Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE 17-4
EFFECTIVE DATE: June 5, 2017

SUBJECT: Multifamily Housing – Procedure for Certifying Income-Eligible HUD Assisted Buildings

PURPOSE: This Guidance serves to transmit updated information to the Weatherization Assistance Program (WAP) network for determining the eligibility of residential multifamily buildings associated with the U.S. Department of Housing and Urban Development (HUD).

Weatherization Program Notice (WPN) 17-4 Multifamily Housing – Procedure for Certifying Income-Eligible HUD Assisted Buildings supersedes WPN 10-15 Final rule on Amending Eligibility Provisions to Multifamily Buidlings for the Weatherization Assistance Program,WAP Memorandum 016: Multifamily – HUD Lists, and updates the information in the article entitled *Property Listings for Use in the Weatherization Assistance Program* in WPN 16-5 Multifamily Weatherization.

SCOPE: This Guidance covers two types of properties assisted by HUD: (1) housing owned and operated by public housing agencies; and (2) privately-owned multifamily buildings receiving project-based assistance. The provisions of this Guidance apply to Grantees or other entities named in the Notification of Grant Award as the recipient(s) of financial assistance under the Department of Energy (DOE) WAP.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes the Department to administer the WAP (42 U.S.C. § 6861, *et. seq.*). All grant awards made under this program shall comply with applicable law and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at 10 CFR 440 and DOE Financial Assistance Rules at 2 CFR 200.

BACKGROUND: On January 25, 2010, DOE published a regulation in 10 CFR Part 440.22 (b)(4) of the Federal Register that was intended to reduce the review and verification burden related to income eligibility and certain operational requirements under WAP for certain multifamily properties identified by HUD.

Pursuant to that rule, DOE determined that "buildings identified by HUD as having not less than 66 percent (50 percent for duplexes and four-unit buildings) of dwelling units occupied by family

units whose income is at or below 200 percent of the poverty level would meet the minimum income eligibility requirements for multi-unit buildings under the Weatherization Assistance Program." [1]

Prior to 2017, HUD provided lists to DOE for posting on DOE's web site, of HUD Multifamily Property Listings Eligible for Weatherization Assistance, however, the previously-published lists of eligible buildings expired on December 31st, 2016. New building lists will be provided by HUD using the new procedure documented by this Guidance.

In lieu of those lists for its inventory of public and assisted multifamily housing, HUD has developed an income certification process for individual properties that relies on certified annual income records and building information maintained by the property owner pursuant to Federal requirements. This process has been determined to comply with the requirements of the January 25th, 2010 rule. Owners or managers of HUD Qualified Assisted Buildings seeking WAP funds may continue to use this Property Certification Procedure for individual properties, as outlined below.

GUIDANCE: To ensure that a multifamily building meets the income eligibility requirements set by DOE pursuant to the certification process established by HUD, property owners and managers shall submit two documents to HUD: 1) a ***Property Self-Certification*** form that specifies that the building in question meets DOE's income eligibility requirements and, 2) a ***Property Occupancy Report*** from current property records that confirm compliance with DOE's income eligibility requirements.

Property Certification Procedure

1. **Property Certification**
   The property owner or authorized agent of the property must sign a **Self-Certification form** attesting that:
   - The property owner or authorized agent maintains certified income records for households residing at the property.
   - The property owner or authorized agent has reviewed its current certified income records.
   - The property owner or authorized agent has determined that at least 66 percent of the units in each building (or at least 50 percent of the units for 2- and 4-unit buildings) have certified incomes that are at or below 200 percent of the current federal poverty level based on household size.
   - The property owner or authorized agent certifies that all the information provided with the certification request is true and accurate.

   A multifamily property certification form is attached for use by property owners or authorized agents.

2. **Property Occupancy Report**
   The property owner or authorized agent must also complete and submit an Occupancy Report

[1] 75 Federal Register 15 (January 25, 2010), p. 3850.

for the property.

A **Multifamily Occupancy Report** worksheet file is attached for completion by property owners or authorized agents. The file contains a **Property Information** worksheet and **Building-Unit** worksheets that must be completed for each building. The income information requested should be available from standard occupancy reports prepared for the property.

Required property information includes: property name, HUD contract number, contract expiration date, other property identification number (if applicable), property address and the number of buildings and units that are at the property and that meet DOE's income requirements.

Required building-unit information includes a listing of all units and information for each units including: building identification, building address, certified annual income, household size, and whether the household income was certified in the last year.

Upon completion of the **Property Certification** and the **Multifamily Occupancy Report**, the property owner (or property owner's representative) will submit both files to HUD at energyaction@hud.gov and to DOE at Derek.Schroeder@ee.doe.gov.

3. HUD Review

- HUD will review the certification and accompanying documentation for completeness. If the documentation submitted by the property owner is insufficient for HUD to complete its review, HUD will notify the property owner via e-mail that the request cannot be approved based on the information submitted.
- HUD will review the household and property information provided under the self-certification process with records maintained by HUD, and may request additional occupancy information subject to Federal requirements.
- If the documentation is complete and one or more of the buildings at the property meet DOE's income eligibility requirements, HUD will designate the property or list of qualified buildings as income qualified properties/buildings, and will notify Dereck Schroeder at DOE and the building owner.
- HUD will at the same time provide DOE with a list of the income-certified buildings pursuant to the above procedures; DOE will post these lists on its web site as required by 10 CFR 440.22 (b)(1), 440.22 (b)(2), and 440.22(b)(4).
- Buildings determined by HUD to be eligible for WAP assistance will be posted on one of two lists:

  List 1 – Public housing buildings or privately-owned buildings with three or more years remaining on their affordability contracts with HUD are included on this list. As outlined in the January 2010 Final Rule, inclusion on List 1 demonstrates compliance with the following three WAP multifamily program requirements: (1) DOE's income requirements: (2) protection against rent increases; and (3) protection against undue enhancement of the weatherized building.

  List 2 – Buildings on this list have less than three years remaining on their Housing Assistance Payments (HAP) contract with HUD. As outlined in the January 2010

Final Rule, inclusion on List 2 demonstrates compliance with only the following two multifamily program requirements: (1) DOE's income requirements; and (2) protection against undue enhancement of the weatherized building. Buildings on this list must separately comply with the WAP program requirement for protection against rent increases.

U.S. Department of Agriculture (USDA) and Low Income Housing Tax Credit (LIHTC) Properties

The certification procedures outlined in this Guidance do not apply to LIHTC properties, or for properties with USDA guaranteed loans. The LIHTC and USDA lists of income-eligible properties are no longer valid and will no longer be updated; WAP providers should follow standard procedures for verifying individual resident incomes for USDA and LIHTC properties.

Questions about the certification procedures outlined in this memo may be submitted to energyaction@hud.gov.

CONCLUSION: WAP encourages the Network to weatherize these buildings, and continue to work with HUD to make it easier to identify such properties. By serving this vast client pool you continue to make Weatherization Work!

AnnaMaria Garcia
Director
Weatherization and Intergovernmental Programs Office
Energy Efficiency and Renewable Energy

Attachment 1: Multifamily Property Certification Form
Attachment 2: Multifamily Occupancy Report Worksheet