

A Quick Guide to Using HOME Local Program Administrator Funds with Weatherization Assistance Funding

NYS Homes and Community Renewal (HCR) encourages coordination of Weatherization Assistance Program (WAP) and HOME Local Program funds to maximize the impact of energy and housing rehabilitation resources. When HOME Local Program Administrators (LPAs) and WAP subgrantees (SGs) work together to provide access to program resources, projects that qualify for both programs can realize substantial energy efficiency and housing rehabilitation benefits.

The goal of this initiative is to improve the energy efficiency and quality of housing for eligible home owners and their tenants. Providing an expanded work scope will allow repairs that WAP can't usually fund and provide energy efficiency expertise and funding for HOME Local projects that wouldn't otherwise be available. Over the next two years, this initiative is expected to assist 450 units, reduce energy use in HOME Local assisted projects by more than 25% and significantly reduce the number of WAP projects where work must be deferred due to health, safety or structural issues.

The HOME Local Program's order of priority for housing rehabilitation is as follows:

- First address health and safety issues, then
- NYS and/or Local Code violations, then
- Ensure the major systems have a useful life of at least five years, then
- Provide disaster mitigation, when necessary, then
- Address weatherization and energy efficiency measures.

The WAP's priorities are:

- to install energy efficiency measures in the homes of eligible persons, especially homes occupied by the elderly, persons with disabilities, and children;
- target the most cost-effective energy conservation measures;
- address health and safety conditions;
- reduce the impact of higher energy costs on low-income families; and,
- reduce national energy consumption.

HCR is providing substantial resources to improve housing units through this initiative: WAP funds an average of \$6,200 per unit and HOME Local funds up to a maximum of \$40,000 per unit. Combining these funds allows for more effective program delivery and a more comprehensive housing rehabilitation for the low-income homeowner or tenant. SGs often must defer assistance to homes that need more work than WAP can provide; HOME Local funds can ensure that these households have safe, decent, code compliant homes. Not only does this approach reduce the number of WAP deferrals, it helps ensure that HOME Local assisted units remain affordable to low-income families, streamlines the housing rehabilitation process and delivers a more sustainable, energy efficient dwelling for the low-income household. Additionally, referrals made between LPAs and SGs ensure that the neediest applicants are prioritized for assistance.

In order to efficiently coordinate services, close cooperation between the LPA and SG is vital. It is strongly suggested that the LPA and the SG meet to discuss, agree upon and create an MOU outlining how applicants will be prioritized, how the project work scope will be developed and who will be responsible for construction management and other issues that could cause conflicts if not resolved. Meeting and entering into this agreement also acts as a way to formalize the process. An initial review of each agencies' expertise, staffing and internal processes will help determine how best to complete work on time and within budget. The LPA and the SG should meet to discuss each project prior to developing a scope of work, and continue to communicate frequently until the project is complete and all work inspected.

The following table illustrates the process steps for each program, from eligibility to project completion:

	WAP	HOME OWNER-OCCUPIED ASSISTANCE
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Project Selection	Single family (1-4 units) owner-occupied homes, excluding manufactured homes, qualify for this incentive. Applicants must meet standard WAP and HOME Local criteria to be eligible to receive HOME Local and WAP services. If a household is income-eligible for both programs, priority must be given to senior citizens, families with children, and persons with disabilities. If an applicant is placed on the waitlist due to high demand, income eligibility need not be verified at that time.	
	SGs participate in a referral system to identify priority clients and reduce administrative burden. Referrals are made by and to the local HEAP certifying agency (usually the department of social services), office for aging and NYSERDA Empower program administrator.	LPAs conduct outreach to those least likely to apply and those most in need of services; applications are accepted in a manner that ensures fair access and assistance must be offered to any household requesting assistance in completing an application.
	WAP qualification includes documenting ownership and verifying that the building was not previously assisted with WAP funds after September 30, 1994. Buildings with serious health or safety problems that cannot be corrected with WAP funds cannot be assisted until a source of funding is identified to address the condition.	To be eligible for HOME Local assistance, at time of application: homeowner must have owned the property for at least one year prior; is current on mortgage, property taxes & fees owed to municipality; if owner has mortgage loan modification agreement due to foreclosure, must demonstrate 6 months of on-time payments in modification agreement, prior to approval for HOME Local assistance.
		The estimated value of the property after rehab cannot exceed the HOME Maximum Purchase Price/after Rehab Value 95% limit as published annually by HUD for the local jurisdiction at the time of commitment, available at: https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/ .
Work		
Before	Conduct a TIPS energy audit with an evaluation of energy-related H&S conditions, analyze existing building conditions and building energy use. The audit must be conducted by a certified BPI Building Analyst/Building Envelope Professional; auditors of 1-4 unit buildings are also required to hold certain other professional certifications.	WAP will provide the required energy audit for all units assisted with WAP funds. HOME Local requires LPAs to secure the HOME funds invested by placing a lien against the property for a 5 year Period of Affordability (POA), regardless of the amount invested. Only project costs are included in the lien.
	Develop a written scope of work* based on the results of the energy audit that reflects SIR priority and H&S measures, documenting what will be funded by WAP and the work that will be funded by other sources is required. All work must be in compliance with the National Renewable Energy Lab's Standard Work Specifications (SWS) https://sws.nrel.gov/	LPA to develop scope of work* and cost estimate, based on the housing rehab order of priority; all rehab performed under this contract must be in compliance with HTFC Housing Rehabilitation Standards.
	*When developing MOU and/or work scope, identify who (LPA or SG) is more appropriate to manage the project; it may vary between projects depending on the type of housing rehabilitation to be performed.	

	Historic impact review (SHPO) conducted. Any other required health and safety or environmental tests are conducted.	Environmental review requirements: 1. SEQR: State Environmental Quality Review; 2. LPAs must receive site specific, Tier 2 environmental approval, prior to any work being done on the unit.
	HCR-provided owner agreement is signed after the building analysis and eligibility determinations have been completed, the owner investment and work scope have been determined, and before any WAP materials are installed; signed by official of SG who has authority to enter into agreements and financially obligate SG organization, and by the legal owner of the property to be assisted.	Prior to the start of any work on a unit, a written agreement must be executed between the LPA and the homeowner for the use of HOME Local Funds. Additionally, an agreement must be executed between the Homeowner and/or LPA, with the contractor who will provide the housing rehabilitation. The agreement(s) outlines the scope of work and includes certain HOME Local requirements.
	HCR requires SGs to utilize a formal competitive bid process in selection of most professional services, materials, equipment, and subcontracted labor. SGs are responsible for all procurement, contractual, and administrative issues. Subcontractor bid documents prepared, issued, received, evaluated, awarded.	Subcontractor bid documents prepared, issued, received, evaluated, awarded; bids required from a minimum of three subcontractors. The basis for contractor bids is provided by the written rehab standards, or specifications. These standards are similar to work specifications, and generally describe the methods and materials to be used when performing rehabilitation activities.
During	At the time of development of MOU, whom ever (LPA or SG) is determined the construction manager will act as such throughout the project.	
After	A certified Quality Control Inspector (QCI) will inspect each completed unit to verify that all compliance with SWS and that the unit has no existing health or safety deficiencies.	LPAs must have a local code inspection to certify unit meets NYS and/or Local Code upon completion of housing rehabilitation.
	HCR Weatherization Program representatives will conduct QCI inspections of 10% of units completed by each SG during routine monitoring visits.	Lead-Based Paint Clearance required by HUD, to be completed by EPA-certified inspector/risk assessor.
	SGs are subject to an annual closeout process that includes submission of unaudited financial statements and Federal single audit compliance.	OCR monitoring; LPAs are required to submit a quarterly report to HOME Local on status of program activities.
	HCR-sponsored training is provided to SGs to maintain technical expertise and required certifications.	LPAs required to annually verify the unit meets principal residency and insurance requirements for the 5 year period of affordability.
Payment	SGs are provided with advance funding to ensure that funds are available to pay for installed work. It is expected that vendors are paid within 30 days of receipt of invoice.	LPAs are paid on a reimbursement basis.