner before verifying Tenant income, to ascertain his/her likelihood of proceeding.
		2. Building **owned by nonprofit** agency. Income-eligibility is virtually assured. Housing agency may have sufficient data to satisfy income verification (HWAP only).
		3. **Large building or nonprofit Owner. Check HUD list**, or check with VHFA; building may be eligible without any income verification.
	2. **Acquaint Owner with WAP process.** Send appropriate introductory and pre-walkthrough forms.
1. **Building Eligibility**

NOTE that full verification of building eligibility is *NOT* required prior to conducting a walkthrough, or even an energy audit, if circumstances indicate the building is likely to qualify.

* 1. **3E Thermal.** WAP Agency should notify 3E Thermal of all new projects with more than 5 units, even if in multiple 2-to-4-unit buildings.
	2. **Building Qualification.** Provide Owner only the forms necessary to provide services. A building may be qualified as follows:
		1. **HUD or VHFA list.** No income-verification required. HUD list satisfies *both* DOE and HWAP requirements. VHFA is confirmed through the multifamily specialist at VHFA office (currently Sam Falzone), and satisfies ONLY state-funded HWAP.
		2. **DOE: Full income-verification.** Building qualifies if 2/3 of Tenant households are income-verified (50% of 2- or 4-unit buildings). Qualifying for DOE allows WAP agency to fund project either through DOE or HWAP.
		3. **HWAP: Income Verification method.** 25% of Tenants must apply and be verified. NOTE that 2- to 4-unit buildings can be verified eligible by verifying income for a single Tenant.
		4. **HWAP: Rent Qualification method.** One Tenant household must be income-verified, and 50% of the building must have rent levels, including utilities, below 30% of 80% Area Median Income.
		5. **HWAP: Long-term rent-restricted.** Properties under long-term affordability covenants are qualified with a letter from the Owner and satisfactory documentation demonstrating affordability status.
	3. **Proof of Ownership.** The Owner must provide documentation confirming ownership. However, if **property transfer** is part of overall project development, final property owner may submit letter documenting ownership transfer process and schedule.
	4. **Demographics.** Demographic information for all households is required to be entered in Hancock. (Collection of demographic information is NOT required to occur prior to verifying building eligibility.)
		1. **HUD or VHFA list job.** Even though no income information is needed, Demographics for all households is still required. WAP Agency should determine its preferred system for collecting, for example, by the Auditor at the energy audit visit, or by the Efficiency Coach during that visit.
		2. **HWAP-funded job.** Typically the Owner will submit a rent certification and should be asked to provide demographic (but not income) information for his/her tenants as well.
		3. **DOE-funded job.** Demographics are collected on each Tenant household’s Weatherization Application form.
	5. **Un-Occupied Units.** If vacant units are needed to complete qualification of building under either DOE or HWAP, Owner may pledge to rent to qualifying tenants within 180 days of completion.
1. **Initial Walkthrough**

In most cases, 5+ unit projects warrant a walkthrough prior to audit. The walkthrough allows the Auditor to assess what will be needed for the audit, and also to review forms and requirements with the Owner or agent in person.

The building **does NOT have to be qualified prior to walkthrough**, if the WAP agency believes it is likely to qualify.

* 1. **3E Thermal.** Notify 3E of walkthrough schedule for all projects with 5 or more units, even if in multiple 2- to 4-unit buildings.
1. **Eligibility Verification**
	1. After receiving all documentation necessary to verify eligibility of building through one of three methods described above (2.b), Owner or WAP shall **distribute to all Tenants a notice describing WAP** services and customer rights.
	2. After verifying building eligibility and conducting initial walkthrough, WAP agency may issue a **Letter of Intent**, upon request by Owner, for purposes of securing additional funding or financing. This letter should indicate that:
		1. Building(s) is/are eligible for WAP services;
		2. WAP agency intends to provide services, if funding and budget allows, when the project enters construction;
		3. WAP typically provides some services and may subcontract or provide reimbursement for other services; and
		4. WAP investment depends on final scope of work, cost-effectiveness screening, and approval by OEO.
2. **Audit**
	1. **3E Thermal.** Coordinate with 3E Thermal,unless 3E has determined it is not participating in the project. In larger, often multi-year projects, the **audit may occur prior to verifying** building eligibility.
	2. **Other partners.** Typically one program will serve as primary contact for the Owner and design team.
		1. **WAP-led projects** will be those where the Owner is not investing in the project beyond the minimum required to obtain WAP services.
		2. **3E-led projects** will be those where the Owner is making further investments that can be augmented by 3E incentives.
		3. **EVT-led projects.** In some cases, Efficiency Vermont may be providing services to a project that 3E is not. Any WAP services on such projects shall be coordinated with EVT.
		4. **Design team.** Any project with an architect or engineer requires active collaboration by the WAP agency. The design team needs to understand what services WAP will provide, and what should be included in specs and bids and what should not.
	3. **Scheduling and Notification.** Ensure that Owner understands what will be required to complete blower door test and site assessment, and that Owner is responsible for providing minimum **48-hour notice** before accessing Tenants’ apartments.
	4. **Audit tool.** Modeling with approved energy audit tool, developing proposed scope of work, and estimating costs **should by default be done by WAP** multifamily auditor. 3E is available to assist with use of the BEAST audit tool on any project, even if 3E is not participating.
3. **Determination of scope of work**
	1. **WAP investment.** Review audit tool results to rank cost-effective measures and determine type and scope of WAP investment. On projects with partners such as 3E, consider including bought-down or threshold-screened measures as well, in consultation with WAP agency director.
	2. **Audit review meeting, partner-led projects.** For projects managed primarily by 3E or Efficiency Vermont, coordinate a meeting with partner, Owner, and other project participants, to review audit analysis, determine scope of work and what, if any, measures are to be bid out to others.
	3. **Audit review meeting, WAP-led projects.** For projects managed by WAP agency, schedule meeting with Owner to review audit analysis, determine scope of work and what, if any, measures are to be bid out to others.
4. **Scope-of-work approval and commitment**
	1. **OEO Approval.** Work scope on buildings with 5 units or more must be approved by OEO*.*
		1. **All jobs using DOE funding must also be approved by the DOE office.**
	2. **Obtain bids.** Owner, or WAP agency, as appropriate: Obtain bids for energy retrofit measures that will not be undertaken by in-house WAP crews.
		1. If bids are much higher than estimates used for audit screening, project will need to be re-screened and re-approved by OEO.
	3. **Letter of Commitment.** After receiving approval by OEO, WAP agency may issue a Letter of Commitment for a specific scope of work and dollar value, if requested by Owner*.* Typically this will occur when construction is well in the future, and/or Owner is still securing final funding and financing. Letter will indicate that WAP agency is committing to provide certain services and funding contingent on:
		1. Availability of funding when the project enters construction; and
		2. Final scope of work and subcontractor bids.

*Note: WAP agency commitment should be conservative so that it is unlikely to be reduced when construction begins. Owners typically rely on a suite of funding and financing sources, and significant reduction in one source can jeopardize a project.*

1. **WAP Agreement for Services**
	1. **Finalize scope of work.** After receipt of general contractor and subcontractor bids, and determination of final specifications by Owner or architect, WAP agency will determine final services and funding.***WAP agency should strive to maintain services and funding commitment originally offered.***
		1. **OEO Approval.** If there are significant changes to scope of work, WAP services, or funding, re-submit for OEO approval*.*
	2. **Sign Agreement.** Prepare Agreement including Scope of Work to be attached to the Rental or Multifamily Weatherization Agreement, as appropriate*.* Obtain Owner signature prior to starting work.
2. **Quality Assurance**
	1. **Pre-Construction meeting.** WAP auditor should attend any pre-construction meetings to improve coordination and alert other contractors of overlapping areas of responsibility, such as sealing mechanical and electrical penetrations in air barriers.
	2. **Progress inspections.** Coordinate with other partner programs as needed to ensure at least one efficiency expert inspects project at critical stages. Examples: foundation insulation prior to backfill; spray foam insulation prior to covering with other insulation or finish material.
	3. **Blower-door tests.** Coordinate with partner programs and general contractor to determine schedule and responsibility for blower door tests. These should be done before air sealing areas are covered with insulation or other materials, and therefore require close coordination with general contractor and subcontractors.
3. **Completion**
	1. **Final inspection.** Upon completion of work, or of energy retrofit aspects of work, coordinate with partner programs for final inspection and sign-off.
	2. **Send Project Cost Report to 3E.** If 3E is partner on project, provide to 3E a **spreadsheet export** of the final Project Cost Report. (Actual expenses typically vary from estimated, and WAP expense as a proportion of overall project expenses affects savings that may be claimed by 3E and other programs.)
	3. **Project completion delay.** If the project is not completed within 12 months of eligibility verification or not occupied within 6 months of the completion of the WAP agency work, a project waiver is required from OEO for recertification.
	4. **Reimbursement to Building Owner.** If weatherization services include reimbursement of cost to the building owner, then the owner must submit a formal request for payment (with invoices).

***Process Detail showing Relevant Forms for Rental and Multifamily Buildings***

1. ***Intake staff person:* Application and Qualification**
2. First, check if building previously served; if so, may be ineligible depending on date.

*If building is owned by nonprofit housing agency or is believed to be rent-restricted –*

1. Check if building is on HUD list; if so, building qualifies for both DOE and HWAP and income verification not required.
2. If not on HUD, then check with VHFA. If VHFA, building qualifies for HWAP and income verification is not required (but IS required if WAP agency wishes to use DOE funds).
3. **TENANT applies for services**
	* If building is HUD or VHFA, no income verification needed.
	* If not HUD or VHFA, give to the Tenant WAP client application **forms 405**
		+ **405**, p.1, Application form
		+ **405**, p.5, Earned Income Overview
		+ **405**, p.7, Income Verification Form
		+ **405**, p.6 Obtaining your Explanation of Social Security
		+ **405**, p.8, Self-Employment Income Verification
		+ **405**, p.4, Fuel Records Release
* After the Tenant returns these and provides the Owner’s name, contact Owner to advise of Tenant’s application, and send to the Owner the forms in next section.
1. **OWNER applies for services,** or first contact with Owner after Tenant applies

Send ONLY appropriate forms, depending on project type and funding source. Best to walk through the set of forms with Owner or agent to minimize confusion!

NOTE: Client application (Forms **405**) is required for –

* ALL units for DOE;
* 25% of units, or ONE unit plus rent qualification of 50% of units, for HWAP
* NONE for buildings on HUD or VHFA lists.

(A) *2-4 units (smaller building, or WAP only)*

* **613** WAP Requirements of Owners (WAP only, or 1-4 units)
* **617** WAP Rental Property Building Standards (energy auditor or production coordinator should review this in person or by phone with Owner)
* **620** WAP-3E Building Owner Fuel Data Authorization (if Owner-paid utilities)

(B) *5+ unit (Larger building or multiple buildings, or joint project with 3E)*

* **609** WAP-3E Application Info for Owners
* **610** WAP-3E Application for Apartment Building Owners
* **615** (WAP/3E, or 5+ units) WAP-3E Requirements of Owners
* (optional, if needed) **638** WAP Agreement for Unoccupied Units
	+ - **630** WAP-3E Rent Certification

NOTE that a building under long-term rent-restricted covenant can be qualified with a letter and documentation from the Owner.

* + - **632** WAP Multifamily Building Household Demographics
* **617** WAP Rental Property Building Standards (energy auditor or production coordinator should review this in person or by phone with Owner)
* **620** WAP-3E Building Owner Fuel Data Authorization (Owner-paid utilities)

NOTE: For Tenant-paid utilities, and HUD-, VHFA- or Rent-Qualified (where no WAP Client application is being obtained), a Fuel Release is needed from each Tenant paying utilities. Use p.4 of Form **405**.

1. ***Intake staff person:* Application followup**
2. For larger or joint WAP/3E projects, send copy of **610** WAP-3E Application form to 3E Thermal and OEO (for information purposes only, not approval).
3. After qualifying building as eligible for WAP services, send to Owner:
* **605** WAP Tenant Notice, for Owner to distribute to EVERY Unit
1. ***Energy Auditor / Production Coordinator:* Walkthrough, or pre-Audit**
2. Auditor or Production Coordinator should review with Owner the process and forms, particularly **617** Rental Property Building Standards, at walkthrough site visit or energy audit site visit or in office, as appropriate.
3. When scheduling energy audit site visit with the Owner or agent, send to Owner:
	* + **641** WAP-3E Energy Audit Site Visit Prep Checklist
4. ***Energy Auditor:* Audit**
5. Auditor measures building or does measurement take-offs from drawings, performs site assessment and diagnostics, and screens project using authorized audit tool (Hancock for 1-4 unit buildings; BEAST for 5+ unit buildings).
6. Auditor reviews WAP work scope and investment with Production Coordinator
7. ***Auditor / Production Coordinator:* Audit Review Meeting**
8. WAP personnel coordinate with 3E and/or EVT, as appropriate, to meet with Owner and Owner’s design team to review savings and cost estimates, and agree on work scope.
9. Auditor revises tool to reflect final work scope and cost estimates.
10. ***Production Coordinator / Director:*  OEO Approval (large projects)**

For projects with 5+ units, including multiple 2 to 4-unit buildings in single project –

Upon completion of energy audit and savings and cost estimates, send to OEO:

* + - **661** WAP Multifamily Project Approval (5+ Units)
		- Authorized building energy analysis and savings tool.

OEO will review and approve or decline WAP agency participation in project.

1. ***Production Coordinator / Director:* Owner Agreement**

WAP Agency shall sign formal Agreement with Owner prior to starting work. Letter of Commitment shall be used for projects expected to start after end of current Program Year.

1. *2-4 units (smaller building, or WAP only)*
	* + **663** WAP Rental Housing Weatherization Agreement
2. *5+ unit (After OEO approval; large or multiple buildings, or joint 3E project)*
* **665** WAP Multifamily Housing Weatherization Agreement
1. *Any project starting after current PY (5+ requires OEO approval)*
	* + **656** SAMPLE WAP Agency’s Letter of Commitment, *contingent on funding*
2. ***Quality Control Inspector***
* **670** WAP-3E Multifamily Quality Control Inspection: May substitute Hancock inspection form if preferred.
1. **Other forms**
* **651** SAMPLE Owner’s Notification to Tenant: Provide to Owner if he/she requests a format for notifying the Tenants prior to Audit visit.
* **654** SAMPLE WAP Agency’s Letter of Intent: Provide to Owner if written confirmation of eligibility is requested. Does NOT commit specific funding.
* **658** SAMPLE Owner’s Request for Payment: Provide to Owner if WAP agency is making cash contribution. Form includes required certification language.
* **675** WAP Multifamily Building Project Waiver: OEO signoff required if Completion or Occupancy timing exceeds allowable deadlines.
1. **Required Forms in completed job file**
* Building Qualification Documentation
	+ HUD List: Cite List number and eligible number of units (66% of 100%); *OR*
	+ VHFA List: confirmation from VHFA (currently Sam Falzone); *OR*
	+ Client applications, Rent qualification, Documentation from Owner, etc.
* **405** WAP (Client) Application *(DOE min 66% of Households; HWAP min ONE)*
* **610** WAP-3E Owner Application, *if initiated by Owner, or joint WAP-3E, or 5+ unit project*
* **630** WAP-3E Rent Certification *(HWAP only, for 5+ buildings w/ ONE client appl)*
* **638** WAP Agreement for Unoccupied Units, *if needed to qualify building*
* **613** *or* **615** Requirements of Apartment Building Owners & Permission to Enter Premises
	+ 613 for WAP-only, *4 or fewer units; OR*
	+ 615 for joint WAP-3E projects, *5+ unit projects in single or multiple buildings*
* **617** Rental Property Building Standards, *signed by Owner*
* **620** Building Owner Fuel & Electrical Release, *unless all utilities are Tenant-paid*
* **Proof of Ownership** documentation
* **632** Multifamily Building Demographics, or Owner data, for Tenants without form 405

***(633*** *Demographics WORKSHEET is an optional spreadsheet to collate data for Hancock.)*

* **Energy Audit**
	+ *For each building 4 units or fewer:*
		- **Hancock** energy audit tool
		- **RED** tool
		- **CAZ** test documentation, if appropriate
	+ *For each building 5 units or more:*
		- 3E **BEAST** tool or approved alternate
* **661** OEO Multifamily Project Approval *(5+ unit projects, in single building or multiple)*
* **663** *or* **665** Weatherization Agreement
	+ **663** for WAP-only projects, *generally 4 or fewer units; OR*
	+ **665** for joint WAP-3E projects, *generally 5+ units, including multiple ‘small’ buildings if total units are 5 or more*
* **Inspection form**
	+ **670** WAP - 3E Thermal Multifamily Inspection form, *OR*
	+ Hancock Quality Control form
* **658** Owner Request for Payment, *if WAP provides cash contribution* *(or similar format on Owner’s letterhead with required certification language),* with contractor invoices for work being paid for by WAP
* **675** Multifamily Project Waiver, *if Completion or Occupancy time limits are exceeded*

Items required in every WAP file, such as:

* **Photo** documentation
* Efficiency Vermont **LEEP** forms
* **Lead** hazard forms, *as applicable*
* **Hazard Assessment & Deferral** form, *as applicable*
* **Mold & Moisture** form, *as applicable*
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**APPENDIX 3: BUDGET PROPOSAL WORKSHEET**



 **APPENDIX 4: STAFFING WORKSHEET**



**APPENDIX 5: ATTACHMENT C**

**ATTACHMENT C**: **STANDARD STATE PROVISIONS**

**FOR CONTRACTS AND GRANTS**

**Revised December 15, 2017**

**1. Definitions:** For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.

**2. Entire Agreement:** This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

**3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial:** This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

**4.** **Sovereign Immunity:** The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

**5. No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

**6. Independence:** The Party will act in an independent capacity and not as officers or employees of the State.

**7. Defense and Indemnity:** The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys’ fees, collection costs or other costs of the Party or any third party.

**8. Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party’s operations. These are solely minimums that have been established to protect the interests of the State.

*Workers Compensation*: With respect to all operations performed, the Party shall carry workers’ compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers’ compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers’ compensation policy, if necessary to comply with Vermont law.

*General Liability and Property Damage*: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

$1,000,000 Each Occurrence

$2,000,000 General Aggregate

$1,000,000 Products/Completed Operations Aggregate

$1,000,000 Personal & Advertising Injury

*Automotive Liability:* The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than $500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than $1,000,000 combined single limit.

*Additional Insured.* The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

*Notice of Cancellation or Change.* There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

**9. Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

**10. False Claims Act:** The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.*  If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney’s fees, except as the same may be reduced by a court of competent jurisdiction. The Party’s liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party’s liability.

**11. Whistleblower Protections:** The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

**12. Location of State Data:** No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the continental United States, except with the express written permission of the State.

**13. Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. “Records” means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

**14. Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

**15. Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

**16. Taxes Due to the State:**

1. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
2. Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
3. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
4. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

**17. Taxation of Purchases:** All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

**18. Child Support:** (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

1. is not under any obligation to pay child support; or
2. is under such an obligation and is in good standing with respect to that obligation; or
3. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

**19. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of $250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors’ subcontractors, together with the identity of those subcontractors’ workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 (“False Claims Act”); Section 11 (“Whistleblower Protections”); Section 12 (“Location of State Data”); Section 14 (“Fair Employment Practices and Americans with Disabilities Act”); Section 16 (“Taxes Due the State”); Section 18 (“Child Support”); Section 20 (“No Gifts or Gratuities”); Section 22 (“Certification Regarding Debarment”); Section 30 (“State Facilities”); and Section 32.A (“Certification Regarding Use of State Funds”).

**20. No Gifts or Gratuities:** Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

**21. Copies:** Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

**22. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party’s principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State’s debarment list at: http://bgs.vermont.gov/purchasing/debarment

**23. Conflict of Interest:** Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

**24. Confidentiality:** Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

**25. Force Majeure:** Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) (“Force Majeure”). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

**26. Marketing:** Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

**27. Termination:**

1. **Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Grantee from State revenues.
2. **Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party’s notice or such longer time as the non-breaching party may specify in the notice.
3. **Termination Assistance:** Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

**28. Continuity of Performance:** In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

**29.** **No Implied Waiver of Remedies:** Either party’s delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

**30.** **State Facilities:** If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party’s performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an “AS IS, WHERE IS” basis, with no warranties whatsoever.

**31. Requirements Pertaining Only to Federal Grants and Grantee Agreements:** If this Agreement is a grant that is funded in whole or in part by Federal funds:

1. **Requirement to Have a Single Audit:** The Grantee will complete the Grantee Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Grantee will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Grantee Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the grantee expends $500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the grantee expends $750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Grantee Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

1. **Internal Controls:** In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
2. **Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

**32. Requirements Pertaining Only to State-Funded Grants:**

1. **Certification Regarding Use of State Funds:** If Party is an employer and this Agreement is a State-funded grant in excess of $1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party’s employee’s rights with respect to unionization.
2. **Good Standing Certification (Act 154 of 2016):** If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify, and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)

**APPENDIX 6: ATTACHMENT F**

**Attachment F**

**Agency of Human Services’ Customary contract/Grant Provisions**

* + - 1. **Definitions:** For purposes of this Attachment F, the term “Agreement” shall mean the form of the contract or grant, with all of its parts, into which this Attachment F is incorporated. The meaning of the term “Party” when used in this Attachment F shall mean any named party to this Agreement *other than* the State of Vermont, the Agency of Human Services (AHS) and any of the departments, boards, offices and business units named in this Agreement. As such, the term “Party” shall mean, when used in this Attachment F, the Contractor or Grantee with whom the State of Vermont is executing this Agreement. If Party, when permitted to do so under this Agreement, seeks by way of any subcontract, sub-grant or other form of provider agreement to employ any other person or entity to perform any of the obligations of Party under this Agreement, Party shall be obligated to ensure that all terms of this Attachment F are followed. As such, the term “Party” as used herein shall also be construed as applicable to, and describing the obligations of, any subcontractor, sub-recipient or sub-grantee of this Agreement. Any such use or construction of the term “Party” shall not, however, give any subcontractor, sub-recipient or sub-grantee any substantive right in this Agreement without an express written agreement to that effect by the State of Vermont.
			2. **Agency of Human Services**: The Agency of Human Services is responsible for overseeing all contracts and grants entered by any of its departments, boards, offices and business units, however denominated. The Agency of Human Services, through the business office of the Office of the Secretary, and through its Field Services Directors, will share with any named AHS-associated party to this Agreement oversight, monitoring and enforcement responsibilities. Party agrees to cooperate with both the named AHS-associated party to this contract and with the Agency of Human Services itself with respect to the resolution of any issues relating to the performance and interpretation of this Agreement, payment matters and legal compliance.
			3. **Medicaid Program Parties** (*applicable to any Party providing services and supports paid for under Vermont’s Medicaid program and Vermont’s Global Commitment to Health Waiver*):

***Inspection and Retention of Records***: In addition to any other requirement under this Agreement or at law, Party must fulfill all state and federal legal requirements, and will comply with all requests appropriate to enable the Agency of Human Services, the U.S. Department of Health and Human Services (along with its Inspector General and the Centers for Medicare and Medicaid Services), the Comptroller General, the Government Accounting Office, or any of their designees: (i) to evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed under this Agreement; and (ii) to inspect and audit any records, financial data, contracts, computer or other electronic systems of Party relating to the performance of services under Vermont’s Medicaid program and Vermont’s Global Commitment to Health Waiver. Party will retain for ten years all documents required to be retained pursuant to 42 CFR 438.3(u).

***Subcontracting for Medicaid Services***: Notwithstanding any permitted subcontracting of services to be performed under this Agreement, Party shall remain responsible for ensuring that this Agreement is fully performed according to its terms, that subcontractor remains in compliance with the terms hereof, and that subcontractor complies with all state and federal laws and regulations relating to the Medicaid program in Vermont. Subcontracts, and any service provider agreements entered into by Party in connection with the performance of this Agreement, must clearly specify in writing the responsibilities of the subcontractor or other service provider and Party must retain the authority to revoke its subcontract or service provider agreement or to impose other sanctions if the performance of the subcontractor or service provider is inadequate or if its performance deviates from any requirement of this Agreement. Party shall make available on request all contracts, subcontracts and service provider agreements between the Party, subcontractors and other service providers to the Agency of Human Services and any of its departments as well as to the Center for Medicare and Medicaid Services.

***Medicaid Notification of Termination Requirements***: Party shall follow the Department of Vermont Health Access Managed-Care-Organization enrollee-notification requirements, to include the requirement that Party provide timely notice of any termination of its practice.

***Encounter Data***: Party shall provide encounter data to the Agency of Human Services and/or its departments and ensure further that the data and services provided can be linked to and supported by enrollee eligibility files maintained by the State.

***Federal Medicaid System Security Requirements Compliance***: Party shall provide a security plan, risk assessment, and security controls review document within three months of the start date of this Agreement (and update it annually thereafter) in order to support audit compliance with 45 CFR 95.621 subpart F, *ADP* *System Security Requirements and Review Process*.

* + - 1. **Workplace Violence Prevention and Crisis Response** (*applicable to any Party and any subcontractors and sub-grantees whose employees or other service providers deliver social or mental health services directly to individual recipients of such services*):

Party shall establish a written workplace violence prevention and crisis response policy meeting the requirements of Act 109 (2016), 33 VSA §8201(b), for the benefit of employees delivering direct social or mental health services. Party shall, in preparing its policy, consult with the guidelines promulgated by the U.S. Occupational Safety and Health Administration for *Preventing Workplace Violence for Healthcare and Social Services Workers*, as those guidelines may from time to time be amended.

Party, through its violence protection and crisis response committee, shall evaluate the efficacy of its policy, and update the policy as appropriate, at least annually. The policy and any written evaluations thereof shall be provided to employees delivering direct social or mental health services.

Party will ensure that any subcontractor and sub-grantee who hires employees (or contracts with service providers) who deliver social or mental health services directly to individual recipients of such services, complies with all requirements of this Section.

* + - 1. **Non-Discrimination**:

Party shall not discriminate, and will prohibit its employees, agents, subcontractors, sub-grantees and other service providers from discrimination, on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, and on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. Party shall not refuse, withhold from or deny to any person the benefit of services, facilities, goods, privileges, advantages, or benefits of public accommodation on the basis of disability, race, creed, color, national origin, marital status, sex, sexual orientation or gender identity as provided by Title 9 V.S.A. Chapter 139.

No person shall on the grounds of religion or on the grounds of sex (including, on the grounds that a woman is pregnant), be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by State of Vermont and/or federal funds.

Party further shall comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, requiring that contractors and subcontractors receiving federal funds assure that persons with limited English proficiency can meaningfully access services. To the extent Party provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services, such individuals cannot be required to pay for such services.

* + - 1. **Employees and Independent Contractors**:

Party agrees that it shall comply with the laws of the State of Vermont with respect to the appropriate classification of its workers and service providers as “employees” and “independent contractors” for all purposes, to include for purposes related to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party agrees to ensure that all of its subcontractors or sub-grantees also remain in legal compliance as to the appropriate classification of “workers” and “independent contractors” relating to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party will on request provide to the Agency of Human Services information pertaining to the classification of its employees to include the basis for the classification. Failure to comply with these obligations may result in termination of this Agreement.

* + - 1. **Data Protection and Privacy:**

***Protected Health Information***: Party shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this Agreement. Party shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

***Substance Abuse Treatment Information***: Substance abuse treatment information shall be maintained in compliance with 42 C.F.R. Part 2 if the Party or subcontractor(s) are Part 2 covered programs, or if substance abuse treatment information is received from a Part 2 covered program by the Party or subcontractor(s).

***Protection of Personal Information***: Party agrees to comply with all applicable state and federal statutes to assure protection and security of personal information, or of any personally identifiable information (PII), including the Security Breach Notice Act, 9 V.S.A. § 2435, the Social Security Number Protection Act, 9 V.S.A. § 2440, the Document Safe Destruction Act, 9 V.S.A. § 2445 and 45 CFR 155.260. As used here, PII shall include any information, in any medium, including electronic, which can be used to distinguish or trace an individual’s identity, such as his/her name, social security number, biometric records, etc., either alone or when combined with any other personal or identifiable information that is linked or linkable to a specific person, such as date and place or birth, mother’s maiden name, etc.

***Other Confidential Consumer Information***: Party agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to and uses of personal information relating to any beneficiary or recipient of goods, services or other forms of support. Party further agrees to comply with any applicable Vermont State Statute and other regulations respecting the right to individual privacy. Party shall ensure that all of its employees, subcontractors and other service providers performing services under this agreement understand and preserve the sensitive, confidential and non-public nature of information to which they may have access.

***Data Breaches***: Party shall report to AHS, though its Chief Information Officer (CIO), any impermissible use or disclosure that compromises the security, confidentiality or privacy of any form of protected personal information identified above within 24 hours of the discovery of the breach. Party shall in addition comply with any other data breach notification requirements required under federal or state law.

* + - 1. **Abuse and Neglect of Children and Vulnerable Adults:**

***Abuse Registry****.* Party agrees not to employ any individual, to use any volunteer or other service provider, or to otherwise provide reimbursement to any individual who in the performance of services connected with this agreement provides care, custody, treatment, transportation, or supervision to children or to vulnerable adults if there has been a substantiation of abuse or neglect or exploitation involving that individual. Party is responsible for confirming as to each individual having such contact with children or vulnerable adults the non-existence of a substantiated allegation of abuse, neglect or exploitation by verifying that fact though (a) as to vulnerable adults, the Adult Abuse Registry maintained by the Department of Disabilities, Aging and Independent Living and (b) as to children, the Central Child Protection Registry (unless the Party holds a valid child care license or registration from the Division of Child Development, Department for Children and Families). See 33 V.S.A. §4919(a)(3) and 33 V.S.A. §6911(c)(3).

***Reporting of Abuse, Neglect, or Exploitation*.** Consistent with provisions of 33 V.S.A. §4913(a) and §6903, Party and any of its agents or employees who, in the performance of services connected with this agreement, (a) is a caregiver or has any other contact with clients and (b) has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall: as to children, make a report containing the information required by 33 V.S.A. §4914 to the Commissioner of the Department for Children and Families within 24 hours; or, as to a vulnerable adult, make a report containing the information required by 33 V.S.A. §6904 to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. Party will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

* + - 1. **Information Technology Systems**:

***Computing and Communication***: Party shall select, in consultation with the Agency of Human Services’ Information Technology unit, one of the approved methods for secure access to the State’s systems and data, if required. Approved methods are based on the type of work performed by the Party as part of this agreement. Options include, but are not limited to:

1. Party’s provision of certified computing equipment, peripherals and mobile devices, on a separate Party’s network with separate internet access. The Agency of Human Services’ accounts may or may not be provided.
2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

***Intellectual Property/Work Product Ownership*:** All data, technical information, materials first gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement -- including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio**)**, pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement, or are a result of the services required under this grant -- shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion unless otherwise specified in this agreement. Such items shall be delivered to the State of Vermont upon 30-days notice by the State. With respect to software computer programs and / or source codes first developed for the State, all the work shall be considered "work for hire,” i.e., the State, not the Party (or subcontractor or sub-grantee), shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

 Party shall not sell or copyright a work product or item produced under this agreement without explicit permission from the State of Vermont.

 If Party is operating a system or application on behalf of the State of Vermont, Party shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Party’s materials.

Party acknowledges and agrees that should this agreement be in support of the State's implementation of the Patient Protection and Affordable Care Act of 2010, Party is subject to the certain property rights provisions of the Code of Federal Regulations and a Grant from the Department of Health and Human Services, Centers for Medicare & Medicaid Services. Such agreement will be subject to, and incorporates here by reference, 45 CFR 74.36, 45 CFR 92.34 and 45 CFR 95.617 governing rights to intangible property.

***Security and Data Transfers****:*Party shall comply with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Party of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Party to implement any required.

Party will ensure the physical and data security associated with computer equipment, including desktops, notebooks, and other portable devices, used in connection with this Agreement. Party will also assure that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. Party will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, Party shall securely delete data (including archival backups) from Party’s equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

Party, in the event of a data breach, shall comply with the terms of Section 7 above.

* + - 1. **Other Provisions**:

***Environmental Tobacco Smoke*.** Public Law 103-227 (also known as the Pro-Children Act of 1994) and Vermont’s Act 135 (2014) (An act relating to smoking in lodging establishments, hospitals, and child care facilities, and on State lands) restrict the use of tobacco products in certain settings. Party shall ensure that no person is permitted: (i) to use tobacco products or tobacco substitutes as defined in 7 V.S.A. § 1001 on the premises, both indoor and outdoor, of any licensed child care center or afterschool program at any time; (ii) to use tobacco products or tobacco substitutes on the premises, both indoor and in any outdoor area designated for child care, health or day care services, kindergarten, pre-kindergarten, elementary, or secondary education or library services; and (iii) to use tobacco products or tobacco substitutes on the premises of a licensed or registered family child care home while children are present and in care. Party will refrain from promoting the use of tobacco products for all clients and from making tobacco products available to minors.

Failure to comply with the provisions of the federal law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The federal Pro-Children Act of 1994, however, does not apply to portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

***2-1-1 Database:*** If Party provides health or human services within Vermont, or if Party provides such services near the Vermont border readily accessible to residents of Vermont, Party shall adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211 (Vermont 211), and will provide to Vermont 211 relevant descriptive information regarding its agency, programs and/or contact information as well as accurate and up to date information to its database as requested. The “Inclusion/Exclusion” policy can be found at [www.vermont211.org](http://www.vermont211.org).

***Voter Registration***: When designated by the Secretary of State, Party agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.

***Drug Free Workplace Act****:* Party will assure a drug-free workplace in accordance with 45 CFR Part 76.

***Lobbying***: No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.

*AHS ATT. F 5/16/201*

1. Refer to WPN 10-15A, Guidance Regarding Accrual of Benefits to Low-Income Tenants in Multi-Family Buildings Under the Weatherization Assistance Program. [↑](#footnote-ref-1)
2. “The benefits of weatherization assistance in connection with such rental units, including units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units.” Source: 10 CFR 440.22 – Eligible dwelling units. [↑](#footnote-ref-2)
3. DOE defines eligibility as less than 200 percent of the Federal poverty level. Refer to Weatherization Program Notice (WPN) 10-15, March 2, 2010, issued to help identify HUD and USDA buildings eligible for WAP funding. [↑](#footnote-ref-3)
4. See Weatherization Program Notice 11-09, Updated Guidance on Eligible Multifamily Property Listings for use in the Weatherization Assistance Program. Lists are available at [www.waptac.org](http://www.waptac.org). Includes properties meeting DOE rule 71 CFR 3847. If a building is on one of the lists, no further effort is required to qualify the building for weatherization. [↑](#footnote-ref-4)
5. 10 CFR 440.22 (b)(2). [↑](#footnote-ref-5)
6. 10 CFR 440.22 (b)(2). [↑](#footnote-ref-6)
7. See Weatherization Program Notice 11-09, Updated Guidance on Eligible Multifamily Property Listings for use in the Weatherization Assistance Program. Lists are available at [www.waptac.org](http://www.waptac.org). Includes properties meeting DOE rule 71 CFR 3847. If a building is on one of the lists, no further effort is required to qualify the building for weatherization. If on List 3 only, a separate rent stabilization agreement is required. [↑](#footnote-ref-7)
8. Vermont OEO defines eligibility as less than 80 percent of State or Area Median income. Refer to income guidelines issued by OEO annually. [↑](#footnote-ref-8)
9. CFR 10 440.22(f). [↑](#footnote-ref-9)
10. For DOE recommendations, see WPN 11-4, Guidance Regarding Prioritizing Weatherization Work Based on Housing Type. [↑](#footnote-ref-10)
11. “The benefits of weatherization assistance in connection with such rental units, including units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units.” Source: 10 CFR 440.22 – Eligible dwelling units. [↑](#footnote-ref-11)
12. If tenants pay for heat directly, they benefit directly from weatherization; the owner benefits indirectly. If the owner pays for heating, the owner benefits directly from weatherization. This direct benefit to the owner warrants a longer rent-stabilization commitment. [↑](#footnote-ref-12)
13. The WAP agency may provide labor to install the ventilation fans and related systems if such installation by the building owner will impose a significant negative impact the weatherization job workflow. For example, the agency may provide labor to install ventilation ductwork and termination devices in an attic in an effort to expedite the installation of insulation in the attic. This decision will be made by the weatherization director. These costs would still be excluded from Project SIR calculations. [↑](#footnote-ref-13)
14. Buy-downs effectively are the same thing as “threshold-screening,” that is, screening the investment in a measure up to the amount where its savings will meet the SIR threshold. [↑](#footnote-ref-14)
15. Buy-downs may be applied to allowable measures with an SIR less than one. For example, if the SIR for a measure is 0.6, and the required minimum SIR is 1.2, then 50 percent of the measure’s cost may be funded. Note that replacement windows are not an allowable measure regardless of buy-downs. [↑](#footnote-ref-15)
16. See <http://www2.epa.gov/lead/lead-policy-and-guidance#paint>. [↑](#footnote-ref-16)
17. These lists are referenced in more detail at Section 6.3.b and 6.3.c. The federal list, also known as the “HUD list”, includes properties meeting DOE rule 71 CFR 3847. A similar list for Vermont properties is available through the Vermont Housing Finance Agency. [↑](#footnote-ref-17)
18. WAP agencies are reminded that failure to post inspect every building weatherized prior to submission to OEO is a violation of Federal WAP Regulations 10 CFR Part 440 and constitutes a serious potential program finding. [↑](#footnote-ref-18)