





AGENDA

April 05, 2024 9:00 a.m. – 1:00 p.m.
Oregon Housing and Community Services
725 Summer St NE, Salem OR 97301



Council Members:
Claire Hall, Chair
Sami Jo Difuntorum
Mary Ferrell
Maggie Harris
Mary Li
Erin Meechan
Javier Mena
Kristy Rodriguez
Sharon Nickleberry Rogers

Webinar Mtg Only
Public [register](#) in advance for this webinar
**Please note the new [public hearing process](#)*

TIME	TOPIC	SWHP Priority	ACTION
9:00	Meeting Called to Order		Call Roll
9:05	Report of the Chair		Briefing
9:25	Report of the Director		Briefing
9:40	<p>Housing Stabilization Division (pg.04) <i>Jill Smith, Director of Housing Stabilization Division</i></p> <ul style="list-style-type: none"> USDOE Weatherization Assistance Program State Plan for Oregon: <i>Danielle Safford, Weatherization Program Coordinator</i> BAFI-NATO: <i>Jill Smith, Director of Housing Stabilization; Colt Sray, Homeless Services Program Coordinator; Tim Mahern-Macias, Tribal Liaison</i> 		Briefing
10:15	<p>Special Initiative Division (pg.134) <i>Mike Savara, Special Initiative Director</i></p> <ul style="list-style-type: none"> EO 23-02: <i>Mike Savara, Special Initiatives Director</i> 		Briefing
10:30	<p>Homeownership Division (pg.138) <i>Keeble Giscombe, Director of Homeownership Division</i></p> <p>Oregon Bond Loan Approvals: <i>Scott Shaw, Assistant Director Homeownership Lending</i></p>		Decision
10:45	15 min Break		
11:00	<p>Affordable Rental Housing Division (pg.140) <i>Natasha Detweiler-Daby, Director of Affordable Rental Housing Division</i></p> <ul style="list-style-type: none"> Public Hearing Comments in accordance with ORS 456.561 9% LIHTC NOFA Recommendations: <i>Jacqueline Santiago, LIHTC Program Analyst; Amy Cole, Development Resources Manager</i> Funding Resources & Set Asides Expanded Introduction: <i>Mitch Hannoosh, Senior Operations and Policy Analyst; Natasha Detweiler-Daby, Director</i> Evaluation Standards Introduction: <i>Love Jonson, Operations and Policy Analyst; Mitch Hannoosh, Senior Operations and Policy Analyst</i> Soft Launch Application Testing update: <i>Ed Brown, Application Team Manager; Amy Cole, Development Resources Manager</i> 		Decision Briefings
1:00	Meeting Adjourned		

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The 2019-2023 Statewide Housing Plan outlines six policy priorities that focuses OHCS' investments to ensure all Oregonians have the opportunity to pursue prosperity and live from poverty.

Statewide Housing Plan Policy Priorities



Equity & Racial Justice



Homelessness



Permanent Supportive Housing



Affordable Rental Housing



Homeownership



Rural Communities

For more information about the Housing Stability Council or the Statewide Housing Plan, please visit Oregon Housing and Community Services online at <https://www.oregon.gov/ohcs/OSHC/Pages/index.aspx>

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Housing Stability Council

MEETING MATERIALS PACKET



Willet Apts.
Tillamook, Or

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9:00 a.m. – 1:00 p.m.
Oregon Housing & Community Services
Webinar

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**OREGON HOUSING *and*
COMMUNITY SERVICES**

725 SUMMER STREET NE, SUITE B | SALEM, OR 97301
503-986-2000 | www.oregon.gov/OHCS

DATE: April 5, 2024

TO: Housing Stability Council Members
Andrea Bell, Executive Director

FROM: Jill Smith, Director of Housing Stabilization
Liz Weber, Assistant Director of Housing Stabilization
Michelle Cole, Assistant Director of Energy Services
Danielle Safford, Weatherization Program Coordinator

SUBJECT: US Department of Energy Weatherization State Plan Briefing

Briefing item, no HSC decision to be made.

Background

The DOE Weatherization Assistance Program (WAP) provides annual grants to states, territories, and some Native American tribes to improve the energy efficiency of the homes of low-income families. DOE WAP is slated to award the state of Oregon \$3,677,925 for the next fiscal year beginning July 1st, 2024. Oregon contracts with Community Action Agencies (CAAs) to provide weatherization services to eligible families using the latest technologies for home energy and home health upgrades. On average, the DOE annual grant provides energy conservation services to an average of 340 households. Collectively, by braiding other funding streams we have served over 1200 households in 2023. By demographics, 56% of these households are of Hispanic heritage, 3% are of Asian heritage, and 2% are black/African American heritage, and 2% are American Indian. We have met and exceeded the Justice 40 initiative that was incorporated into our plan last year. Each year this results in nearly \$300 in annual household energy savings. With utility costs on the rise, this is critical work and can mean the difference between staying housed and being homeless. Weatherization is stimulating the economy in every county in Oregon by employing contractors to do the work and conscientiously hiring a diversified workforce so that we help ourselves and our neighbors and our communities. We are preserving the low-income housing stock for generations to come that includes all types of housing-manufactured homes, single family homes, multifamily homes, transitional homes, shelters, and homes that are rent burdened. We provide for program participants at no cost:

- Energy conservation measures (Attic, Floor and Wall Insulation, air sealing, repair/replace windows/doors, efficient lighting, energy efficient refrigerators)

- **Home health & safety improvements** (Heating system safety tests, combustion appliance safety tests, mechanical ventilation ensuring adequate indoor air quality, smoke & carbon monoxide alarms, evaluate mold/moisture hazards)
- **Heating equipment repair and replacement** (Clean, tune, repair, or replace heating systems and cooling equipment, repair heating duct leaks, heating duct insulation, repair/replace water heaters, insulate water heater pipes)
- **Energy/consumer education** (Educate on potential household hazards such as carbon monoxide, mold & moisture, fire, indoor air pollutants, lead paint and radon.)
- **Demonstrate** key functions of new mechanical equipment or appliances. Educate on the benefits of using energy-efficient products.)

Weatherization in Motion

The Weatherization Program is designed to serve rental and owner-occupied households equitably. Lower-income families are prioritized based on characteristics including people living with disabilities, elderly individuals, families with children, high energy burden, and high energy usage. The Department of Energy mandates the use of a waitlist which all our seventeen providers keep and maintain. Each characteristic provides a point that is equally weighted, and, in many instances, additional points are earned based on time spent waiting for services. DOE has provided additional funding to address homes that are far enough in a state of disrepair that we have no choice but to defer them. These additional funds are Weatherization Readiness Funds. They have allowed us to provide a new roof on 18 homes in addition to collapsed floor replacements, plumbing disasters, and some frightening electrical issues. By addressing these we can go in and holistically apply our weatherization dollars meaningfully where they will do the best.

Proposed State Plan Changes

Although much of the State plan is mandated by federal regulations, there are elements that we can affect such as design and implementation of comprehensive Health & Safety and Training plans. OHCS extended an invitation and convened a work group made up of Community Action Agency staff to determine areas of how the plan should evolve. The workgroup met twice to review the plan and propose changes and generally help to improve the flow and accuracy of the document.

The State Plan does not typically change substantially from one year to the next. Proposed changes to the plan are few and generally based on new or revised guidance from DOE, new requirements regarding funding and/or input from service delivery partners. To review the changes that were made, please reference WX Memo 24-2 USDOE State Plan Updates.



**E-mail MEMO:
Please Copy and Distribute**

MEMO

WX-2024-2

TO: Agency Directors, Weatherization Coordinators, and Fiscal Officers
FROM: Danielle Safford, Weatherization Program Coordinator
RE: USDOE State Plan updates
DATE: 03/22/2024

Greetings,

The Virtual Public Hearing for the U.S. DOE State Plan for 2024-25 will be held on:

**Wednesday, April 18, 2024
10:00 AM to 11:00 AM**

Information to access the virtual public hearing can be reached [here](#). A copy of the final United States Department of Energy Draft State Plan 2024–25 will be available to view on Oregon Housing and Community Services (OHCS) Web Site after March 21, 2024. Included below is a list of changes for this year’s plan. I hope this will help make the State Plan more manageable. In addition to the Public Hearing, written comments will be accepted until April 18, 2024, at 5:00 P.M. and E-mail responses are acceptable.

Changes to State Plan:

- Updated grant period
- Updated program contacts to include new compliance.
- Updated Effective dates, published date, and footer dates.
- Updated average cost per unit threshold to \$8497.
- Updated Agency contact information/please review.
- Updated Housing Stability Council Members
- Public Hearing needs scheduled/information updated. ///April 18th 10-11am
- 1.03 Estimated Production Schedule needs to be updated //CR-Same as last year.
- 2.01.4 Equity and the Justice 40 Initiative-Last sentence reworked for clarity-
- 2.03 Weatherization Work-Updated ‘client’ to ‘residence’ *change accepted.*
- 2.04.2 Removed Coordinator Override-remnant from ARRA.



2.05 A DOE weatherized unit updated to current.

2.05 Added to the last sentence of first paragraph:

If a designated measure is not installed, then a written explanation shall be included in the file and noted on the inspection form or on a properly executed change order that lists why the measure was left off.

2.07 Health and Safety Plan

Health & Safety percentage changes with new ACPU, discuss increasing H&S cap. Currently @1250/electrical, 1250/plumbing.

Suggested H&S Electrical be raised to 2500. *change accepted.*

Suggested H&S Plumbing be raised to 1500. *change accepted.*

15% cap per Subgrantee allocation remains.

2.08 Health and Safety-Incidental Repairs-font repaired.

2.18.1 Eligibility-font

2.19.2 Davis-Bacon Act-Compliance//Remove Exception

Included pertinence with BIL funding-unsure if it's necessary at all - BIL State Plan *-left.*

2.18.6 National Environmental Policy Act Information (NEPA) Can full list of measures be removed here, and a link provided? *Change accepted.*

2.20.2 Inventory control/Moved last two sentences to start the paragraph.

2.20.6 Use of Weatherization Funds for Renewable Energy Systems-updated adjusted average to \$4,169.

2.21.4 Gas Cookstoves-included WRF flexibility.

2.22 Quality Control-Removed as it is addressed in another location.

Exhibit 2 Mold & Mildew Protocol-Needs re-work, removed steps that MAY be taken for clean-up less than 10sq.ft.

Removed: Confirmation of Receipt of Mold and Moisture Pamphlet (Required if any inspection items are marked "yes") on Sample Dwelling Inspection. Confirmation is required either way.

Pg. 115 XII. COVID-19 and Infectious Diseases: *Workgroup agreed to leave as a placeholder in the event this section may be needed again leaving a few generalized sentences.*

If you have any questions, please contact me at:

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North Mall Office Building
725 Summer Street NE, Suite B
Salem, OR 97301-1266
Phone: 503-569-2528
danielle.safford@hcs.oregon.gov

State of Oregon Weatherization Assistance Plan



United States Department of Energy
(USDOE STATE PLAN)
July 1, 2024 – June 30, 2025

*North Mall Office Building (NMOB); 725 Summer St. NE., Suite B, Salem, Oregon 97301-1266
(503) 986-2000; (800) 453-5511; FAX (503) 986-2020; TTY (503) 986-2100
www.ohcs.oregon.gov; energyassistance@oregon.gov*

Acknowledgements

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Danielle Safford
Weatherization Program Coordinator
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Kurt Pugh
Senior Weatherization Program Quality Assurance Field Inspector
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Michael Figueredo
Weatherization T&TA Coordinator
(503) 930-4300

Francisco Venegas
Weatherization Field Specialist
971-433-9709

Isaias Carrillo
Weatherization Field Specialist
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Effective July 1, 2024 – June 30, 2025

Published date: July 1, 2024



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INTRODUCTION

The State of Oregon Weatherization Assistance Program State Plan for United States Department of Energy (USDOE) is based on the rules contained within 10 CFR Part 440; 2 CFR Part 200; and all subsequent guidance contained in the U.S. DOE Weatherization Program Notices (WPN). It is the responsibility of the Subgrantee to know and be familiar with these rules and guidance. All DOE rules and guidance can be found on the web at www.nascsp.org

DRAFT

1.0 PART I – ANNUAL FILE

1.01 Overall Main Budget with Allocations

DOE 2024-2025 Allocations*

Agency	Admin	Program	T&TA	Total
ACCESS	\$19,785	\$123,691	\$13,925	\$157,402
CAO	\$34,745	\$217,211	\$24,453	\$276,409
CAPECO	\$13,526	\$84,559	\$9,519	\$107,604
CAT	\$12,214	\$76,355	\$8,596	\$97,164
CCNO	\$12,142	\$75,905	\$8,545	\$96,592
CCWX	\$26,032	\$162,744	\$18,321	\$207,097
CINA	\$14,529	\$90,832	\$10,226	\$115,587
CSC	\$24,978	\$156,152	\$17,579	\$198,708
Lane County	\$35,154	\$219,771	\$24,741	\$279,667
MCCAC	\$11,417	\$71,373	\$8,035	\$90,824
MULTCO	\$35,250	\$365,327	\$38,877	\$439,454
MWVCAA	\$36,952	\$231,013	\$26,007	\$293,972
Neighbor Impact	\$18,970	\$118,595	\$13,351	\$150,916
OHDC	\$13,600	\$85,025	\$9,572	\$108,197
ORCCA	\$11,433	\$71,478	\$8,047	\$90,958
UCAN	\$23,385	\$146,192	\$16,458	\$186,035
YCAP	\$9,588	\$59,942	\$6,985	\$76,516
Native American	\$11,557	\$72,253	\$0	\$83,810
Total	\$365,259	\$2,428,417	\$263,236	\$3,056,912

OHCS Admin	\$227,664
SUBS Admin	\$365,259
Program	\$2,428,417
OHCS T&TA	\$393,350
SUBS T&TA	\$263,236

Congress is deliberating a Continuing Resolution for Program Year (PY) 2024. For planning purposes, until a final full year PY 2024 budget is passed and signed by the President, PY 2023 allocations were used for planning purposes. Final allocations will include adjustments to align with the final PY 24 amounts.

Average cost per unit must be maintained. ACPU = DOE Program funds minus DOE H&S expenditures divided by DOE completions. ACPU is calculated on a state-wide basis, not at the agency level. Pending projects make this a continual moving target and agencies need to track and be responsible for their individual ACPU.

The adjusted average expenditure limit for PY 2024 is \$8,497.

If grant funds are not obligated for reimbursement by Subgrantee in a timely manner as determined by OHCS, OHCS may at its sole discretion, reduce Subgrantee funding and redistribute such funds to other Subgrantees. OHCS may implement adjustments by modifying the applicable Notice of Allocation (NOA). This remedy is in addition to any other remedies available to OHCS under the Master Grant Agreement or otherwise.

DRAFT

1.02 Subgrantees

Oregon’s low-income weatherization network is made up of 17 Subgrantees each with their own service area. The Subgrantees are comprised of 17 community action agencies; housing authorities; local governments; area agencies on aging; senior centers; a development corporation. Many of the weatherization Subgrantees have over 20 years’ experience in delivering weatherization services.

The Oregon Energy Coordinators and Affiliates (OECA) is a statewide association made up of weatherization and energy assistance coordinators from a majority of the Subgrantees. OECA serves as Community Action Partnership of Oregon’s (CAPO) committee on energy issues. Their goal is to conserve energy and to help low-income residents meet their energy needs while ensuring their health and safety.

The following is a list of Oregon’s weatherization Subgrantees.

Name: **ACCESS**
Address: 3630 Aviation Way Contact: Rose Reeser
City: Medford Phone: 458-488-1363
State: Oregon FAX: 541-779-8886
Zip: 97504 E-mail: RReeser@accesshelps.org
Congressional District(s): 2 & 4
County(s) served: Jackson

Name: **NeighborImpact**
Address: 20310 Empire Ave, Contact: Jessica Taylor
#A100
City: Bend Phone: 541-504-5664
State: Oregon FAX: 541.749-4948
Zip: 97701 E-mail: jessicat@neighborimpact.org
Congressional District(s): 2
County(s) served: Crook, Deschutes, and Jefferson

Name: **Community Action Organization (CAO)**
Address: 1001 SW Baseline Contact: Zuly Munoz
City: Hillsboro Phone: 503-693-3256
State: Oregon FAX: 503-648-4175
Zip: 97123 E-mail: zmunoz@caowash.org
Congressional District(s): 1
County(s) served: Washington

Name: **Community Action Programs of East Central Oregon (CAPECO)**
Address: 721 SE 3rd Suite D Contact: Bill Montee
City: Pendleton Phone: (541) 969-5820
State: Oregon FAX: 541-276-7541
Zip: 97801 E-mail: BMontee@capeco-works.org
Congressional District(s): 2
County(s) served: Gilliam, Morrow, Umatilla, and Wheeler

Name: **Community Action Team (CAT)**
Address: 125 N 17th Street Contact: Casey Mitchell
City: St. Helens Phone: 503-369-6922
State: Oregon FAX: 503-325-6738
Zip: 97051 E-mail: CMitchell1@cat-team.org
Congressional District(s): 1
County(s) served: Clatsop, Columbia, and Tillamook

Name: **Community Connection of Northeast Oregon, Inc. (CCNO)**
Address: 2802 Adams Ave. Contact: Kale Elmer
City: La Grande Phone: 541-963-3186
State: Oregon FAX: 541-963-3187
Zip: 97850 E-mail: Kale@ccno.org
Congressional District(s): 2
County(s) served: Baker, Grant, Union, and Wallowa

Name: **Community Services Consortium (CSC)**
Address: 1981 Fescue St Contact: Joe Collett
SE STE A.
City: Albany Phone: 541-758-2782
State: Oregon FAX: 541-791-8665
Zip: 97322 E-mail: JCollett@communityservices.us
Congressional District(s): 4 & 5
County(s) served: Benton, Lincoln, and Linn

Name: **Community in Action (CINA)**
Address: 49 NW 1st Street Contact: Kris Hurd
City: Ontario Phone: 541-889-1060 ext. 107
State: Oregon FAX: 541-889-0768
Zip: 97914 E-mail: Jody@cina.team
Congressional District(s): 2
County(s) served: Harney and Malheur

Name: **Oregon Human Development Corporation (OHDC)**
Address: 306 S. 6th Street Contact: Rosalba Delgadillo
City: Klamath Falls Phone: 541-200-7022
State: Oregon FAX: 541-883-8053
Zip: 97601 E-mail: Rosalba.Delgadillo@ohdc.org
Congressional District(s): 2
County(s) served: Klamath and Lake

Name: **Mid-Columbia Community Action Agency (MCCAC)**
Address: PO Box 1969 Contact: Glenn Thornton
City: The Dalles Phone: 541-298-5131
State: Oregon FAX: 541-298-5141
Zip: 97058 E-mail: Gthornton@mccac.com
Congressional District(s): 2

County(s) served: Hood River, Wasco, and Sherman

Name: **Mid-Willamette Valley Community Action Agency (MWVCAA)**
Address: 2551 Pringle Rd SE Contact: Hector Guzman
City: Salem Phone: 503-315-7055 ext. 2309
State: Oregon FAX: 866-377-5456
Zip: 97302 E-mail: Hector.Guzman@mwvcaa.org

Congressional District(s): 5
County(s) served: Marion and Polk

Name: **Oregon Coast Community Action (ORCCA)**
Address: P.O. Box 899 Contact: Lisa Pierce
City: Coos Bay Phone: 541-435-7755
State: Oregon FAX:
Zip: 97420 E-mail: Lpierce@orcca.us

Congressional District(s): 4
County(s) served: Coos and Curry

Name: **Yamhill County Community Action Partnership (YCAP)**
Address: PO Box 621 Contact: Kraig Ludwig
City: McMinnville Phone: 503-883-4174
State: Oregon FAX: 503-472-5555
Zip: 97128 E-mail: KraigL@yamhillcap.org

Congressional District(s): 1
County(s) served: Yamhill

Name: **Clackamas County Weatherization (CCSSD)**
Address: PO Box 2950 Contact: Korene Mather
City: Oregon City Phone: 503-650-5683
State: Oregon FAX: 503-650-3336
Zip: 97045 E-mail: Korenemat@clackamas.us

Congressional District(s): 3 & 5
County(s) served: Clackamas

Name: **Lane County Human Services Division (LCHSD)**
Address: 125 E 8th Ave Contact: Stephanie Talbott
City: Eugene Phone: 541-682-7473
State: Oregon FAX: 541-682-3760
Zip: 97401 E-mail: Stephanie.TALBOTT@lanecountyor.gov

Congressional District(s): 4
County(s) served: Lane

Name: **Multnomah County (MULTCO)**
Address: 209 SW 6th, Suite 200 Contact: Christina Kenney
City: Portland Phone: 503-988-6139
State: Oregon FAX: 503-988-3332
Zip: 97204 E-mail: Christina.l.kenney@multco.us
Congressional District(s): 1 & 3
County(s) served: Multnomah

Name: **United Community Action Network (UCAN)**
Address: 280 Kenneth Ford Drive Contact: Michael Carpenter
City: Roseburg Phone: 541-670-0917
State: Oregon FAX: 541-672-1983
Zip: 97470 E-mail: Michael.Carpenter@ucanap.org
Congressional District(s): 4
County(s) served: Douglas and Josephine

DRAFT

1.03 Estimated Production Schedule

	Annual Total
Weatherized Units (total)	311
Units by Type	
Owner-Occupied Single Family	145
Single-Family Rental.....	16
Multi-Family (5 or more units per building & Geographical-Multi)	6
Owner-Occupied Manufactured home	119
Renter-Occupied Manufactured home	9
Shelter	6
Units by Occupancy	
Elderly-Occupied.....	136
Persons with Disabilities-Occupied.....	108
Native American-Occupied.....	11
Children-Occupied	41
High Residential Energy User-Occupied.....	3
Households with High Energy Burden.....	4
Other Unit Types	
Re-weatherized Units	0
Low-Cost / No-Cost	0
Total People Assisted	
Elderly	166
Persons with Disabilities	116
Native Americans	21
Children.....	214

1.04 Energy Savings

Oregon will use the WAP algorithm of 29.3 MMBTUs for energy savings for all fuel types. If we apply this average to Oregon’s 311 projected homes to be weatherized, the resulting energy savings climbs to 9,112 MMBTUs.

1.05 Monitoring Activities

1.05.1 Introduction

Monitoring is the principal method by which OHCS can identify areas within the Subgrantee's program operation and administration where assistance may be required. OHCS ensures that each Subgrantee is monitored during the current grant year. The monitoring visit will consist of all areas under item **1.05.3 c. On-Site Review** of this section. The results of these reviews and individual Subgrantee requirements will determine the need for Training and Technical Assistance (T&TA) and/or additional monitoring.

There have been many improvements because of monitoring efforts of OHCS. Client files have become more complete, forms contained within those files are more consistent statewide, and the quality of work is continuing to improve across the state.

1.05.2 Peer Exchange

Subgrantees will receive Training and Technical Assistance funds to participate in Peer Exchange. These funds are designed to cover the cost of time, travel, lodging, and meals of those involved in Peer Exchange. The Peer Exchange funds will be included in the general T&TA allocation.

- a. The cost of Peer Exchange visits has been established at \$1,000 per Subgrantee. OHCS reserves the right to reduce the allocation for Peer Exchange if federal funds are reduced to the state. T&TA funds are used because the emphasis of Peer Exchange reviews is on information exchange and the opportunity to learn new skills and techniques, as well as the inspection of DOE funded weatherization and job performance. However, with downsizing and contracting of services, some Subgrantees have contracted with other Subgrantees to deliver weatherization services including audits, inspections, and installation of weatherization measures. OHCS reserves the right to disallow allocations of T&TA Peer Exchange funds to Subgrantees.
- b. Training needs of Subgrantees will in part be identified and remedied through Peer Exchange, the OECA T&TA Committee and OHCS.
- c. Agencies will follow the Peer Exchange Protocol ([See Appendix A](#)).

1.05.3 OHCS Monitoring of Subgrantees

- a. **Audit** - An annual audit, as required by contract agreement, shall be monitored by OHCS to verify information received on quarterly reports and clarify questions raised by OHCS, the Subgrantee and/or the auditor.
- b. **In-House** - All quarterly reports shall be monitored by OHCS to determine compliance with program requirements, monitor spending patterns and chart program progress. Any irregularities or questions raised by the in-house review that are not readily resolved will be sufficient reason to schedule an on-site review.

- c. **On-Site Review** - OHCS may conduct an on-site review on an annual basis and when required in item b above. The on-site review shall consist of staff from OHCS and qualified technicians as necessary under the direction of OHCS. The following items shall be reviewed at a minimum.
 - c.1 **Financial Records** - Including but not limited to general ledger, bank statements, checks, audit reports, financial statements, and other records necessary for the review of the financial records.
 - c.2 **Inventory System** - Including but not limited to purchasing system, controls, perpetual inventory, financial records, and other records deemed necessary by the reviewer.
 - c.3 **Client Files** - For accuracy, completeness, demographic information, and proper reflections of work needed/work completed, client eligibility and inspection of work.
 - c.4 **Work Completed** - Homes shall be reviewed to determine quality of work, completeness of work, conservation measures installed follow a computerized methodology to determine cost effectiveness, geographic distribution, proper documentation in client files, client satisfaction and other information deemed necessary by the reviewer.
- d. **Subgrantee Post-Installation Inspection** - Each weatherized unit **must** be inspected by the Subgrantee to ensure that the work follows required specifications before the unit is reported to OHCS as completed. A complete inspection form, legibly signed by the Subgrantee's inspector shall be placed in each job file. In addition, Subgrantee shall provide homeowner with a legibly signed copy of the inspection form that includes a statement that the completed work is guaranteed for one year.
- e. **Subgrantee Review** - If deficiencies in agency program operations indicate non-compliance with Low Income Weatherization Program Implementation Report, Master Grant and/or federal rules and regulations, OHCS will respond by working with the Subgrantee to correct deficiencies.
- f. **Provide Training and Technical Assistance** - T&TA activities are intended to maintain or increase the efficiency, quality, and effectiveness of the Weatherization Assistance Program at all levels. Such activities should be designed to maximize energy savings, minimize production cost, improve program management, and/or reduce the potential for waste, fraud, and abuse.

Performance Evaluation (PE) Tool:

The purpose of the PE Tool is to provide compliance review, technical assistance, and information sharing to weatherization agencies to ensure that each home receives the most cost effective and comprehensive weatherization service while maximizing total agency resources available. See Appendix B

1.06 Training and Technical Assistance

Training and Technical Assistance (T&TA) funds are allocated to support all levels of staff working within the weatherization program; this includes field/technical staff as well as staff responsible for supporting and/or managing the program. Training for field staff should be tied into an overall certification program Residential Energy Analyst (REA) Program, Building Performance Institute (BPI) certification program or Home Energy Professional (HEP) certifications, which is designed to bring the skill and competence level of all weatherization Subgrantee staff and contractors to a uniform standard.

The T&TA Plan identifies the type of training that is required, and which certifications are required to perform work for the WAP program in each of the following four job categories:

- Auditor
- Inspector
- Crew Leader
- Field Installer

A detailed Training & Technical Assistance (T&TA) Plan has been developed by OHCS. [See Appendix C.](#)

1.06.1 Allocation of T&TA Funds

OHCS will allocate T&TA funds to Subgrantees to meet their training and technical assistance needs. Subgrantees need not notify OHCS when they spend T&TA “Training” funds if they are spent on the following:

- a. Registration costs for conferences, meetings, workshops, and other related energy functions.
- b. Travel, lodging, meals, and parking to attend activities identified in a. above.
- c. Salary and fringe costs for direct agency staff while attending approved training functions.
- d. The purchase of materials and/or supplies for trainings.
- e. Subscriptions to magazines, newsletters, and memberships.

1.06.2 Other energy related functions, activities or events not mentioned in ***1.06.1 a. - d.*** above.

1.06.3 Availability of T&TA funds

OHCS will determine the amount of T&TA funds to allocate to Subgrantees based on availability of funding from DOE and the cost of planned trainings such as Energy OutWest and REA Program or BPI certification programs. OHCS will hold back (not allocate all available T&TA funds) and use T&TA funds to pay for Subgrantees to attend trainings, conferences and workshops as prescribed within the T&TA Plan.

1.06.4 Technical Assistance

OHCS staff will provide technical assistance on DOE related matters to all weatherization programs. Technical assistance shall include but not be limited to the following:

- a. Provide guidance in use of regulations.
- b. Advise and assist in use of a computerized audit tool for determining the cost effectiveness of weatherization measures.
- c. Provide information obtained from local programs on innovative and successful program methods that are readily adaptable to other projects.
- d. Provide monitoring.
- e. of local projects to assure improvement in quality and services.
- f. Identify specific problem-solving techniques in areas of labor, transportation, administration, management, and financial control.
- g. Provide information on new materials, procedures, and processes for weatherization work.
- h. Coordinate efforts among federal, state, local and private agencies to assure continued improvements in the effectiveness of weatherization projects.
- i. OHCS shall address deficiencies that are identified by program review, audit, reports, regional or national reviewer or other sources.

1.06.5 Contract Training

OHCS may contract with the Oregon Training Institute (OTI) or other approved training organizations for some of the required weatherization certification trainings.

1.06.6 Travel

All travel will be consistent with the State T&TA Plan, the state travel plan, and individual agency travel policies.

1.07 Leveraging Activities

1.07.1 Other Funds

OHCS administers “Other Funds” for low-income weatherization. These “Other Funds” include Low Income Home Energy Assistance Program (LIHEAP), Bonneville Power Administration Low Income Weatherization Program (BPA), the occasional Petroleum Violation Escrow Program (PVE) funds and the Energy Conservation Helping Oregonians (ECHO) program and any funds designated for low-income weatherization awarded to the state because of legal settlements.

Subgrantees also have access to funds from utility rebates and the State Home Oil Weatherization Program (SHOW). Utility rebates are not administered by OHCS.

1.07.2 DOE Funds as Leverage

Historically, DOE funds have not been used to create leverage opportunities. However, Subgrantees are encouraged to use all available funding (including DOE) to perform energy audits and related activities on homes that will be weatherized under ECHO, NW Natural Low Income Energy Efficiency program (OLIEE), Cascade Natural Gas Oregon Low-Income Energy Conservation Program (OLIEC), BPA, SHOW, REACH and the AVISTA program. DOE funds used in any part of a completed weatherization project (single family, multifamily and shelters) are considered a DOE completion, regardless of the amount of DOE funds spent.

1.08 Policy Advisory Council

1.08.2 Make up and Meetings:

The Housing Stability Council provides policy direction and oversight to Oregon Housing and Community Services. The Housing Stability Council now reviews all program areas of the agency and provides direction and guidance. The Council meets monthly and includes a range of expertise and geographic representation. For more information related to the Housing Stability Council, see OHCS website: <http://www.oregon.gov/ohcs/OSHC/Pages/index.aspx>

1.08.3 HSC Membership List

<i>Oregon Housing Stability Council (HSC) Members</i>	
Claire Hall Commissioner, Lincoln County (Chair)	Javier Mena Affordable Housing Manager, City of Beaverton
Mary Ferrell Executive Director, Maslow Project	Sami Jo Difuntorum Housing Executive Director Confederated Tribes of Siletz Indians
Mary Li Director, Multnomah Idea Lab (MIL)	Sharon Nickleberry Rogers, CPA Financial Analyst III, City of Portland
Erin Meechan Administrative Assistant, Gresham	Margaret Harris Project Manager, Holst Architecture
Kristy Rodriguez Executive Director, Housing Authority of Malheur & Harney Counties	

1.09 Public Hearing

Oregon Housing and Community Services (OHCS) will hold a virtual Public Hearing on Thursday, April 18, 2024, from 10:00 AM to 11:00 AM. Contact Danielle Safford at (503) 569-2528.

2.0 PART II – MASTER FILE

2.01 Eligible Population

2.01.1 Households at or under 200% of federal poverty level

In determining the level of eligibility, the State shall use the LIHEAP criteria for those households that are at or under 200% of federal poverty level. These criteria shall be applied throughout an agency's entire service territory. Persons who have applied for and have been found eligible for the Low-Income Home Energy Assistance Program Act of 1981 (LIHEAP) will be eligible for DOE-WAP. The state of Oregon will use the current statewide manual established for LIHEAP, as established by the U.S. Office of Management and Budget in determining eligibility for households that meet LIHEAP criteria. Current income guidelines can be reached on the [OHCS website](#).

Eligibility under LIHEAP or DOE-WAP is valid for a period of twelve months. Applicants whose most recent LIHEAP or DOE application is older than twelve months or who have not applied can qualify using the following criteria. **Subgrantees are not required to re-verify income eligibility once the project is started. The project start is defined as the date the energy audit is completed.**

Income is defined by the Department of Health and Human Services as a household's countable cash receipts before taxes. To be eligible for assistance, a household's gross income must be in accordance with the DOE WAP 200% of federal poverty level guidelines provided by OHCS each program year. Eligibility for LIHEAP/DOE WAP is based on the following:

- All household income before any deductions (gross income).
- Number of household members.

Households must provide documentation of their gross income for the eligibility period determined by their local agency (in compliance with the timelines expressed the LIHEAP manual). State-approved, agency-developed Declaration of Household Income Forms (DHI) must be used for the households or household members claiming zero income (local agencies may require that applicants and/or households claiming zero income to submit additional information).

2.01.1 a Categorical Eligibility

Income eligibility has been expanded to categorically include HUD means-tested programs at or below 80% of Area Median Income (AMI) to better facilitate referral services for low-income households, reducing the burden on both the intake agencies and households trying to obtain services. (Examples of HUD program but not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH), Section 8, etc.)

The effort explored the overlap in incomes of the different households served through the various programs. The overlap is sufficient to consider "categorical income eligibility", defined across

programs as automatically granting program eligibility to applicants who have already met the eligibility requirements of another agency's identified program.

Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file. **OHCS must approve the method of verification prior to proceeding with the project.**

2.01.1 b What is Income

Please refer to the current Oregon LIHEAP manual for the definition of what is income.
[2023 LIHEAP Intake Operations Manual](#)

2.01.1 c What Is Not Considered Income

Please refer to the current Oregon LIHEAP manual for the definition of what is not considered income.
[2023 LIHEAP Intake Operations Manual](#)

2.01.2 Time Period for Income Verification

The period for determining income eligibility will be based on the same standards, protocols, and guidelines for LIHEAP. Verification of income **must** be recertified when the eligibility determination exceeds 12 months. In multi-family buildings agencies must make every effort to obtain an application for each household. If it is not possible to obtain applications for all households, then documentation must be included in the file as to why the application(s) could not be obtained. A minimum of 66% of the households in the multi-family building must meet income guidelines to qualify for assistance unless the requirements of section 2.18.2 are met. Both renters and homeowners will be eligible, and those households in similar circumstances will receive similar benefits. Applications older than one (1) year **must** have the household income verified again. **Subgrantees are not required to re-verify income eligibility once the project is started. The project start is defined as the date the energy audit is completed.** Subgrantees are strongly encouraged to coordinate with the local Low Income Home Energy Assistance Program provider to obtain eligible LIHEAP/DOE applicants who have requested weatherization.

2.01.3 Priorities

An actual waiting list to determine who is next to receive weatherization services must be developed with priority given to: elderly persons (60 years of age and older), persons with disabilities, and families with children eighteen (18) years of age and under. Priority can also be given to high residential energy users (i.e., energy usage is above average because of household composition or unusual needs for energy), and households with a high energy burden (i.e., when 6 percent or more of the household income is going towards energy). Other criteria may be used if it does not have greater weight than the five above that are listed in the enabling legislation for the DOE WAP program.

The priority criteria used for determining applicant priority **must** be in writing and on file with the Subgrantee. The criteria must be used consistently for all applicants unless the Subgrantee is involved in an OHCS sanctioned special project. Subgrantees must notify OHCS of changes and additions to their priority criteria.

Subgrantees shall ensure that weatherization services are being provided to low-income persons that live in all types of housing (i.e., single family, rentals, manufactured housing units, and multi-family buildings). Housing type is not a recognized priority.

2.01.4 Equity and the Justice 40 Initiative

As program administrators OHCS wants to ensure that community-based organizations, residents of disadvantaged communities, renters, and marginalized groups such residents of color, rural residents, and Tribal residents are meaningfully engaged in the WAP.

There are many best practices for fostering meaningful community engagement in program design and implementation. OHCS is committed to equitably serving the people of Oregon and disrupting systems that maintain inequality, within the energy industry and beyond. We will expand outreach to represent diverse backgrounds and experiences, including but not limited to:

- Affordable Housing Property Manager or Owners
- Resident/Community Member
- Community-Based Organizations
- Community or Public Health Workers
- Affordable Housing Finance Specialists
- Workforce Development Specialists
- Energy Industry Professionals

In addition, a core component of the outreach will include partnerships with Culturally Responsive Organizations, housing associations, industry organizations, community-based organizations, local governments, and other groups who can expand reach to prospective participants. OHCS will work closely with these groups to identify and build relationships with Culturally Responsive Organizations to better serve properties in communities with diverse cultural backgrounds and experiences. Strong community partnerships will allow the WAP to be more accessible to all customers and expand the WAP's reach in communities that have not historically benefitted from the program.

Other groups to consider including in community engagement activities are immigrants and those for whom English is not their first language. These groups experience additional barriers to engaging in energy programs. Barriers to participating in WAP for immigrants include, but are not limited to, language barriers, cultural barriers (e.g., some immigrants are unaware that programs such as WAP exist as they come from countries that do not have similar programs), lack of documentation (e.g., proof of employment or income due to irregular or nontraditional jobs), and fear of mistreatment and deportation of themselves, their family, and their friends.

OHCS will preference the [Climate & Economic Justice Screening Tool\(CEJST\)](#) in its outreach of Justice 40 organizations and communities. OHCS continues to play an active role in working towards energy equity by collaborating with our State Energy Office and the State Health Authority.

2.01.5 Nondiscrimination

No person shall on the grounds of race, color, religion, national origin, sex, disability, familial status, sexual orientation, gender identity, marital status, or source of income be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or part with DOE funds. Any prohibition against discrimination based on age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified disabled individual as provided in section 504 of the Rehabilitation Act of 1973, also shall apply to this weatherization program.

2.01.6 Temporary Disqualification of certain newly legalized aliens from receipt of weatherization benefits

Sections 245A and 210A of the Immigration and Nationality Act (INA), as amended, made certain aliens, legalized under the Immigration and Control Act (ICA) of 1986, temporarily ineligible for Weatherization assistance. The provisions of this law have expired. The only potential implications affecting weatherization services are those individual cases that were open while this law was in effect.

The Welfare Reform Act, officially referred to as the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), H.R. 3734, placed specific restrictions on the eligibility of aliens for "Federal Means-Tested Public Benefits" for a period of five (5) years. As defined in a [Federal Register](#) notice dated August 26, 1997 (62 FR 45256) the U.S. Department of Health and Human Services (HHS) is interpreting "Federal Means-Tested Public Benefits" to include only those benefits provided under Federal Means-Tested, mandatory spending programs.

HHS Information Memorandum LIHEAP-IM-25 dated August 28, 1997, states that all qualified aliens, regardless of when they entered the United States, continue to be eligible to receive assistance and services under the Low-Income Home Energy Assistance Program (LIHEAP) if they meet other program requirements. To eliminate any possible contradiction of eligibility for weatherization services at the state and local levels for qualified aliens, the definition adopted by HHS will also apply to the U.S. DOE Weatherization Assistance Program.

HHS issued Information Memorandum LIHEAP-IM-98-25 dated August 6, 1998, outlining procedures for LIHEAP and weatherization grantees serving non-qualified aliens to implement new status verification requirements. This memorandum is based on a proposed rule issued by the U.S. Department of Justice (DOJ) on August 4, 1998. The Welfare Reform Act is a complex issue, and there is some confusion on the specific application of this part of the Act. To ensure program continuity between LIHEAP & Weatherization for the many Subgrantees operating both programs, the U.S. DOE Weatherization Assistance Program will follow the interpretation as adopted by HHS.

The primary area of confusion resides in the types of local agencies that are exempt/non-exempt from "status verification requirements." Local agencies that are both charitable and non-profit, which comprise about three-quarters of the local agency network, would be exempt. However, those agencies which are designated as local government agencies operating the Weatherization Program would not be exempt; therefore, must conduct "status verification." Under the DOJ ruling, grantees subject to this ruling have two (2) years to fully implement this procedure after the publication date of the final rule. As of this date the final rule has not yet been issued.

Also addressed in the LIHEAP-IM-98-25, is the issue of unqualified aliens residing in multi-family buildings. Since many LIHEAP grantees also use the DOE rules to implement their programs, HHS has adopted the 66 percent provision of the DOE regulations to address this issue. Under DOE rules, a multi-family building may be weatherized if 66% of the units are eligible for assistance (50% in the case of a 2- or 4-unit building). HHS has modified the provision concerning citizenship verification in multi-family buildings. LIHEAP-IM-99-10 issued June 15, 1999, retracts any requirement that Weatherization Program providers **must** do any type of certification of citizenship in multi-family buildings.

2.02 Climatic Conditions

The State of Oregon is comprised of two (2) basic climatic regions. Western Oregon (west of the Cascade Mountains) experiences a wetter climate and has an average of approximately 4,500 heating degree-days. Eastern Oregon (east of the Cascade Mountains) experiences a drier, colder climate and averages close to 6,000 heating degree-days.

2.03 Weatherization Work

Activities included in the weatherization of qualified homes will include measures allowed in the Oregon Single family and multi-family audit protocols and health and safety inspections. These activities will be guided by a DOE approved computerized audit and in accordance with the provisions of the Oregon Housing and Community Services Department's Site Built & Mobile/Manufactured Homes Weatherization Specifications, or amendments to it. The actual installation of weatherization materials is specified in the above referenced documents.

Housing units that were weatherized using DOE or other federal funds may not be "re-weatherized" until the date that is 15 years after the completion date of the previous weatherization. Sub-grantees must add a question to their weatherization application asking if the home has been weatherized in the last 15 years by any agency. Other Federal funds includes all Federal funds including LIHEAP, HUD, or USDA weatherization activities. Subgrantee must examine all submitted paperwork by the clients to determine if the residence has received weatherization services in the past and they must cross check the OPUS online database. If so, the Subgrantee can determine if the work falls under the definition of weatherization. If the home did receive Federally funded weatherization services during that time frame, they must be denied weatherization utilizing DOE funds during the 15-year period.

DOE funds may not be used for call-backs or missed opportunities. Once a DOE funded project is reported as complete, only funds other than DOE funding can be utilized for this type of activity.

2.03.1 Prior to Audit

Prior to an audit of a prospective dwelling, the Subgrantee **must** have a completed application and all necessary paperwork, including proof of income eligibility, owner's name, and address/contact information as well as utility supplier(s).

2.03.2 Permission to Proceed

Prior to any work being done on a dwelling (including baseload measures), and prior to a subcontractor visiting the dwelling for purposes of evaluating job costs, the Subgrantee **must** have a signed statement from the owner or their agent that permission has been granted to perform weatherization and baseload measures on and at the dwelling. At a minimum, the statement **must** include:

1. A list of possible measures that may be installed.
2. If walls are to be blown with insulation, it must indicate the owner or their agent has seen pictures of what a wall blown with insulation includes, and how the dwelling will look when completed.
3. If a refrigerator(s) is to be installed, the statement **must** clearly indicate who owns the refrigerator. A copy of this statement with owner's (**and** owner's agent) signature, printed/typed name of each signatory, and date signed, **must** be clearly visible in the job file. A second copy of the signed refrigerator owner statement **must** be given to the tenant; and the original signed statement **must** be given to the owner (or owner's agent).
4. The residence is not currently for sale by owner of property, nor is it designated for acquisition or clearance (foreclosure) by federal, state, or local programs.

Neither stand-alone freezers nor through the door ice/water dispensers are allowed when utilizing DOE funding.

*Note: Subgrantees **must** have an OHCS approved refrigerator replacement plan prior to replacing refrigerators.*

2.04 Energy Audit Procedure

One energy modeling software platform has been approved by DOE for use in the OR WAP program. REM/Design™ (NORESKO) is approved for single family homes, mobile homes, and small multifamily dwellings.

REM/Design™ Dwelling Criteria

As defined in the policy, REM/Design™ audit is to be used for the following building types:

- Single-family dwellings up to 4-plexes,
- Mobile homes, and
- Multifamily buildings: Containing five to 25 dwelling units,
- Individually metered,
- Where the unit is heated and cooled independently.

The REM/Design™ energy audit process requires a physical inspection of the home, specific diagnostic tests, and proper data input into the software program. An energy profile of the existing home is compared to a set of improvements recommended for installation. Each measure is then evaluated, and a report is generated with the cost-effectiveness of each measure listed by SIR (Savings to Investment Ratio).

Subgrantees are required to have one (1) staff member certified in the use of the REM/Design™ software. It is recommended that agencies have additional staff certified to ensure continuity in the case of loss of staff. Non-certified REM/Design™ users must have REM/Design™ models reviewed by a certified user before certification is obtained.

Continuing Education Units: All REM/Design™ Operators are required to complete 4 hours of training in the use of REM/Design™ during each calendar year. Documentation of CEU's must be submitted to OHCS.

Large multi-family buildings utilizing USDOE funds in any amount must have the audit submitted to USDOE for approval before any work may commence.

Large multi-family dwelling criteria:

- Multi-Family residential buildings 4 stories and above.
- Multi-Family residential buildings 3 stories or fewer with shared HVAC Systems.
- Multi-family residential buildings containing 5 or more units with shared HVAC systems.
- Multi-Family residential buildings containing 26 or more units.
- Multi-Family residential buildings not meeting the REM/Design™ criteria.

2.04.1 Use of the Computerized Audit Tool

Subgrantees **are required** to only provide weatherization measures that have been identified as “**cost effective**” (an SIR of 1.0 or greater) by a DOE approved computerized audit, or another computerized audit approved by DOE and adopted by OHCS. Actual costs must be used to determine cost effectiveness of individual measures. REM/Design™ is the DOE approved audit tool. No other method of establishing cost effectiveness/SIRs can be used by a Subgrantee other than those approved by DOE and adopted by OHCS.

2.04.2 Prioritization of Work

Work will be prioritized and completed in descending order with measures receiving the highest cost effectiveness (SIR) to lowest cost effectiveness. The average unit cost for overall program expenditure is limited to **\$8,497** as established by DOE.

2.04.3 Audit Tool Training

REM/Design™. Training is available for any Subgrantee that is having difficulties using the approved computerized audit tool. Agencies should contact OHCS for assistance.

2.05 Final Inspection

All dwelling units (100 percent of jobs weatherized or where baseload measures were installed) that are being reported as completed for the purpose of obtaining DOE funds, **must** have in the job file an Oregon Weatherization Assistance Program Quality Control Inspection form filled out and legibly signed by an inspector certified in the HEP Quality Control Inspector designation (staff person other than those that performed the installation). The inspection form **must** indicate that all measures designated to be installed, including mechanical work, were installed in compliance with the Standard Work Specifications and the Oregon Site Built and Manufactured Home Field Guide and Standards. *If a designated measure is not installed, then a written explanation shall be included in the file and noted on the inspection form or on a properly executed change order that lists why the measure was left off.*

For OHCS Quality Control Inspector Policy, [see Appendix E](#).

A DOE Weatherized unit is:

A dwelling on which a DOE approved energy audit or priority list has been applied and weatherization work has been completed. Any DOE funds used in any part of a completed weatherization project (single family, multifamily and shelters) are considered a DOE completion, regardless of the amount of funds spent. As funds allow, the DOE measures installed on this unit have an SIR of 1.0 or greater, but also may include any necessary incidental and health and safety repairs. The use of DOE funds on this unit may include but are not limited to auditing; testing; measure installation; inspection; use of DOE equipment; vehicles; or DOE provided training and/or administration. Therefore, a dwelling unit that meets both the definition of a DOE weatherized unit, and has DOE funds used directly, must be counted as a DOE completed unit.

Furthermore, a Final Inspection Certification form legibly signed by a designated Subgrantee staff person and all warranties and user manuals for installed equipment shall remain with the occupant. This completion form **must** indicate:

- a. All the measures were installed in a workmanlike manner and according to specifications.
- b. The measures installed should under reasonable conditions save energy and make the dwelling more comfortable for the inhabitants.
- c. All the weatherization measures installed are guaranteed for material and workmanship defect for a period of one year (365 days) from the date signed.
- d. The contact information for the contractors who completed work on the project.

2.05.1 Self-Declaration

Subgrantees may use an OHCS approved form (such as a post card mailed by owner) for declaration of receipt and installation of refrigerator. If Subgrantee does not receive the self-declaration form within two weeks of delivery, Subgrantee **must** explore other ways of verifying inspection. A refrigerator is not considered completed until it has passed final inspection (10 CFR 440.16 (g)).

2.05.2 Funding Summary Report

All weatherization projects are required to include a funding summary report in the file. The funding summary report **must**, at minimum, include:

- Actual costs of each measure completed.
- Funding source(s) utilized for each measure.
- If a non-cost-effective measure is “bought down” using appropriate funding, the amount of the “buy down” must be indicated, funding source identified and explained on the funding summary report.
- If a non-cost-effective measure is completed and paid for completely using appropriate funding, the funding must be identified and explained on the funding summary report.
- Health & Safety (H&S) repair costs: Indicate which funding source(s) were utilized and an explanation of what the H&S repairs included.
- Incidental repairs costs, funding source(s) utilized and an explanation of what the incidental repairs included.
- Total of each individual funding source as well a combined total of all funding sources.

2.06 Analysis of Effectiveness

To calculate the most accurate energy savings, Subgrantees are required, when possible, to obtain twelve months’ prior energy usage of metered energy sources for each dwelling to be weatherized.

REM/Design™: If 12 months’ usage is not available, and missing usage can be estimated reasonably, it is allowable to estimate the missing billing periods. Documentation of thought processes to estimate usage must be included in the file. The REM/Design™ model must be trued according to the [OHCS REM/Design™ Technical Policies](#).

2.07 Health and Safety Plan

DOE requires that all grantees develop a Health & Safety Plan (H&SP). OHCS will work with OECA to consistently review and maintain the Oregon Health & Safety Plan as an updated, useful, and meaningful tool for all Subgrantees and contractors.

The primary goal of the DOE Weatherization Assistance Program is energy efficiency. DOE is concerned that the achievement of this goal endures even with the program changes which allow DOE funds to be used for health and safety risk mitigation. ***The final rule has eliminated the requirement that the cost of all energy-related health and safety risk mitigation be within the per home expenditure average. Agencies are still required to identify health and safety procedures and the percentage of costs involved per DOE.*** This change will allow local agencies greater flexibility and incentive to incorporate new technologies and their costs into their programs by

removing health and safety costs from the per-house limitation if they are budgeted separately. In providing this flexibility, OHCS will continue to encourage agencies to be prudent in their oversight of the percentage of funds approved for health and safety mitigation on homes weatherized by their local agencies.

The final rule does not mandate a separate health and safety budget cost category, but rather allows the state to budget health and safety costs as a separate category and, thereby, exclude such costs from the average cost calculation.

Three Health & Safety repair categories are capped:

- H&S Electrical category is capped at \$2500.
- H&S Plumbing category is capped at \$1500.
- H&S Injury Prevention – minor repair: \$1000.

A health and safety repair is defined as those actions necessary to maintain the physical well-being of both the occupants and/or weatherization workers where:

- Costs are reasonable and do not exceed 15% of the Subgrantees total allocated program dollars; **AND**
- The actions must be taken to effectively perform weatherization work, **OR**
- The actions are necessary because of weatherization work.

2.06.1 Mold and Mildew

[See Exhibit 2](#)

2.06.2 Training for Mold & Mildew Safe Work Practices

The required training for Mold and Mildew has been incorporated into the Oregon Health & Safety training which includes:

- a. How to identify mold and mildew conditions.
- b. How to understand and eliminate the conditions responsible for the growth of mold and mildew.
- c. How to protect occupants and workers from the harmful effects of mold and mildew.

2.07 Health and Safety – Incidental Repairs

An incidental repair is a repair necessary for the effective performance or preservation of weatherization materials. **Incidental repair costs must be included in the job cost and SIR calculations.** The “Incidental Repair” measure classification helps to determine if prospective projects are beyond the scope of weatherization by providing a cap that establishes maximum allowable DOE investment thresholds for individual dwelling units. When project package SIR’s fail to meet or exceed the minimum SIR threshold, with measure-required incidentals included in

the energy model, the measure requiring the repair is then determined to be “beyond weatherization” under the scope of the DOE program. Incidental repairs necessary for the effective performance or preservation of weatherization materials are allowed. When a repair activity is a component of an energy efficiency measure that is being installed, the installation and materials are part of the efficiency measure and are classified as incidental repair. The cost of incidental repairs must be included in the cost of the package of measures. The entire package of measures installed on a project, including incidental repair costs, must be cost justified with an SIR of 1.0 or better. Incidental repairs must be justified in the client file with an explanation for their need and a relationship to a specific energy conservation measure.

Health and safety repairs **do have to be included in the overall job cost. But do not have to be included in SIR calculations.** For additional information on the Incidental Repair Protocol, see REM Technical Policies

For additional information on Health and Safety [see Appendix D.](#)

2.07.1 Reporting

Subgrantees **must** report all expenditures related to Health & Safety into OPUS database by the 20th of the month following the end of a quarter.

2.07.2 Weatherization Readiness Funds

WRF will be used to reduce the frequency of deferred homes that require services outside the scope of weatherization before the weatherization services can commence. They are allowed to be utilized on an annual-formula-funded and BIL-funded weatherization project and must result in a DOE completion defined as: “A dwelling on which a DOE-approved energy audit has been applied and weatherization work has been completed.” The use of WRF does not need to result in a DOE-funded completion within the same PY but must be completed within the same grant cycle.

Applying: WRF funds will be held by OHCS and allocated to Subgrantees who identify homes that have been deferred or are in jeopardy of being deferred. Projects will be identified as waitlist clients come up for standard services and issues that are beyond the scope are identified at the energy audit. Subgrantees can apply by means of a WRF application, and funds will be allocated as determined on a case-by-case basis. The maximum investment is capped at \$20,000 per completed unit.

WRF Applications are available on the OHCS website under Technical Tools & Guides:

[WRF Application](#)

An energy model will be required to determine if any of the identified building needs can be funded typically with Health & Safety dollars or as an Incidental Repair. Bids, an approved building model, and photos can provide supporting documentation along with the application. Projects that include this funding will not be given special priority as they will not be identified until clients are determined eligible for services and the energy audit has been conducted.

Reporting: WRF funds will be tracked for each building/unit in the OPUS database and be included with the T&TA, Monitoring, and Leveraging Report.

Reporting will provide, DOE WRF expenditure per annual formula unit and building, DOE WRF

expenditure per BIL unit and building, number of avoided deferrals made weatherization ready, nature of the repairs needed which prohibited weatherization, housing type (i.e., Site built, Mobile Home, Multi-Family), Year Built, WRF expenditure per unit and building, Leveraged fund expenditure per unit and building (i.e., funds such as LIHEAP, HUD, non-federal, etc. braided with DOE WRF to make building weatherization ready).

Monitoring: WRF funds will be monitored as part of the annual monitoring of subgrantees and tracked in the OPUS database.

Documenting: An approved application will be included in the corresponding project file in section 4 behind the Funding Summary Report from OPUS.

2.08 Rental Procedures

The following guidelines are to be followed when rental units are weatherized. Specifically, these regulations say when a Subgrantee weatherizes rental dwellings:

- a.** No dwelling unit shall be weatherized without first obtaining the written permission of the owner or the owner's authorized agent.
- b.** The Subgrantee shall establish procedures to be approved by OHCS to ensure that:
 - b1. The benefits of weatherization assistance shall accrue primarily to the low-income tenants.
 - b2. Rents shall not be raised because of the increased value of the dwelling unit(s) due solely to weatherization assistance provided under this part.
 - b3. Subgrantee can receive tenant complaints and owners can appeal should rental increases occur.
 - b4. No undue or excessive enhancement shall occur to the value of the dwelling unit(s).
 - b5. The residence is not currently for sale by owner of property, nor is it designated for acquisition or clearance (foreclosure) by federal, state, or local programs.
- c.** Weatherization services will not be provided to eligible clients who pay their energy cost as part of their rent unless landlord agrees to do at least one of the following.
 - c1. Make reductions in rent to reflect in some equitable way the reductions achieved in fuel cost due to weatherization.
 - c2. Long term preservation of the property as affordable housing.
 - c3. Investment of energy savings in facilities or services that offer measurable direct benefits to the tenants.
 - c4. Additional improvements to heat, hot water distribution and ventilation systems to improve the comfort of residents.

2.10 Lien on Property

As stated in 10 CFR Part 440.22 (c): “In order to secure the Federal investment made under this part and address the issues of eviction from and sale of property receiving weatherization materials, States may seek landlord agreement to placement of a lien or to other contractual restrictions.”

At the current time, OHCS does not require any Subgrantee to include lien or contractual restrictions on property owners.

2.11 Documentation

All documentation shall remain the property of OHCS. In the event of program closure, such files shall revert to OHCS.

2.12 Program Management

Under the Energy Conservation in Existing Building Act of 1976, funds are available for weatherization assistance for low-income persons. As outlined in 10 CFR 440, the Governor of each state shall designate a grantee at the state level to receive and administer these funds within the state.

2.12.1 Overview

Based on experience in granting funds to local agencies for operating programs designed to assist low-income persons, the Governor of Oregon has designated the Oregon Housing and Community Services Department (OHCS) as the agency that shall have responsibility to apply for, receive, and administer U.S. Department of Energy - Weatherization Assistance Program funds.

2.12.2 Service Delivery System

OHCS intends to utilize the existing network of service provider agencies including Community Action Agencies (CAAs); Community Based Organizations (CBOs); Area Agencies on Aging (AAAs); and Special Population Organizations (SPOs). For the purpose of this plan, there will not be a distinction as to type of agency, but rather all agencies shall be identified as “Subgrantees.”

2.12.3 Designated Subgrantee

OHCS will fund only one Subgrantee within any geographical area. An exception to this rule is “Special Population Organizations,” in which case, if any two Subgrantees operate within a common geographical area, a “Memorandum of Understanding” will first be negotiated to ensure full access to the program for all persons within the geographical area and to prevent duplication of services.

2.12.4 Contract with Subgrantees

Subgrantees identified for weatherization funds shall prepare a Low-Income Weatherization Program Implementation Report as part of their Housing Stabilization Division (HSD) planning process. OHCS shall review and approve all Low-Income Weatherization Program Implementation Report. Funding to Subgrantees shall be formula based and Subgrantee status shall be protected except for the following reasons:

- Funding from U.S. DOE ceases or is rescinded.
- A Subgrantee elects to close out their grant and return funds or does not request new funds.
- Subgrantee is determined to be consistently below program standards by public hearing process.
- Subgrantee does not comply with the terms of negotiated contract or Low-Income Weatherization Program Implementation Report.

2.12.5 Administrative Expenditure Limits

U.S. DOE Weatherization Assistance Program Final Rule 10 CFR Part 440.18 (d) clearly defines the amount of allowable administration funds as up to 15 percent, where Subgrantees receive less than \$350,000. There is a statutory limit of 15 percent on funds that may be used for administrative purposes. Not more than 7.5 percent of new funds may be used by the state for administrative purposes, with the remainder to go to Subgrantees. Subgrantees receiving more than \$350,000 will receive no less than 7.5 percent for administration. An exception to exceed the 15 percent total administrative requirement may apply to Subgrantees funded at **less than \$350,000 of new DOE funds if the state provides its administration**. Subgrantees that fall below the above threshold are allotted no less than 12.5 percent administration funding level under DOE rule.

2.12.6 Special Populations

Allocation of weatherization funds to Subgrantees will correspond to the following formula:

2.12.6.1 OHCS will calculate from the total grant received an amount equal to 10 percent, which will be allocated to Subgrantees, based on the percent of farm worker population measured in the state as a whole. OHCS will utilize the best information available from all sources, including but not limited to, the State Employment Division using peak season population figures and U.S. Census data.

2.12.6.2 OHCS will calculate from the total grant received an amount equal to 3 percent which will be used in one of the following ways:

- b1. Option 1: New DOE funds set aside for Native Americans are being proposed to be used in total for weatherization projects directed to Native Americans. These

funds will be awarded each year on July 1st, to any weatherization Subgrantee that proposes a Native American weatherization project in cooperation with one or more of the nine Tribes of Oregon. Weatherization Subgrantees are encouraged to work with Tribes to coordinate these projects. Projects will be evaluated based on their overall merit. Number of units, type of measures, energy savings and leverage will be considered. All or part of the available set-aside funds be awarded. All proposals **must** be submitted no later than July 1st of each year.

- b2. Option 2: If no proposals are received by July 1 of each year, all remaining Native American funds will be allocated in the traditional fashion to the six (6) Subgrantees with Tribal Reservation lands within their service areas.

2.12.7 Funding Formula

Funds remaining, after Administration, T&TA and Native American allocations have been removed from the grant will be allocated to Subgrantees using the following formula:

2.12.7.1 Households below the poverty level as established by the Federal Office of Management and Budget and the most current U.S. Census will account for 85 percent of the funds allocated to Subgrantees.

2.12.7.2 Heating degree-days squared, (averaged for Subgrantees with multi-county service areas) will account for 15 percent of funds allocated.

2.12.8 Floor Funding

A weatherization funding floor of \$100,000 has been established to assist Subgrantees. When the allocation based on factors in section 2.12.7(a) and (b) does not provide \$100,000 to a Subgrantee (based on a combination of weatherization funding from the U.S. DOE, HHS, BPA, public purposes, PVE, or legal settlements), then floor funding applies. Floor funding is only available to Subgrantees if OHCS has access to funds in excess of the grant allocation formula.

2.13 Advance of Funds (Projected):

Subgrantee may request and be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a subgrantee must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the subgrantee in carrying out the purpose of the approved program or project. The timing and number of advance payments must be as close as is administratively feasible to the actual disbursements by the subgrantee for direct program or project costs and the proportionate share of any allowable indirect costs. Subgrantee must make timely payments to contractors in accordance with the contract provisions. Advance grant fund payments are at OHCS's sole discretion and will be made only as close as is administratively feasible

to the actual use by the Subgrantee for applicable direct or indirect work costs and only up to the proportionate share of such allowable costs as is permitted under the agreement, including applicable program requirements.

2.13.1 Expenditure Reports – Subgrantees shall enter completions and expenditures into the OPUS database by the 20th of the month following the end of a quarter. Completions and expenditures entered into OPUS after the 20th must be dated as complete within the current quarter. OHCS will generate a quarterly report based on the submitted information. These reports shall be considered amendable allowing for revisions if DOE funds are not removed from the project. Any revisions or amendments to submitted reports shall be reported to the WAP program manager.

2.13.2 Expenditure Reimbursements – All reimbursements are subject to approval by OHCS and may be denied based on lack of funds; improper documentation; improper expenditures; or other reasons deemed necessary by OHCS. It is the responsibility of the Subgrantee to reimburse OHCS for any expenditure determined improper by OHCS.

2.13.3 Cash Requests – Subgrantees are encouraged to request cash as needed upon completion of weatherization work. Only funds sufficient to cover all costs of the work should be requested. Funds requested in advance of completed jobs (except as stated in 2.13.2(above)) are not permitted.

2.14 Monitoring – Quality Assurance

OHCS employs four types of monitoring activities to ensure the quality of work and the adequate financial management controls at the Subgrantee level.

- a. OHCS’s Weatherization Field Monitors schedule, at minimum, a yearly visit to each Subgrantee. During these visits the Monitor reviews subgrantee policy, procedures, client files and field operations.
- b. OHCS’s Fiscal Monitor schedules a yearly visit to each Subgrantee. During these visits, the Monitor conducts a comprehensive review of all ledgers, budgets, and accounting systems, related to the weatherization program.
- c. The Weatherization Program Manager may conduct spot visits of Subgrantees at random. During these visits all aspects of the program may be reviewed.
- d. Peer Exchange is optional and is used as both a monitoring tool as well as a training opportunity. Subgrantees may choose to visit another Subgrantee for the exchange.

2.14.1 Levels of Agency Performance:

For purposes of consistency, the following definitions for agency classification criteria will be used during monitoring visits and subsequent reports:

Exemplary: Exceeds program expectations. Program is visionary, excels in all program aspects, and is highly responsive and innovative. Overall program evaluation is scored exemplary in the Performance Evaluation WX Tool.

Stable: Meets program expectations, accurate, effective, organized, sound, proficient, and proactive. Good administration systems. Files are complete, organized, and accurate. Overall program delivery is effective and sound. Agency staff is proficient in diagnostic testing. Material installation consistently meets standards. Workmanship is good quality.

Vulnerable: Noncompliance issues. Sometimes meets program expectations, marginal administrative systems. File information inconsistent. Overall program delivery has gaps. Diagnostics are inadequate. Material installation sometimes meets standards. Workmanship is inconsistent.

At-Risk: Frequently does not meet program expectations. Program is inadequate, poor, substandard, incomplete, deficient documentation. Poor communications are maintained with inadequate administrative systems. Files are incomplete, inaccurate or both. Overall program delivery is substandard. There are deficiencies in performing diagnostics. Material and workmanship does not meet program standards.

Typical Agency Performance:

Typically, the frequency of monitoring will be one or two visits per year by an OHCS Program Monitor and/or an OHCS Weatherization Program Monitor and Fiscal Monitor. Peer Exchange may also be included. The need for a second visit will be determined by OHCS based on such factors as past state and peer monitoring results, an agency's program funding, production level, and the completeness of the monitoring within the time available. OHCS expects every agency to meet these standards of performance:

1. Well-established systems for program administration and operations, with no finding in the following areas:
 - a. Compliance with major program requirements, such as, lead-based paint procedures, cost allocation plan/indirect rate, required contractor information.
 - b. No program specific finding in the annual audit.
 - c. Staff well trained in performance of specific job duties.
 - d. Complete and organized files.
2. Evidence of prudent decision making as to use of program resources:
 - a. Complete scopes of work.
 - b. REM/Design™ documentation is current and consistent with billing.
 - c. Staff proficient in its use.
 - d. Evidence REM/Design™ is used with actual and true pre-post data (including costs).
 - e. Evidence REM/Design™ is used effectively and thoughtfully in determining cost-effective measures.

3. Staff and contractors have demonstrated proficiency in technical applications, including diagnostics.
4. Agency has a minimal number and severity of procedural findings (as related to programs rules and policies and procedures), as well as health and safety findings from previous monitoring report.
5. Agency complies with Occupational Safety and Health Administration (OSHA)/DHS/OHCS safety rules, as applicable.
6. The agency maintains a professional working relationship with OHCS.
7. Past corrections made and reported in a timely manner.
8. No “at-risk” elements are found in major categories for an agency.

Monitoring - Productivity

OHCS monitors Subgrantee productivity through information provided on quarterly reports, Peer Exchange, and Fiscal/Program Monitoring reports. If a Subgrantee falls consistently and considerably below their projections, OHCS reserves the right to redistribute their unexpended funds.

2.15 Certification for Lead Safe Renovators

OHCS will continue with the help of Oregon Training Institute to make training available for the Lead Based Paint Renovation, Repair and Painting Program (RRP). All individuals performing lead safe weatherization **must** be either certified renovators or have been trained by a certified renovator. Training is required prior to performing any weatherization work that will disturb lead-based materials in homes built before 1978. All Subgrantees and contractors **must** be a certified firm. [See Appendix D V11.](#)

2.16 T&TA Plan

[See Appendix C](#)

Evaluation-

OHCS continually evaluates the effective utilization of T&TA funds through the monitoring process, Subgrantee input, and quality of work. Information from these sources has shown that OHCS/T&TA activities have had a beneficial effect on statewide weatherization services provided to low-income consumers. OHCS will continue to evaluate T&TA activities and expenditures to ensure that the level of technical expertise necessary to provide efficient, effective service to low-income consumers is maintained.

2.17 Multi-Family

2.17.1 Eligibility

To determine eligibility for multi-family housing weatherization projects, 66% of the units must be occupied by income eligible households. Duplexes and Fourplexes require 50% of the units be occupied by income eligible households. Every effort should be made to collect demographics and qualify all units involved.

Shelters may be weatherized under the program. Below is a list of criteria that a shelter must meet before being considered as a candidate for services.

- 2.17.1.1 Property is managed by non-profit organization.
- 2.17.1.2 Property is utilized as transitional housing.
- 2.17.1.3 Property is utilized as overnight shelter. Day shelters do not qualify.
- 2.17.1.4 Project is approved by OHCS before proceeding with weatherization activities.

2.17.2 Landlord Contribution Clause

Some large multi-family buildings with less than 66% eligible units, (but at least 50%) may be weatherized if agencies can demonstrate the investment of DOE funds would result in significant energy-efficiency improvements, **AND**

Additional funds are leveraged from landlords, utilities, or other sources; **AND**

Leveraged funds **must** equal at least 10 percent of the total job cost to be eligible for reduced unit eligibility percentage.

2.17.3 Categorical Eligibility

Income eligibility has been expanded to categorically include HUD means tested programs at or below 80% of Area Median Income (AMI) to better facilitate referral services for low-income households, reducing the burden on both the intake agencies and households trying to obtain services. (Examples of HUD programs but not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH), Section 8, etc.)

Subgrantees may certify that applicants have met the income requirements of HUD means tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file. **OHCS must approve the method of verification prior to proceeding with the project.**

Subgrantees generally encounter three types of multifamily properties assisted by HUD:

1. Housing owned and operated by PHAs: WAP providers shall consider all such buildings managed by the PHAs referenced in this [HUD Web page](#) to be 100% percent income eligible.
2. Privately owned multifamily buildings receiving project-based assistance. Subgrantees must provide documentation in the file as to the percentage of units that are income eligible.
3. Privately owned multifamily buildings that house residents receiving tenant-based assistance (TBA/TBRA): WAP providers will determine the percentage of income eligible residences by either contacting the building's owner/manager to obtain such Section 8 Housing Choice Voucher records (from HUD's Tenant Based Rental Assistance Program (TBRA) or by individually verifying which residents hold such vouchers.

2.18 Standard Weatherization Procedures

2.18.1 Labor

It is the Subgrantees responsibility to ensure that employees and contractors are qualified and properly supervised.

[See T&TA Plan -Appendix C](#) for specifics on required certifications and timeframes for obtaining certifications.

2.18.2 Authorization

Prior to weatherizing residential units, the following procedures shall be followed. The owner or authorized agent shall give written permission for the weatherization assistance. Such written authorization **must** be signed by the owner (or owner's authorized agent) and **must** include:

- 2.18.2.1 Location of dwelling (physical street address).
- 2.18.2.2 Name of eligible tenant.
- 2.18.2.3 A list of possible work to be completed.
- 2.18.3.4 [See: 2.03.2 Permission to Proceed](#) for additional requirements and baseload measure requirements.

2.18.3 Operation of the Program

It is the Subgrantee's responsibility to identify and procure the local resources necessary to operate this program. These would include, but not be limited to local and state funds, donated materials, space, support, and any resources not provided for by U.S. DOE funds. Such resources are to be identified by the Subgrantees in their grant proposals to OHCS.

Contractor Procurement: All Subgrantees that employ private licensed contractors to provide weatherization, repairs, or inspections where the cumulative one-year compensation is \$25,000 or more, **must** have a policy in place and use said policy to procure contractors.

2.18.4 Expansion of Manufactured Home Definition

The definition of manufactured homes is expanded to include travel trailers and motor homes under the following conditions:

- 2.18.4.1 Unit is a permanent residence; **AND**
- 2.18.4.2 The unit has an address; **AND**
- 2.18.4.3 The occupant has a utility bill in their name or can demonstrate an energy burden; **AND**
- 2.18.4.4 The occupant has a legal lease or contract to live in the unit and park the unit at said location; **AND**
- 2.18.4.5 There must be cost-effective (SIR of 1.0 or greater) weatherization improvements to be completed on the structure; **AND**
- 2.18.4.6 Health and safety improvements are only related to weatherization and *do not* address mechanical, other than Heating, Ventilation, and Air Conditioning (HVAC).

2.18.5 Certify Work

Subgrantees and their subcontractors **must** certify all weatherization work and materials including base load measures for a period of one year from the time of completion. Certification includes the repair and replacement of defective measures resulting from improper installation or material defect.

2.18.6 National Environmental Policy Act Information (NEPA)

The following activities are categorically excluded from further NEPA review, absent extraordinary circumstances, cumulative impacts, or connected actions that may lead to impacts on the environment, or any inconsistency with “integral elements” (as contained in 10 CFR Part 1021, Appendix B) as they relate to a particular project and adhere to the applicable State’s programmatic agreement with the cognizant State Historic Preservation Office (SHPO).

- 2.18.6.1 Administrative activities associated with management of the designated Weatherization Office and management of programs and strategies in support of weatherization activities.
- 2.18.6.2 Development and implementation of training programs and strategies for weatherization effort, including initial home audits, final inspections, and client education.

- 2.18.6.3 Purchase of vehicles and equipment needed for weatherization audits.
- 2.18.6.4 Weatherization measures provided require the restrictions of each state's programmatic agreement with SHPO.

Activities not listed in Oregon's approved PA agreement are subject to additional NEPA review and approval by DOE, whether the intention is to use WAP formula or Petroleum Violation (PVE) funds to fund the project. For activities requiring additional review, OHCS will assist agencies in the completion and submission an Environmental Questionnaire (EQ)-1 to DOE for approval. [SHPO PA](#)

General Accounting Practices

To insure accurate reporting, proper documentation, and compliance with federal and state guidelines for fiscal procedures, all Subgrantees **must** at a minimum:

2.18.7 Submit an Annual Audit

Submit an annual audit of weatherization funds, which shall be conducted by a Certified Public Accountant, using the audit standards contained in 2 CFR 200 – Subpart F.

2.18.8 Inventory Control

All material used in weatherization that are purchased in bulk or by piece for the weatherization program are considered inventory. Weatherization inventory does not include supplies or materials purchased with weatherization administrative funds.

Subgrantees will have in place a weatherization inventory control system that outlines, in writing, purchasing authority; access to inventory; quarterly inventory verifications; procedures for fall-down (shake or waste); and ability to track purchases to specific jobs and materials installed back to the point of purchase. Fall-down shall not exceed two (2) percent of the total materials budgeted annually.

2.18.9 Receive Authorization from OHCS for Purchases or Lease

Receive authorization from OHCS for purchases or lease of acquisitions more than **\$5,000**. All capital property and vehicle purchases **must** be forwarded to the U.S. DOE Regional Support Office for final approval.

For approval of Vehicle & Capital Equipment Purchases, the minimum information needed by OHCS is:

- 2.18.9.1 Name of requesting local agency.
- 2.18.9.2 Where the vehicle will be used and how it will be used – Specify, full or part time use in Weatherization Program.

- 2.18.9.3 Statement of whether this is a replacement or an expansion for ramp-up. If this is a replacement, describe how the trade-in is being addressed.
- 2.18.9.4 Brief description of how the procurement will be done, and confirmation that the agency maintains policies and procedures for property management that comply with all requirements of the applicable Code of Federal Regulations, 2 CFR Subtitle B with guidance at 2 CFR Part 200.
- 2.18.9.5 What the funding source(s) will be (e.g., DOE Weatherization Program Operations funds). Subgrantee T&TA funds are not an allowable option.
- 2.18.9.6 Copies of bid specs (vehicle description with options requested) and bids received.
- 2.18.9.7 Statement that lowest bid will be selected; or a sufficient justification of the “best value selection” if lowest bid is not recommended for DOE approval.

2.18.10 Travel Regulations

Each Subgrantee will have in place travel regulations that include travel authorization, reimbursement, advancements, and per diem rates.

2.18.11 Financial Operations Manual

Each Subgrantee has in place a financial operation manual that details accounting standards, segregation of duties, procurement procedures, program income application, and program rebates.

2.18.12 Use of Weatherization Funds for Renewable Energy Systems

The expenditure of financial assistance provided under DOE WAP for labor, weatherization materials, and related matters for a renewable energy system, shall not exceed an average of \$3,000 per dwelling unit, adjusted. See, 10 CFR 440.18(b) and (c). The PY 2024 adjusted average for renewable energy measures is \$4,169.

To help facilitate the integration of solar PV across the WAP network, DOE has released WAP memorandum 024. This memo allows for the submission of pilot solar projects to DOE for approval. Oregon will be allowing Solar PV on a case-by-case basis with approval from DOE. Solar PV projects must meet SIR requirements and are limited to the adjusted average limit.

Note: The adjusted average for renewable energy measures is not a separate average, but a part of the overall adjusted average expenditure limit of \$8,497.

2.18.13 Prohibited Expenditures

Funds shall not be expended for the items or services other than those listed in 10 CFR part 440, Weatherization Assistance for Low Income Persons, Final Rule, 440.18 (e.). T&TA funds cannot be used to purchase equipment used in the day-to-day installation of weatherization measures. Where a need exists to purchase tools and equipment Subgrantees should use program fund.

2.18.14 Discretion of Procurement

OHCS gives Subgrantees discretion in the procurement of materials. All supplies, equipment, materials, and services must be procured in accordance with applicable state law and procedures and 2 CFR Subtitle B with guidance at 2 CFR Part 200.

2.18.15 EPA Compliance

Subgrantees shall comply with the Environmental Protection Agency (EPA) regulations as set forth in 40 CFR Part 248 - Guidelines for Procurement of Building Materials, which encourages the use of recyclable materials. Subgrantees shall use recyclable materials whenever possible. Compliance with EPA regulations also applies to the decommissioning of replaced baseload appliances whether subcontracted out or not.

2.19 Reporting Requirements

Each Subgrantee shall submit certified and timely reports to OHCS detailing the progress made towards the program objective(s) and all administrative and program expenditures. The report **must** agree with the Subgrantee's accounting records and be certified by the Subgrantee's chief executive officer or their designee. **Quarterly reports are to be reported to OHCS on or before the 20th working day of the month following the last day of the quarter being reported:**

- a. Reporting Format – OHCS has provided all Subgrantees with online access to OPUS-WX for the purpose of reporting weatherization activities. All weatherization Subgrantees are required to use OPUS-WX for quarterly reporting purposes.
- b. OHCS will work with OECA to improve and develop a reporting method that meets the needs of the funding source, is not a burden and provides useful information to Subgrantees, state and funding source.

2.19.1 Success Story Reports

Subgrantees receiving thank you letters from or about people whose homes were weatherized, should submit selected letters to OHCS. Letters will then be forwarded to DOE to bolster efforts to promote weatherization and give a human face to people receiving weatherization assistance.

2.19.2 Petroleum Violation Escrow (PVE)

Exxon and DOE weatherization funds are to be budgeted and accounted for separately. Reports for each weatherization grant will be provided to the Subgrantee by OHCS. Stripper Well funds are added to the DOE funds for the purpose of calculating administrative costs. Once "Admin" has

been calculated the Stripper Well funds are replaced in total and are allocated as program funds only. Admin for Stripper Well funds has already been calculated in DOE-Admin; therefore, spending DOE and Stripper Well funds on the same job is *not* permitted.

2.19.3 Fuel Switching

In general DOE does not allow wholesale fuel switching. However, changing or converting a fuel source to another on a limited case-by-case basis with pre-approval from OHCS will be considered. For additional information on the approved fuel switching policy, see the Single-Family Audit Protocol on the OHCS website.

2.19.4 Cook Stoves

Cook stoves are not allowed to be replaced with DOE funds. DOE does, however, allow for repair of gas cook stoves. If a Subgrantee discovers a cook stove that is emitting dangerous levels of carbon monoxide (check ambient CO Levels), and repair is not possible, other funds should be used to remedy the problem. [See Appendix D](#), section XII for details.

When high CO levels from a cookstove mandate repair, replacement, or deferral, Weatherization Readiness Funds can be used on a case-by-case basis to remedy the issue. Justification can be submitted to OHCS for review by means of a [WRF Application](#).

2.19.5 Wood Stove Replacement

Replacement of wood stoves is allowed. [See Appendix D](#) section IX and Exhibit 1 for detailed protocol.

2.19.6 Fire Codes

Each subgrantee is responsible for verifying all work done and materials used meet local fire codes.

2.19.7 Electrical Codes

Each Subgrantee is responsible for assuring that all work meets local and state electrical codes. All electrical work **must** be performed by a licensed electrical contractor.

2.19.8 Building Codes

Subgrantees *shall not* undertake structural modifications without first consulting the appropriate building codes and contacting local officials.

2.19.9 Materials Installed Properly

It is the Subgrantee's responsibility to ensure all materials are installed to required specifications to achieve maximum benefit from the materials. **All units require post installation inspection completed by a certified Quality Control Inspector.** Inspections of weatherized units **must** be completed by someone other than the installer(s).

2.19.10 Maximum Service – Holistic Approach

All Subgrantees are responsible to ensure each household has received the maximum amount of services available within the expenditure limitations to maximize energy savings. Subgrantees are encouraged to mobilize all funding available to deliver the highest level of energy efficiency improvements in a holistic approach on each dwelling weatherized. Holistic approach refers to treating the dwelling as an integrated complex system where the shell, mechanical and occupants all interact and affect the energy usage.

2.20 Disaster Relief

In the event of a declared natural or manmade disaster (those in which the President or the Governor of the state of Oregon has declared the event an Emergency), Oregon will allow Subgrantees to assist their eligible clients with weatherization funds to the extent that the services are in support of eligible weatherization work. The allowable expenditures under the Weatherization Assistance Program (WAP) are limited to include the following:

- 1) The purchase, delivery, and installation of weatherization materials and,
- 2) The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective and,
- 3) The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials.

All materials utilized must be listed in 10 CFR Part 440 Appendix A. To the extent that the services are in support of eligible weatherization (or permissible re-weatherization) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost.

In a declared federal or state disaster, sub grantees may return to a unit previously reported as a completion to the Department of Energy that has been “damaged by fire, flood or act of God to be re-weatherized, without regard to date of previous weatherization”, per 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit salvageable as well as habitable and the damage to the materials must not be covered by insurance or other form of compensation. In these cases, the work can be addressed without prior approval or any special reporting.

Please note that the \$8,497 per dwelling unit limit and the H&S budgetary maximum of 15% of the average cost per home for H&S continues to apply.

APPENDICES

[Appendix A Peer Exchange Protocol](#)

[Appendix B Performance Evaluation Tool](#)

[Appendix C Training and Technical Assistance \(T&TA\) Plan](#)

[Appendix D Health and Safety Plan](#)

[Appendix E Quality Control Inspector Policies and Procedures](#)

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Appendix A – Peer Exchange Protocol

The following protocol will be used by OHCS and agencies with a stable or vulnerable score rating:

- I. Stable agencies can and Vulnerable agencies will participate in an annual peer exchange.**
 - a. Agencies can visit another agency of their choice. It is encouraged that they seek an agency that has a new or interesting aspect to their program such as a new weatherization measure, technique, or technical application.
 - b. Agencies may not visit the same agency as prior year without OHCS permission.
 - c. Once an agency is chosen for peer exchange, the visiting agency shall inform the agency to be visited of their intentions at least three (3) months prior to the visit.
- II. Selecting Units to Visit**
 - a. At least three (3) weeks prior to the peer exchange, the host agency and visiting agency will communicate and discuss visiting agencies topics of interest.
 - b. At least 10 days prior to the visit, monitoring agency will notify host agency of four (4) jobs. Jobs selected based upon a previous conversation(s) concerning visiting agency's topic of interest.
 - c. Host and visiting agency will schedule a mutual and convenient time for the peer exchange.
 - d. Host agency will schedule any field visits.
- III. Elements of Exchange Visits**
 - a. Discuss new and innovative techniques and applications; administrative procedures' equipment use; applications diagnostic testing techniques; and use of testing equipment.
 - b. Job site inspection (all four (4) units):
 - b1. Discuss work and make notes with host agency's representative.
 - b2. Review installation techniques; testing procedures; benefits of application; as well as related benefits to home and occupant.
- IV. Discuss Observations**
 - a. Items of interest should be discussed at length while on site; therefore, both agencies have a clear understanding of the issue, techniques, tools used, and methods.

V. Exit Interview

- a. Staff and program coordinator to discuss visit, roundtable applications, techniques, testing protocol, ideas, and improvements.

VI. Report to OHCS

- a. Visiting agency to draft summary report of visit.
- b. The report will include:
 - b1. Topics and discussion.
 - b2. A narrative letter discussing observations, ideas, what they learned, and any differences they plan to implement into their program.
- c. Visiting agency will submit a report to OHCS within 15 working days.

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Appendix B – Performance Evaluation Tool



State of Oregon Weatherization Assistance Program Performance Evaluation Tool

Oregon Housing & Community Services
725 Summer Street NE, STE B
Salem, Oregon 97301-1266
Phone: (503) 986-2000
Fax: (503) 986-2020
www.ohcs.oregon.gov

Purpose Statement

The purpose of the Training and Technical Assistance (T & TA) agency performance evaluation (PE) tool is to provide compliance review, technical assistance, and information sharing to weatherization agencies to ensure that each home receives the most cost effective and comprehensive weatherization service while maximizing total agency resources available. It will be accomplished by:

- Oregon Housing and Community Services (OHCS) and Subgrantees acting as partners and as a team.
- Quality, comprehensive weatherization and repair services are provided at a consistently high level of effectiveness throughout the state.
- Healthy, safe, and energy efficient housing improvements are provided to low-income households.
- Program accountability and efficiencies are in effect and verifiable.
- Innovative technological advances are promoted.

Guiding Principles

I. Planning

- Program PE is organized, systematic, regular, and scheduled in advance for mutual convenience.
- PE plans are defined with clear expectations, scope, and process.
- Individualized monitoring for every agency is dynamic to reflect historical findings, observations, and needs.
- Technical protocol, standards, and tools are kept current.

II. Constructive process

- PE and technical assistance is conducted in a professional manner with consistency, fairness, respect, and timeliness.
- OHCS fosters positive, open, and constructive working relationships.
- PE reports are consistent with, and based on, adopted program policies, procedures, standards, and protocols.
- Inspections are performed thoroughly and objectively.
- OHCS promotes improvement by providing technical assistance and resources.
- PE reinforces industry best practices to help ensure prudent decisions are made and positive results are achieved for the participants served.

III. Learning and experiences

- OHCS is knowledgeable and skilled to promote new and enhanced methods of service delivery and business practices.
- OHCS serves as a conduit for the delivery of innovative and cutting-edge technologies.

- PE serves as a two-way educational experience that promotes interaction, feedback, and state and local program improvements.
- OHCS acknowledges and shares successes, innovations, good practices, experiences and challenges.
- PE, technical assistance and required follow up to findings are structured to protect program integrity and to sustain program support.

Procedures

OHCS WX PE

- File documentation
- Compliance with state & federal regulations
- Compliance with state weatherization assistance program specifications
- Completed project inspection.
- Performance testing of homes
- Inventory control
- Health & Safety
- Auditing results
- Resource accountability
- Work quality
- Fiscal controls

Who to meet with:

- Agency Coordinator
- Fiscal Officer
- Crew members
- Participants

Performance Evaluation Process Outline

A basic level of core PE will occur as part of every PE visit. In addition to the core PE, the PE agency plan will be an integral aspect of each monitoring. The sequence and timelines outlined below will precede annual PE visits. If any agency is performance evaluated more than once within a calendar year, some steps may be omitted.

1. OHCS will choose a date to perform the PE visit. Six weeks prior to that date. OHCS will e-mail the selected agency requesting the acceptance of these monitoring dates. A schedule letter and a copy of the PE tool will be attached.
2. After the scheduled dates have been accepted an e-mail confirming this will be sent to the agency. Attached to this e-mail will be:
 - A confirmation letter with specific timelines for completing and returning the requested items.
 - A list of completed jobs chosen by OHCS for evaluation from a review of OPUS.
 - A pre-monitoring questionnaire and a weatherization self-assessment
3. Within one (1) week the agency will indicate if the required eight (8) jobs are scheduled for field inspection. If any of the selected jobs are not available for evaluation, the agency will notify OHCS, and additional jobs will be chosen. This process should be completed within two weeks.
4. After the homes are scheduled, the agency will provide electronic copies of the REM/Design™ .blg files for all jobs selected.
5. The agency will complete and electronically return the self-assessment evaluation and the weatherization pre-monitoring questionnaire within (2) weeks before the visit.
6. The final evaluation report will be sent to the agency within 30 days of the PE visit.

PE Program Outline:

1. All correspondence will be documented on the OHCS contact sheet.
2. OHCS will send an E-mail with attached scheduling letter and copy of PE tool.
3. Agency will respond, and evaluation dates confirmed.
4. OHCS will send an E-mail with attached confirmation letter/completed job selection list/pre-monitoring questionnaire/self-assessment.
5. Agency will confirm scheduling of job inspections. Agency will provide REM/Design™ electronic files for review.
6. OHCS will review pre-monitoring questionnaire/self-assessment/funding summary reports and REM/Design™ files submitted.
7. OHCS will review prior years monitoring report
8. Travel to agency.
9. Entrance interview between OHCS monitor and agency staff.
10. OHCS will review project files with agency staff.
11. Discuss agency operations and mission

12. Discuss community partners.
13. Discuss other resources
14. Perform field inspections.
15. Monitor performance testing of homes.
16. OHCS and agency representative(s) will discuss any opportunities identified during the inspection and performance testing of the home.
17. OHCS monitor will interview participants.
18. OHCS monitor will prepare exit interview comments.
19. OHCS monitor will perform an exit interview with agency staff and discuss findings.
20. Incorporate mutually agreed upon comments into the final review.
21. Discuss new techniques, approaches and protocols.
22. Discuss training needs.
23. Schedule additional follow up(s) on technical assistance needs identified.
24. Review program improvements from prior year.
25. Draft final review.
26. Agency will be scored using the Performance Evaluation WX Tool.
27. Establish time for next monitoring depending on review scores.
28. OHCS will send a copy of the performance evaluation report to the agency Executive Director within 30 days of the PE visit.
29. If required, the agency will provide responses to any concerns, findings or corrective action plans within 30 days of receipt of the PE report.
30. File original at OHCS for a minimum of three years after the grant period ends.

Diagnostic testing is performed, including blower-door tests, combustion safety tests, and duct leakage test. The test results are compared with those noted in the participant file.

Inspection of completed houses, with the accompaniment of the local agency auditor/inspector, provides an opportunity to provide on-site technical assistance. Various installation techniques, quality control issues, or test procedures may be discussed during the course of performing the inspection.

The set-up values of the REM/Design™ audit are checked to ensure they are current and accurate, that staff is proficient in the use of the REM/Design™ audit, and that it is used as directed by OHCS.

Exemplary practices, successful approaches, or creative ideas in the operation of the local program will be identified and noted.

Crew Health and Safety procedures will be checked for compliance with OHCS Health and Safety Plan as contained in the USDOE State Plan.

At the conclusion of the monitor's visit, an exit conference will be conducted with the program manager and appropriate staff. If there are deficiencies, a recommended course of action will be agreed upon.

Every effort will be made to complete and mail a final PE report to the agency's Executive Director within 30 days of the monitoring visit. Within 30 days of receipt of the PE report, the agency will submit a written response providing assurance that identified problems are resolved and documented.

PE Reference Material

1. OAR 813-205 Weatherization program rules.
2. OAR 813-230 Monitoring.
3. The Oregon State Weatherization Assistance Program Specification and requirements.
4. US Department of Energy 10CFR Part 440 Weatherization.
5. Oregon USDOE State Plan / Weatherization Assistance Program.
6. Bonneville Power Administration Weatherization rules and Regulations.
7. Site Built and Mobile Home Specifications for the State of Oregon.
8. Energy Conservation Helping Oregonians (ECHO) Guidelines.
9. Technical procedures adopted for the weatherization program, include:
 - Blower Door and Air Sealing Procedures, which are used to determine a baseline goal for directing air-sealing work of the building envelope.
 - Duct Pressure Test Procedures are the standards by which to measure the effectiveness of the HVAC system. The pre- and post-weatherization test information is required to be collected and recorded in each client file.
 - The Combustion Safety Test Procedures establish worst-case depressurization, spillage, flue draft, carbon monoxide, as well as a visual inspection. This procedure also contains safety thresholds. These tests must be performed and recorded, at a minimum, at the time of audit and final inspection. The test report form is to be completed on all homes that contain combustion appliances and maintained in the participant file.
 - Building shell pressure balancing using a digital manometer
 - Air barrier pressure testing using a digital manometer
 - Exhaust fan flow measurement using a flow testing device coupled with a digital manometer.

Evaluation Tools and Equipment

The following PE tools and equipment will be used by OHCS to help determine satisfactory work performance:

1. Blower door tests on a sample of completed jobs to verify the extent of air-sealing work and to assess the risk of indoor air quality problems.
2. A combustion analyzer and manometer on a sample of completed jobs that have combustion appliance to verify compliance with combustion safety test procedures.
3. A digital hand-held manometer on a sample of completed jobs to verify pressure balancing, and air barrier sealing.
4. An infrared scanner on a sampler of completed jobs to verify uniform insulation coverage in closed cavities and inaccessible areas, as well as adequate air barrier sealing work.
5. Digital cameras to take photos of houses inspected and to record extraordinary circumstances or work performance.
6. Duct Blaster™ to test effectiveness of duct sealing work.
7. An exhaust fan flow meter coupled with a handheld digital monometer to verify exhaust fan flow rates.

On-site PE will focus on field inspections looking at weatherization measure installation, diagnostic testing and health & safety. OHCS fiscal monitors will satisfy most administrative review, including financial examination. OHCS will review fiscal documentation in file to make sure work completed matches the work invoiced.

A key component of on-site monitoring will be to provide on the job training and technical assistance during the course of on-site monitoring and identify the need for future training and technical assistance.

Issues identified during the PE visit will be discussed with the agency whenever possible, especially any observations or findings for specific projects. A final written monitoring report to the local agency will be issued within 30 days of any completed PE visit.

For purposes of consistency, the following definitions for agency classification criteria will be used during monitoring visits and subsequent reports:

Exemplary: Exceeds program expectations. Program exceeds in all program aspects and is highly responsive and innovative. Overall program evaluation is scored exemplary in the Performance Evaluation WX Tool.

Stable: Meets program expectations, accurate, effective, organized, sound, proficient, and proactive. Good administration systems. Files are complete, organized and accurate. Overall program delivery is effective and sound. Agency staff is proficient in diagnostic testing. Material installation consistently meets standards. Workmanship is good quality.

Vulnerable: Noncompliance issues. Sometimes meets program expectations, marginal administrative systems. File information inconsistent. Overall program delivery has gaps. Diagnostics are inadequate. Material installation sometimes meets standards. Workmanship is inconsistent.

At-Risk: Frequently does not meet program expectations. Program is inadequate, poor, substandard, incomplete, deficient documentation. Poor communications are maintained with inadequate administrative systems. Files are incomplete, inaccurate or both. Overall program delivery is substandard. There are deficiencies in performing

diagnostics. Material and workmanship does not meet program standards.

Levels of Agency Performance and PE Frequency

High Performance or Exemplary Agencies

By way of monitoring review, an agency has demonstrated performance standards that meet or exceed that are commonly observed in the following areas:

1. Program operations:

- No Health and Safety finding as identified in previous monitoring report.
- No procedural findings related to program rules, and policies and procedures

2. Fiscal:

- No annual program specific audit findings.

3. Technical:

- Provide comprehensive service utilizing the latest building science and renewable technology, in a cost-effective manner in accordance with State of Oregon Weatherization Assistance Program guidelines.

4. Production:

- In general, an agency’s production is high relative to funding.
- No rollovers.

5. Qualified staff:

- Agency will receive higher credit for exemplary status by having staff and contractors trained in the certifications listed in the USDOE State Plan.

6. Peer Monitoring

- Agency will participate annually in peer monitoring of “at-risk” agencies as requested once per year from OHCS.

7. Risk:

- No “at-risk” elements are found in major categories for an agency.

If the above is met a final visit may be made by an OHCS weatherization coordinator for final confirmation of achievement.

Stable Agency Performance

Typically, the frequency of monitoring will be (1) visit per year by an OHCS and Fiscal Monitor. The need for a second

visit within the same year will be determined by OHCS based on such factors as past state and Peer exchange results, an agency's program funding and production level, and the completeness of the monitoring within the time available. OHCS expects every agency to meet these standards of performance:

1. Well-established systems for program administration and operations, with no more than one finding in the following areas:
 - Compliance with major program requirements, such as, lead-based paint procedures, cost allocation plan/indirect rate, required contractor information.
 - No more than one program specific finding in the annual audit.
 - No more than one fiscal specific finding in the annual audit.
 - Staff well trained in performance of specific job duties.
 - Complete and organized files.
2. Evidence of prudent decision making as to the use of program resources:
 - Complete scopes of work
 - REM/Design™ documentation is current and consistent with billing.
 - Staff proficient in its use
 - Evidence REM/Design™ is used with actual and true pre-post data. (including costs)
 - Evidence REM/Design™ is used effectively and thoughtfully in determining cost-effective measures.
3. Staff and contractors have demonstrated proficiency in technical applications, including diagnostics.
4. Agency has a minimal number, and severity, of procedural findings (as related to programs rules, policies and procedures) and health and safety findings from previous monitoring report.
5. Agency complies with OSHA/DHS/OHCS safety rules, as applicable.
6. The agency maintains a professional working relationship with OHCS.
7. Past corrections made and reported in a timely manner.
8. Participate in annual PEER exchange visits to other agencies.
9. Agency will report as outlined in the PEER exchange guidelines
10. No "at-risk" elements are found in major categories for an agency.

Vulnerable Agency Performance

Typically, the frequency of PE will be (1) visit per year by an OHCS T & TA Monitor and Fiscal Monitor. The need for

a second visit within the same year will be determined by OHCS based on such factors as past state and Peer exchange results, an agency’s program funding and production level, and the completeness of the PE within the time available. Agency’s performance is deficient in is some or all of the following levels of performance:

1. Agency has a well-established system for program administration and operations, with at least one finding in the following areas:
 - Compliance with major program requirements, such as, lead-based paint procedures, cost allocation plan/indirect rate, required contractor information.
 - No more than one program specific finding in the annual audit.
 - No more than one fiscal specific finding in the annual audit.
 - Staff well trained in performance of specific job duties.
 - Complete and organized files.
2. No evidence of prudent decision making as to use of program resources:
 - Complete scopes of work
 - REM/Design™ documentation is current and consistent with billing.
 - Staff proficient in its use
 - Evidence REM/Design™ is used with actual and true pre-post data (including costs).
 - Evidence REM/Design™ is used effectively and thoughtfully in determining cost-effective measures.
3. Staff and contractors have not demonstrated proficiency in technical applications, including diagnostics.
4. Agency has a number of and severity of procedural findings (as related to programs rules, policies and procedures) and health and safety findings from previous monitoring report.
5. Agency does not comply with OSHA/DHS/OHCS safety rules, as applicable.
6. The agency does not maintain a professional working relationship with OHCS.
7. Past corrections were not made and reported in a timely manner.
8. Does not participate in annual PEER exchange visits to other agencies.
9. Agency does not report as outlined in the PEER exchange guidelines.
10. Several “at-risk” elements are found in major categories for an agency.

At-Risk Agency Performance

At-risk agencies may be identified as a result of a variety of factors that may include:

1. The agency's probation. i.e., new agency / program.
2. There is evidence of significant administrative or program sub-standard performance; for example, repetitive pattern of findings, failure to have copies of permits on file or lack of compliance with historical preservation rules.
3. The agency is not in compliance with program policies, procedures and specifications.
4. The agency has repeated health and safety findings.
5. Agency staff members/crew has deficient technical skills.
6. There has been a change in key staff.
7. There has been a change in key weatherization contractors.
8. The agency has deficient scopes of work (Low Income Weatherization Program Work Plan is insufficient).
9. The agency has program specific audit findings.
10. The agency has fiscal specific audit findings
11. The agency files are incomplete or disorganized.
12. The agency staff is unresponsive to OHCS requests and deadlines. For example, the agency consistently fails to provide monthly reports and contract closeouts in a timely manner.
13. Agency production is low relative to funding.
14. Other OHCS programs (CSBG, LIHEAP, Food, Homeless, etc.) have indicated problems with or concerns about the agency.
15. At-risk agencies will be monitored no less than twice annually. Other factors in the frequency of monitoring visits may be based upon the requirements of specific funding sources.
16. When possible, at-risk agencies will be PEER monitored by an exemplary agency that delivers program in a similar fashion. Example: a crew based at risk agency will be monitored by a crew based exemplary agency.

Performance Findings Correction Process

1. Each Subgrantee shall be advised within 30 days after the conclusion of the evaluation any findings with a rating below "stable" resulting from the monitoring of its program. If the agencies performance rating is deficient in any categories and that the program is out of compliance with contract provisions or that the program is out of compliance with state or federal regulations, OHCS shall issue preliminary findings which provide specific examples of each such issue, request corrective action on each deficiency rated below "stable" and offer assistance to the Subgrantee in developing a corrective action plan.

2. Subgrantee's shall respond to preliminary finding corrective action request within 30 days from receipt of the request. The response either shall include a corrective action plan which specifically addresses identified deficiencies or explain why the preliminary findings were in error.
3. OHCS shall notify the Subgrantee within ten days of the Division's acceptance or rejection of all or parts of the Subgrantee's response. The Subgrantee shall be given an additional 20 days from the receipt of the Monitors notification to provide an acceptable corrective action plan for any remaining, unresolved deficiencies.
4. If unresolved deficiencies remain, OHCS shall transmit to the Subgrantee a finding of facts detailing the specific deficiencies, required corrective actions and establishing a 30-day time period for corrective action to take place.
5. If at the end of that 30-day period, specific corrective actions have not been affected, OHCS shall inform the Subgrantee of the sanctions which shall be applied due to non-compliance. Such sanctions may include but not be limited to withholding of funds, disallowance of costs, suspension of contract, or termination of contract. OHCS shall inform the Subgrantee of any appeal rites and procedures to state and federal authorities in the sanction transmittal.

Performance Evaluation Production Visits

During the program year or grant cycle an additional full monitoring evaluation may not be necessary. Due to grant allocation time frames, agency production levels, and OHCS production requirements, it will be acceptable to perform a production visit if a full monitoring has been completed for the program year.

The basic overview is to review the project files of the selected jobs for compliance and to ensure that all of the measures funded have been properly installed in the field.

Due to the nature of this process, there are multiple items completed and reviewed in the standard evaluation, which are not required in the production visit. These include, but are not limited to, the self-assessment, pre-monitoring questionnaire, safety and lead checklists. Contractor files and outreach, inventories, equipment and diagnostics can be left out of the report. The weatherization performance evaluation tool is not used to score the agency.

The individual site inspections, client file checklist, performance evaluation report and a final cover letter are the only reports required to be completed and included in the agency file. In order to expedite the process, reports will be converted to PDF files and emailed to the agency.

If there are findings, concerns or repairs requiring a corrective action plan, within 30 days of receipt of the production report, the agency will submit a written response providing assurance that identified problems are resolved and documented.

Production Visit Process

1. All correspondence must be documented on OHCS contact sheet.
2. OHCS will send a scheduling e-mail to agency (no time frame).
3. Once the dates are confirmed, OHCS will send a confirmation email to agency and include a list of jobs to be inspected.
4. The agency will schedule inspections and e-mail OHCS a confirmation/schedule.

5. OHCS will request and review REM/Design™ .blg files.
6. OHCS will travel to the agency and perform the production visit.
7. OHCS will email a PDF copy of the production visit report to the agency Executive Director within 30 days of the production visit.
8. If required, the agency will provide responses to any concerns, findings or corrective action plans within 30 days of receipt of the PE report.
9. File original at OHCS for a minimum of three years after the grant period ends.

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Appendix C – Training and Technical Assistance Plan

Overview

Oregon’s low-income weatherization network is made up of 17 Subgrantees each with their own service area. The Subgrantees are comprised of 17 community action agencies; housing authorities; local governments; area agencies on aging; senior centers; a development corporation. Many of the weatherization Subgrantees have over 20 years’ experience in delivering weatherization services. Delivery methods include a combination of contractor and crew-based organizations.

OHCS field representatives conduct annual monitoring visits and conduct report evaluation on an ongoing basis. One of the goals of on-site and report evaluation is to assess the need for training. Problems identified through desk reviews and field visits that can be resolved through training and technical assistance will be handled by the Field Representatives and/or other OHCS staff, outside consultants, and occasionally by staff brought in from other agencies.

All new OHCS weatherization field staff shall attend basic weatherization, combustion appliance, and blower door/duct leakage training courses including both theory and hands on curricula, at OHCS-approved weatherization training facilities. Appropriate OHCS staff will receive updated training as needed. All OHCS field representatives are required to take the appropriate training to become EPA Certified Renovators and HEP Quality Control Inspectors.

Training and Technical Assistance – Grantee

Training and Technical Assistance for Subgrantees

- Field Representatives provide both training and programmatic assistance during on-site visits and through ongoing contact with the Subgrantees via telephone, email, and online conferences.
- Program Analysts provide technical assistance to staff and Subgrantees, develop training curriculum, and assess past and future training needs.
- OHCS staff or approved training providers provide follow-up specific field training and technical assistance pertaining to the installation of weatherization measures, the quality and appropriateness of installed weatherization measures, infiltration reduction, and health and safety measures and develops training curriculum.
- OHCS staff or other approved training organizations provide guidance and training in the appropriate use of the computerized audit tool.

Training and Technical Assistance for OHCS Staff

- OHCS staff will attend the Energy OutWest Peer Exchange meetings and Conferences, NASCSP meetings and conferences, and Building Performance

Association Conferences as scheduled and as approved by the OHCS director's office.

- OHCS staff is trained on an on-going basis to keep them abreast of contractual and policy changes. For monitoring purposes, all new OHCS field and technical staff receive the standard weatherization training including combustion appliance safety, blower door and duct leakage diagnostics. All OHCS field staff members are EPA Certified Renovators and Quality Control Inspectors.

Subgrantee Training Evaluation

- OHCS field Representatives make annual monitoring visits. One of the goals of on-site visit is to assess the need for training. OHCS staff will evaluate monitoring reports and if deficiencies are found, either provide training or refer the training to an approved training provider for follow-up.
- As part of the annual monitoring visit, OHCS staff will evaluate a REM/Design™ audit reports and provide technical assistance as needed.
- OHCS staff will analyze a variety of financial, production and weatherization retrofit data points. Trends indicating extremes in production, costs, energy savings and/or completed weatherization measures will be noted and tracked for appropriate follow-up. This information is used to evaluate sub-grantee effectiveness and to develop targeted training.
- OHCS staff will work with the Oregon Energy Coordinators and Affiliates (OECA), the Oregon Training Institute (OTI) and other approved training organizations to determine training needs not identified through monitoring visits.

Training Development

- OHCS staff develops and provides periodic webinars to key administrative and fiscal Subgrantee staff on programmatic issues.
- OHCS technical staff provides training in various formats on various technical subjects, including but not limited to computerized audit tool use and health and safety issues.

Training and Technical Assistance – Subgrantee

Training and technical assistance funds are allocated to Subgrantees to provide required training. The department allocates a portion of LIHEAP weatherization, Bonneville Power Administration and state public purpose charge funds for training purposes to supplement DOE's contribution. These trainings encompass site-built, multi-family and manufactured housing types. Although there are certain training requirements that apply to all field staff, certification requirements only apply to field staff of Subgrantees and subcontractors who provide audit and inspection services. There are two certification paths allowed under the Oregon WAP, the Building Performance

Institute (BPI) and the Residential Energy Analyst (REA) program. With the exception of the REA installer portions, the certifications are not interchangeable. Installers and crew supervisors are not required to be certified, but it is allowable and encouraged to utilize T&TA funds for this purpose.

The REA Program is the certification system designed for use by the Oregon weatherization assistance network to enhance and augment the building performance skills and knowledge of staff, contractors and consultants who serve in participating agencies, businesses, utilities and organizations. It was developed in cooperation with experts and specialists from Oregon Housing and Community Services, OECA, Oregon Training Institute and Saturn Resource Management.

The REA Program is designed to develop staff and increase capacity. Highly trained personnel and staff instruct and test students. The "needs-based training" approach is developed and used within the REA system. Training is based on the actual discovered needs of the participants, not based on assumptions.

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Prerequisite Certifications

Job Title	REA Program Certification Path	BPI Certification Path
Energy Auditor	REA Energy Analyst REA Diagnostic Technician REA Stick Built Installer REA Mobile Home Installer	BPI Building Analyst BPI Envelope Professional BPI Heating Professional REA Stick Built Installer REA Mobile Home Installer
Inspector	REA Energy Analyst REA Diagnostic Technician REA Stick Built Installer REA Mobile Home Installer HEP Quality Control Inspector	BPI Building Analyst BPI envelope Professional BPI Heating professional REA Stick Built Installer REA Mobile Home Installer HEP Quality Control Inspector

REA Program Certification Path

Certification	Agency Staff Required	Contractor Staff Required	Frequency of Renewal	Delivery Method	CEU Requirements	Timeframe
Energy Analyst	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI	50 hours over 5 years for the first certification. No additional CEU's for added certifications.	Auditors and inspectors must obtain certifications within 1 year of promotion or hire. Until certified, work must be reviewed by certified staff.
Diagnostic Technician	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI		
Stick built Installer	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI		
Mobile Home Installer	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI		

BPI Certification Path

Certification	Agency Staff Required	Contractor Staff Required	Frequency of Renewal	Delivery Method	CEU Requirements	Timeframe
Building Analyst	Auditors and Inspectors	Auditors and Inspectors	3 Years	BPI Test Center	30 hours for 3 years. No additional CEU's for additional certifications.	Auditors and inspectors must obtain certifications within 1 year of promotion or hire. Until certified, work must be reviewed by certified staff.
Envelope Professional	Auditors and Inspectors	Auditors and Inspectors	3 Years	BPI Test Center		
Heating Professional	Auditors and Inspectors	Auditors and Inspectors	3 Years	BPI Test Center		
Shell Technician Stick Built	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI	50 hours over 5 years for the first certification. No additional CEU's for added certifications.	
Shell Technician Mobile Home	Auditors and Inspectors	Auditors and Inspectors	5 Years	OTI		

HEP Quality Control Inspector

Certification	Agency Staff Required	Contractor Staff Required	Frequency of Renewal	Delivery Method	CEU Requirements	Timeframe
Quality Control Inspector	All Inspectors	All Inspectors	3 Years	ESA	24 hours over the 3 years of certification.	Must be obtained before inspections may be completed.

Required Certification/Trainings

In addition to the QCI certification listed above, the following trainings/certifications must be completed within the indicated timeframe.

Certification/Training	Agency Staff Required	Contractor Staff Required	Frequency of Renewal	Delivery Method	CEU Requirements	Timeframe
REM/Design Certification	Auditor/Inspector who utilize REM/Design™	Audit/Inspector contractors who utilize REM/Design™	5 Years	Certification through OHCS Training through OHCS. OTI and other approved training provider.	4 Hours Annually	Must be obtained within 1 year of promotion or hire. REM models must be reviewed by a certified user before certification is obtained.
Health & Safety Training	All Auditors and Inspectors	Contract Auditors and Inspectors	One Time Only	OTI and other approved training providers	None Required	Within 180 days of promotion or hiring.
Lead Renovator Certification	All Auditors and Inspectors. Crew based: At least one available Renovator.	Minimum 1 certified staff person.	5 Years	EPA Certified Trainer	None Required	Auditors/Inspectors: Within 180 days of hire or promotion or hiring. Crew staff: Renovator required disturbing or testing paint on pre 78 housing.
Multi-Family QCI Inspector Training	All QCI Inspectors who inspect projects with 5 or more units per building.	All contract QCI Inspectors who inspect projects with 5 or more units per building.	One time Only	OTI and other approved training providers	None Required	Course must be successfully completed before Multi-family projects may be inspected.

Training Verification

Training records for the required trainings and certifications are verified through a combination of reviewing certified individuals on the BPI website, accessing the OTI database and OHCS staff reviewing training records during monitoring visits. OHCS field representatives and analysts follow up with Subgrantees when the required training was not completed, or other training discrepancies are found.

Technical Guides

The key to a successful and effective program is ensuring work is completed and inspected in a consistent manner and according to specifications adopted by the State of Oregon. The technical guides are available on the OHCS website and links to the technical guides are provided to agencies. Agencies are to share the links with their contractors and obtain written confirmation of receipt to be kept in the contractors' file. Confirmation of receipt is confirmed during monitoring visits.

The Oregon WAP will use the following technical assistance guides to ensure consistent work and processes: Oregon Weatherization Assistance Program Site Built Housing and Manufactured Home Weatherization Field Guide and Standards

- Oregon Small Multi-Family Energy Audit Protocol
- Oregon Single family/Manufactured Home Energy Audit Protocol
- REM/Design™ Technical Policies

Training Provider

The Oregon Training Institute (OTI) is the designated provider of comprehensive training in the state of Oregon. OTI is Interstate Renewable Energy Council (IREC) accredited in the Home Energy Professional (HEP) Energy Auditor (EA) certification. OTI currently uses Weatherization Assistance Program Standardized Curricula that are aligned for the USDOE Job Task Analysis (JTA) in all of their comprehensive training courses.

The Energy Smart Academy (ESA) also is IREC-accredited in the HEP EA certification as well as Quality Control Inspector (QCI), Crew Lead (CL), and Retrofit Installer Technician (RIT) certifications. ESA currently uses Weatherization Assistance Program Standardized Curricula that are aligned for the USDOE Job Task Analysis (JTA) in all of their comprehensive training courses and may be utilized as well in OR's WAP Training strategy. As OTI brings on additional IREC-accreditations, OHCS will utilize this local training source at its discretion.

Oregon WAP Comprehensive Training

Comprehensive training is defined as comprehensive, occupation-specific training which follows a curriculum aligned with the job task analysis for that occupation. To ensure quality work and consistency in the delivery and benefits of the program, comprehensive training must be provided to all weatherization workers on a regular basis. To maintain eligibility to perform weatherization duties in the Oregon WAP, each weatherization worker must complete comprehensive training every five years.

Auditor/Inspectors:

Comprehensive training will be supplied by either in-person or online training by IREC-accredited training provider(s). Training needs assessments will be used to determine needs and courses offered will be determined on an annual basis.

Crew Leaders and Retrofit Installer Technicians:

Comprehensive training will be supplied by either in-person or online training by IREC-accredited training provider(s). Subgrantees must maintain training records for contractors in the contractor file and made available to OHCS monitoring staff. Oregon may also institute the Badges Toolkit and passport approach to CL and RIT JTAs as a means to direct on-site mentorship and training.

Comprehensive Training Provided		
Training	Number of Days	Frequency
HEP Quality Control Inspector	As needed	As defined for comprehensive training compliance
HEP Energy Auditor	As needed	
HEP Crew Leader	As needed	
HEP Retrofit Installer Technician	As needed	

Oregon WAP Specific Training

Specific training is defined as single-issue, short-term, training to address acute deficiencies in the field including dense packing, crawlspace, REM/Design, ASHRAE, etc. All REA and BPI training fall under this category. Conference trainings are included in this category. This list is not all inclusive of specific training.

OHCS staff will evaluate monitoring reports and if deficiencies are found, either provide training or refer the training to an approved training provider for follow-up. These trainings will be provided by a combination of OHCS staff, OTI staff, other approved training organizations and attendance at weatherization related conferences. Delivery methods will include webinars, classroom and in-field trainings.

Specific Training Provided		
Training	Number of Days	Frequency
Introduction to REM/Design™	1	As Needed
Annual REM/Design™ Training	1	1/Year
PTCS Duct Sealing	1	As Needed
Health & Safety Training	1	1/Quarter
ASHRAE 62.2-2016	1	As Needed
Advanced Blower Door	1	As Needed
Duct Diagnostics & Repair	0.5	As Needed
Room Pressure Balancing	0.5	As Needed
Comprehensive CAZ Analysis	1	As Needed
Heat Rise, Static Pressure & Air Flow Measurement	1	As Needed
On Site Contractor Mentoring	Varies	As Needed

Training and Technical Assistance – Contractors

Contractor T&TA Expenditures/Reimbursements Policy

In order for contractors to be eligible to receive WAP T&TA funds, the following conditions must be met:

- Contractors receiving T&TA funds must have a contract agreement in place with subgrantees for WAP work. Each agency must include Contractor Training expenses as a budget item as part of their biennial Implementation Report to the MGA.
- Reimbursement for the time to attend training must be reasonable and based on specific labor rates (i.e.—per contract agreement) or other available data.
- Travel reimbursements must follow each agencies travel policy.

Qualifying T&TA Expenses may include, but not limited to:

- Training courses that align with each workers JTA
- WAP-related training
- WAP required Training Course or certification exams
- Conference travel and registrations (limited to those listed in this plan)

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Appendix D – Health & Safety Plan

HEALTH AND SAFETY PLAN State of Oregon Low Income Weatherization Assistance Programs

I. Weatherization Program Health and Safety

Funds provided under §440.18(c) (15) are to remedy health and safety hazards, which are necessary before, or because of, the installation of weatherization materials. DOE funds may only be used to mitigate health & safety issues listed under this guidance. In the event that issues are identified that do not fall under the scope of the DOE WAP, other, more flexible, funding sources may be utilized to complete H&S measures that do not fall under the DOE WAP criteria. If neither of these options is possible, every effort must be made to refer the client to resources that may be able to mitigate the issue. If after all of these options are exhausted and documented, then deferral may be required until the problems are resolved. See section XIII deferral standards.

1. Definitions

- a. Health and Safety Measures: Those actions necessary to maintain the physical well-being of both the occupants and/or weatherization workers where:
 - Costs are reasonable and do not exceed 15% of the Subgrantees total allocated program dollars; **AND**
 - The actions must be taken to effectively perform weatherization work; **OR**
 - The actions are necessary as a result of weatherization work.
- b. Weatherization Measures: Building shell and equipment measures determined to be cost-effective by DOE approved OHCS standards.
- c. Weatherization Materials: Those materials listed in Appendix A of the DOE WAP for Low Income Persons Final Rule, 10 CFR Part 440. Materials for incidental repairs do not have to be listed in Appendix A, but should be at least equal to or better than industry standard practices.
- d. Incidental Repairs: Repairs necessary for the effective performance or preservation of weatherization materials.
- e. Lead Renovation, Repair, and Painting Program (LRRP): LRRP is a set of protocols to be used when disturbing surfaces that may have lead-based paint that will reduce and control the amount of lead dust and paint chips that are generated.
- f. Primary Heat Source: The primary system is generally understood to be the **permanently installed** unit (or system of units) most relied upon to provide heating/cooling throughout the season. These systems may or may not be centralized but do provide the majority of the heating for the home.

- g. Secondary Heat Source: Secondary systems or unit(s) are employed only in extreme weather or as backup to the primary system or do not provide heat to the entire dwelling.

2. Expenditure Limits and Reporting - Health and Safety Measures:

- a. Health & Safety expenditures must be no more than 15 percent of the total program budget for DOE. These costs **must** be recorded and tracked separately in the accounts and on the house audit/assessment form and reported as a separate line item on the Invoice Voucher.

II. Crew and/or Contractor Health and Safety

The standards included here provide only general guidelines for health and safety concerns.

Oregon OSHA requires a Hazard Communication Plan and ensures compliance with this requirement. Oregon OSHA ensures compliance with all worker health and safety requirements found in the OSHA Safety and Health Standards (29 CFR 1926\1910). Subgrantees and contractors must maintain compliance with the current OSHA Hazard Communication Standard (29 CFR 1910.1200) for on-site organization of Safety Data Sheets (SDS). These standards are applicable to all workers providing services using funding under the DOE WAP program.

III. Training and Monitoring

The Subgrantee's Weatherization Coordinator is responsible for ensuring that the crew or contractor(s) has a health and safety program in place. Documentation of all required training, for either crew or contractor-based programs, is required and must be available for inspection.

- 1. **Employee Training** - New employees shall not begin working in the field until training is provided. Training will include:
 - a. All **weatherization** crew leaders, crew and contractor based, are encouraged, but not required, to complete the OSHA 30-hour training course.
 - b. All **weatherization** workers, crew and contractor based, are encouraged, but not required, to complete the OSHA 10-hour training course.
 - c. All field auditors/inspectors must complete the Oregon Health and Safety training course.
 - d. Proper usage of hazardous chemicals and substances such as foams, sealants, and cleaners in the weatherization work environment.
 - e. Safety Data Sheets (SDS) provided by suppliers that describe the method to properly handle potentially hazardous materials must be readily available to employees. Inform employees where the SDS are located. Employees must be trained in how to understand their content, and how to obtain and use appropriate hazard information.

- f. It is strongly encouraged that all field staff (auditors, inspectors, and crew) shall have current First Aid and CPR proficiency cards.
 - g. Every Pre1978 jobsite where lead paint has been identified or presumed and is being disturbed must have an EPA certified renovator onsite during sign posting, work area setup site and cleanup phases of the work. The renovator must be available by phone when off-site.
2. **Safety Meetings** - Safety meetings shall be conducted according to OR OSHA regulations.
3. **On-Site Inspection**
- a. Appropriate Subgrantee staff shall conduct an announced, on-site inspection of each crew periodically. This inspection will include:
 - a1. Ascertaining the extent of the client's understanding of weatherization activities being performed. If health and safety issues are documented, this information shall also be included in the discussion.
 - a2. Inspecting condition of personal safety equipment and confirming that all crew members are adequately supplied. Crew members must wear prescribed equipment if warranted by the activities being conducted.
 - a3. Checking that each crew vehicle is supplied with a:
 - a3.1 Complete first aid kit designed to provide basic first aid.
 - a3.2 Adequately charged hand-operated fire extinguisher, designed for all three types of fire (electrical, wood, and liquid). Ensure service date has not expired.
 - a3.3 Binder containing list of hazardous chemicals (common and chemical name), location where they are used, usage and hazardous information (signs/symptoms of exposure and required first aid), and list of Safety Data Sheets. (Note: Copies of SDS are not required if master files are accessible by all crew members.)
 - b. Inspect hand and power tools and similar equipment. Any found to be defective should be tagged and removed from service. Equipment not in use shall be properly stored. Inspect work area to ensure activities are conducted in a safe manner, including provision of adequate light, proper disposal of debris, connection of power equipment to a ground fault circuit interrupter, and resolution of health and safety issues.

IV. General Work Practices

The prevention of occupationally induced injuries and illnesses will be given precedence over production activities. To the greatest degree possible, the Weatherization Coordinator/Contractor will ensure that all equipment and facilities are in compliance. Weatherization personnel are required to exhibit caution and care during the course of the workday.

1. The Crew Leader/Foreman

The Crew Leader/Foreman is responsible for being in compliance with any instructions pertaining to health or safety as they apply to crew production activities:

- a. Contact client before performing work. Provide the opportunity for discussing crew activities that will occur and occupant safety while work is in progress. When subcontractors are used, the Program Manager will be responsible for client contact.
- b. Ensure each crew member is reasonably protected when production activities are being conducted.
- c. For pre-1978 buildings: Lead-Based Paint Hazard Control. Inform the client of the nature of the work to be done, and encourage that children be off-site while the work is taking place. Obtain and post lead hazard signs while working on the dwelling.

2. Personal Protective Equipment

The use of personal protective equipment will be strictly enforced. Hearing and ear protection are required for individuals working around high decibel equipment. Each crew person will wear a respirator, protective eyewear, and protective clothing when necessary. Respiratory protection is required for individuals working in high dust environments, including when using loose fill insulation blowing equipment, installing materials in attic and floor areas, and during prolonged use of grinding or power saw equipment. When working in an environment in which lead based paint dust will be generated, each employee within the work area may be required to wear a properly fitted National Institute of Occupational Safety and Health (NIOSH)-approved HEPA respirator and protective clothing which will be removed upon vacating the work area. (See OSHA rules, Section L.3, Other Federal Government Regulations.)

3. Hand and Power Tools

All hand and power tools and similar equipment shall be maintained in a safe condition. This equipment will be inspected daily, and any equipment found defective shall be tagged and removed from service until it has been repaired or replaced. Protective guards are to be in place and functioning properly while a power tool is in use.

All electrical equipment, tools, and extension cords shall be grounded properly. All electrical power for 120-volt or greater will be protected by a ground fault circuit interrupter (GFCI). Any extension cords found defective (insulation worn or cut, or frayed wires) are to be removed from the job site and disposed of.

It is recommended that, when using power tools on surfaces that contain lead-based paint, a HEPA dust collection attachment be used. Tools shall be cleaned after use.

4. General Fall Protection

Portable ladders shall be placed on a substantial base at a four-to-one pitch. Extension ladders are to be extended a minimum of 36 inches above the landing (i.e., where roof access occurs), or

where not practical, be provided with grab rails and be secured against movement while in use. Portable metal ladders shall not be used where they may contact electrical conductors.

The use of ladders with broken or missing rungs or steps, broken or split side rails, or with other faulty or defective construction is prohibited. When ladders with such defects are discovered, they shall immediately be withdrawn from service.

Extra precaution is required while weatherization activities are conducted on the roof area. When an individual is above 6 feet or adequate stability cannot be maintained, safety gear, such as harness or safety straps, is required.

5. *Housekeeping Activities*

All scrap lumber, waste material, and debris shall be removed from the immediate area as work progresses. An area outside the home should be designated for storing such material, which should be removed from the premises at the end of each workday or when the job is completed. Agency crew/Contractors are encouraged to recycle materials whenever possible.

Equipment shall be removed from the immediate work area and properly stored when no longer required or when each phase of the weatherization process is completed.

When lead-based paint dust is generated during the course of work, the area **must** be cleaned no later than the end of each workday. All materials used in the debris collection system removed in a lead-safe manner, the area is thoroughly vacuumed using a HEPA vacuum, and wash and wipe down the area with a detergent solution.

6. *Attic/Crawl Space Areas*

Before weatherization activities are conducted, the following is required:

- a. Health and safety corrective action documented on the Job Order Sheet is to be completed.
- b. Specific instructions are read and understood. Further clarification may be required from the Energy Analyst.
- c. An adequate and safe means of access is provided.
- d. Each individual has accessed the area and become familiar with existing conditions.
- e. When possible, cut out holes required for venting before work is started, installing vents after weatherization activities are completed. This procedure provides both additional ventilation and light.
- f. Precaution shall be taken when working in areas with low clearance. Work in areas with less than 18-inch clearance may be waived.

7. *Occupant & Worker Health and Safety*

Agency crews and contractors will be aware that some individuals' health problems could be exacerbated by weatherization activities. For example, some clients can be sensitive to dust generated from the installation of cellulose insulation.

All reasonable precautions must be taken against performing work on homes that will subject workers or clients to health and safety risks. Before beginning work on the residence, the agency must take into consideration the health concerns of each occupant, the condition of the dwelling, and the possible effect of work to be performed on any particular health or medical condition of the occupants. When a person's health is fragile or the work activities would constitute a health or safety hazard, the occupants at risk will/can be required to leave the home until work is completed, or the work may be deferred until such time that the conditions or circumstances are more favorable. Costs associated with temporary relocation of at-risk occupants may be allowed on a case-by-case basis with OHCS approval.

Weatherization services can be provided in a manner that minimizes risk to workers and clients. Although the Weatherization Assistance Program does not provide all the solutions, awareness of potential hazards is essential to providing quality services. Other energy-related hazards should be considered on a case-by-case basis.

V. **Potential Hazard Conditions**

During the weatherization process, often health & safety hazards are identified. When health and safety hazards are identified, the client **must** be notified in writing and the document, signed by the client, **must** be included in the file. The document **must** include the following:

- Client name and address of the project
- Date of audit
- Date when the client was informed of the hazard(s)
- A clear description of the hazard(s)
- The responsibilities of all parties involved. (Agency, Client, Landlord etc.)
- The clients' signature indicating they have been informed of all of their rights and options. In lieu of a client's signature, the hazard notification form may be mailed via certified mail and return receipt is requested. The file **must** contain **both** the mailing receipt and the return receipt.

Note: If the conditions will require complete deferral of the project, then a deferral form must be completed in addition to the hazard notification form. See section XIII for deferral notification requirements.

[See Exhibit 3](#) for an example Health & Safety Hazard form

1. Biological

Remediation of conditions that may lead to or promote biological concerns and unsanitary conditions is allowed. Addressing bacteria and viruses is not an allowable cost. Deferral may

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be necessary in cases where a known agent is present in the home that may create a serious risk to occupants or weatherization workers, made worse by weatherization activities, or will not be resolved by weatherization.

A sensory inspection is required. Clients must be informed of observed conditions. If biological hazards are identified, inform the client of observed conditions. Complete a hazard notification form and what steps are necessary to correct deferral conditions.

Field Auditors/Inspectors staff must be able to recognize conditions and when to defer by completing the Oregon Health and Safety Training course. Workers must be aware of safety requirements when coming in contact these conditions.

2. Combustion Appliances and Combustion Gases

Combustion appliances produce potentially hazardous carbon monoxide as a byproduct of incomplete combustion. Any appliance that burns a fuel is a combustion appliance: furnaces, water heaters, cooking ranges and ovens, fireplaces, woodstoves and pellet stoves, and some space heaters. Appropriate **combustion testing and vent inspection shall be performed both pre and post weatherization** of any dwelling containing a combustion appliance as detailed in the Site Built Housing and Manufactured Home Weatherization Field Guide for the State of Oregon Weatherization Assistance Program Appendices:

- a. Conduct worst case depressurization and spillage testing for all vented combustion appliances (excludes ranges and ovens).
- b. Measure draft in the furnace or water heater exhaust flue in worst case conditions (Excludes sealed combustion appliances).
- c. Measure carbon monoxide levels in the combustion appliance's exhaust flue or exhaust port(s) and also measure the ambient carbon monoxide level in the house.
- d. Diagnostic testing may reveal inefficient operation of a combustion appliance or potentially unsafe operating conditions which require corrective actions such as the cleaning, repair, or replacement of equipment. See section X and XII for allowability of replacement/repair etc. Replacement units must meet the requirements of newly installed equipment as outlined in the Field Guide.
- e. All homes shall have a UL listed carbon monoxide alarm installed on each floor of the house and have a carbon monoxide release form signed by the owner/occupant and placed in their file. Installation shall be in compliance with manufacturer's instructions.
- f. Proper venting to the outside for combustion appliances, including gas dryers, is required. Correction of venting is allowed when testing indicates an existing problem.

- g. Unvented combustion space heaters **must be removed** from the home before any weatherization work is initiated. If testing indicates that a combustion appliance needs repair, the repair shall be addressed, and the appliance brought into compliance with all applicable standards. Pressure balancing is an allowable H&S expense if needed to mitigate unsafe operating conditions. Field Auditors/Inspectors must be trained in proper combustion testing protocol. If combustion hazards are identified, provide client with combustion safety and hazards information, including the importance of using exhaust ventilation when cooking and the importance of keeping burners clean to limit the production of carbon monoxide (CO).

Field Auditor/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to perform combustion testing and vent inspection.

3. Fuel Leaks

Fuel lines must be tested for leaks as per the Oregon Weatherization Assistance Program Site Built and Manufactured Home Field Guide and Standards. Test lines from the utility coupling into, and throughout, the home. When a minor gas leak is found on the utility side of the service, the utility service must be contacted before work may proceed. Fuel leaks that are the responsibility of the client must be repaired before weatherizing a unit. Notify utilities and temporarily halt work when leaks are discovered that are the responsibility of the utility to address. Notify clients, including specific location(s), if leaks are discovered.

Field Auditor/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to inspect and test fuel lines.

4. Gas Ovens/Stovetops/Ranges

Test gas ovens for CO and inspect burners and ovens for operability and flame quality. When testing indicates an issue, maintenance or repair may be performed. Replacement is not allowed. Projects may be deferred if maintenance or repair does not correct a safety concern. Inform client of the importance of using exhaust ventilation when cooking and the importance of keeping burners clean to limit the production of CO.

Field Auditor/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to test and inspect appliances.

5. Fire Hazards

Correction of fire hazards is allowed when necessary to safely perform weatherization. Potential fire hazards **must** be identified and documented in the client file. The client **must** be informed of any potential fire hazards identified.

6. Smoke, Carbon Monoxide Alarms, and Fire Extinguishers

CO Alarms: In all homes, weatherization agencies **must** install CO alarms on each floor near the sleeping areas in dwelling units where these devices are nonexistent or inoperable. CO alarms must be UL listed and installed in accordance with the manufacturer's recommendations. A carbon monoxide release form **must** be signed by the owner/occupant and

placed in the client file.

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Smoke alarms: Installation of smoke alarms is allowed where alarms are nonexistent or are inoperable. Smoke alarms must be installed in accordance with the manufacturer's recommendations, listed in accordance with UL 217, comply with NFPA 72.

Local agencies **must** provide the occupant(s) of the dwelling unit with verbal and written information regarding the following:

- Dangers of CO and smoke.
- How to operate and reset the CO and smoke alarms.
- How to read the CO alarm.
- How to respond when the CO alarm sounds.
- How to change the batteries of CO and smoke alarms.

Fire extinguishers: Supplying fire extinguishers is an allowable cost **only** when the client uses a solid fuel in the home. Fire extinguishers must be installed, according to the manufacture's recommendations, be type ABC, UL listed, ≤ 10 lb. and with a permanently affixed wall bracket to receive the extinguisher. The client **must** sign a written agreement to allow a fire extinguisher to be installed in the home within sight of the solid fuel burning heat system when standing at the unit. The agency must discuss and provide information on the use and upkeep of the extinguisher to the client.

Field Auditors/Inspectors must complete the Oregon Health and Safety Training course. Training will cover the basic workings and function testing of CO alarms, Smoke alarms, and fire extinguishers.

7. Hazardous Materials Disposal

Hazardous Waste material generated in the course of weatherization work shall be disposed of according to local laws, regulations and/or Federal guidelines, as applicable. Responsible party for disposal will have appropriate documentation and/or specify the requirements in contract. Client must be informed in writing of hazardous materials being generated/handled in the home.

Field Auditors/Inspectors must complete the Oregon Health and Safety Training course to understand the proper disposal techniques and requirements.

a. Refrigerant

- a1. The replacement of air conditioners (requires a note signed by a physician), heat pumps and refrigerators, require agencies to reclaim refrigerant per Clean Air Act 1990, section 608, as amended by 40 CFR 82, 1/1/17.
- a2. The appliance vendor, de-manufacturing center, or other entity recovering the refrigerant must possess EPA-approved section 608 Type I, or universal certification.

- b. Mercury-based thermostats and fluorescent lighting must be removed safely and disposed of in accordance with EPA regulations.
- c. All asbestos containing material shall be disposed of by a AHERA certified professional.
- d. All Lead debris must be disposed of according to EPA LRRP guidelines.

8. Occupant Pre-existing or Potential Health Conditions

The occupants pre-existing health conditions may be worsened by installing weatherization measures. Subgrantees must have the client read, sign and date either at the time of the initial application for services or during the initial site visit. The health & safety assessment **must** be included in the project file. The client must receive in writing any known risks and be provided the opportunity to self-report known or suspected health concerns.

[See Exhibit 3](#) for the health & safety assessment form.

9. Mold & Moisture

All homes shall be visually/tactilely checked for previous or existing moisture problems. [See Exhibit 2](#) – Mold & Mildew Protocol for the Moisture Assessment Protocol.

Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long-term stability and durability of the measures.

Mold testing & remediation is not an allowable expense. A visual assessment is required on all projects to identify mold like substances & moisture issues. Identification of existing or potential moisture problems shall be documented in the client file. Any moisture problems found must be pointed out and discussed with the client. The mold and mildew checklist ([see Exhibit 2](#)) **must** be filled out at the time of the audit, signed, and dated by the client.

A copy of the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, should be given to the client.

Acceptable H&S expenditures to address moisture issues include:

- Minor roof repairs (\leq 100 sq. ft.) to stop moisture intrusion.
- Repairing minor plumbing leaks. (\leq \$1, 500)
- Venting clothes dryers to the exterior of the home.
- Venting Exhaust fans to the exterior of the home.
- Installing vapor diffusion retarders (ground cover) to cover soil crawlspaces.
- Installing additional mechanical ventilation to the home.

All Field Auditors/Inspectors must be trained in mold & moisture management by completing the Oregon Health and Safety Training course. If mold in the living space exceeds 10 sq. ft., then deferral may be required. Where severe Mold and Moisture issues exist anywhere in the structure and cannot be addressed, deferral is required. ([See Exhibit 2](#))

10. Drainage

Drainage consists of gutters, downspouts, extensions, flashing, sump pumps, landscape, etc. Major drainage issues are beyond the scope of the program. Any drainage repair issues must be treated as an incidental repair and are not an allowable health & safety expense. If the cost of the repair exceeds the cost-effective threshold, the project may be deferred. Clients should be informed of the importance of proper maintenance and cleaning of drainage systems. Agency staff should be aware of how to recognize drainage issues.

11. Code Compliance

Correction of preexisting code compliance issues is not an allowable cost other than where weatherization measures are being conducted. State and local (or jurisdiction having authority) codes must be followed while installing weatherization measures. Condemned properties and properties where “red tagged” health and safety conditions exist that *cannot* be corrected under this guidance should be deferred.

When code compliance issues are identified and repaired utilizing WAP funds, the specific code that triggered the code compliance issue must be documented in the client file.

Common code compliance issues addressed under the WAP Include but not limited to:

- Water heater T&P discharge pipe.
- Unsafe wiring in areas to be weatherized.
- Plumbing issues in areas to be weatherized.

Field Auditors/Inspectors staff must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to be aware of code compliance that will be required for weatherization measures. If any code compliance issues are identified, the client **must** be informed in writing describing conditions that must be met in order for weatherization work to commence.

12. Pests

Pest removal is allowed only where infestation would prevent weatherization. Infestation of pests may be cause for deferral where it *cannot* be reasonably removed or poses health and safety concern for workers. Screening of windows and points of access and incorporating pest exclusion into air sealing practices is allowed to prevent intrusion.

If pest hazards are identified, the client **must** be informed of observed condition and associated risks. Field Auditors/Inspectors staff must complete the Oregon Health and Safety Training course.

13. Injury Prevention of Occupants and Weatherization Workers

Workers must take all reasonable precautions against performing work on homes that will subject workers or occupants to health and safety risks. Minor repairs (\leq \$1,000) and installation may be conducted only when necessary to effectively weatherize the home; includes measures such as repairing stairs and replacing handrails. Replacement of stairs is not allowed with DOE funds. If hazards are identified, the client **must** be notified of observed hazards and associated risks by completing the Hazard Notification Form ([See Exhibit 3](#)).

Field Auditors/Inspectors must be able to recognize potential injury sources by completing the Oregon Health and Safety Training course.

VI. Indoor Air Quality

1. Ventilation

ASHRAE 62.2-2016 is required to be met to the fullest extent possible, when performing weatherization activity. Implementing ASHRAE 62.2 is not required where acceptable indoor air quality already exists as defined by ASHRAE 62.2. The specifics of ASHRAE 62.2-2016 are addressed in the Oregon Site Built and Manufactured Home Field Guide and Standards. All actions related to ASHRAE 62.2-2016, including ancillary requirements are acceptable health & safety expenses.

All agency Field Auditors/Inspectors must be proficient in the ASHRAE 62.2-2016 requirements and complete the Oregon ASHRAE 62.2 Training course.

Discuss and provide information to the client on function, use, and maintenance (including location of service switch and cleaning instructions) of ventilation system and components as applicable. Client must be presented with equipment manuals for all installed equipment.

2. Asbestos

Asbestos removal is **not approved** as a health and safety weatherization cost. Encapsulation by an AHERA certified professional is allowed if the 15% H&S limit is not exceeded. If major asbestos problems are encountered, the client **must** be notified of the potential hazard and the project may be deferred.

The Oregon Department of Environmental Quality (DEQ) requires an asbestos survey be performed by an AHERA certified individual on residential buildings when there is suspected asbestos containing material (ACM) **and** the project involves demolition or renovation. Surveys are limited to surfaces that will be disturbed through the process of weatherization. DEQ rules and guidelines must be followed for surveys, testing, handling, and disposal.

If suspected asbestos containing material (ACM) is found, it must be assumed to be asbestos unless it is tested by an AHERA approved lab to ascertain the asbestos content.

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The cost of testing is an allowable H&S cost. The DEQ allows for program staff to obtain a sample of suspected ACM on residential projects limited to a single suspect material impacted by weatherization.

Care must be taken when sampling suspected ACM to prevent disturbing the asbestos fibers. When suspected ACM are blown or troweled in place, (i.e. vermiculite or ceiling texture) it is recommended to take at least three samples.

Follow the DEQ protocol listed below when sampling suspected ACM.

- a. Wearing the appropriate Personal Protective Equipment (PPE), wet down the material with a light water mist before taking the sample. This reduces the potential release of asbestos fibers.
- b. Do not disturb the material any more than is necessary to take a small sample.
- c. Place the sample in a clean, "air-tight" container such as a zip-lock bag or small glass jar.
- d. Seal the container tightly.
- e. Use a damp paper towel to clean up any material on the outside of the container or that might have spilled onto the floor.
- f. Clearly label the container, stating where and when the sample was taken.
- g. Send the sample to a laboratory for analysis. Make sure to take one sample for each different type of suspect material.

Any material that tests higher than 1% asbestos by weight is considered asbestos containing material.

In addition to taking care when sampling suspected ACM, care must be taken during the work and audit to prevent "friable" asbestos fibers from being disturbed. "Friable" is defined as material that can be crumbled, pulverized, or reduced to powder by the pressure of an ordinary human hand. Blower door and duct leakage testing should be avoided. If a blower door is required, pressurize the home when testing. If there is no friable asbestos in the home, blower door and duct leakage testing is allowable.

When vermiculite is present, unless testing determines otherwise, the measure containing the vermiculite is to be deferred. Encapsulation by an AHERA asbestos control professional is allowed. Removal is not allowed.

It is allowable but not required, to remove cement/asbestos siding to install wall insulation as long as precautions are taken to prevent damage to the siding. Drilling, cutting or sanding of the siding is not allowed. Cement/asbestos siding is not considered friable. If asbestos siding is going to be removed, inform the client that suspected asbestos siding is present and how precautions will be taken.

With regard to pipes, boilers/furnaces and other small covered surfaces, assume asbestos is present in the covering materials unless testing shows otherwise. Encapsulation is allowed by an AHERA asbestos control professional and should be conducted prior to blower door testing. It is allowable but not required, to contain existing or suspected ACM. If the material is structurally sound and in good repair a “critical barrier” must be created around the material in an effort to not disturb the ACM. This does not constitute encapsulation according to DEQ and is considered a precautionary step to protect workers and clients in order to accomplish the goals of weatherization. Examples of this include but are not limited to:

- Painting popcorn ceiling texture (limited to airless sprayer – brush or roller not permitted).
- Covering white tape found on ductwork and HVAC with mastic or spray bonding primer.

Workers removing siding must be trained in proper removal and replacement of siding.

Field Auditor/Inspectors must be trained in recognizing asbestos hazards by completing the Oregon Health and Safety Training course.

Clients **must** be informed if test results are positive or asbestos is assumed and what precautions will be taken. Clients will be instructed not to disturb suspected asbestos containing material. Clients **must** be provided information on asbestos safety and steps to correct deferral conditions (where applicable). The clients are required to sign a hazard notification form ([See Exhibit 3](#)) verifying written receipt of positive test results or if asbestos is assumed. If weatherization work is deferred due to ACM and then later approached for weatherization, documentation must be provided that a certified professional performed the removal/remediation.

3. Radon

Where there is a previously identified radon problem, work that would exacerbate this problem should be deferred. Radon testing is allowed with DOE funding. Client must be provided test results and documented in the client file. Radon mitigation is *not* an allowable activity under DOE WAP. However, costs associated with taking precautions in a dwelling are allowable DOE Health and Safety expenditures. These measures have been identified to be weatherization techniques that assist in radon mitigation.

Required:

- Cover exposed dirt floors within the pressure/thermal boundary with a sealed soil gas retarder.
- Cover sump well/pits with airtight covers
- Implement ventilation as required by ASHRAE 62.2.2016.

Radon Testing Protocol:

DOE allows for testing for Radon in properties located in Zone 1 and 2. Mitigation is **not** allowed. Other H&S funds may be used to test regardless of Zone location.

- Zones are determined by Oregon Health Authority (OHA) Radon Program through one of the following resources:
 - Radon Risk Map:
<https://geo.maps.arcgis.com/apps/MapSeries/index.html?appid=f7691be8bc40430fa8480fc325287f7c>
 - Or Risk Level by Zip Code List:
<https://www.oregon.gov/oha/PH/HEALTHYENVIRONMENTS/HEALTHYNEIGHBORHOODS/RADONGAS/Documents/Radon%20Risk%20Level%20Zip%20Code%20Table.pdf>
 - NOTE: OR OHA Zones are identified as the following:
 - Zone 1 = High (colored red)
 - Zone 2 = Medium (colored yellow)
 - Zone 3 = Low (colored green)
 - Any area that is “Not Assigned” may be treated as “at risk” and allowed for testing and mitigation based on test results.
- Testing:
 - Short term testing (48 hours) post weatherization will be allowed for initial evaluation of Radon in Zone 1 and Zone 2 areas.
 - If short term testing shows levels of 50 Pico curies per liter (50 pCi/L) or higher, mitigation is allowed without further testing.
 - If short term testing shows levels from 4 to 49 pCi/L, a long-term test (3 months minimum) must be conducted to confirm long term average levels are above the action levels. If long term levels are above 4 pCi/L, then mitigation is allowed.

Mitigation Systems

- Radon Mitigation is allowed utilizing ECHO H&S, BPA H&S, and LIHEAP Wx funds.
- Systems to meet ASTM E2121 as directed by EPA Healthy Indoor Environment Protocols for Home Energy Upgrades.

Although DOE does not allow for mitigation, certain “precautionary measures” can be completed using DOE H&S funds. Allowable precautions include, but are not limited to:

- **REQUIRED:** Installation of ground barrier consisting of ≥ 6 mil polyethylene sheeting, lapped 6 – 12 inches and sealed at all seams, walls, and penetrations.
- **REQUIRED:** Air sealing sumps (airtight sump cover) in such a way that water can drain from above and below the cover.
- Installation of airtight drain fittings (e.g., trap or flange system) in foundation floor drains.
- Seal and caulk penetrations, openings or cracks in below-grade walls and floors that contact the ground with a sealant that meets the requirements of ASTM C920.
- Air sealing floor and/or foundation penetrations.
- Isolating the basement from the conditioned space.
- Ensuring crawlspace venting is adequate.

A copy of the EPA’s informational pamphlet, [“A Citizen’s Guide to Radon”](#) or the two page [“Basic Radon Facts”](#) **must** be provided to the client. An informed consent form ([see Exhibit 3](#)) is required to be signed by client and maintained in the client file. Consent form must include the following information:

- IAQ Study ([see Exhibit 3](#)) that details risk on increasing radon levels when building tightness is improved.
- A list of precautionary measures WAP may install based on the above-mentioned list.
- Some of the benefits of Weatherization including energy savings, energy cost savings, improved home comfort, and increased safety.
- Confirmation that the client has received the EPA’s [“A Citizen’s Guide to Radon”](#) or [“Basic Radon Facts”](#) and radon related risks were discussed with the client.

Field Auditors/Inspectors must have a working knowledge of radon by completing the Oregon Health and Safety Training course. Major radon problems should be referred to the appropriate local environmental organization or agency for mitigation. In extreme cases deferral may be an option.

4. Formaldehyde and Volatile Organic Compounds (VOCs)

Formaldehyde, tobacco smoke, thinners, solvents, cleaners, and any other substances capable of negatively impacting indoor air quality are identified through the On-site inspection process. Basic strategies such as proper storage and ventilation are used to

eliminate problems. However, this is primarily an occupant responsibility. In some cases, deferral may be an option. Removal of pollutants is allowed and is required if they pose a risk to workers. If pollutants pose a risk to workers and removal *cannot* be performed or is not allowed by the client, the unit **must** be deferred.

Clients must be informed of observed conditions and associated risks. Where applicable, the client must be given written information and explanation on safety and proper disposal of household pollutants

Spray polyurethane foam (SPF) is an effective insulation and air sealant material; however, exposures to its key ingredient, isocyanates, and other SPF chemicals that may be found in vapors, aerosols, dust, or on surfaces during and for a period of time after installation can cause adverse health effects such as:

- Asthma, a potentially life-threatening disease
- Sensitization, which can lead to asthma attacks if exposed again
- Lung damage
- Other respiratory and breathing problems
- Skin and eye irritation

When installing SPF, follow these steps to control exposures:

- Review label and product information for ingredients, hazards, directions, safe work practices, and precautions
- Ensure safe work practices are followed to prevent eye, skin, and inhalation exposures during and after SPF installation
- When working outside the building envelope, check for pathways that will allow fumes to migrate into the conditioned space, isolate the area where foam will be applied, take precautions so that fumes will not transfer to the conditioned space. During use, perform a sensory inspection to ensure fumes do not enter the conditioned space. If fumes are detected, exhaust fumes to the outside of the home.
- When working inside the envelope, exercise caution when determining if occupancy of the dwelling is safe for unprotected occupants and workers based on the manufacturer's recommendation. Consider relocation of clients on a case-by-case basis.

Notify the client of plans to use two-part foam and the precautions that may be necessary. Installers must be trained in proper use of specific SPF products being used. SDS sheets are mandatory for any foam product used and a thorough understanding of the temperature sensitivity of the product in use is required.

Field Auditors/Inspectors must be able to recognize potential hazards by completing the Oregon Health and Safety Training course.

VII. Lead-Based Paint

1. Poisonous Lead Based Paint

- a. Lead is a poison, *most* dangerous in the form of dust and fumes. Childhood lead poisoning is linked to reduced intelligence, low attention span, reading and learning disabilities, juvenile delinquency, behavioral problems, and other adverse health effects. Nearly one million children have excessive levels of lead in their blood, making lead poisoning a leading childhood environmental disease. Lead-based paint, along with the contaminated dust and soil it generates in housing, is the major remaining source of exposure and is responsible for most cases of childhood lead poisoning today. Levels of lead dust created by typical weatherization work (specifically, windows and doors) in older housing with lead-based paint are likely to be above EPA clearance levels, and therefore pose a substantial risk to children.

2. Lead Renovation, Repair, and Painting Program

- a. In April 2008, the Environmental Protection Agency (EPA) published the “Lead Renovation, Repair, and Painting Program” Final Rule (LRRP Final Rule) which was implemented on April 22, 2010. This rule specifically cites Weatherization in several places as an activity that falls under the rule, and thus, has a direct impact on how the Weatherization Program proceeds.
- b. It is important to remember that the Weatherization Assistance Program legislated purpose is to install energy efficiency measures in Weatherization clients’ homes, in order to lessen their energy cost burden. WAP is **not** funded to do lead-based paint abatement work, or to do lead-based paint hazard control or stabilization.
- c. In the process of weatherizing a home, workers sometimes encounter and have to disturb painted surfaces that are known or presumed to contain lead-based paint. When that happens:
 - c1. DOE funds may be used to minimize the potential hazard associated with the specific painted surfaces that workers are directly disturbing in the course of installing an energy efficiency measure.
 - c2. DOE funds may **not** otherwise be used for abatement, stabilization, or control of the lead-based paint hazard that is in the house.
 - c3. Work that is needed in conjunction with Weatherization activities that disturb surfaces having lead-based paint, to prevent the generation of lead-based paint dust and residues, is allowable as long as the work is associated with installing energy efficiency measures.

- d. All state monitors, agency and contract auditors/Inspectors are required to be a certified LRRP renovator. At least one owner or employee of a contractor's business is required to be a certified LRRP renovator. All renovators must complete the eight-hour Renovation, Repair and Painting (RRP) training from an accredited training provider for initial certification and subsequent four-hour refresher courses.
- e. Certified renovators must train workers to install measures in a lead-safe manner in accordance with the SWS and EPA protocols and the project must oversee the project for compliance with LRRP rules.
- f. Testing in a home for lead in a painted surface, when it is done, is limited to only those surfaces that will be disturbed. Testing for lead-based paint is **not** an allowable weatherization expense; except, when it is related to the installation of energy efficiency measures. LRRP must be applied to all pre-1978 housing, unless there is existing evidence that the home has been certified as being lead-free or no lead paint will be disturbed.

One of the following methods must be used to determine the paint to be disturbed is not lead-based paint:

- f1. Written determination by certified lead inspector or risk assessor; OR
- f2. Proper use of EPA-recognized test kit provided agencies (documenting manufacturer and model of test kit used, description and location of components tested, and test kit results)

Tests must be performed by a Certified Renovator, per EPA final rule. Approved kits will be posted at: <http://www.epa.gov/lead/>

- g. When Weatherization crews disturb surfaces that may have lead-based paint, they **must** exercise caution to keep any dust that is generated from becoming a hazard to the clients, to themselves, or to their families.

Client Notification

- a. For occupied homes, the Weatherization staff, crew, or contractor must have an adult tenant, homeowner, or homeowner's representative sign an acknowledgement after receiving the pamphlet.
- b. The pamphlet can also be sent by certified mail with receipt to be placed in the client file.
- c. In multi-unit housing, the sub-grantee must:
 - c1. Provide written notice to each affected unit (notice must describe: general nature and locations of the planned renovation activities; the expected starting and ending dates; statement of how occupant can get pamphlet at no charge); OR
 - c2. Post informational signs (signs must describe general nature and locations of the renovation and the anticipated completion date) and post the EPA pamphlet. (If

pamphlet is not posted then agencies are required to provide information on how interested occupants can review a copy of the pamphlet or obtain a copy at no cost from the Weatherization Program).

- c3. Delivery to owner/occupant. Owner's and/or occupant's signature with acknowledgment or certificate of mailing. The owner/occupant must acknowledge receipt of the EPA pamphlet prior to start of renovation that contains the address of unit undergoing renovation, name and signature of owner or occupant, and the date of signature. It must be in same language as "contract for renovation" for an owner occupied (or the same language as the lease for occupant of non-owner occupied) target housing.
- d. If the Weatherization Program cannot get a signed acknowledgment (either the occupant is not home or refuses to sign the form), then the self-certification section of the form must be signed to prove delivery.
- e. The acknowledgement form must be filed and remain with the client file for three (3) years from date of signature.
- f. In addition to providing a copy of the pamphlet to owners and occupants, designated local agency staff (e.g., intake specialist, auditor, crew chief) must discuss the hazards associated with lead-based paint and lead dust, and describe how they will conduct LRRP in the home.

Compliance with EPA's LRRP Rule Requirements

1. To comply with EPA's LRRP Rule requirements, specific verification inspection procedures are required as outlined in the April 22, 2008, rule.
 - a. Occupants' belongings **must** be protected from lead contamination. This can be done by removing them from the work area or covering them in protective bags and sealing it to prevent dust from getting on the items.
 - b. The work site **must** be set up to prevent the spread of leaded dust and debris.
 - c. Warning signs **must** be posted at entrances to the worksite when occupants are present; at the main and secondary entrances to the building; and at exterior work sites. The signs must be readable from 20 feet from the edge of the worksite. Signs should be in the occupants' primary language, when practical.
 - d. The work area **must** be contained. If containment cannot be achieved with occupants in the unit (e.g., work will take several days and involves the kitchen, bathrooms, or bedrooms that cannot be sealed off from use), occupants **must** move out of the unit or the work **must** be deferred until containment can be achieved.
 - e. A Certified Renovator **must** supervise and inspect Weatherization work of any type and scale to ensure it is being done properly.

- f. Ensure containment does not interfere with occupant and worker egress in an emergency.

2. Prohibited Work Activities

The following are frequent questions related to prohibitions when working in pre-1978 homes:

- a. **NEVER** use reusable cloth or fabric, such as a painter's drop cloth, as protective containment sheeting. Polyethylene and in some cases when working on the exterior garden fabric are the only acceptable protective containment sheeting and **must** never be reused.
- b. **NEVER** use brooms and shop vacuums for cleanup. Wet cleaning and HEPA vacuums are the only acceptable methods for cleanup.
- c. **NEVER** use a conventional shop vacuum with HEPA filters – only HEPA-designed vacuums are acceptable for LRRP.
- d. **NEVER** turn leaded paint into leaded dust by dry scraping or sanding (unless needed around electrical outlets) or grinding, abrasive blasting or planing.
- e. **NEVER** use an open-flame torch or heat gun above 1100°F to remove paint or window glazing. Open flame/high heat methods to remove paint create fumes that are dangerous for workers to breathe. Small lead particles created by burning and heating also settle on surrounding surfaces and are very hard to clean up.

Containment

Containment is anything that stops any dust or debris from spreading beyond the work area to non-work areas. The level of containment **must** be determined by the auditor/inspector or supervisor before work is assigned to a crew or contractor.

- 1. To comply with EPA's LRRP Rule requirements, a Certified Renovator is required at the jobsite to assess and set up the containment site.
 - a. **NEVER** - allow residents and pets access to the work area while work is underway.
 - b. **NEVER** - open windows and doors allowing lead dust to float into other parts of the building or outside.
 - c. **NEVER** - allow furniture and other objects to remain in the Weatherization work area while Weatherization work is being performed unless they are covered and sealed in polyethylene sheeting or bags.
 - d. Every home and every specific weatherization measure is unique; therefore the level of containment required will be based on the hazards present, the age of the home, the scope of work activities, and any customer health issues.

Containment Requirements

2. Containment is required when weatherization activities will disturb *more than* 6 ft² of interior surface per room, **or** 20 ft² of exterior surfaces in homes built prior to 1978.
 - a. Containment consists of methods that define a work area that will not allow any dust or debris from work area to spread.
 - b. Containment requires the covering of all horizontal surfaces, constructing barrier walls, sealing doorways, covering HVAC registers with approved materials, and closing windows to prevent the spread of dust and debris.
 - c. Measures requiring Containment *may* include:
 - c1. Drilling holes in interior walls.
 - c2. Drilling holes in exterior walls, removing painted siding.
 - c3. Cutting attic access into ceiling or knee walls.
 - c4. Planning a door in place.
 - c5. Replacing door jambs and thresholds.
 - c6. Repairing windows.
 - c7. Furnace replacements.
 - d. Containment **must ALWAYS** be used where any of the following is conducted (even if the activities will disturb less than the hazard de Minimis levels):
 - d1. Window and door replacement.
 - d2. Demolition of painted surface areas.
 - d3. Using any of the following:
 - (1) Open flame burning or torching;
 - (2) Machines to remove paint through high-speed operation without HEPA exhaust control; **or**
 - (3) Operating a heat gun at temperatures at or above 1100 degrees Fahrenheit.
3. Interior Cleaning Requirements
 - a. Collect all paint chips and debris, and seal in heavy duty plastic bags.
 - b. Mist, remove, fold (dirty side in) and tape or seal protective sheeting.

b1. Dispose of sheeting as waste.

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- c. Plastic sheeting between non-contaminated rooms and work areas **must** remain in place until after cleaning and removal of other sheeting.
 - d. HEPA vacuum or wet wipe walls from high to low, then HEPA vacuum remaining surfaces and wipe with a damp cloth.
 - e. Clean 2 feet beyond the contained work area.
 - f. Use disposable wipes or change cloths frequently.
 - g. For carpet or rug, use HEPA vacuum with beater bar.
 - h. HEPA vacuum and wet mop uncarpeted floors - two-bucket mopping method or wet mopping system.
4. Visual Inspection Procedure
- a. Conducted by Certified Renovator.
 - b. Put on disposable foot covers before entering the work area.
 - c. Make sure there is adequate lighting in the work area.
 - d. Turn-on all of the lights or use a bright, white-light flashlight.
 - e. Systematically look for dust and debris on every horizontal surface in the work area and 2 feet beyond.
 - f. Work from the farthest area from the entry to the entry.
 - g. Closely examine each surface.
 - h. If you find visible dust or debris, then re-clean the work area and repeat step 4.
 - i. Once you have carefully looked at all of the surfaces and found no dust or debris, proceed to the cleaning verification procedure, or clearance.
5. Cleaning Verification (CV) Procedure
- a. Wipe each window sill within the work area. Use a single wet disposable cleaning cloth per Window sill.
 - b. Wipe uncarpeted floors and all countertops with wet disposable cleaning cloths. Wipe up to a maximum of 40 ft² per cloth.
 - c. Compare each wipe to the CV card. If the cloth matches or is lighter than the CV card, the surface has passed cleaning verification and no further action is required.
 - d. If the cloth is darker than the CV card, re-clean and repeat the CV process.

- e. If the second wet cloth fails, wait 1 hour or until surfaces are dry, and then wipe with an electrostatically charged white disposable cleaning cloth designed to be used for cleaning hard surfaces. This completes the cleaning verification.
6. Clearance Examination (Dust Clearance Testing) – Optional under the RRP Rule.
 - a. Dust clearance testing may be performed to check the effectiveness of the cleaning efforts.
 - b. Clearance is an option under the EPA Renovation, Repair, and Painting Rule and is required by the HUD Rule in many cases.
 - c. Dust clearance testing is performed to check the effectiveness of cleaning efforts.
 - d. In some cases, dust clearance testing may be required as part of “clearance” (a regulation defined process to ensure that a work area is not contaminated with lead dust after work is completed). Cleaning verification need not be performed if dust clearance testing is required at the conclusion of a renovation. In such cases, dust clearance testing may only be performed by a Certified Lead Inspector, Risk Assessor, or Dust Sampling Technician. The Certified Renovation Firm is required to re-clean the work area until dust-lead levels in the work area meet the clearance standards. Some state, local, and tribal laws may require a clearance examination following renovation and remodeling work, to levels that differ from the Federal clearance standards. The selection of a CV or a clearance examination will be based on regulatory requirements or the renovation contract.
 7. Exterior Cleanup Requirements
 - a. Clean all surfaces in the work area until no visible dust, debris, or residue remains.
 - b. Remove all dust and debris without dispersal, and seal in heavy plastic bags.
 - c. Remove protective plastic sheeting and mist before folding it dirty side inward.
 - d. Check your work.
 - e. Focus on areas such as windowsills, bare soil, and children’s play areas.
 - f. Look for dust, debris, and paint chips.
 8. Exterior – Check Effectiveness of Cleaning
 - a. Visual inspection
 - b. A Certified Renovator conducts a visual inspection after any cleaning.
 - c. Determines if any visible dust and debris are present in and beyond the boundaries of the work area.
 - d. If visible dust or debris are found, collect and dispose of all paint chips, dust, and debris identified during the visual inspection.

- e. After re-cleaning, the Certified Renovator conducts another visual inspection.
- f. When all areas pass, warning signs may be removed.

9. Disposal

- a. Place waste in heavy duty plastic bag.
- b. “Gooseneck seal” the bag with duct tape.
- c. Carefully dispose of waste in accordance with Federal and other regulations.
- d. HEPA vacuum the exterior of the waste bag before removing it from the work area.
- e. Store waste in a secure area.
- f. Waste may be disposed of as household waste.

10. Deferral Policy Related to Lead-Based Paint

In determining whether to defer or postpone weatherization work on a home that has tested positive for lead-based paint or is assumed to have lead-based painted surfaces, agencies should assess the following:

- a. Is the agency prepared to work with lead-based paint? Have workers received the required training in LRRP protocols and, if the housing is also HUD financially assisted? Is the necessary equipment, such as HEPA vacuum cleaners, available? Does the agency's liability insurance cover work with lead-based paint?
- b. What is the condition of the painted surfaces in the house? Is it so seriously deteriorated that a work person's presence just walking around the house is enough to stir up lead-based paint dust that is a threat to the clients and workers?
- c. What is the extent to which the specific energy efficiency measures determined by the audit will disturb painted surfaces? Will the disturbance generate dust in excess of OSHA minimums?
- d. Will the cost of doing LRRP work represent a large portion of the total cost and exceed the amount allowed in the State's Health and Safety Plan?
- e. Using the above answers, the agency should conclude one of the following:
 - e1. Proceed with all the weatherization work, following LRRP work practices; **or**
 - e2. Defer all of the weatherization work.

Note: An individual measure may be deferred only if it has the lowest SIR in the prioritized list.

- f. Deferral means postponing work until the agency is prepared to work with lead-based paint, or until another agency has corrected the problem so that weatherization can be safely performed. Weatherization work should not be deferred solely because there is lead based paint in the home. Even in such a home, regular weatherization work that does not disturb painted surfaces and does not stir up lead-based paint dust can be done.

11. Funding for LRRP Weatherization

- a. DOE funds may be used to pay for weatherization activities that disturb lead-based painted surfaces while installing energy efficiency measures or for case-by-case testing.
- b. DOE funds shall not be used for abatement, stabilization or control of lead-based paint hazards, or routine entrance and clearance testing.
 - b1. However, U. S. Department of Housing and Urban Development (HUD) funds such as Community Development Block Grant (CDBG), lead hazard control programs and Home Repair and Rehabilitation Program funds may be used to do this work.
 - b2. Also, U. S. Department of Health and Human Services' (HHS) Low Income Home Energy Assistance Program (LIHEAP), may be used for certain expenses related to LRRP Weatherization.
- c. Specifically, for DOE funding, agencies should budget LRRP Weatherization costs under Health and Safety as a separate cost category, excluded from the calculation of average cost per home. LRRP Weatherization costs include labor and materials. LRRP costs must be itemized separately from measure costs.

12. Liability Insurance

In "Weatherization Program Notice 02-6," DOE recommends that agencies have sufficient insurance coverage before performing weatherization work that will disturb surfaces that may contain lead-based paint. OHCS recommends Pollution Occurrence Insurance (POI) for both agencies and subcontractors.

- a. POI is purchased for the lead hazard control work associated with weatherization and rehabilitation. It is likely that POI will need to be added to an agency or subcontractors general liability insurance coverage.
- b. If agencies or their subcontractors are performing Lead-based Paint Inspections or Risk Assessments; Errors and Omissions Insurance (EOI) is required. Errors and Omissions Insurance is purchased for lead-based paint inspections, risk assessments and clearance tests.
- c. Agencies can request a grace period of 6 months from OHCS for the insurance. However, agencies are required to either refer or defer weatherization work that will disturb surfaces that may contain lead-based paint, until they have insurance that will provide coverage for

Lead Safe Weatherization work (and, in some cases involving repair and rehabilitation, Lead-based Paint Hazard Control work).

- d. The cost of this insurance is an allowable DOE expense

13. LRRP Weatherization Training

OHCS will continue with the help of OTI to make training available for the Lead Based Paint Renovation, Repair and Painting Program (RRP).

- a. The Oregon Health Authority (OHA) and the Construction Contractors Board (CCB) are charged with operating the Renovation, Repair and Painting (RRP) program.
- b. For agencies and contractors with a CCB license, the program is a Certified Lead Based Paint Renovation (LBPR) Contractor License. CCB issues the annual license to contractors that have completed RRP training.
- c. Agencies that work on “target housing” and “child-occupied facilities” but are not required to have a CCB license should contact the Oregon Health Authority for information.
- d. **OHCS requires all Subgrantees, and their subcontractors to be certified firms.** Firms must apply to the appropriate state agency for certification to perform weatherization.
 - d1. To apply, a firm must submit to either the CCB or OHA depending on the type of entity, an application, signed by an authorized agent of the firm and pay the correct amount of fees.
- e. Firms performing weatherization must ensure that:
 - e1. All individuals performing activities that disturb painted surfaces on behalf of the firm are either certified renovators or have been trained by a certified renovator.
 - e2. A certified renovator is assigned to each weatherization project and performs all of the certified renovator responsibilities.
 - e3. All weatherization measures completed by the firm are performed in accordance with the work practice standard of the Lead-Based Paint Renovation, Repair, and Paint Program.
 - e4. Pre-weatherization education requirements of the Lead-Based Paint, Repair and Painting Program are performed.
 - e5. The programs recordkeeping requirements are met.
- f. To become a certified renovator an individual must successfully complete an eight (8) hour initial renovator training course by an accredited training provider (training providers are

accredited by EPA, or by an authorized state or tribal program). The course completion certificate serves as proof of certification.

- g. Certified renovators are responsible for ensuring overall compliance with the Lead-Based Paint Renovation, Repair, and Painting Program's for lead safe work practices at weatherization sites they are assigned. A certified renovator:
 - g1 **Must** use a test kit acceptable to EPA, when required by weatherization services, to determine whether components to be affected by the weatherization contain lead.
 - g2 **Must** provide on-the-job training to workers on the work practices they will be using in performing their assigned tasks.
 - g3 **Must** be physically present at the work site when warning signs are posted, while the work-area containment is being established, and while the work-area cleaning is performed.
 - g4 **Must** regularly direct work being performed by other individuals to ensure that the work practices are being followed, including maintaining the integrity of the containment barriers and ensuring that dust or debris does not spread beyond the work area.
 - g5 **Must** be available, either on-site or by telephone, at all times weatherization is being conducted.
 - g6 **Must** perform project cleaning verification.
 - g7 **Must** have with them at the work site copies of the initial course completion certificate and their most recent refresher course completion certificate.
 - g8 **Must** prepare required records.
- h. To maintain their certification, renovators and firms **must** be re-certified by the appropriate state agency as required.
 - h1. A firm **must** submit to the appropriate state agency, a completed application, signed by an authorized agent of the firm, and pay the correct amount of fees.
 - h2. Renovators **must** successfully complete a refresher training course provided by an accredited training provider.

14. Record Keeping Requirements

- a. All documents **must** be retained in the client file for three (3) years following the completion of the weatherization project.
- b. Records that **must** be retained include:

- b1. Reports certifying that lead-based paint is not present.
- b2. Records relating to the distribution of the lead pamphlet.
- b3. Any RRP training provided on-site.
- b4. Description of specific actions taken.
- b5. Lead testing and assessment documentation.
- b6. Photos of site and containment set up.
- b7. Documentation of compliance with the requirements of the Lead-Based Paint Renovation, Repair and Painting Program.

OHCS will verify certified firm and Renovator status at each monitoring visit. In the event OHCS identifies non-compliance issues appropriate sanctions may apply. If deficiencies are identified in Subgrantee program operations, including compliance with EPA LRRP requirements, OHCS will respond by working with the Subgrantee to provide training and technical assistance to correct deficiencies. Sanctions may include but not be limited to withholding of funds, disallowance of costs, suspension of contract, or termination of contract. OHCS shall inform the Subgrantee of any appeal rights and procedures to state and federal authorities in the sanction transmittal.

VIII. Building Structure

Building rehabilitation is beyond the scope of the Weatherization Assistance Program; however, program workers frequently encounter homes in poor structural condition. Dwellings whose structural integrity is in question should be referred to other funding sources such as HOME Investment Partnership program (HOME), Community Development Block Grant (CDBG), and U.S. Department of Agriculture, Rural Development (RD). Weatherization services may need to be delayed until the dwelling can be made safe for crews and occupants (see Section XIII. Deferral Standards).

1. Incidental Repairs

Incidental repairs necessary for the effective performance or preservation of weatherization materials are allowed. When a repair activity is a component of an energy efficiency measure that is being installed then the installation and materials are part of the efficiency measure and are classified as incidental repair. The cost of incidental repairs must be included in the cost of the package of measures. The entire package of measures installed on a project, including incidental repair costs, must be cost justified with an SIR of 1.0 or better.

Incidental repairs must be justified in the client file with an explanation for their need and a relationship to a specific energy conservation measure (ECM).

Ancillary items necessary for proper installation of weatherization materials are not considered incidental repairs. These items include small items such as nails/screws, other fasteners, adhesive,

sealant, etc. Ancillary items are items required by materials manufacturers; general construction and /or WAP field standards to achieve a finished product in a typical installation where no unusual or extensive repairs are needed. The costs of ancillary items and installation are to be included in the cost of an individual ECM when calculating the SIR for the individual ECM.

Examples of ancillary items include:

- a. **Ceilings:** Eave baffles, dams for heat producing fixtures, hatch dams and normal items needed to batt & weatherstrip accesses.
- b. **Floors:** Twine/lath, normal items needed to batt & weatherstrip interior accesses, Water pipe insulation.
- c. **Walls:** Sealing high and low openings in balloon framed homes, removing/replacing siding, Plugging, patching and priming access holes.

Examples of incidental repairs include:

- a. **Ceilings:** Adding attic vents, screening vents or openings to preserve the insulation, repairing damaged ceiling to allow for insulation to be installed, framing repairs necessary to properly weatherstrip accesses, roof membrane to protect insulation on a manufactured home or minor roof repairs on site-built homes.
- b. **Floors:** Screening vents and accesses to preserve the insulation, repairing water-damaged flooring to allow for installation of floor insulation, repairing large holes in a manufactured home rodent barrier.
- c. **Walls:** Sealing large, unusual openings such as voids between double ceilings or holes in walls.

2. Building Structure & Roofing

Building rehabilitation is beyond the scope of the Weatherization Assistance Program. Homes with conditions that require more than incidental repair should be deferred.

Field Auditors/Inspectors must perform a visual inspection and ensure that access to areas necessary for weatherization is safe for entry and performance of assessment, work, and inspection. Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to be aware of how to identify structural and roofing hazards. The client must be notified of any structurally compromised areas identified and steps that are necessary to correct the deficiencies.

3. Electrical Issues

- a. **Knob and Tube Wiring:** Electrical inspection by a licensed electrician is required for each building component (attic, walls, floor) containing knob-and-tube wiring for which insulation is proposed, prior to insulation being installed. Repairs, if necessary, are to be made before insulation work can proceed.

- a1. The electrician **must** certify the knob-and-tube wiring in each component is safe for insulation by the completion of the Knob-and-tube Inspection Form.
- a2. A Copy of the form **must** be placed in the client's file.
- a3. The cost of electrical inspection and minor electrical repairs must be charged to the Health and Safety category.
- b. Minor Repair: Minor electrical repairs (\leq \$1,250) are allowed where the health & safety of the occupant is at risk. Upgrades and repairs are allowed when necessary to perform specific weatherization measures.
- c. Should auditors and crews find serious electrical hazards, they shall notify the owner. (see hazard notification form- Exhibit 3) Weatherization measures that involve the installation of new equipment such as air conditioners, heat pumps, or electric water heaters can exacerbate previously marginal overload problems to hazardous levels.
 - c1. The problem shall also be noted in the client file.
 - c2. To the extent that these problems prevent adequate weatherization, the agency shall consider repairing them if other funding sources are available to offset costs in excess of the 15% of the ACPU H&S limit.
 - c3. If serious electrical hazards cannot be repaired, the project must be deferred. Client must receive information on over-current protection, overloading circuits, and basic electrical safety/risks.

Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to be aware of how to identify basic electrical hazards.

Where applicable, discuss and provide information to the client on the hazards of overloading circuits, basic electrical safety/risks and over current protection.

4. Windows & Doors

- a. WPN 17-7 made it clear that windows and doors **cannot** be completed as a health & safety measure using DOE funds. However, the memo indicates that windows & doors can be done as an incidental repair.
- b. In order to qualify for replacement as an incidental repair, the door/window must meet the following:

A window or door must be severely damaged and irreparable before it can be replaced as an incidental repair. Photo documentation **must** be included in the file showing clear evidence that **each** door and/or window being replaced could not be repaired.

A window or a door replaced as a repair **must** be attributed to a measure that replacement will be impacting such as air infiltration. There must be adequate proof (blower door test) showing excessive infiltration in the home.

If a window or door meets the above criteria, the costs associated with the window/door must be grouped in REM/*Design*TM following the incidental repair protocol. If the overall SIR is 1.0 or better, DOE funds may be used to replace the window/door.

Note: Broken glass that presents a hazard may be replaced under the H&S category.

Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)).

IX. Heating & Air Conditioning

Heating system repair or replacement shall be identified and charged as either a Health and Safety (H&S) measure OR a Cost-Effective measure. It cannot be both.

Before a heating system can be paid for under H&S, it shall be run through REM/*Design*TM and proven to be not cost effective.

- Any heating system replaced **must** be justified as not cost effective before it can be attributed to H&S.
- The entire heating system cost shall be attributed to **either** H&S or as a cost-effective measure.

A copy of the REM/*Design*TM report deeming the heating system cost effective or not must be included in the file as documentation.

Heating system repair and replacement is an allowable health & safety cost. All of Oregon is a heating climate. Oregon, as a whole, averages 5250 HDD. An operable heating system is required in all areas of the state.

It is up to the Subgrantee to determine whether or not a repair to a heating system or if replacing is the best option. Factors such as overall condition of the system, age of the system, cost of any repairs, and efficiency of the system should be considered in making this decision. The following factors are acceptable reasons for a H&S repair or replacement:

- Inadequate heating capacity
- Non-existent heating system
- Red tagged or inoperable heating systems
- Heating systems that are operating in an un-safe manner

Unsafe secondary units, including space heaters, must be repaired, or removed and disposed of, or deferral is required. **Removal of un-vented combustion space heaters is required.**

Replacement heating systems must meet the requirements of newly installed equipment as outlined in the Field Guide.

A properly operating heating system is important for the overall health and well-being of the household. Therefore, furnace tune-ups and routine maintenance are allowable health & safety expenses.

Although Oregon is predominately a heating climate, there are times during the year that all areas may require air conditioning for at risk clients. Air conditioning systems are not an allowable expense unless the client is determined to be at risk.

To be considered at risk, a client **must** have a signed and dated statement from their physician stating that either the clients' health will be jeopardized if they are exposed to extreme heat or that the clients' health is such that they cannot be exposed to outside pollutants without risk to their health. The signed statement from the clients' physician **must** be included in the file as documentation.

Documentation of the thought process and reasoning of repair/replacement of a heating system is required in the project file. Licensing and/or certification for HVAC installations as required by authority having jurisdiction (AHJ).

Client Education:

- Discuss with client and provide information on appropriate use and maintenance of heating systems.
- Provide all paperwork and manuals for any installed equipment.
- Discuss and provide information on proper disposal of bulk fuel tanks when not removed as part of the weatherization work.
- Where combustion equipment is present, provide safety information including how to recognize depressurization, dangers of CO poisoning, and fire risks associated with combustion appliance use.

Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to evaluate heating systems.

Space Heaters

1. **Stand-Alone Electric Space Heaters** – Replacement of electric space heaters using DOE funds is *not* allowed. OHCS will not preclude the use of other funding sources for the replacement or major repair of electric space heaters. Work on such systems may make local

agencies liable for inadequate electric wiring and damages that may result. Removal is recommended whenever possible.

When electric space heaters are encountered, the agency should check circuitry to ensure an adequate power supply for existing space heaters. Clients must be informed of the hazards associated with electric space heaters and collect a signed waiver if removal is not allowed.

2. **Un-vented Combustion Space Heaters – Removal of un-vented combustion space heaters is required.** Inform client of dangers of unvented space heaters - CO, moisture, NO₂, CO can be dangerous even if CO alarm does not sound. If clients will not allow for removal of un-vented combustion space heaters, deferral of the project is required.
3. **Vented Combustion Space Heaters** - Vented combustion space heaters should be treated the same as furnaces. All required combustion testing listed in section V – 2 of Appendix D must be performed. Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C](#)-T&TA Plan) to evaluate vented combustion space heaters to evaluate.

Solid Fuel Heating (Woodstoves etc.)

Maintenance, repair, and replacement of primary indoor heating units is allowed where occupant health and safety is a concern. Maintenance and repair of secondary heating units is allowed. Visual inspection of chimney, flue and combustion appliance zone depressurization testing is required.

Clients should be made aware of safety hazards associated with solid fuel heating including depressurization issues that can potentially cause back drafting. Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C](#)-T&TA Plan) to ensure proper techniques for testing worst case depressurization and inspection.

X. Water Heating & Appliances

Health and Safety funds may be utilized for minor safety repairs. These include but are not limited to: T&P valves and pipe installation and replacement, backflow prevention device installation or replacement (as required by AHJ), expansion tank installation or replacement (as required by AHJ). Replacement of water heaters is allowed as a health & safety cost under the following conditions:

1. The water heater is leaking and not repairable.
2. The water heater is inoperable, and repairs are not possible, or the age of the tank makes repairs impractical.
3. Combustion water heaters that cause a health hazard. (i.e. - Excess CO, draft issues, CAZ issues that cannot be addressed etc.)
4. Electric water heaters that cause a health hazard. (i.e. – wiring issues, missing covers etc.)

Installation of primary water heaters are allowable with DOE H&S funds when existing water heaters are nonexistent.

Other types of equipment such as dryers, ranges/cook stoves, etc. may only be cleaned, tuned, or repaired with DOE funds. If these types of appliances require replacement, other funding sources must be utilized.

All appropriate combustion safety testing listed in section V – 2 must be performed on all combustion appliances.

Discuss and provide information as necessary on appropriate use, maintenance, and disposal of appliances/water heaters.

Field Auditors/Inspectors must receive BPI or REA certifications ([See Appendix C-T&TA Plan](#)) to ensure proper combustion testing techniques.

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XI. Deferral Standards

The decision to defer work on a dwelling without providing weatherization services is difficult, but necessary in some cases. Many problems encountered in low-income housing are beyond the scope of the Weatherization Assistance Program. Deferring weatherization work does not mean that assistance will never be available, but that any work must be postponed until the problems can be resolved, and alternative sources of help be found as necessary.

1. Agencies (Subgrantees) should develop guidelines and a standardized form. The form should include:

- a. Client's name and address.
- b. Date of the audit/assessment.
- c. Date the client was informed of deferring weatherization.
- d. A clear description of the problem, conditions under which weatherization could continue, the responsibility of all parties involved, and the client(s) signature(s) indicating that they understand and have been informed of their rights and options.

2. Deferral Conditions May Include:

- a. The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
- b. The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent, and the conditions *cannot* be resolved in a cost-effective manner.
- c. The house has sewage or other sanitary problems that would further endanger the client and the weatherization installers if weatherization work were performed.
- d. The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building official or utilities.
- e. Moisture problems are so severe they cannot be resolved under existing health and safety measures and minor repairs.
- f. Dangerous conditions exist due to high carbon monoxide levels in combustion appliances and cannot be resolved under existing health and safety measures.
- g. The client is uncooperative, abusive, or threatening to crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
- h. The extent and condition of lead-based paint in the house would potentially create further health and safety hazards.

- i. In the judgment of the energy auditor, any condition exists which may endanger the health and/or safety of the work crew or subcontractor, the work should not proceed until the condition is corrected.

Agencies (Subgrantees) are expected to actively pursue all alternative options on behalf of the client, including referrals, and use good judgment in dealing with difficult situations. Clients must be offered a chance to appeal deferral decisions using the agencies appeals process. Once the reasons for deferral have been addressed, the home can be reconsidered for the weatherization program. If the eligibility has not been determined within the last year, it must be updated to determine whether the home is still eligible and has the same priority for weatherization services.

XII. COVID-19 and Infectious Diseases

Weatherization contractors and Agency staff are required to enter client homes to install energy conservation measures, perform audits, inspections, and other weatherization work as needed. As we have been impacted by COVID-19, we reserve the right to implement protections for our workers as well as our clients by prescreening households for known or suspect health conditions prior to each home visit. Agencies or clients may choose to defer weatherization due to any infectious disease concerns without penalty. When the client is ready for work to proceed, the job shall be moved to the top of the queue for the completion of work.

This guidance is in place and applies to working under best-practice provisions for COVID-19 as well as in situations for households with clients that experience compromised immune systems or considered “at risk”.

Additional costs for PPE and time associated with Infectious disease protections are an allowable H&S expense. Costs associated with COVID safety protocols must be tracked as H&S- COVID in OPUS.

Appendix E - Oregon Quality Control Inspector Policies and Procedures

Overview

Subgrantees are required to perform a quality control inspection (QCI) at the conclusion of each single family, manufactured home, and multi-family Weatherization project. This inspection must include measures designated to be installed, including mechanical work, on completed dwelling units. The QCI inspection must occur, and be documented, before reporting the project to OHCS as a “completed unit”. This process is to ensure that all work performed meets or exceeds the minimum specifications outlined in the SWS and in accordance with WPN 15-4. All supporting documentation including inspection and monitoring certifications will be maintained in the clients file and all required data will be entered into the OHCS OPUS database.

Oregon Currently has over 40 HEP QCI inspectors. The individuals holding the QCI certification include a combination of Subgrantee staff and independent contractors. All Subgrantees have a process in place to ensure that all USDOE completions receive a QCI inspection.

If an agency loses access to their QCI, it is allowable to contract with another certified QCI or to plan with a neighboring agency to complete inspections.

All QCIs performing inspections for the Oregon WAP must have all required certifications and trainings outlined in the Oregon Training & Technical Assistance plan. Training records for the required trainings and certifications are verified through a combination of reviewing certified individuals on the BPI website, accessing the Oregon Training Institute (OTI) database, and OHCS staff reviewing training records during monitoring visits. OHCS field representatives and analysts follow up with Subgrantees when the required training was not completed, or other training discrepancies are identified.

QCI Inspection Policy

OHCS will allow two options for meeting the QCI inspection requirement. Subgrantees must state in their annual Low Income Weatherization Program Implementation Report their intended method of inspection.

Independent QCI: The QCI is an individual that is not involved in the prior work on the home either as the auditor or as a member of the crew. If this method is utilized, OHCS will monitor a minimum of 5% of USDOE completions.

Independent auditor/QCI: The auditor performs the audit, creates the work order, and performs the final quality control inspection. The auditor is not involved in any of the actual work on the home. Because this model does not allow for an independent review of the audit on every home, OHCS will increase the percentage of quality assurance reviews to ensure that audits are being performed consistently and correctly. OHCS will monitor a minimum of 10% of USDOE completions.

Multi-Family Inspections

QCI inspectors that inspect multi-family projects (≥ 5 units) must complete successful evaluation based on the NREL Multi-Family Quality Control Inspector Job Task Analysis before completing inspections of USDOE funded multi-family projects.

QCI Compliance Policy

As part of the QCI program, OHCS QCI monitors will review a percentage of agency QCI inspections for compliance with program rules and field standards at minimum annually. When QCIs are found to be out of compliance, efforts will be made to discover the source of the non-compliance issue. Depending on the source of the non-compliance issue, remedial training may be required for the QCI and/or the installation contractor. Remedial training may be provided by OHCS staff at the time of the monitoring. Alternatively, OTI or OHCS staff may provide more comprehensive training later. Repeated non-compliance issues after remedial training may result in the QCI being put on probation, possible disallowed costs, and an increased level of monitoring.

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EXHIBITS

(On file with the State of Oregon)

[Exhibit 1](#) [Approval to Include Wood Stoves as a Weatherization Assistance Program Measure](#)

[Exhibit 2](#) [Mold and Mildew Protocol](#)

[Exhibit 3](#) [Health & Safety Documents](#)

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Exhibit 1 - Approval to Include Wood Stoves as a Weatherization Assistance Program Measure

State of Oregon WAP

Wood Stoves Guidance

Under certain conditions wood stoves can be installed as an approved weatherization measure. Subgrantees need to assure the following when considering the installation of a wood stove:

- 1) Safety
- 2) Cost-Effectiveness
- 3) Technical Specifications
- 4) Environmental Factors
- 5) No wood stove is to be installed *without* first obtaining a wood stove permit from the local building official / permit office.
- 6) All wood stoves installed **must** be inspected by the appropriate authority.
- 7) A copy of the wood stove permit and approved and signed inspection form **must** be part of the job file.

Wood stoves are a unique measure. Therefore, an audit **must** be performed which addresses heating system replacements as part of the initial job audit. It is the energy audit which is the driving force for determining whether a wood stove should be replaced. Subgrantees that are considering installing a wood stove **must** comply with the following:

- 1) Ensure wood stove installations; maintenance and inspections are performed by qualified personnel only.
- 2) Ensure that only wood stoves which are certified and labeled by the National Fire Protection Association under 86M-1986 and 211-1984, the International Conference of Building Officials or other equivalent listing organization may be purchased with DOE funds and that electrical parts are certified and labeled by Underwriters Laboratory. These organizations require the manufacturer to test the heater and include detailed instructions for safe installation. After July 1990, stoves **must** be certified to meet the Environmental Protection Agency emission standards or local standards if they are stricter.
- 3) Ensure that local agencies / contractors obtain appropriate liability insurance.
- 4) Ensure that only a wood stove certified and labeled for manufactured homes may be installed in a manufactured home. The label should reference the Department of Housing and Urban Development's Manufactured Home Standards and name the independent testing laboratory. Installation **must** be done in accordance with the manufacturer's recommendations.
- 5) Each Subgrantee performs client education for every recipient of a new stove, which outlines the safe operation, and proper maintenance of the unit.

Exhibit 2 – Mold & Mildew Protocol

The Oregon Low Income Weatherization Assistance Program does not encompass mold remediation. DOE funds are not to be used to test, abate, remediate, purchase insurance, or alleviate existing mold conditions identified at any point during the weatherization process. Where multiple funding sources are used, the performance of any of the above activities **must** be expensed to a non-DOE funding source. However, DOE funds may be used to correct energy-related conditions and/or to assure the immediate health of workers and clients.

Standard weatherization of a home, and air-sealing measures in particular, could potentially increase the risk of moisture and mold in a home, thereby causing structural damage and/or health risk to the inhabitants. Existing mold could pose a health risk to both the inhabitants and the weatherization crew.

I. Moisture Protocols

Moisture Assessment

All homes should be checked for previous or existing moisture problems.

- A. Mold in homes arises from conditions of excess moisture. During initial inspection, field auditors are to assess the homes with special attention to the following signs:
 1. Evidence of condensation on windows and walls indicated by stains or mold like substances.
 2. Standing water, open sumps, open wells, dirt floors, water stains, etc. in basements. Also, check to see if firewood is stored in the basement and whether laundry is hung there to dry during the winter months.
 3. Leaking supply or waste pipes.
 4. Attic roof sheathing shows signs of mold like substances or mildew.
- B. Identification of existing or potential moisture problems shall be documented in the client file. Any moisture problems found **must** be pointed out and discussed with the client. The mold and mildew checklist **must** be filled out at the time of the audit, signed, and dated by the client.
- C. A copy of the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, should be given to the client.
- D. If existing moisture problems are found, no air sealing should be done unless the source of the moisture can be substantially reduced, or effective mechanical ventilation can be added to remove the moisture. In some cases, air sealing **must** be done to reduce the source of the moisture (i.e., sealing off crawlspace from the house, or sealing attic leakage to eliminate condensation on the roof deck).

- E. Because air tightening may cause an increase in relative humidity, client education should include information about moisture problems and possible solutions.
- F. During weatherization, measures that help reduce the humidity levels in the house should be installed. Examples of these activities are venting dryers, venting existing bath or kitchen exhaust fans, or installing moisture barriers on dirt floors.

Repair or Elimination of Moisture Problems

Repair of moisture problems that might A) result in health problems for the client B) damage the structure over the short- or long-term, or C) diminish the effectiveness of the weatherization measures, **must** be done before the weatherization job is completed.

A. Moisture problems can be reduced or eliminated by controlling the source of the moisture. This can involve:

1. Installing a plastic ground cover on a crawlspace floor.
2. Venting dryers to the outside of the building.
3. Sealing the foundation.
4. Providing positive drainage away from foundation.
5. Repairing the roof, flashing, gutter, and downspout.
6. Providing sump pumps or dehumidifiers.
7. Educate the client about the sources of moisture that they can control.

B. Moisture problems can be reduced or eliminate by ventilating areas where excessive moisture is produced, such as bathrooms and kitchens. This should include installation of a high-quality exhaust fan in the subject area and informing the client of the related moisture issues and the proper operation and use of the fan.

C. Dryer Vents

1. All dryers must be vented to the outdoors and terminated with an operable dryer vent hood. Outdoors does not include unconditioned spaces such as attics and crawlspaces that are ventilated with the outdoors. (SWS 6.6005.1a)
2. The operable dryer vent hood must include a backdraft damper. The outlet must be sealed to prevent water and air intrusion. (SWS 6.6005.3c)
3. Dryer vent ductwork must be smooth surfaced, rigid sheet metal, supported at each connection in the crawlspace and vented to daylight utilizing the shortest run possible. Use of elbows should be limited to the least possible number to ensure unobstructed venting. Plastic venting is not allowed. (SWS 6.6005.1a)

4. All joints must be sealed using UL – 181 metal tape.(SWS 6.0005.1a)
5. Flexible metal vent pipe may be used between the dryer and the hard pipe connection if it does not exceed three feet in length. The connection at both ends of the flexible metal pipe must be secured with a clamp as well as sealed with UL 181 tape. (SWS 6.0005.1a)
6. Dryer vent pipe must not be installed with sheet metal screws or other intrusive fasteners that will collect lint. (SWS 6.6005.1a)
7. Whenever possible, the dryer vent must be installed with a downward slope to the outside to allow for condensation drainage.
8. Dryer vents exceeding 35 foot in duct length must have a dryer booster fan installed. (SWS 6.6005.1a)
9. Occupant must be instructed to keep lint filter and termination fitting clean. If applicable, occupant must be instructed to keep dryer booster fan clean, if present. (SWS 6.6005.1e)

II. Mold Protocols

Mold Assessment/Clean-up

All homes should be checked for mold during the initial inspection. If a mold condition is discovered during the initial inspection of the home that cannot be adequately addressed by the weatherization crew, then the dwelling unit should be referred to the appropriate public or non-profit agency for remedial action. As well, clients **must** be notified and informed of the presence of mold in their homes. The client **must** sign and date the mold and mildew checklist as documentation. A copy of the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, **must** be given to the client. A confirmation of receipt of pamphlet, signed by the client **must** be included in the file.

Note: If the moisture pamphlet is given at the same time as the mold and mildew inspection, one document can be used to confirm both. If given at separate times, there **must** be two separate documents of confirmation.

- A. If the moldy area is less than 10 square feet (about 3 ft. by 3 ft.). then the job can most likely be handled by the weatherization crew.
 1. A professional should be contacted by the homeowner when:
 - a. The mold covers more than 10 square feet.
 - b. There is evidence of extensive water damage.
 - c. It is suspected that the heating/ventilation/air conditioning (HVAC) system may be contaminated, i.e., there is mold near the intake of the system. The HVAC is not to be run, as it could spread mold throughout the house.

- d. The water and/or mold damage was caused by sewage or other contaminated water.
- e. There is a health concern.

DRAFT

Sample

Dwelling Inspection: Moisture and Mold Checklist

Item for Inspection

Y/N Explanation, if necessary:

Are the air filters clean? _____

Is there any sign of water damage? _____

Are there any unique or objectionable odors (mold mildew)? _____

Is there any blockage/obstruction to the supply or exhaust vents? _____

Do the bathrooms lack exhaust fans? _____

Are there any signs of mold or mildew growth? _____

Do the combustion appliances lack flues? _____

Do all any drains lack traps? _____

Confirmation of Receipt of Mold and Moisture Pamphlet

I have received a copy of the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, informing me of the potential risks, clean-up, and prevention of mold problems in my dwelling unit. I received this pamphlet before the work began.

Signature of Recipient _____

Printed Name of Recipient _____

Date: _____

Self-Certification Option (for tenant-occupied dwellings only)

If the mold pamphlet was delivered but a tenant signature was not obtainable, you may check the appropriate box below.

Refusal to sign - I certify that I have made a good faith effort to deliver the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, to the rental dwelling unit listed below at the date and time indicated and that the occupant refused to sign the confirmation of receipt. I further certify that I have left a copy of the pamphlet at the unit with the occupant.

Unavailable for signature - I certify that I have made a good faith effort to deliver the pamphlet, *A Brief Guide to Mold, Moisture, and Your Home*, to the rental dwelling unit listed below and that the occupant was unavailable to sign the confirmation of receipt. I further certify that I have left a copy of the pamphlet at the unit by sliding it under the door.

Signature of person certifying mold pamphlet delivery

Attempted delivery date and time delivery

Printed name of person certifying mold pamphlet

Unit Address:

Note Regarding Mailing Option - As an alternative to delivery in person, you may mail the mold pamphlet to the owner and/or tenant. Pamphlet **must** be mailed at least seven days before renovation. (Document the date with a certificate of mailing from the post office.)

Exhibit 3 Health & Safety Documents

Sample Release of Liability Release of Liability and Waiver of Claims

Health and Safety Assessment

In addition to the energy audit we will complete on your home, we will also complete a limited health and safety assessment of the home. The health and safety assessment will consist of a visual inspection for potential health and safety issues. You will be notified of any health and safety issues that are identified, including mold. However, the evaluator is not a qualified mold professional. Mold may be present in areas not accessible or observed during the visual inspection or during the actual work on your home. Work on your home will be performed in a manner to prevent future mold growth. However, if there are existing conditions that are unseen or if, after the work is completed, situations within your home result in mold growth, we shall not be held responsible or liable.

Weatherization Activities

Notice: During weatherization activities, particularly when insulation is being blown into wall cavities and attics, insulation dust, other types of dust, and other particles may become airborne. Additionally, unforeseen circumstances may result in some insulation leaking through cracks into the home's living space. In these circumstances where insulation leaks into the living space, we will be responsible for clean-up (repairing damage and cleaning up the living area). Minor construction dust is inevitable at the end of any remodeling work. Construction dust clean-up will be the responsibility of the homeowner/occupant.

Recommendation: It is recommended that people with the following health conditions be out of the house when insulation is being blown into the house: Asthma, emphysema, allergies and other respiratory conditions, pregnancy and any other serious health conditions such as decreased immune functions which might be aggravated by dust and other dust-like particles in the air. Furthermore, it is also recommended that infants less than 12 months old should be out of the house when insulation is being blown. Persons who leave the house during the insulation process should remain away from the house until at least 30 minutes after completion of insulation activities.

Release and Waiver of Claims: I acknowledge by my signature below receipt of the information and recommendations set out above. Additionally, I agree on behalf of myself and any minor children or others for whom I am responsible, to hold the agency and its agents harmless from any claims, medical problems or personal injuries that may occur, develop, or worsen in response to the weatherization activities. This waiver is for all damages, direct or indirect, that may relate to weatherization activities, including money lost by not being able to work, healthcare costs and pain or suffering.

I am aware the weatherization process may cause airborne particles, including dust, to be released in my home and that such airborne particles can aggravate health conditions in some people. I have chosen to go forward with the weatherization process, accepting any and all risks of injury or damages.

I have carefully read this release and waiver and fully understand its contents. I am aware that this is a release of liability and I have signed it of my own free will.

Client Name: _____

Phone: _____

Address: _____

City, Zip: _____

File Number: _____

Client Signature: _____ Date: _____

Agency Name: _____

Phone: _____

Agency Representative Signature: _____ Date: _____

Sample Health & Safety Hazard Notification

Client Name: _____ Project ID Number: _____

Project Address: _____ City: _____

Audit Date: _____

Based on information obtained during the energy audit, the following health & safety hazards have been identified: _____

The project will have to be deferred until needed repairs are completed. Once the following repairs are completed, the project can proceed: _____

Agency Staff: Check one of the following:

_____ Information only. Work may proceed without hazards being mitigated.

_____ It is the client's responsibility to repair the following health & safety hazards and notify this agency for weatherization to proceed: _____

_____ It is landlord(s) responsibility to repair the following health & safety hazards and notify this agency for weatherization to proceed: _____

_____ (Agency) takes responsibility for repair of the following health & safety hazards: _____

Based on our initial review of this building, (Agency) has identified the above potential health or safety problems. This is a limited visual inspection. These are the existing conditions as of the date below. By signing below, I acknowledge that I have been informed of the conditions and may have to address some of the items prior to any weatherization work.

Clients Signature: _____

Clients Printed Name: _____ Date: _____

Sample Radon Informed Consent Language

Weatherization achieves energy and cost savings and improved comfort, health and safety of homes through a variety of home retrofit measures, including some which improve the airtightness of the building. According to the Department of Energy (DOE) sponsored study, "[Weatherization and Indoor Air Quality: Measured Impacts in Single-family Homes under the Weatherization Assistance Program](#)," there is a small risk of increased radon levels in homes when the building air tightness levels are improved. These increases are smaller in manufactured housing everywhere, and all homes in low-radon potential counties, and higher in site-built homes in high-radon-potential counties. There is some evidence that the installation of continuous mechanical ventilation reduces radon levels in homes, and counteracts any radon increases that are due to improved building air tightness levels.

Zones 1 and 2 Only:

Precautionary Measures: Since your house is located in a county identified as having moderate-to high-potential-radon levels¹, precautionary measures indicated below may be installed as part of weatherization:

- Exposed dirt floors covered and sealed
- Floor/foundation penetrations sealed
- Open sump pit capped
- Crawl space venting inspected and/or improved
- Basement isolated (air sealed) from living space
- Other: _____

I am aware that weatherization may result in increased levels of radon, and that mechanical ventilation may counteract those increases. I have received the Environmental Protection Agency's (EPA's) "A Citizen's Guide to Radon," and radon-related risks were discussed. I have chosen to go forward with weatherization and accept all risks of injury or damages.

I have carefully read this informed consent form and have signed it of my own free will.

Client Name: _____

Client Signature: _____

Date: _____

¹ Defined as counties with predicted indoor radon screening levels at or above 2 Pico Curies per liter of air (pCi/L). Link to EPA interactive zonal radon map: <https://www.epa.gov/radon/find-information-about-local-radon-zones-and-state-contact-information#radonmap>



**OREGON HOUSING *and*
COMMUNITY SERVICES**

725 SUMMER STREET NE, SUITE B | SALEM, OR 97301
503-986-2000 | www.oregon.gov/OHCS

Date: April 5, 2024

To: Housing Stability Council Members
Andrea Bell, Executive Director

From: Jill Smith, Director of Housing Stabilization
Colt Sray, Homeless Services Program Coordinator
Tim Mahern-Macias, Tribal Liaison

Re: Homeless Services Direct Allocations to the Nine Federally Recognized Tribes of Oregon

Purpose: To provide a briefing on the By and For Initiative, Native American Tribes of Oregon (BAFI-NATO) program. These critical resources prevent and reduce homelessness and housing instability among Tribal communities. No HSC decision to be made.

Background of the Intent and Funding

The By and For Initiative, Native American Tribes of Oregon (BAFI-NATO) program represents a series of direct allocations made to the Nine Federally Recognized Tribes of Oregon, beginning in the 21-23 biennium (via HB5202) and spanning into the 23-25 biennium (via SB5511 and HB5019). This historic level of investment is intended to create and/or support local programs designed to prevent and reduce homelessness and housing instability in Tribal communities across Oregon.

Data demonstrates that Tribal Members within the state are disparately overrepresented in homelessness by more than 4x their share of the state population. We also know that people who identify as American Indian or Alaska Native are more likely to experience unsheltered homelessness. Furthermore, we know that available Point-in-Time count and Census data does not fully capture the current extent of housing instability in Tribal communities.

The BAFI-NATO program provides the opportunity to invest in partnership with the Nine Tribes of Oregon, in the development of a collaborative and responsive network of Tribal partners delivering crucial services. From the onset, representatives from each of the Nine Tribes were engaged in designing and developing program guidance, expenditure parameters, and funding formulas. During this engagement process with the Tribes, we were also able to lower barriers to tribal participation by doing two things: Honoring existing Negotiated Indirect Cost Rate Agreements (NICRAs) that Tribes already had in place with the federal government and removing standard contract language that historically forced tribes to waive limited sovereign



immunity in order to enter into contractual agreement. Actions such as these resulted in all Nine Tribes participating in the program. This represents the first time all Nine Federally Recognized Tribes have participated in an OHCS program in more than 30 years.

21-23 Biennium

The initial distribution of the total funding amount (\$9M) for the 21-23 biennium was calculated based on a formula that received consensus approval from all Nine Federally Recognized Tribes. This formula incorporated a high base amount per Tribe and additional dollars reflective of up-to-date Tribal member enrollment numbers. The first allocation table is shown below:

Grantee	Total	% of Grantee Funds
Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians	\$ 758,633.00	8%
Confederated Tribes of Grand Ronde	\$ 1,280,886.00	14%
Confederated Tribes of Siletz Indians	\$ 1,280,275.00	14%
Confederated Tribes of the Umatilla Indian Reservation	\$ 985,513.00	11%
Confederated Tribes of Warm Springs	\$ 1,255,935.00	14%
Cow Creek Band of Umpqua Tribe of Indians	\$ 815,261.00	9%
Coquille Indian Tribe	\$ 736,128.00	8%
Klamath Tribes	\$ 1,235,999.00	14%
Burns Paiute Tribe	\$ 651,370.00	7%
TOTAL	\$ 9,000,000.00	100%

Based on consistent feedback from Tribal partners around tight timelines and staff capacity concerns, OHCS made the decision in June 2023 to advance all 21-23 BAFI-NATO awards up front and extend the expenditure deadline to June 30, 2025 (originally June 30, 2023). This gave Tribes the time and flexibility to continue developing and launching projects that would make the most impact within their community. BAFI-NATO projects that have already been placed into service or will soon be placed into service cover a wide range of activities, including Homelessness Prevention, Rental Assistance, Street Outreach, Development, Rehabilitation and Conversion of Emergency Shelter/Transitional Housing sites, ongoing operations for Emergency Shelter/Transitional Housing sites, ongoing operations of existing Supportive Housing sites, Capacity Building, and Data Collection.

23-25 Biennium

The core values guiding the BAFI-NATO program continue to be elevating, honoring, and respecting Tribal Sovereignty and Self-Determination. Heading into the 23-25 biennium, we gathered and incorporated suggestions from Tribal partners to further update and edit contract language and program guidance documents. These updates focused on language that better protects Tribal member personal data, respects internal Tribal procurement processes, removes unnecessary layers of OHCS approval, and expands on Homelessness Prevention guidance and allowability. This approach both aligns with agency values and better positions our Sovereign Tribal partners to achieve measurable outcomes in addressing homelessness and housing instability.



The current biennium’s distribution of the total funding amount (\$10M) was also calculated based on a formula that received consensus approval from all Nine Federally Recognized Tribes. This formula incorporated an even higher base amount per Tribe and additional dollars reflective of up-to-date Tribal member enrollment numbers. This \$10M total funding amount (BAFI-NATO Wave II) is a combination of the \$5M allocated for Tribes in HB5019 (By way of Executive Order 23-02 declaring a homelessness state of emergency) and the \$5M allocated for Tribes in SB5511 as part of OHCS’ approved biennial budget. The BAFI-NATO Wave II allocation table is shown below:

Grantee	Total	% of Grantee Funds
Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians	\$ 865,123.00	9%
Confederated Tribes of Grand Ronde	\$ 1,386,829.00	14%
Confederated Tribes of Siletz Indians	\$ 1,384,146.00	14%
Confederated Tribes of the Umatilla Indian Reservation	\$ 1,088,293.00	11%
Confederated Tribes of Warm Springs	\$ 1,353,780.00	14%
Cow Creek Band of Umpqua Tribe of Indians	\$ 914,634.00	9%
Coquille Indian Tribe	\$ 844,268.00	8%
Klamath Tribes	\$ 1,409,512.00	14%
Burns Paiute Tribe	\$ 753,415.00	8%
TOTAL	\$ 10,000,000.00	100%

Tribes received their BAFI-NATO Wave II draft agreements for review and signature in February 2024. As of March 22nd, 2024, two agreements have been fully executed, with others in the final stages of review and approval. Remaining balances from the 21-23 awards and the new 23-25 awards can be expended concurrently through June 30, 2025.

Homeless Management Information System (HMIS) Data

The aggregate data shown below is current as of March 22nd, 2024, but is only reflective of five of the nine Tribes’ BAFI-NATO projects. As mentioned above, projects are at varying stages of development/completion. Additionally, a significant portion of BAFI-NATO dollars have been spent on capital-oriented investments such as Acquisition, Renovation, Rehabilitation, and/or Conversion of properties that will serve as either Emergency Shelter or Transitional Housing. These specific investments are not reflected in HMIS data.

- Total # of Individuals Served (Unduplicated): **1,076** people
- Currently Enrolled in Services: **780** people
- # of People Exited to Permanent Destination: **299** people
- Total Dollars, Client Rental/Mortgage Assistance: **\$1,074,077.52**
- Total Dollars, Client Utility Assistance: **\$233,69.56**
- Total Dollars, Homelessness Prevention: **\$345,556.63**
- Total Dollars, Shelter & Hotel/Motel Vouchers: **\$49,191.05**



Looking Ahead

OHCS will continue collaborating with Tribal partners to execute new grant agreements and deploy resources, ensuring that Tribal members who are facing housing instability and homelessness have services and supports available to them.

Regular engagements between OHCS' Tribal Liaison and Program/Policy Staff and the Tribal partner network continue at a regular cadence, such as the monthly Tribal Housing Workgroup and the biweekly BAFI-NATO Office Hours. These conversations continue to reframe and reshape how OHCS conducts business on a government-to-government basis, recognizing that BAFI-NATO is only a starting point in an ongoing relationship with the Sovereign Tribal Nations of Oregon.

There is continued need for more consolidated, flexible, and predictable funding dedicated for the Nine Tribes across the agency, not only in our Housing Stabilization division and Homeless Services section. With this in mind, we have collaborated with Tribal partners over the past year to develop a recommendation for a state-funded Tribal Housing Block Grant beginning in the 25-27 biennium that would encompass direct allocations from Housing Stabilization, Affordable Rental Housing, and Homeownership divisions. This recommendation for ongoing, current-service-level funding is part of our agency's Policy Option Package (POP) submission.



DATE: April 5, 2024

TO: The Housing Stability Council
Andrea Bell, Executive Director

FROM: Mike Savara, Special Initiatives Director
Liz Hearn, Unit Access Program Manager
Odalis Perez-Crouse, Rent Assistance Program Manager

SUBJECT: Briefing on Unsheltered Homelessness Emergency Response

Summary:

Oregon's severe shortage of affordable housing has led to a sharp increase in homelessness across large parts of the state. OHCS continues to support innovative responses to the crisis that affects nearly every community in Oregon, causing significant hardship for individuals and families who struggle to afford housing due to rising costs, low wages, and personal difficulties. The problem is particularly acute for marginalized groups such as communities of color, people with disabilities, and those living in rural areas. Ensuring that everyone's basic needs are met is crucial for building stronger communities.

On January 10, 2023, Governor Tina Kotek signed Executive Order (EO) 23-02, declaring a state of emergency due to unsheltered homelessness in the emergency areas. The Executive Order (EO) 23-02 declared a state of emergency in Continuum of Care regions, which had increased unsheltered homelessness by 50% or greater since 2017. In alignment with the Executive Orders, Governor Kotek also proposed three actionable goals to be achieved by Jan. 10, 2024:

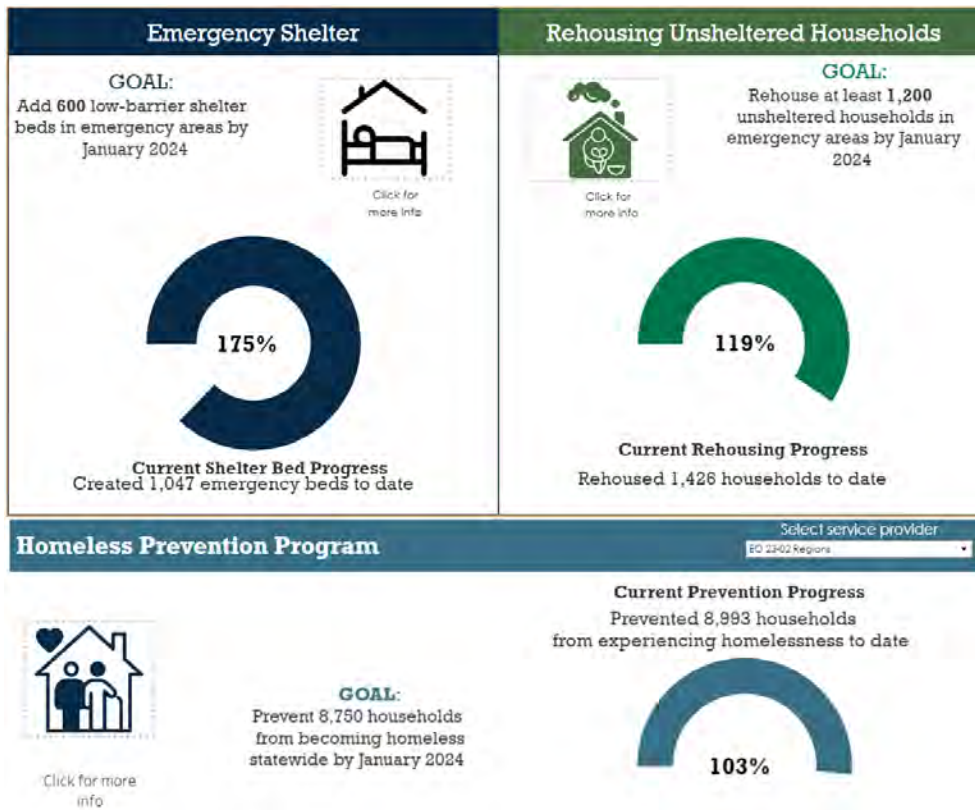
1. Prevent 8,750 households from becoming homeless statewide.
2. Add 600 low-barrier shelter beds in emergency areas.
3. Rehouse at least 1,200 unsheltered households in emergency areas.

On January 9, 2024, Governor Kotek signed Executive Order 24-02 to extend EO 23-02 and to maintain the added capacity to the State's shelter system and expand goals to rehouse and prevent homelessness for additional households. OHCS convened partners across the Executive Order regions, in partnership with The Oregon Department of Emergency Management, to ensure local plans were submitted to the State by each Continuum of Care lead for how the goals would be accomplished. The plans submitted to OHCS detailed the populations at risk and the strategies that the communities would take as well as specific outcome measures that the community was committing to achieve. This combination of a specific outcome measure as well as a detailed plan for achieving the goals ensured accountability and transparency for the results.

Executive Order 23-02 Outcomes:

Through concerted, focused efforts from state and local government, as well as the critical service delivery partners throughout the state, under EO 23-02 data shows that Multi Agency

Coordination (MAC) regions surpassed established goals. Having developed an understanding of the risks of emergency response efforts exacerbating disparities, especially racial disparities, OHCS sought to intentionally center race in the implementation of the EO 23-02. At the direction of the Executive Director and as part of the agency’s practices, we saw an opportunity to apply our learnings from past crisis response and incorporate a targeted universalism approach to developing community plans submitted to OHCS by the MAC groups. We have work to continue to learn and grow as an agency in this work and are committed to evaluating the effectiveness of our efforts in furtherance of an equitable response to homelessness in Oregon. During EO 23-02, through the Homelessness Emergency Response Program serving the seven Continuum of Care regions, **1,047 low-barrier shelter beds were created**, surpassing the original goal by 447 beds (175%); **1,426 households experiencing unsheltered homelessness were rehoused**, exceeding the original goal by 226 households (118%); and **8,993 households were prevented from experiencing homelessness**, exceeding the original goal by 243 households (103%).



[Emergency Homelessness Response Dashboard](#)

With the passage of House Bill 5019 and House Bill 2001, OHCS received direction to address homelessness in the [Rural Oregon Continuum of Care](#) (ROCC), also known as the Balance of State, with \$26.135 million in funding during the 2023-2025 biennium. This funding will create

455 low shelter beds and rehouse **477 households** by June 30, 2025. Balance of State Local Planning Groups are working towards shelter and rehousing milestones as they coordinate with their communities to meet rehousing and shelter goals. A dashboard for Balance of State progress will be released in the spring.

Sustaining Efforts:

OHCS received **\$160.3 million in funding from Senate Bill 5511** to sustain the efforts funded by HB 5019. \$59.9 million from SB 5511 has been allocated to CoCs to sustain HB 5019 shelters, unit access, and street outreach investments. Additionally, \$55 million of SB 5511 funding was allocated for homelessness prevention, 70% of which was deployed statewide through Oregon Eviction Diversion and Prevention Program (ORE-DAP) and Eviction Prevention and Rapid Rehousing (EPRR) after Jan. 10, 2024. The remaining 30% of the \$55 million appropriation will be deployed through culturally responsive organizations (CROs) delivering prevention services.

Long Term Rent Assistance Program

The Legislature appropriated \$39.7M to OHCS for the Long-Term Rent Assistance (LTRA) Program in the 2023-2025 Biennium to sustain rehousing efforts of EO 23-02. The LTRA Program will help with the cost of rent and provide supportive services to increase housing access and long-term housing stability for people exiting homelessness. The funding for LTRA will be made available through an allocation process to regional Multi Agency Coordination (MAC) Groups across the EO 23-02 regions. OHCS will require each MAC group to provide a detailed plan for the community for local system design purposes. Projected timeline for final program implementation is slated for late April early May 2024.

Executive Order (EO) 24-02

On January 9, 2024, Governor Kotek signed EO 24-02 to extend EO 23-02 and to maintain the added capacity to the states shelter system and expand goals to rehouse and prevent homelessness for additional households. Additional households connected to EO 24-02 will be aligned with OHCS's Oregon Rehousing Initiative (ORI). Under this EO, OHCS will coordinate with both the Oregon Department of Emergency Management and the Oregon Health Authority to increase system alignment to support rehousing outcomes and household stability, address unmet needs, and participate in the Interagency Council on Homelessness (ICH).

Oregon Rehousing Initiative

Through SB 5701, OHCS was allocated \$39 million in funding for a statewide rehousing program, called the Oregon Rehousing Initiative (ORI). This program is intended to house additional households experiencing homelessness, above and beyond the work initiated by EO 23-02 and HB 5019. Rehousing efforts will be for *new* households and will include CoC's, the Balance of State, and a minimum 25% allocation to Culturally Responsive Organizations (CROs). ORI funds are anticipated to be made available in mid-May, with rehousing goals met by June 30, 2025.

Key Takeaways

As OHCS and communities statewide tackled emergency response work, we prioritized learning and growth. Here are some key takeaways crucial for addressing homelessness in the state:

Transparency and Accountability: The state government must address societal issues transparently, ensuring clear results and accountability. EO 23-02, directed by the Governor, prioritized visible outcomes and clear decision-making. OHCS achieved this through a dashboard, data driven decisions, and consistent reporting, meeting Oregonian’s expectations of government accountability.

Centering Racial Justice: OHCS employed a community planning process guided by national advisors to address disparities in the homelessness system under EO 23-02. This involved local communities identifying groups with higher homelessness rates, ensuring response prioritization aligned with the most vulnerable. OHCS plans to assess racial disparities and outcomes with an equity lens to gauge the effectiveness of reducing system disparities.

Funding Structure: Leveraging existing structures like Continuums of Care and HB 4123 pilot communities, we expedited service delivery. Local systems enable decision-making and prioritize services while ensuring smaller organizations reach diverse population statewide.

Collaboration with Multiple Levels of Government: OHCS strengthened partnerships with various government levels, including local cities/counties, who support the homelessness. This allowed those closest to the challenges to help shape solutions. OHCS utilized existing systems, leveraging federal investment from HUD. Additionally, OHCS directly engaged with the nine Federally recognized Tribal Governments, ensuring their sovereignty and authority were respected during the emergency response.

Agency Operations and infrastructure: Effective government responses rely on dedicated public servants who can translate policy into action that is informed by community which requires a centering of race. With the EO in place and adequate staffing, state agencies efficiently distributed funds to local communities. This staffing investment ensures crucial support functions operate effectively, yielding essential results for Oregonians in crisis.

Technical Assistance (TA): TA is a crucial component of the EO intervention, aiding local communities and state governments in adopting nationwide best practices. TA assist in strategy, training, and decision-making, yield significant results. It’s essential to maintain this support for communities to ensure specific, measurable impacts.



Date: April 5, 2024

To: Housing Stability Council
Andrea Bell, Executive Director

From: Scott Shaw, Assistant Director Homeownership Lending

Re: Oregon Bond Residential Loan Program

Recommended Motion: Housing Stability Council Approves the Consent Calendar

Background: State statutes require the Housing Stability Council to establish a single-family loan threshold for loans to be reviewed and approved prior to purchase. The current threshold for single-family loans includes all loans equal to or greater than 95% of the applicable area program purchase price limit.

Considerations:

1. The loan(s) under consideration is greater than or equal to 95% of the applicable area program purchase.
2. Staff has reviewed all the following loan files and concluded that the borrowers and properties meet all relevant program guidelines for the Residential Loan Program. All required documents have been properly executed, received, and the loans have been approved for purchase. In addition to being approved by staff, the loan files have been underwritten by the applicable lenders and are insured by either FHA (FB), Rural Development (RG), or Uninsured (U) with a loan-to-value of 80% or less.

	Loan Amount	Purchase Price Limit	95% of Purchase Price Limit or Max	Monthly Mortgage Payment PITI
Loan #1	\$471,500	\$481,176 *Non-Targeted Lincoln County	\$457,117.20	\$3,540.16

Lender: Pacific Residential Mortgage

First-time Homebuyer: Yes

Household Income: \$89,537 **Income Limit:** \$113,620 **Percent of Income Limit:** 78.8%

Property City: Newport, OR 97365 **Targeted Area:** No

Purchase Price: \$471,500 **Cost Limit:** \$481,176

Note Amount: \$471,500 **Principal Balance:** \$471,500 **Loan-to-Value:** 100%

Rate: 6.875% **Program:** Cash Advantage **Cash Assist Amount:** \$14,145

Loan Type: VA **Insurance Type:** VA Loan Note Guarantee

Subject Property Appraised Value: \$505,000

Year Built: 2008 **Living Area:** 2520 Sq Feet **Lot Size:** 5000 Sq Feet

Construction Type: 2-Story **New or Existing Construction:** Existing **Cost Per Sq Foot:** \$187.10

* Targeted and non-targeted areas are identified by the IRS as census tract codes. Census tract codes identified as targeted areas, are areas low in homeownership and homebuyers are encouraged to purchase. When purchasing in a targeted area, the first-time home buyer requirement is waived, and the income and purchase price limits are higher than non-targeted areas.



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Date: April 5, 2024

To: Housing Stability Council Members
Andrea Bell, Executive Director

From: Jacqueline Santiago, LIHTC Program Analyst
Amy Cole, Development Resources Manager
Roberto Franco, Assistant Director of Development Resources and Production
Rick Ruzicka, Assistant Director of Planning and Policy
Natasha Detweiler-Daby, Director of Affordable Rental Housing

Re: 2023 9% LIHTC HOME NOFA Funding Recommendations

Motion: Approve the 9% LIHTC funding recommendations for the following projects and resources

- **Allen Creek Crossing in Grants Pass, \$2,000,000 in 9% LIHTC, \$1,700,000 in HOME, \$800,000 in GHAP**
- **ALSO Apartments in Gresham, \$1,350,000 in 9% LIHTC, \$600,000 in GHAP, \$2,859,500 in OAHTC**
- **Burlwood Apartments in Portland, \$947,442 in 9% LIHTC**
- **Colonia Solidaridad in Albany, \$2,000,000 in 9% LIHTC, \$2,200,000 in HOME, \$800,000 in GHAP**
- **Klamath LIHTC #1 in Chiloquin, \$1,000,000 in 9% LIHTC, \$3,626,805 in HOME**
- **Majestic Garden Apartments in Redmond/Veneta/Harrisburg/Junction City (Scattered Sites), \$1,613,637 in 9% LIHTC, \$800,000 in GHAP, \$3,300,000 in OAHTC**
- **Nine Peaks in Bend, \$1,000,000 in 9% LIHTC, \$5,879,701 in HOME, \$800,000 in GHAP, \$2,350,000 in OAHTC**
- **Voyager's Village in Salem, \$2,000,000 in 9% LIHTC, \$600,000 in GHAP**
- **Wickiup Station Apartments in La Pine, \$1,405,556 in 9% LIHTC, \$1,988,221 in HOME, \$800,000 in GHAP**



Summary

At the upcoming Housing Stability Council meeting, we will be presenting the 9% LIHTC funding recommendations to Council. These recommendations are based on the policies laid out in the [Qualified Allocation Plan](#) as approved by the Housing Stability Council and sanctioned by Governor Brown.

In this memo, we are providing you with a high-level summary of the recommended projects, more detailed information regarding each project can be found in the summaries following this cover memo.

Funding Availability

OHCS forward commits 9% LIHTCs, the resources awarded through this NOFA will be the 2025 federal allocation of 9% LIHTC. The anticipated 9% LIHTC resources for Oregon in 2025 is \$12 million in total credits which will generate approximately \$120 million in project equity by providing tax respite to investors over a 10 year period.

The Qualified Allocation Plan specifies that the 9% LIHTC resources have three set-asides:

- 65% for regional areas,
- 25% for Preservation, and
- 10% for projects on Tribal lands.

In addition, at least 10% of resources are targeted for Non-Profits and 10% for Culturally Specific Organizations.

Applications Summary

A total of 12 applications were received, requesting a total of over \$17.3 million in LIHTC requests. Functionally, this reflects requests totaling \$173 million dollars in project equity.

Regional Set-Aside: Nine applications were submitted for consideration under the Regional Set-Aside. These applications requested approximately \$13.7 million in 9% federal tax credits, \$6.4 million in GHAP funding, \$20 million in HOME and \$7.5 million in OAHTC loan request funding for a total of 460 units.

Preservation Set-Aside: Two applications were submitted under the Preservation set-aside. These applications requested approximately \$2.5 million in 9% federal tax credits, \$800,000 in

GHAP funding, \$3.3 million in OAHTC loan request funding. These potential investments would preserve 101 units with federal subsidy.

Tribal Lands Set-Aside: One application was submitted under the Tribal set-aside. This application requested \$1 million in 9% federal tax credits and \$3.6 million in HOME funding for 30 units.

Applications were reviewed for completeness, and had to meet minimum threshold requirements in order to qualify for scoring. The following scoring factors were reviewed in each of these categories:

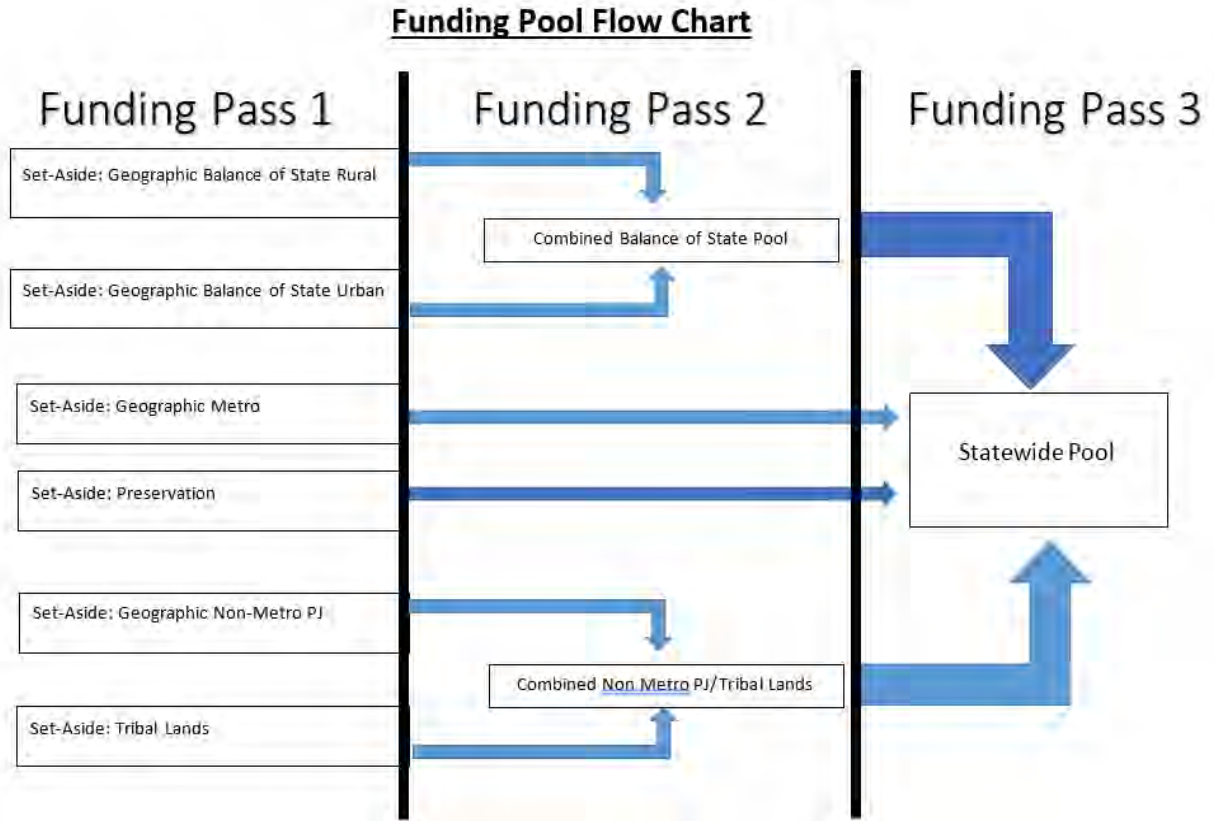
New Construction and Acquisition Rehab:

- State Priorities
- Location Factors
- Partnerships
- Federal Preferences
- Funding Efficiency
- Readiness to Proceed
- Development Team Capacity including MWESB

Factors scored for Preservation:

- Risk of Expiration
- Tenant Impact
- Location Need
- Partnerships
- Federal Preferences
- Funding Efficiency
- Project Readiness
- Development Team Capacity including MWESB

All applications that met threshold requirements were scored. All applications that met the minimum score of 60 points for Acquisition/Rehab & New Construction and 70 points for Preservation were eligible to be considered for funding. Recommendations are based on our set-aside to funding pool ranking system.



Funding Recommendation:

We are recommending a 9% LIHTC funding reservation for nine projects. All together, these projects will create or preserve 417 units of affordable housing in communities across the state. The recommendations for award total approximately \$13.3 million in tax credit allocations.

Projects Serving Urban Communities

Project Name	City	Total Units	Sponsor	Populations Prioritized	Project Type
Burlwood Apartments	Portland	35	Hampstead Development Partners	Large families	Preservation
ALSO Apartments	Gresham	39	Advocates for Life Skills and Opportunity, Inc.	Persons with intellectual and developmental disabilities	New Construction
Nine Peaks	Bend	45	Housing Works	Persons with disabilities, seniors, and families	New Construction



Allen Creek Crossing	Grants Pass	68	Josephine Housing & Community Development Council	Unhoused youth/at risk youth, workforce, and families	New Construction
Colonia Solidaridad	Albany	54	Farmworker Housing Development Corp.	Workforce, agricultural workers, households of color	New Construction
Voyager's Village	Salem	41	Micronesian Islander Community	Working families	New Construction
Total		282			

Projects Serving Rural Communities

Project Name	City	Total Units	Sponsor	Population Prioritized	Project Type
Wickiup Station Apartments	La Pine	39	Foundation for Affordable Housing, Inc.	Extremely low income, workforce, families, veterans	New Construction
Majestic Garden Apartments	Redmond/ Veneta/ Harrisburg/ Junction City	66	Chrisman Development, Inc.	Seniors and families	Preservation
Klamath LIHTC #1	Chiloquin	30	Klamath Tribes Housing Department	Tribal members, elders and families with children.	New Construction
Total		135			

See attached project summaries for additional information.



Statewide Housing Plan

The 9% LIHTC program is administered with the intention to contribute successfully to the statewide housing plan goal of affordable rental housing both in its creation and preservation. With calibrated scoring and funding set-asides, the program deploys policy levers to meet the growing needs of our rural communities, also prioritized in the statewide housing plan.

Lastly, the program is working to continuously develop policy that centers Equity and Racial Justice. Seeking continual input from our culturally specific partners and looking to reduce barriers. In practical terms, we've implemented robust MWESB contracting and reporting requirements, our DEI agreement is in continuing evolution as we work to establish long term policy outcomes within the program.

The 9% LIHTC program is in alignment with the OHCS Statewide Housing plan in the following ways:

- **Affordable Rental Housing:** 9% LIHTCs add or preserve affordable rental housing stock
- **Rural Communities:** 9% LIHTCs seek to maximize federal HOME investment program dollars by designing geographic set-asides around project access to these resources. Additionally, we have scoring criteria calibrated for rural projects more in alignment with their resource availability.
- **Equity and Racial Justice:** 9% LIHTCs require that all projects detail their marketing and lease up strategies to encourage tenants that are least likely to apply according to census tract data. We require that projects report out their equity measures in relation to their intended services to the tenants. This includes the cultural competency of service providers and developers. The expectation is that applicant's detail how their service provider is culturally responsive. We require projects to address equity from an organizational standpoint utilizing a DEI agreement that binds the whole project team. We apply the culturally specific set-aside to create a reduced barrier path informed by actual experiences of culturally specific developers.



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Project Proposal Summary Information			
Project Name:	Allen Creek Crossing		
Sponsor(s):	Josephine Housing and Community Development Council		
Management Agent:	Housing Authority of Jackson County		
City:	Grants Pass	County:	Josephine
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input checked="" type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)		Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$2,000,000	1 bedroom	50%/50%	2	PHA PBV
GAP	\$1,700,000	1 bedroom	60%/60%	12	-
OAHTC	\$800,000	2 bedrooms	50%/50%	3	PHA PBV
PSH	-	2 bedrooms	60%/60%	26	-
OMEP	-	2 bedrooms	Manager Unit	1	-
HUD	-	3 bedrooms	50%/50%	2	PHA PBV
RD	-	3 bedrooms	60%/60%	22	-
Other					

Totals					
Total Units:	68	Total Bedrooms:	146	Total PBRA Units:	7

Project Details	
Project Description:	<p>Allen Creek Crossing is a proposed, new construction multi-family residential rental complex with 68 apartment flats among nine buildings located in Grants Pass.</p> <p>Complex includes one-, two-, and three-bedroom units in a mix of 14-30-24 respectively. The design includes a community building, playground, picnic shelters, and open space. The site, in Grants Pass is minutes from downtown, social and governmental services, public transportation,</p>



	Rogue Community College, employment centers, parks, and shopping.
Intended Population Served:	The project will set aside 7 units for houseless unaccompanied youth, and at-risk youth and their families earning less than 50% AMI, subsidized with Section 8 project-based vouchers. The remaining 61 units are targeted to workforce individuals and families up to 60% AMI, except for 1 unrestricted manager’s unit.
Partnerships to Serve Residents:	Maslow Project will refer their clients who need housing and provide on-site supportive services to them. HAJC will provide, coordinate, and refer services for tenants.
MWESB Description:	Adroit Construction Company, Inc. is the General Contractor. They have indicated in the application their experience working with MWESB firms. They provided a detailed breakdown of their organizations’ track record meeting and exceeding their MWESB goals. The Developer pledges a 25% minimum goal, with a goal of achieving 30%.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	ALSO Apartments		
Sponsor(s):	Advocates for Life Skills and Opportunity, Inc. (ALSO)		
Management Agent:	Northwest Real Estate Capital Corp.		
City:	Gresham	County:	Multnomah
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input checked="" type="checkbox"/> Metro <input type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input checked="" type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)		Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$1,350,000	1 bedroom	50%/50%	8	-
GAP	\$600,000	1 bedroom	60%/60%	13	-
OAHTC	\$2,859,500	2 bedrooms	50%/50%	2	-
PSH	-	2 bedrooms	60%/60%	10	-
OMEP	-	3 bedrooms	50%/50%	1	-
HUD	-	3 bedrooms	60%/60%	5	-
RD	-				
Other					

Totals					
Total Units:	39	Total Bedrooms:	63	Total PBRA Units:	N/A





Project Details	
Project Description:	ALSO Apartments is a 39-unit project with 21 one-bed, 12 two-bed, and 6-three bedroom units in Gresham. 4 units will be low-HOME units, as supported by the City of Gresham. The four-story, wood framed, elevator-served project will incorporate Universal Design Standards to accommodate a wide range of individual abilities.
Intended Population Served:	This project will provide housing for persons with intellectual and developmental disabilities including 10 units specifically set aside for this population.
Partnerships to Serve Residents:	Services will be provided by Advocates for Life Skills and Opportunity (ALSO), a nonprofit disability support service. ALSO has also partnered with All Good Northwest for the purpose of increasing housing stability for People of Color and Immigrant and Refugee communities by combining traditional and culturally specific resident services.
MWESB Description:	Beaudin Construction is the General Contractor. They have indicated their plan to reach a 30% MWESB goal and included a history of reaching their target goal.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	Burlwood Apartments		
Sponsor(s):	Hampstead Development Partners, Inc.		
Management Agent:	FPI Management, Inc.		
City:	Portland	County:	Multnomah
Characteristics:	<input type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input checked="" type="checkbox"/> Metro <input type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input checked="" type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)	\$ 947,442	Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	-	1 bedroom	30%/30%	3	PHA PBV
GAP	-	1 bedroom	40%/40%	1	PHA PBV
OAHTC	-	1 bedroom	50%/50%	2	PHA PBV
PSH	-	1 bedroom	60%/60%	1	PHA PBV
OMEP	-	1 bedroom	60%/60%	1	-
HUD	-	2 bedrooms	30%/30%	7	PHA PBV
RD	-	2 bedrooms	40%/40%	2	PHA PBV
Other		2 bedrooms	50%/50%	5	PHA PBV
		2 bedrooms	60%/60%	3	PHA PBV
		2 bedrooms	60%/60%	1	-
		3 bedrooms	30%/30%	3	PHA PBV
		3 bedrooms	40%/40%	1	PHA PBV
		3 bedrooms	50%/50%	2	PHA PBV
		3 bedrooms	60%/60%	2	PHA PBV
		3 bedrooms	60%/60%	1	-

Totals					
Total Units:	35	Total Bedrooms:	71	Total PBRA Units:	32





Project Details	
Project Description:	Burlwood Apartments is a 35-unit property built in 1971 in Portland. The property currently benefits from a HAP contract covering 32 units. Burlwood is comprised of 8 1-bedroom units, 18 2-bedroom units, and 9 3-bedroom units. 2 units will be converted into fully accessible ADA units.
Intended Population Served:	This project intends to serve large families.
Partnerships to Serve Residents:	Burlwood Apartments is partnering with The Rosewood Initiative to provide resident services including but not limited to health and wellness services. The project will also be working with Project Access.
MWESB Description:	Paragon Construction LLC is the General Contractor. They have indicated their plan to reach a 30% MWESB goal.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	Colonia Solidaridad		
Sponsor(s):	Farmworker Housing Development Corp.		
Management Agent:	Evolve Property Management		
City:	Albany	County:	Linn
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input checked="" type="checkbox"/> BOS Urban <input checked="" type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input checked="" type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)	\$	Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$2,200,000	1 bedroom	50%/50%	4	-
GAP	\$800,000	2 bedrooms	50%/50%	28	-
OAHTC	-	2 bedrooms	Manager's Unit	1	-
PSH	-	3 bedrooms	50%/50%	21	-
OMEF	-				
HUD	-				
RD	-				
Other					

Totals					
Total Units:	54	Total Bedrooms:	125	Total PBRA Units:	N/A





Project Details	
Project Description:	Colonia Solidaridad is an affordable new construction project in East Albany, Oregon. This project will offer 54 units of affordable housing and supportive services. There will be 4 one bedrooms, 29 two bedrooms, and 21 three bedrooms.
Intended Population Served:	This project intends to serve the area’s workforce/agricultural workers, targeting communities of color and households earning less than 50% of the area median income (AMI).
Partnerships to Serve Residents:	Colonia Solidaridad will be partnering with their sister organizations in the areas of the workforce training provided by Evolve, CAPACES Leadership Institute and Mano a Mano Family Center. They will also be partnering with Casa Latinos Unidos and ENLACE.
MWESB Description:	LMC Construction is the General Contractor. The Colonia Solidaridad team has established a minimum goal of 20% MWESB participation for this project but will strive to exceed that percentage through a combination of subcontractor and professional service participation. FHDC has achieved an average of 29% participation in its last eight projects.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.





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Project Proposal Summary Information			
Project Name:	Klamath LIHTC #1		
Sponsor(s):	Klamath Tribes Housing Department		
Management Agent:	Klamath Tribes Housing Department		
City:	Chiloquin	County:	Klamath
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> BOS Rural <input checked="" type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)	\$	Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$3,626,805	1 bedroom	50%/50%	2	-
GAP	-	1 bedroom	60%/60%	19	-
OAHTC	-	2 bedrooms	50%/50%	2	-
PSH	-	2 bedrooms	60%/60%	7	-
OMEF	-				
HUD	-				
RD	-				
Other					

Totals					
Total Units:	30	Total Bedrooms:	39	Total PBRA Units:	N/A

Project Details	
Project Description:	The Klamath LIHTC #1 project is a new construction project consisting of a single apartment style building located in Chiloquin on Tribal Trust Land. The project will consist of 30 total units, 21 of which are 1-bedroom 1-bath units and the remaining 9 units will be 2-bedroom 1-bath units. The project will also incorporate communal spaces that will allow for social services to be provided to tenants along with several other communal amenities.



Intended Population Served:	This project intends to serve Tribal members, elders and families with children.
Partnerships to Serve Residents:	The Klamath Tribes Housing Department will be providing resident services. They will also be partnering with the Tribal Behavioral Health Department and the Community Services Department.
MWESB Description:	The projects general contractor is still to be determined. The LIHTC consultant is RTHawk Housing Alliance LLC which is a tribally chartered corporation through the Standing Rock Sioux Tribe. As such, the Tribe as the developer will employ tribal preference in selection of contractors for the development of this project. While 20% of the costs are listed to meet the minimum, it is likely that up to 100% of the costs will be committed towards tribal subcontractors.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	Majestic Garden Apartments		
Sponsor(s):	Chrisman Development, Inc.		
Management Agent:	Viridian Management, Inc.		
City:	Redmond/ Veneta/ Harrisburg/ Junction City	County:	Deschutes/ Lane/ Linn
Characteristics:	<input type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input checked="" type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input checked="" type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input checked="" type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)	\$	Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	-	1 bedroom	60%/60%	49	RD
GAP	\$800,000	2 bedrooms	60%/60%	17	RD
OAHTC	\$3,300,000				
PSH	-				
OMEF	-				
HUD	-				
RD	-				
Other					

Totals					
Total Units:	66	Total Bedrooms:	83	Total PBRA Units:	66

Project Details	
Project Description:	Majestic Garden Apartments is a portfolio of five RD properties located in Redmond (Deschutes Co.), Veneta (Lane Co.), Harrisburg (Linn Co.), and Junction City (Lane Co.). The project consists of a total of 66 elderly/family units.
Intended Population Served:	This project intends to serve seniors and families.



Partnerships to Serve Residents:	The project is partnering with Constructing Hope Pre-Apprenticeship Program, St. Vincent de Paul Society of Lane County, and Trinity Development Alliance.
MWESB Description:	AB Chase Construction LLC is the General Contractor. The project has demonstrated a commitment to achieve a minimum target goal of 20%.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	Nine Peaks		
Sponsor(s):	Housing Works		
Management Agent:	Epic Property Management		
City:	Bend	County:	Deschutes
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input type="checkbox"/> QCT/DDA <input type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input checked="" type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)		Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$ 1,000,000	1 bedroom	50%/50%	12	-
GAP	\$5,879,701	2 bedrooms	50%/50%	24	-
OAHTC	\$800,000	3 bedrooms	50%/50%	9	-
PSH	\$2,350,000				
OMEPP	-				
HUD	-				
RD	-				
Other					

Totals					
Total Units:	45	Total Bedrooms:	87	Total PBRA Units:	N/A





Project Details	
Project Description:	Housing Works is proposing a 45-unit multifamily development in Bend. The Nine Peaks development will include 12 one bedrooms, 24 two bedrooms, and 9 three bedrooms.
Intended Population Served:	This project intends to serve persons with disabilities, seniors, and families.
Partnerships to Serve Residents:	The project is partnering with Cornerstone Community Housing, Thrive Central Oregon, Abilitree, and Latino Community Association.
MWESB Description:	The general contractor is to be determined. The project has demonstrated a commitment to achieve a minimum target goal of 20%.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



OREGON HOUSING *and*
COMMUNITY SERVICES

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Project Proposal Summary Information			
Project Name:	Voyagers Village		
Sponsor(s):	Micronesia Islander Community		
Management Agent:	Evolve Property Management		
City:	Salem	County:	Marion
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input type="checkbox"/> QCT/DDA <input checked="" type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input checked="" type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input checked="" type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input checked="" type="checkbox"/> Non-Profit <input type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)	\$	Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	-	1 bedroom	30%/30%	1	PHA PBV
GAP	\$600,000	1 bedroom	50%/50%	1	PHA PBV
OAHTC	-	1 bedroom	50%/50%	1	-
PSH	-	2 bedrooms	30%/30%	3	PHA PBV
OMEF	-	2 bedrooms	50%/50%	5	PHA PBV
HUD	-	2 bedrooms	50%/50%	17	-
RD	-	3 bedrooms	30%/30%	2	PHA PBV
Other		3 bedrooms	50%/50%	2	PHA PBV
		3 bedrooms	50%/50%	9	-

Totals					
Total Units:	41	Total Bedrooms:	91	Total PBRA Units:	14

Project Details	
Project Description:	Voyager’s Village is a culturally-specific housing project centered around the Micronesia community. The project will have 3 one bedrooms, 25 two bedrooms, and 13 three bedrooms.
Intended Population Served:	This project intends to serve persons with working families in the Micronesia community.
Partnerships to Serve	Micronesia Islander Community (MIC), as a female-led



Residents:	culturally-specific community partner, will provide on-site support and services for members of the Micronesian community in collaboration with their partners Mano a Mano, Living Islands Non-Profit, DevNW, and the Asian Real Estate Association of America.
MWESB Description:	Gerding Builders is their General Contractor. The project has demonstrated a commitment to achieve a minimum target goal of 30% MWESB participation.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



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Project Proposal Summary Information			
Project Name:	Wickiup Station Apartments		
Sponsor(s):	Foundation for Affordable Housing, Inc.		
Management Agent:	Cambridge Real Estate Services		
City:	La Pine	County:	Deschutes
Characteristics:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Ac/Rehab <input type="checkbox"/> Scattered Site <input checked="" type="checkbox"/> QCT/DDA <input checked="" type="checkbox"/> State Basis Boost Requested <input type="checkbox"/> PSH Requested <input type="checkbox"/> Commercial Space		
Set-Asides:	<input type="checkbox"/> Metro <input type="checkbox"/> PJ <input type="checkbox"/> BOS Urban <input type="checkbox"/> Culturally Specific <input type="checkbox"/> Preservation <input checked="" type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> BOS Rural <input type="checkbox"/> Tribal		

Funding Summary		Unit Mix			
9% LIHTC (Annual)		Bedroom Type	AMI (Rent / Income)	# Of Units	PBRA
HOME	\$1,405,556	1 bedroom	30%/30%	9	-
GAP	\$1,988,221	1 bedroom	60%/60%	6	-
OAHTC	\$800,000	2 bedrooms	30%/30%	2	-
PSH	-	2 bedrooms	50%/50%	3	-
OMEP	-	2 bedrooms	60%/60%	13	-
HUD	-	3 bedrooms	50%/50%	1	-
RD	-	3 bedrooms	60%/60%	5	-
Other					

Totals					
Total Units:	39	Total Bedrooms:	69	Total PBRA Units:	N/A

Project Details	
Project Description:	Wickiup Station Apartments will be a 39-unit apartment building in the Wickiup Junction area of La Pine, reserved exclusively for households earning less than 60% of AMI. The building will contain one-, two-, and three-bedroom units. Project amenities will include secured entries, a large community room, game rooms, a fitness area, and two common decks with mountain views. The grounds will



	include a playground, raised bed gardens, and natural areas.
Intended Population Served:	This project intends to serve veterans, very low income, workforce, and family households.
Partnerships to Serve Residents:	The project will be partnering with The Embrace Foundation for resident services as well as Thrive Central Oregon, Early Learning Hub Central Oregon, Latino Community Association of Central Oregon, Change Reaction, Furnish Hope, and more.
MWESB Description:	SunWest Builders is their General Contractor. The project has demonstrated a plan to try and achieve a 20% participation goal.

The projects recommended for funding through this Notice of Funding Availability (NOFA) meet the program expectations for these goals and will need to conform to all OHCS underwriting standards. The current construction environment relating to cost escalations and subcontractor labor warrants additional contingency/escalation which has been built into the construction budget to mitigate risks.



Date: April 5, 2023

To: Housing Stability Council
Andrea Bell, Executive Director

From: Affordable Rental Housing Division
Mitch Hannoosh, Senior Policy Analyst
Natasha Detweiler-Daby, Director Affordable Rental Housing

RE: 2024 – 2025 Funding Resources and Set-Asides Expanded Introduction

BACKGROUND

The Affordable Rental Housing Division is working to launch an updated funding solicitation process in the spring that offers resources through a centralized application. Leading up to this point, the division has been engaging in broad outreach including monthly consultation with Housing Stability Council (HSC) that have focused providing input and sharing feedback received on a wide range of topic areas. Last month, we introduced the recommendations contained in this memo for input and discussion.

In the April Housing Stability Council meeting we are providing an expanded introduction that builds on the March discussion and sets out recommendations that will come to the next meeting.

Information in this memo is organized as follows:

Affordable Rental Housing Resource Values..... 2

Funding Resource Recommendations 3

General Development Capital:..... 3

PSH Capital: 3

Preservation Capital:..... 3

Manufactured Park Preservation:..... 3

Native Nation Capital:..... 3

Veteran Capital: 4

Agricultural Workforce Capital: *new resource* 4



Last Gap for Current Pipeline: *new concept introduction* 4

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Affordable Rental Housing Resource Values

As a reminder, the recommendations in this memo are built out of stakeholder engagement and consultation with subject matter experts, including Housing Stability Council. A fundamental outcome from these conversations has been to allow us to identify a series of values that create a road map for how resources are allocated within our funding processes:

1. **Production Needs**: in alignment with the Executive Order 2023-04, the critical need for housing demands that we provide resources aligned with bringing new units into affordability. As such we should prioritize all resources possible for building new or securing new subsidized affordable rental housing. Having flexible pathways and resource use policies aligns with supporting innovation.
2. **Predictable and Available Resources**: resource clarity and availability will expedite development efforts. We should clearly communicate resource availability and ensure greatest flexibility of funds to align with project profiles that are positioned to move forward and into construction.
3. **Tenant centered building design and funding strategies**. Whenever possible, we should seek to ensure resources are aligned with meeting tenant needs. Tenant facing local nonprofits and housing authorities should be key partners across the state as a key infrastructure of development, housing operation, and service provision across the state.
4. **Serve the state**. Geographic distribution matters, ARH should strive to have developments in communities statewide. We should seek to ensure cooperation with local jurisdiction processes, and we should incorporate strategies to intentionally off-set impacts of historic lack of investment in rural communities.
5. **Equity and Racial Justice** needs to be imbedded to serve tenants and also to disrupt impacts of systems that have served to prevent wealth building among organizations that are led by and support BIPOC communities and has limited full access and services to BIPOC community. We need to incorporate policies and set-asides that ensure all



projects are culturally responsive and that culturally specific organizations have deliberate pathway to access resources, and Tribes need dedicated access to funding.

Funding Resource Recommendations

The following are the frameworks of these Development and Capacity resources, reflecting many of our ongoing discussions with Housing Stability Council. The resources will be deployed using established program structures (aside from where noted) and will be focused in the following ways:

General Development Capital:

- Resources to be used to support the creation of new Affordable Rental Housing either through new construction or the acquisition of market rental housing that was placed in service within the past 7 years, as resources allow, within program structures.

PSH Capital:

- Resources to be used to support the creation of new Affordable Rental Housing either through new construction or the acquisition and conversion of units in existing portfolio properties to serve chronically homeless households referred through local coordinated entry; resources to provide supportive services and rent assistance will also be made available. Sixty-percent of the resources will be set-aside to fund projects that have completed the Oregon Supportive Housing Institute.

Preservation Capital:

- Resources to support physical and financial risk of loss for existing publicly supported housing; all projects must incorporate property improvement plans.
- Resources for critical portfolio intervention in cases of imminent risk of loss through the Portfolio Stabilization funds. to stabilize properties through a Portfolio intervention in cases of imminent risk of loss; all projects must incorporate property improvement plans.
- Resources to support preservation of federal funded properties.

Manufactured Park Preservation:

- Resources to support the acquisition of naturally occurring affordable housing within Manufactured Dwelling Parks.

Native Nation Capital:

- Resources that can be loaned or granted to support tribal development of new affordable rental housing.



Veteran Capital:

- Resources that can be loaned or granted to support development of new affordable rental housing that significantly serves and dedicates units for Veterans.

Agricultural Workforce Capital: *new resource*

- Predevelopment Grant Set-Aside – 25%
 - o Eligible organizations, costs, and other programmatic considerations will mirror that of the Predevelopment Loan Program to support affordable rental housing development, but the resources will be provided as a grant, and eligibility will be further restricted to include only projects that will serve agricultural workers.
- Development Grant Set-Aside – 75%
 - o To support production of housing to serve agricultural workforce; up to a total of \$2 million would be eligible, though not set-aside, for supporting cooperative owned manufactured parks dedicated to serving agricultural workforce. Of the total resources, \$5 million be set-aside to fund agricultural workforce housing projects that are being developed either by Culturally Specific Organizations or that are located in rural communities.

Last Gap for Current Pipeline: *new concept introduction*

- The intent of these resources is to be able to address critical gaps in current projects either under construction or for projects that could otherwise move forward if their current funding gaps could be addressed. As we have discussed several times with Housing Stability Council, market volatility continues to challenge development processes both before and after they begin construction. These projects without sufficient resources are holding valuable public funds and it is important for OHCS to either find ways to support the projects where the gaps can be address or determine that the project needs to be re-worked and use the resources to support a more viable project. Draft Recommendation for Incentivizing Remedy and Production:
 - o Offering Tools for Remedy:
 - First priority: projects under construction, review scrutiny on budgets, evaluate any opportunities for value engineering or other resource leverage and allow for increases in subsidy up to 10% from what has already been invested.
 - Second priority: projects unable to reach construction close due to funding gap; review scrutiny on budgets, evaluate any opportunities for value engineering or other resource leverage; evaluate whether updated subsidy limits (once finalized) would solve the challenge and/or allow the subsidy increase up to 10 percent.
 - o Incentivizing Production:
 - Applicants that have projects in the OHCS pre-construction pipeline that want to use the Last Gap resources are not able to submit new project



applications for funding consideration until their pipeline project is proceeding with project development (3-6 months from construction close); projects that are financial infeasible would have the opportunity to re-apply for funds once the former reservation is returned.

Capacity resources: *includes new update*

- Recommended resources have been increased from \$3 million to \$4.8 million in funding.
- Capacity resources will be limited to a total investment of \$150,000 per recipient. As a reminder, capacity resources are able to be accessed by non-profit organizations, Public Housing Authorities, Local Governments, Native Nations, and Tribally Designated Housing Entities.
- Set-aside resources within this bucket will be held for 6-months for:
 - o all nine Native Nations,
 - o the fifteen balance of state Public Housing Authorities, and
 - o 8 culturally specific or rural organizations.

The resource offering table can be found on the following page.



2024 Centralized Resource Offering		
	Totals	Resource Types
General Development Capital	\$320,057,704	Includes LIFT & HOME
PSH Capital	\$94,437,884	Includes PSH & HTF
Preservation Rental Capital	\$50,000,000	Includes Preservation Funding & GHAP
	<i>Physical and Financial Risk of Loss</i>	\$30,000,000
	<i>Portfolio Stabilization in cases of Imminent Risk of Loss</i>	\$10,000,000
	<i>Properties with Federal Project Based Rent Assistance Risk of Loss</i>	\$10,000,000
Manufactured Park Preservation Capital	\$10,000,000	Includes Preservation Funding
Native Nation-dedicated Capital	\$30,000,000	Includes GHAP & HDGP
Veteran-dedicated Capital	\$30,000,000	Includes GHAP
Ag. Worker Housing-dedicated Capital	\$10,000,000	Includes Ag Worker Housing Grant Program
Total Capital Available	\$544,495,588	
<i>LIHTC Pairing (4% Credit)</i>	\$0	<i>No LIHTC available in 2024</i>
<i>LIHTC Pairing (9% Credit)</i>	\$0	<i>No LIHTC available in 2024</i>
<i>Ag. Worker Housing Tax Credit</i>	\$12,660,000	<i>Includes Ag Worker Housing Tax Credit</i>
<i>Oregon Affordable Housing Tax Credit</i>	\$18,000,000	<i>Includes OAHTC</i>
Total Credits Available	\$30,660,000	

2024 Other Resources		
	Totals	Resource Types
Last-Gap for current pipeline at readiness	\$30,000,000	Includes LIFT & GHAP
Other Non-Capital Fund Offerings		
GHAP Capacity Building	\$4,800,000	GHAP Capacity set-aside
	<i>General Capacity Resources (Rural / Culturally Specific)</i>	\$1,200,000
	<i>Public Housing Authorities in the Balance of State</i>	\$2,250,000
	<i>Native Nations</i>	\$1,350,000
Land Acquisition Program	\$1,805,152	as of (1/30/2024); \$10 M will be added
Pre-Development Funding	\$9,700,000	2023 Legislative Allocation
Unsubscribed 2024 resources to roll into 2025 offering, and will add the following additional resources....		

2025 Centralized Supplemental Resource Offering		
	Totals	Resource Types
General Development Capital	\$20,000,000	Includes LIFT
LIHTC Pairing Capital	\$105,000,000	Includes LIFT & GHAP
9% Low Income Housing Tax Credit*	TBD	to be based on 2026 9% allocation ~\$10 million
4% Low Income Housing Tax Credit*	TBD	to be based on PAB availability

*Qualified Allocation Plan, which guides the Low Income Housing Tax Credit programs, to be updated with engagement beginning in 2nd quarter 2024



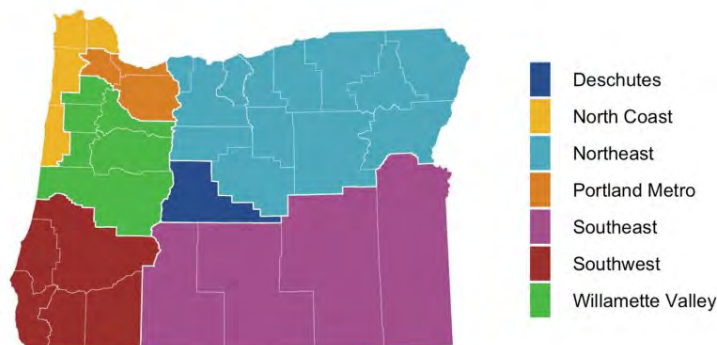
Set-Aside Recommendation

- A. **Organizational Set-Asides: 25%** of Development Resources set-aside in 2024 – 2025 with dedicated access to Culturally Specific Organizations and Non-Profit development in Rural Communities. Approximately \$134.9 million.
- B. **Geographic Set-Asides: 75%** of Development Resources set-aside in 2024 and allocated to three regions across the state. Approximately \$408 million, with 10 percent held back to ensure ability to fully fund projects in geographic regions.
 - o Regional Allocations:

	Oregon Housing Needs Analysis Underproduction	Housing Burdened BIPOC Households	<i>equal weight of the two factors</i>
Eastern	17%	13%	15%
Metro	35%	44%	40%
Western	47%	43%	45%

These percentages translate to the following ~allocations.

- Eastern: 15% (approx. \$60 million)- Deschutes, Northeast, Southeast
- Metro: 40% (approx. \$160 million) - Portland Metro
- Western: 45% (approx. \$180 million) - North Coast, Southwest, Willamette Valley

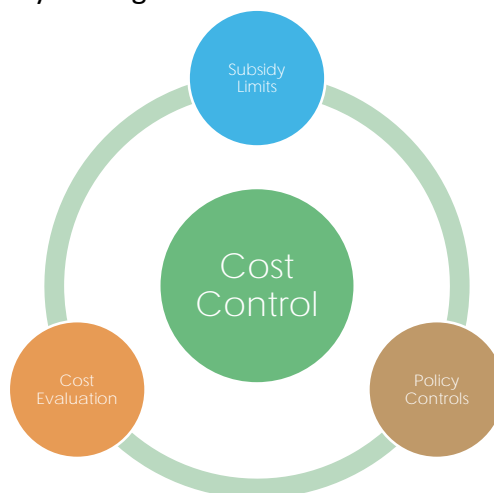


Cost Control Introduction

As we implement the ORCA process, we will need to balance workflow and shifts with policies, strategies, and subsidy limits that sufficiently surround a project to provide comfort that the resource needs are:

- Real and Accurate in the Market Environment; allowing OHCS to be responsive.
- Bring clear controls to prevent mis-use of resources and support leverage of private capital and investment; balance with the reality that we want the units to be resilient and durable and to meet tenant needs (quality).
- Ensure ability to make informed decisions and build and share data on impact of public investments.

As we discussed in the February 2024 meeting, to accomplish this, we will seek to approach Cost Controls through three key strategies:



Cost Evaluation

- Through research, survey, and discussion the most impactful way to ensure cost reasonability will be to build on the data from the significant OHCS portfolio and development pipeline to identify projects with costs outside expectations from the data. The reason to do this will be to place additional scrutiny in review, including allowing OHCS to request a third-party Cost Justification if determined necessary to substantiate project costs. Additionally, applicants will continue to provide detailed cost estimates and track project costs to detailed line items within the financial pro forma.

Policy Controls

- Through best-practices evaluation, survey, and discussion we will continue to create limits on developer fee increases once resource commitments are made, we will identify and document critical elements that are fundamental to meeting project intent and ensure that those are not eligible for value-engineering, will review any material changes in projects, and will continue to not allow cost savings clauses.

Subsidy Limits

- Through project financing review, survey, and evaluation of total development cost increases, we are proposing the following draft subsidy limits. This draft recommendation was previously shared with Housing Stability Council. The framework for subsidy limits is:
 - o Subsidy limits that are scaled by bedroom size and the AMI served; we are considering a future update to include scaling higher for lower AMI rural counties where lower rent rates means projects have less income to the property from rents.
 - o ARH is evaluating data and feedback on the subsidy limits that are presented here.
 - o Include subsidy at a building (vs unit) based on those projects that are incorporating unique building design functions to serve the target population; these costs are impacted at the building level and are not increases to the development costs of individual units in most cases.
 - o Establish subsidy limits as well as allowance for reasonable increases above those at the time when they are approaching final commitments of resources, at the oversight of the OHCS finance committee. Recommend this be allowable for increases up to 10 percent above the limits.
- Initial Draft Subsidy Limits for Feedback: from base studio unit

Incomes Served <small>(based on unit restrictions unless including PBRA)</small>	Base Per Unit Subsidy Limit		
	New Construction	Acquisition / Rehab	+ Per-Bedroom
30% AMI	\$190,000	\$160,000	\$40,000
40% AMI	\$170,000	\$140,000	\$30,000
50% AMI	\$150,000	\$120,000	\$30,000
60% AMI	\$130,000	\$100,000	\$30,000

- **+ up to \$200,000 per project** where there is a unique functional building need to meet Tenant Life / Safe / Health: including spaces to meet Agricultural Workforce Needs, Accessibility Factors for serving Elder or Disabled populations, supporting children,



durability interventions. (including standard amenities or community rooms would not qualify)

Next Steps

After feedback is received from Housing Stability Council, OHCS staff will incorporate that and any additional follow up into the final recommendation for approval.





Date: April 5, 2024

To: Housing Stability Council
Andrea Bell, Executive Director

From: Love Jonson, ARH Policy Analyst
Mitch Hannoosh, ARH Senior Policy Analyst
Rick Ruzicka, Assistant Director, ARH Planning & Policy
Natasha Detweiler-Daby, Director, Affordable Rental Housing

RE: Evaluation Standards in the Oregon Centralized Application

Overview and Context

As OHCS updates its funding processes to a more supportive, less competition-based structure, we needed to reimagine the methods through which the agency ensures it funds high-quality properties that respond to tenant needs and that appropriately steward public resources. Historically, these policy objectives have been accomplished through competitive scoring, where funding applications were compared against a minimum standard and to one another to determine which to prioritize with limited resources. This meant that in some cycles, we were unable to fund very good projects simply because there was a high number of applicants. And at times, funded projects barely met minimum standards due to a lack of competition for the resources.

The new Oregon Centralized Application (ORCA) process, combined with a historic investment from the Legislature and support from the Governor's Office, provides OHCS with an opportunity to change the paradigm, establishing a standards-based evaluation process in which projects that adequately meet agency standards will be given surety of funding. Applications will compete only against their own project, and if they are able to meet the standards OHCS has established, they will move through the ORCA process toward closing more efficiently. Just as critically, projects that do not meet these standards will not receive funding until they are able to do so, but they will be given support and a clear, predictable pathway to succeed on their own timeline.

This memo will provide an overview of the evaluation standards that will be used at each of the steps in the updated ORCA process: Impact Assessment, Financial Eligibility, and Commitment. The Intake Form, which applicants complete before beginning these steps, does not use



standards in the same way. Instead, the intake form is used to capture general information for all organizations pipelines of projects for our understanding and to be able to provide support where needed. The standards for each step are presented in the following groupings: 1) pre-existing standards from prior NOFAs; 2) enhanced versions of previously used standards, and 3) new standards created for the ORCA process.

Impact Assessment

Pre-existing standards

- *Affirmative Fair Housing Marketing Plan*
- *Architectural Plans*
- *Development Team Capacity*
- *Environmental Reports*
- *Housing and Urban Development (HUD) Requirements Review*
- *Permanent Supportive Housing (PSH) Standards*
- *Site Control*
- *Zoning in Place*

Enhanced standards

- *Construction Costs*
Previous NOFAs asked developers to provide a cost escalation percentage and their reasoning. Over the past several years, and after many requests for gap funding and fundamental changes to project design (unit numbers, tenants served, amenities), OHCS has acknowledged that this question was not sufficient to understand if a project team had spent the time necessary to ensure its costs were well developed, understood, and projected. The new standard asks applicants to share how they derived their construction costs, provide a risk assessment, and provide a plan for covering costs in excess of contingency funds.
- *Diversity, Equity, and Inclusion Agreement*
Since its adoption at OHCS, the DEI Agreement has been a point-in-time document asking that sponsors commit to a list of actions about organizational DEI efforts. This point-in-time document was intended, from the beginning, to signal to partners that OHCS would create a more robust process in the future. This update provides that opportunity, expands the list of options available for an organization to focus on, and asks partners to select actions their organization can commit to or is already working towards. Additionally, partners will submit an initial registration and renew it annually to update OHCS on their progress, rather than needing to submit a new agreement for each project application. The goal of the DEI Agreement has



always been for OHCS to better track and support partners in their DEI work, and this update helps us do that, resulting in a more effective and efficient process.

- *Early Financial Pro forma*

OHCS asks for a pro forma at an earlier point than has been required in the past, so we have adjusted the type of information that is expected at this point in the development timeline. The sources and uses in particular are “back of the napkin” estimates, with uses summarized into higher-level categories and totals, and sources collected as projected total requests. In addition, we want to understand from where their sources are planned to come. In the past, our first pro forma asked for committed resources, which is no longer necessary at this early stage but will be added later as the project moves forward in the process. This will allow staff to do an early check for financial feasibility and, if the project meets all other standards reviewed at this stage, conditionally hold resources for projects through a Comfort Letter.

- *Location Preferences*

With no competitive scoring, OHCS needed to find another way to include critical priorities for how housing is sited and what amenities are included or accessible. This will help incentivize housing in areas of access and opportunity and ensure sites are not particularly isolated or impractical.

With one exception, the criteria have been used in prior NOFAs, but OHCS has standardized them while still maintaining critical considerations. The one new opportunity criterion relates to colocation of Early Care and Education centers or options, or access to them. This aligns with agency commitments made in the Raise Up Oregon Plan to incentivize colocation where possible through our funding offerings.

Previous location-based criteria often prioritized projects in locations with the greatest need. However, with need present in every community statewide, we focused more on opportunities than need. Still, recognizing that some areas may not meet opportunity criteria but may still have very high need, we retained one need criterion: the anti-displacement metric based on research conducted by Dr. Lisa Bates at Portland State University. OHCS has used this metric several times in funding rounds the last couple of years.

- *Minority-owned, Women-owned, and Emerging Small Business (MWESB) Strategy*

This standard has, until now, been a scored category. OHCS staff view this as a critical strategy, so we have adjusted the standard into a threshold category.

Previously, applicants had to commit to a region-based minimum percentage of their subcontracts to MWESB entities and describe their strategy for doing so. This update instead evaluates partners on their success in achieving targets they have committed to in previous projects. If they have met their targets, they will meet the standard. If they have not



consistently met their targets, they will be required to work with an MWESB consultant and respond to the same strategy questions that we have asked before in order to move on.

- *Resident Services*

We have drawn upon resident services questions from previous NOFAs and added a new element that ask applicants to clearly identify their resident services budget and if that funding lives within the project’s operating budget or if the funds are an externally budgeted item. This will allow OHCS to determine if an appropriate amount of funding has been allocated for the type of services described in the applicant’s responses. We also added a new question to ensure partners build out tenant-centered resident services programs based on perspectives of people with lived experience.

- *Risk of Loss (for preservation projects only)*

This revised standard, based on OHCS’ Preservation Strategy, creates a “managed queue” that builds a list of projects at risk of loss and collects better data on the full range of preservation needs. It also creates a higher priority for urgent rehabilitation needs and properties owned by culturally specific organizations. Finally, it focuses on impact to vulnerable tenants and availability of housing in the area as tiebreakers when needed.

New standards

- *Engagement and Community Needs*

The objective of this standard is to ensure applicants have either done their own engagement or reviewed other entities’ engagement with the tenant communities they intend to serve, including communities of color, and that they have incorporated what these communities told them into the project design. Engaging with the community that will be served is a best practice and a critical piece of project development. It also informs how building design, tenant services, and amenities will successfully serve tenants. In prior years this was an expectation for some resources, notably Article XI-Q bond LIFT, which represent the majority of our development resources. This will be the first time it is a requirement for all resources.

- *Equity and Racial Justice Strategy*

The objective of this standard is to provide a flexible, customizable channel for different types of projects across the state to incorporate active equity and racial justice strategies into their projects. The four required items in this standard relate to baseline data collection about tenant demographics (which is already required for many properties), translation of materials, language competency in resident services, and racial equity-related actions efforts previously undertaken by partners. The remaining six items – of which projects must select two – are flexible and achievable in various contexts. They encourage projects to support BIPOC tenants and development partners through ownership structure, business utilization, and/or tenant outcomes.



- *Infrastructure Readiness*
The objective of this standard is to proactively understand what the projects will be expected to contribute to the city regarding infrastructure. Multiple projects have been stalled or prevented entirely due to unforeseen costs and timelines associated with infrastructure requirements from both city and State agencies. This standard will help flag these issues early and allow for the sponsor, jurisdiction, OHCS, and other State bodies such as the newly established Housing Accountability and Production Office to work together to figure out a path forward.
- *Permit Strategy*
The objective of this standard is to ensure permit timelines align with readiness criteria. Applicants will create a plan and timeline for acquiring permits when it makes sense for them, while confirming they will be able to acquire permits by the time OHCS awards final funding. This involves early communication between the developer and the permitting jurisdiction. Developers described many challenges with permitting timelines, and we believe this standard will improve communication with the goal of ensuring the project can move forward in a timely manner. This could also provide critical information to the newly established Housing Accountability and Production Office in its efforts to address disputes.
- *Prequalification*
The objective of this standard is to allow OHCS to screen for organizations that are not in good legal standing or have significant portfolio issues to be addressed before receiving future funding. Organizations will provide this information prior to applying which helps organizations move faster into the OHCS pipeline or resolve issues sooner if needed.

Financial Eligibility

Pre-existing standards

- *Architectural Plans*
- *Financial Proforma*
- *Lender and Investor Letters of Interest (LOI)*
- *Permit Submission*
- *Underwriting Guidelines*

Enhanced standards

- *Construction Costs*
Through research, survey, and discussion, OHCS determined the most impactful way to ensure cost reasonability is to utilize data from the significant OHCS portfolio and development pipeline to identify projects with outlier cost estimates. This additional scrutiny will allow OHCS to



request a third-party cost justification report if needed to substantiate project costs. Additionally, applicants will continue to provide detailed cost estimates and track project costs by line item in the financial pro forma.

New standards

- *Policy Changes from Impact Assessment*
A core component of the ORCA is providing conditional funding commitments earlier in the development timeline. At the Financial Eligibility step, OHCS will check whether the commitments made in the Impact Assessment are being met. If there has been a material change to the project, the applicant risks losing their conditional hold of resources and having to restart the process, where they will return to the Impact Assessment and submit updated information that reflects the changes that have occurred. Material changes are defined as a change relating to the business, operations, or use of capital provided by OHCS that, taken as a whole, would reasonably be expected to have a significant effect on the project budget, housing type, and population served. This could include but is not limited to expanding or shrinking the scope of the project by adding or subtracting, buildings, units, or design elements that impact the budget and livability of tenants, changing the project type, switching to a different intended tenant population, replacing sponsor and/or project ownership, or showing a significant funding gap from initial estimates that cannot be reconciled.

Commitment

Pre-existing standards

- *Architectural Plans*
- *HUD HOME/HTF Subsidy Layering*
- *Financial Proforma*

Enhanced standards

None

New standards

- *Financial Closing Date Commitment*
This is a new form that requires the developer and co-developer to make a formal commitment to their closing date. Since they will only enter the Commitment step when the project is six months from closing, this new form is a critical piece of the process. Applicants that fail to meet the established timelines will lose their funding commitment



and will have to re-apply for resources through the ORCA to receive another commitment of funding.

Conclusion

The full ORCA document will include more details about application expectations, but this memo showcases the key standards by which projects will be evaluated and approved in the new funding process. The standards create a consistent and higher baseline of expectations for projects than OHCS has had in years past, which is necessary due to the non-competitive nature of the ORCA. These standards are designed to result in high quality projects and provide enough flexibility to allow statewide access to resources.





Date: April 5, 2023

To: Housing Stability Council
Andrea Bell, Executive Director

From: Edward Brown, Application Team Manager
Kim Travis, Engagement Coordinator
Amy Cole, Development Resources Manager
Natasha Detweiler-Daby, Director Affordable Rental Housing

RE: Soft Launch strategy for the Oregon Centralized Application

Over the course of engaging with Housing Stability Council (HSC) on the development of the Oregon Centralized Application (ORCA), HSC and developers have encouraged us to test the process before launching the final application. In order to this, we are moving forward with a strategy to have a *soft launch* of the application process by allowing identified projects to initiate applications for resources 2-3 weeks before the full application opening. The benefit of this will be that OHCS will be able to hear from the applicants of any issues or concerns with the application materials. Additionally, OHCS staff will be able to test internal process-flows with real projects.

To get the best impact of this strategy, projects included in the *soft launch* should have diverse project types and conditions; including projects that should be ready to submit application materials along with those that need additional technical guidance or need to reconfigure project financing structures.

To select projects to include, we used the below two key elements:

- A. 2023 Small Project NOFA applicants that were unsuccessful in getting funded, and do not have another project already in the OHCS development pipeline that is not already under construction.
 - Rationale:
 - Focusing on 2023 applications means increased likelihood in being viable in the current market conditions.



- Small Project NOFA projects are a good-fit for resources that are being offered in 2024 ARH ORCA.
 - Focuses on bringing into the pipeline additional development teams that are not already in our development/pre-closing efforts and incentivizes expediting production.
- B. 2023 NOFA Applicants for other resources that have applied for those projects at least twice and do not have another project already in the OHCS development pipeline that is not already under construction.
- Rationale:
 - Focusing on 2023 applications means increased likelihood in being viable in the current market conditions.
 - Applicants who have brought projects forward last year that have applied more than twice for those projects means being able to prioritize support to bring viable projects to successful strategies; some of these projects may need to make bigger shifts in how they are structured to be able to use available resources but may be more willing to do so since they have not had success more than once in the past.
 - Focuses on bringing into the pipeline additional development teams that are not already in our development/pre-closing efforts and incentivizes expediting production.

Soft Launch Project Identification

- A. 2023 Small Project NOFA applicants that were unsuccessful in getting funded, and do not have another project already in the OHCS development pipeline that is not already under construction.
1. Shortstack Belmont, Portland Oregon
 2. Glencrest, Grants Pass Oregon
 3. Lighthouse, Lincoln County Oregon
 4. UIR Veterans Village, Umatilla Tribes
- B. 2023 NOFA applicants for other resources that have applied for those projects at least twice and do not have another project already in the OHCS development pipeline that is not already under construction.
5. North Bend, North Bend
 6. Dolores Huerta, Medford Oregon

