

Weatherization Operations Manual

Section 1. Policies and Procedures

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Introduction

Weatherization is the science of making a dwelling more energy-efficient by making improvements that may result in a return on investment in the form of reduced energy consumption, reduced energy costs, and/or increased comfort and durability of the dwelling. Alaska Housing Finance Corporation (AHFC) makes no representation, either expressed or implied, that any weatherization improvement made to a dwelling will result in cost savings to the dwelling owner or will provide any other benefit to the dwelling occupant(s).

Guiding Principles of the Alaska Weatherization Assistance Program

- Weatherization implements energy-efficiency measures with a Savings to Investment Ratio (SIR) of 1.0 or greater.
- Weatherization does not bring entire homes up to “code,” but the measures provided by the Program do comply with applicable codes.
- Measures provided by the Weatherization program must remain in the home. They are not to be sold, bartered, or given away for the duration of their useful life.
- Grantees are responsible for complying with manufacturer guidelines as well as state, federal, and local jurisdiction.
- All work, no matter the condition of the existing home, shall be done in a quality, professional manner.
- Weatherization only assists homes that are “substantially complete” per program guidelines.
- Weatherization does not finish new construction.
- Weatherization is not a home maintenance or rehabilitation program.
- Weatherization is not a “preventative” program; i.e., it does not replace components merely because they are old.
- Weatherization improves ventilation to enable clients to control moisture and pollutants in the home that may be exacerbated by air-sealing.
- Weatherization is not an emergency service/response program.
- Weatherization implements mandatory health-and-safety measures as well as weatherization-related health-and-safety measures that are necessary to install energy-efficiency measures, to provide a safe workplace, and/or to protect clients.

Mandatory Health-and-Safety Measures

The following guidelines must be met in any home assisted with Weatherization funding. (See also Section 5. *Building Standards*.)

1. Smoke Detectors
 - a. Recommended: replacement of units over five years old.
 - b. Required: replacement of units over eight years old or units that do not operate.
 - c. Required: at least the minimum number of units necessary for the home.
2. Carbon Monoxide Detectors
 - a. Required: replacement of units over three years old and/or that do not meet Program standards.
 - b. Required: at least the minimum number of units necessary for the home.
 - c. Required: shall be installed before any work on the dwelling commences.
3. Correction of combustion failures before leaving the home.
4. A whole house ventilation fan is required.
5. A range hood fan over a gas combustion range is required.

After funding mandatory health-and-safety measures, all energy-efficiency measures with an SIR of 1.0 or greater and weatherization-related health-and-safety measures should be considered and implemented as the budget allows.

Grantees are to complete the assigned number of homes—serving high priority clients first as funding and logistics allow—to minimize residential energy consumption in the State. The majority of the budget for each home served should be spent on energy-savings measures to ensure successful implementation of the program.

Weatherization Operations Manual

This Weatherization Operations Manual (WOM) provides programmatic guidance for the administration of Weatherization services in accordance with State program policy.

The following terms will be used throughout this manual:

Grantee—a Borough, a non-profit agency, or a Regional Housing Authority that administers Weatherization services; this includes DOE Subgrantees

WX— Weatherization in road-connected/marine highway areas of the state including Southcentral, Southeast, Interior, Richardson Highway, and the Kenai Peninsula.

EWX—Enhanced Weatherization in rural remote communities primarily connected by air; i.e., the Interior villages, Northern, Western, and Southwestern Regions and the Aleutians.

This manual is intended for AHFC Weatherization Grantees and DOE Subgrantees. It is not intended to detail all program guidelines or aspects of effective program management. It must be used in conjunction with the grant agreement as well as any amendments, updates, and clarifications issued by AHFC for effective program delivery throughout the state. Compliance with the State Plan and Alaska Field Guide also is required for DOE funding.

Annual Training

Annual training in the proper application of the content of this manual and the grant agreement also is provided to enable Grantees to meet AHFC's expectations for this program.

AHFC may require some or all of a Grantee's and its contractors' employees to attend training by providing at least a ten day written notification to the Grantee of specific training requirements.

Individuals who do not work for an AHFC Weatherization Grantee should direct questions about the Alaska Weatherization Assistance Program to Weatherization Grantees that serve their communities.

Grantees are to follow the policies and procedures in this manual in addition to current grant conditions. Grantees are advised to keep copies of the current grant and attachments, as well as program updates and clarifications, with this manual.

Section 9. *U.S. Department of Energy (DOE) Guidelines* pertains only to Grantees that also administer DOE funds.

Grantees may reformat the appearance of forms provided by AHFC.

Service Districts

Grantees shall provide Weatherization services throughout the year when possible depending on available funding and logistics.

A Grantee shall not weatherize a dwelling outside of its service area(s) specified in the grant agreement without prior written approval from the AHFC Program Manager.

The Grantee will ensure that any grant funds directed to an entity that possesses sovereign immunity, or asserts a claim of sovereign immunity, that entity waives its sovereign immunity with respect to the use of grant funds. The waiver of sovereign immunity will be affected by a resolution from the entity's governing body if needed.

Memorandum of Agreement (MOA)

Notwithstanding the service delivery rules above, Grantees with overlapping service areas are encouraged to negotiate a mutually agreeable Memorandum of Agreement (MOA)—which specifies an alternative service delivery arrangement that provides for greater economies of scale, broader service delivery, and improved program efficiencies—whenever both Grantees plan to provide services to the same community in a given program year. All such MOAs shall be subject to AHFC review and approval.

Rural Remote Communities (EWX)

Grantees shall select those communities that meet the priority listing of AHFC (considering income, cost of fuel, condition of housing, etc.). In the interest of facilitating program outreach, program delivery, and the application process for interested residents, Grantees shall focus their efforts as follows:

- Grantees shall intend to serve all eligible units in an individual EWX community prior to moving on to other EWX communities, except in regional centers where ongoing programs exist.

By researching and estimating the number of eligible dwelling units in a village in advance, a Grantee can determine whether the village can be served in one year or over several years. Outreach shall attempt to contact every potentially eligible household in the village accordingly.

When a village will be served in one year, an aggressive effort to contact every potentially eligible household shall be made and documented. Afterward, if households attempt to apply after completion of the outreach and intake efforts, the Grantee will not be under any obligation to serve them separately. The Grantee may choose whether to serve eligible late applicants before leaving the village. This is preferable if the village is not likely to be served again. If freight costs will be higher to improve the homes of late applicants, the number of measures applied to the homes can be reduced. Last-minute jobs often will use materials that would otherwise require expending resources to sell or move to another community. When last-minute approved households receive reduced

Weatherization services, the households must sign a statement (e.g., a scope of work), acknowledging the reduced measures were due to higher logistics costs.

- Grantees with overlapping service areas shall coordinate their efforts to prevent duplication of services to any one dwelling.

Grantees must notify AHFC of their plans to serve a village in the annual planning process.

Road-Connected/Marine Highway Areas of the State (WX)

In the interest of facilitating program outreach, program delivery, and the application process for interested residents, Grantees shall focus their efforts as follows:

- Grantees shall perform ongoing outreach in these areas while attempting to meet the priority listing of AHFC (considering income, cost of fuel, remote distance to the urban centers, condition of housing, etc.).
- All Grantees with overlapping services areas must coordinate their efforts to provide prevent duplication of services to any one dwelling.

Outreach

All potentially eligible clients shall have equal opportunity to apply for assistance.

The Grantee will design its outreach program to reach, inform, and solicit applications from the target client base.

1. For large, rural service areas, outreach may be targeted to specific communities within the service area to group projects for greater cost efficiency.
2. At a minimum, this will include providing public notice of the program, the Grantee agency, and the process for obtaining an application.
3. Notice should be ongoing as long as funding is available to ensure that priority households are reached.
4. Outreach may be conducted through a variety of means such as, but not limited to, Public Service Announcements, press releases, informational mailings, and other forms of advertisements. Enlisting the aid of other entities to post fliers and/or distribute applications at the local level is encouraged. Some examples include Village Councils, senior centers, community organizations, places of worship, employment centers, Fair Housing groups, social service agencies, utilities, general stores, schools, food banks, etc.
5. Publications funded by this grant must include the following disclaimer.
 - “This publication was developed and printed through the support of the Alaska Housing Finance Corporation and the U.S. Department of Energy Weatherization Assistance Program. The opinions, findings, and conclusions

expressed in this publication are those of the author(s) and are not necessarily those held by the Alaska Housing Finance Corporation or the U.S. Department of Energy.”

- If space or budgets limit the size of the publication, at a minimum include the following in the publication.
 - “This program is funded by AHFC and/or the U.S. Dept. of Energy.”

AHFC’s logo is in Section 2. *Administrative and Eligibility Forms*.

Application Requirements

The Grantee is responsible for ensuring that the application and intake process is accessible, fair, and equitable to all potentially eligible clients. The value of conservation as part of client education should also be an integral part of this phase of the program. The Grantee will review client applications for eligibility, notify clients as to their eligibility status, and prioritize eligible applications in accordance with the policies on pp. 1-46 to 1-48.

The application requirements herein provide a Grantee with information to determine the eligibility of a household unit and a dwelling unit or building. The Grantee may design an application that suits its needs but each application should, at a minimum, request the following information:

1. applicant’s name and address;
2. number of residents in the home;
3. each resident’s income for the preceding twelve months;
4. total household income;
5. dwelling type (single-family, multi-family, mobile home, etc.);
6. mobile home Serial Number (if applicable);
7. ownership or rental status;
8. heating system type;
9. a request for annual fuel usage (actual preferred or estimate);
10. a statement signed by the applicant that the home has not been weatherized by a Grantee after April 14, 2008;
11. a statement signed by the applicant that the household is not on the wait list for the AHFC Home Energy Rebate funds and that the home has not been improved with Rebate funds after May 1, 2008;
12. a statement signed by the applicant that all information as presented by the applicant is true and correct.

The following documentation is required to complete an application for Weatherization services unless indicated optional:

- Privacy Act disclosure which shall be provided to each applicant before an application is processed (See Section 2. *Administrative and Eligibility Forms*);
- Application (See *Application Requirements* above and Section 2.);
- Authorization for Release of Information, optional (See Section 2.);
- Fuel Information Release Form (See Section 2.);
- Home ownership verification or certification by Grantee of such information (pg. 1-20)
- Verification of the year the dwelling was built (pg. 1-21);
- Map—required for a home without a street address. A photocopy of a map may be used to mark the location of the home; otherwise, a hand-drawn map may be used or written directions;
- Income verification (pp. 1-10 to 1-20);
- Landlord-Tenant Agreement for non-owner-occupied dwelling units, including Life Estates (See Section 2.);
- AHFC Home Energy Rebate Program verification (and withdrawal certification if applicable);
- Prior Weatherization verification (pg. 1-22); and
- SHPO compliance (for State and DOE funds, as applicable).

Application Review Form

Grantees shall use the *Application Review* form (See Section 2.) to ensure all applications undergo a compliant eligibility review. All Grantees must collect this data and verify supporting documentation to determine applicant eligibility.

Note—for state funds only: An *Application Review* form may substitute for a Weatherization application and supporting documentation when:

1. A household lives in a dwelling constructed and/or operated by a Grantee. This completed form alone may comprise the eligibility portion of the client file only if the Grantee already conducts annual income verifications of the tenant's household. Using this form in place of an entire completed Weatherization application with supporting documentation is intended to reduce redundancy in record keeping within the Grantee's organization. All cross-referenced proofs must meet Weatherization guidelines; or
2. The Grantee is processing a multi-family dwelling that it does not own such as a shelter or low-income housing subsidized by an affordable housing program that uses the 24 CFR Part 5 Definition of income to qualify tenants. Such programs include but are not limited to Section 8, Section 202, Section 811, LIHTC, etc.

The Grantee must obtain verification from the property owner or manager that indicates the total number of units in the building, which units are restricted to low-income tenants, which units are occupied by households that meet the 24 CFR Part 5 Definition of income, and how often these tenants are income qualified or recertified. Only tenant household units that meet the income guidelines for the subsidy may be considered automatically income-eligible for state Weatherization funds. Other tenant households in the building must undergo a full income review if more income-eligible units are needed to qualify the building for assistance. Rental Dwelling Unit policies are explained on pp. 1-25 to 1-32.

Definition of Household Unit

A household unit is defined as all occupants of the dwelling unit.

A full-time student away from home during the school year is considered "living together in the dwelling unit."

A live-in-aide medically required by a member of a household unit is not considered a member of the household unit for income purposes.

In the case of joint ownership, income must be included for all owners who are residents of the home. Grantees must verify and document for the file all cases of multiple owners of a home.

Income Eligibility

Income eligibility for state Weatherization funding is based on income limits published by the Alaska Housing Finance Corporation that are current as of April 1st of the program year.

To qualify for Weatherization services, an applicant household's total income cannot exceed the limit for its size.

It is the responsibility of the applicant to demonstrate eligibility. This is done by informing the Grantee of all income sources and providing required documentation.

Income Review Period

Income eligibility is determined by the annual household unit gross income for the 12 months preceding the month in which an application is completed. Projecting income is not allowed.

Automatic Qualifier (AQ) for Income Eligibility for State Funds Only

A household unit that meets one of the following conditions during the income review period automatically meets income eligibility requirements for state funds only.

AQ-A: The household unit:

1. lives in an owner-occupied, single-family Mutual Help Housing unit constructed and/or operated by a Grantee, which has not been conveyed; and
2. already undergoes an annual income review by the Grantee or the Grantee conducts an AHFC-authorized income review.

AQ-B: An occupant has received APA/IA, ATAP, TANF, SSI, Food Stamps, Low-Income Home Energy Assistance (federal LIHEAP), or SeniorCare benefits at least once during the 12 months preceding application approval.

AQ-C: The household includes one resident who is *currently* receiving services under the Medicaid Waiver.

AQ-D: The household unit:

1. lives in a multi-family rental unit not owned by the Grantee, which is restricted by an affordable housing program that uses the 24 CFR Part 5 Definition of income to qualify tenants; and
2. already has undergone an annual income review by the landlord 12 months prior to making application for Weatherization Assistance.

Household units that have not received an AQ during the income review period must undergo a full income review.

Definition of Household Unit Income

Household unit income is based on the gross income received by members of the household unit. Assets are not reviewed to determine eligibility, only any countable income a resident receives from assets during the income review period.

This includes the following:

1. Alimony,
2. Dividends, except the Alaska Permanent Fund Dividend,
3. Government employee pensions (including military retirement pay),
4. Interest,
5. Military family allotments,
6. Net gambling or lottery winnings

7. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses),
8. Periodic receipts from estates or trusts,
9. Private pensions,
10. Railroad retirement,
11. Regular insurance or annuity payments,
12. Rents (net rental income),
13. Royalties (net),
14. Regular payments from Social Security (retirement, disability, Supplemental Security Income, Survivor's Benefits, etc.),
15. Strike benefits from union funds,
16. Training stipends,
17. Unemployment compensation,
18. Money, wages and salaries before any deductions,
19. Workers' compensation, and
20. Veterans' payments.

Income does not include the following:

1. Any assets drawn down as withdrawals from a bank;
2. Capital gains;
3. Child Support;
4. Combat Pay (Hostile Fire);
5. Depreciation for farm or business assets;
6. Dividends from Native Corporations:
 - a. For each person who received \$2,000 or more during the income review period, deduct \$2,000 from the total received;
 - b. For each person who received less than \$2,000 during the income review period, exclude the total received;
7. Earnings of full-time high school students or post-secondary students enrolled in at least 12 credit hours during the income review period;
8. Exxon Valdez Oil Spill Settlement;
9. Federal Economic Stimulus Payments;
10. Federal non-cash benefits such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;

11. Food or housing received in lieu of wages, including the value of food and fuel produced and consumed on farms;
12. Gifts;
13. Imputed value of rent from owner-occupied non-farm or farm housing;
14. LIHEAP payments;
15. Loans;
16. Lump-sum inheritances;
17. Military Family Allotments—Basic Allowance for Quarters (BAQ), Basic Allowance for Subsistence (BAS), Cost of Living Allowance (COLA), Family Separation Allowance (FSA), and Variable Housing Allowance (VHA)
18. Non-cash benefits such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits;
19. One-time insurance payments or compensation for injury;
20. One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
21. One-time withdrawals from an investment account (The client must certify this is a one-time withdrawal.);
22. Payment for foster children or foster care adults or adoption subsidies (including “Elder Mentors/Foster Grandparents Senior Companions”);
23. Reverse mortgages;
24. Sale of assets such as property, house, or vehicle;
25. Scholarships for college or university; and
26. Tax refunds.

Calculating Income

Verification of income for the entire income review period is required. When documentation of income for the entire income review period is not available, the intake person shall identify for the record missing documentation and the reason(s) why.

When complete documentation is not available, documentation for a shorter period may be annualized. For example, a one-week check stub amount must be multiplied by the number of weeks worked in the year, or a one-month income statement amount must be multiplied by the number of months received.

Overtime and tips are added to annualized income.

A one-time payment is not annualized by multiplying by another number.

Note—for state funds only:

- A review of income received during the entire income review period is preferred. However, in the interest of efficient program administration, Grantees may choose to review a household's federal tax return(s) for the preceding calendar year to determine household unit income. This method for calculating income may be used to qualify a household for the current Weatherization Program Year only. Determining household unit income based on prior year federal tax returns may expedite initial application processing. However, this method of determining income-eligibility may shorten the length of time before an application must be reverified. (See Income Reverification on pg. 1-20.)
- All household units that receive an automatic qualifier (AQ) during the income review period are income-eligible for Weatherization services. The Grantee will have proof of the type and date of receipt of the AQ for the recipient in the client file. A full income review is not required but an estimate of total household unit income must be recorded in the client file. The estimate may be provided by the applicant or determined by the Grantee.
- For the purposes of determining income eligibility and prioritizing households per the guidelines on pp. 1-46 to 1-47. Grantees shall calculate income and attempt to qualify all households as follows:
 1. If the household receives an AQ, calculate total income based on gross (or use an income estimate).
 2. If the household does not receive an AQ, calculate total gross income based on the household's tax return(s) or other acceptable proofs.
 3. If the household's gross income exceeds the limit for its size, calculate total income based on adjusted gross income on the household's tax return(s). These households shall not be prioritized as 1s, 2s, or 3s.

Required Income Documentation

Copies of income documents shall be made whenever possible. When a photocopier is not available to copy income documentation, a Grantee's intake person reviewing the documentation shall certify to observing the documentation used for the income calculation, noting the source of income, the date last received, gross amount, and term (one week, monthly, quarterly, etc.).

To meet the documentation requirements for different sources of income, the following paragraphs list alternative documents, listed in order of preference. One of the alternatives listed for a given source of income must be used. Other alternatives may be acceptable upon obtaining prior approval from the AHFC Program Manager.

Automatic Qualifier (AQ) for Income Eligibility

Verification of receipt of an AQ during the income review period must be in the client file.

AQ-A: Completion of the Weatherization *Application Review* form (See Section 2.)

AQ-B: 1. a copy of a current check, check stub, or bank statement, or bank direct-deposit slip indicating the recipient, amount, source, and date received; or

2. a copy of a current statement of benefits from the Division of Public Assistance (DPA) or the Tribal TANF provider. Note: SeniorCare benefits may appear under the heading "GA" on DPA printouts and should not be confused with General Assistance, which is not an AQ. When in doubt, ask DPA staff to indicate that the "GA" benefits reported are in fact SeniorCare.

AQ-C: Verification from the resident's care coordinator or benefits provider that includes the recipient's name and current date and states that the recipient *currently is receiving services through the Medicaid Waiver*.

AQ-D: Completion of the Weatherization *Application Review* form (See pg. 1-9 and Section 2.) This is contingent upon the Grantee researching the owner's method of verifying demographic and income data and determining that the owner's methods meet the requirements of Weatherization. In this case, the completion of the *Application Review* form for each tenant household that qualifies under the 24 CFR Part 5 Definition of income is acceptable. Under no circumstances may a Grantee follow this abbreviated method of intake verification and record keeping for a property it does not own without prior approval from the AHFC Program Manager. For tenant households that do not qualify under the 24 CFR Part 5 Definition of income, a full income review is required.

Employment

1. Copies of pay stubs (identifying the recipient by name or Social Security Number) that indicate the gross income; the most recent pay stub is all that is required if it shows year-to-date gross income; when pay stubs that show the income for the full 12-months are not available, pay stubs received during the income review period may be used to annualize the income; or
2. W-2 forms and a signed statement or other indication of the length of employment (Note: Use the amount in Box 1 on the W2.); or
3. A verification from the employer on the employer's stationery or standard form or a form prepared by the Grantee stating the amount of gross wages for the income review period. The verification should indicate the date on which employment began and, if applicable, terminated; or
4. Other documentation may include copies of tax forms, Public Assistance and Department of Labor statements, or an employer's payroll report.

Self-Employment

1. Self-employed individuals must provide copies of current IRS tax returns. If this is not possible, clients must call the IRS at 800 428-4732 and request their tax account information. A letter from the IRS will be sent to the client. The client must provide this letter to the Grantee for inclusion in the client's file. Alternatively, the client can sign IRS Form 4506T, identifying the Grantee as the third party.

The following IRS prior year tax returns are required for the listed type of business:

- **Sole Proprietorship.** Form 1040 complete with Schedule C "Profit or Loss from Business or Profession,"
 - **Partnership.** Form 1040 with Form 1065 "Partner's Share of Income, Credits, Deductions, etc."
 - **Corporation.** Form 1120, "U.S. Income Tax Return for an S Corporation" if the client is the entire corporation; IRS certified prior year tax Form 1040 with Form 1120 and Schedule K-1, if the client is only a shareholder in the corporation.
2. In addition to any forms required above, a Grantee may seek further supporting documentation (such as a checkbook, accountant's records, business records, etc.) to verify tax form amounts or to provide current income and expenses when the end of the most recent tax year is more than 6 months past. The Grantee also may require documentation of specific business deductions if there is a question about a deduction.
 3. Applicants who perform miscellaneous "odd jobs" such as shoveling snow should show documents to support this income with a certified listing of type and date of jobs performed, names and addresses of persons for whom work has been done, and payments received. Grantees may ask such applicants to provide checking, savings, or other bank records or bankbooks to verify the applicant's income statements or tax return.

Unemployment Benefits

1. A copy of the latest Department of Labor (DOL) check stub showing the total received, number of weeks, and remaining available balance; or
2. A statement from DOL indicating amount of benefits, date benefits began, and, if applicable, terminated; or,
3. A copy of a DOL claim record that indicates the amount of benefits, length of time, and dates that benefits were received.

Military Family Allotments—Basic Allowance for Quarters (BAQ), Basic Allowance for Subsistence (BAS), Cost of Living Allowance (COLA), Family Separation Allowance (FSA), and Variable Housing Allowance (VHA)

1. Copies of pay stubs (identifying the recipient by name or Social Security Number) that indicate the gross income; the most recent pay stub is all that is required if it shows year-to-date gross income; when pay stubs that show the income for the full 12-months are not available, pay stubs received during the income review period may be used to annualize the income; or
2. Copies of W-2s and a signed statement or other indication of the length of employment; or
3. A verification from the employer on the employer's stationery or standard form or a form prepared by the Grantee stating the amount of gross wages for the income review period. The verification should indicate the date on which employment began and, if applicable, terminated; or
4. Copies of Leave Earning Statements provided by the service member.

Veteran's Administration (VA) Benefits

1. A copy of a recent check, check stub, bank statement, or bank direct-deposit slip indicating the current amount and source; or
2. A dated letter from the VA indicating the current amount of assistance; or
3. A Grantee- or VA-prepared form completed by the VA containing current benefit information; or
4. When documentation is not available in a timely manner, a certification from the client or Grantee intake person that the gross benefit is not subject to change annually is acceptable in addition to one of the above proofs.

Workers Compensation

1. A statement from the employer, insurance company, attorney of record, or union office indicating amount, frequency, and effective dates of payments.

Pension, Retirement

1. A copy of a recent check, check stub, bank statement, or bank deposit slip, which shows the amount and source, or a statement with all deductions indicated; or
2. A current letter (within 12 months) from the pension source stating type, amount, frequency, and effective date of benefits; or
3. A copy of a Grantee-prepared form completed and dated by an authorized benefit official, containing current benefit information; or

4. A copy of a 1099, or
5. When documentation is not available in a timely manner, a certification from the client or Grantee intake person that the gross benefit is not subject to change annually is acceptable in addition to one of the above proofs.

Social Security—Retirement Benefits, Disability Insurance (SSDI), Supplemental Security Income (SSI), and Survivor's Benefits

1. A Social Security statement, letter, or Social Security Administration-generated printout indicating current gross monthly benefit amount (including any Medicare premium). The recipient can call 800 772-1213, to request a printout to submit to the Grantee; or
2. A copy of a current check, plus any Medicare premium being withheld; or
3. A statement from the recipient's bank or a copy of a bank direct deposit slip indicating the amount and source of the deposit, plus any Medicare premium being withheld; or
4. A copy of the preceding tax year's 1099. The gross monthly benefit for the preceding year can be calculated by dividing the total benefits by 12. The current year's gross monthly benefit can be calculated by adding the current year's COLA adjustment published by Social Security to the gross monthly benefit based on the 1099.

Public Assistance—Adult Public Assistance/Interim Assistance (APA/IA), Alaska Temporary Assistance Program (ATAP) / Tribal Temporary Assistance to Needy Families (TANF), Food Stamps, and SeniorCare

1. A copy of current check, check stub, or bank statement, or bank direct-deposit slip indicating the amount and source; or
2. A copy of a current Division of Public Assistance (DPA) statement of benefits or statement of benefits from the Tribal TANF provider.

Alimony

1. Copy of the most current alimony check; frequency of receipt also must be stated if alimony is received uninterrupted and in a consistent amount; or
2. A signed applicant-declaration attesting to the amount and frequency of payments for a minimum of the last 13 weeks when:
 - a. the applicant receives alimony in the form of cash; or
 - b. the applicant has not received the correct amount of court-ordered payments; or
 - c. the payments received are mutually agreed upon by the applicant and former spouse without court action; or

3. A current notarized letter from the applicant's former spouse attesting to the amount and frequency of payments; or
4. A copy of current court order (or most recent amendment) indicating the current amounts paid and frequency; or
5. A letter from the attorney of record or legal agency representing the applicant, stating amount and frequency of current payments.

Interest

1. A copy of a recent check, check stub, or statement, indicating the amount and source; or
2. A copy of a 1099 or tax return; or
3. A Grantee-prepared form completed by the income source containing current information.

The majority of household units report no interest earnings or less than \$100 annually. The source typically is an interest-bearing savings account. In these cases, Grantees may annualize interest earnings of \$100 or less when a significant change is not expected during the income-review period, and:

- Acceptable proof of interest earned year-to-date is received for a part of the income review period; or
- A copy of the recipient's 1099-INT or tax return is received for the preceding calendar year and shows interest received during part of the income review period.

Other Forms of Income

This manual cannot address every type of income households may report. Grantees are advised to apply the aforementioned requirements in a prudent and consistent manner to other forms of income reported by applicant households. Clarification of acceptable documentation of other income may be obtained from the AHFC Program Manager.

No Income

A household unit with no income shall:

1. Have the head of household or the person making the application sign a certification to such, and
2. Submit copies of taxpayers' most recent tax returns or have adult taxpayers sign IRS Form 4506T.

Another method for verifying no income is available for households that live a subsistence lifestyle. A recognized community leader, a current representative of the Village Council, or staff at a local Native Corporation may provide a written statement that corroborates the household unit's lack of income based on the third-party's personal knowledge of the household's income history.

Reporting Changes in Income

Any change in income between the time of application and the scheduled assessment must be reported by a client to the Grantee to ensure that the household unit is still eligible when served.

Income Reverification

If the home is not scheduled for an assessment before 365 days elapse after the date of the most recent proof of income on file, the household unit income must be reverified and documented again. Households that must undergo an income reverification must meet the income guidelines that are current when their income is reverified.

However, eligible households whose homes have been assessed or scheduled for an assessment do not have to undergo an income reverification if their homes will be served and inspected within 18 months of the assessment. The goal is to serve homes as quickly as possible, but logistics (limited freight schedules, back-ordered materials, flooding, etc.) may delay delivery of assistance. The scheduled assessment appointment date must be on file.

Dwelling Unit Documentation

The Grantee and its designees (e.g., contractors) must have written permission from the owner of the dwelling unit to perform work prior to access, occupancy, or use of any real property.

Documentation is required as a part of an application to determine dwelling unit eligibility. An accurate description of the dwelling unit address shall be given. When possible, this shall include both a legal description and street address, or if there is no street address, a copy of a map indicating the location.

Ownership Verification

Home ownership shall be verified by the Grantee. Documents that may be used for verification include:

- AHFC Weatherization *Application Review* form for a dwelling unit currently owned and/or operated by a Grantee,

- Recorded Deed or Life Estate,
- City or Borough tax assessment or bill,
- Valid Mortgage Agreement,
- Valid Purchase Agreement, or
- Vehicle Title (for mobile home).

If none of the above is available, the following may be suitable on a case-by-case basis:

1. When land ownership rests with a Native village or organization, a signed statement by a principal of the village or organization regarding ownership of the dwelling unit; or
2. An owner provides a sworn statement (affidavit) attesting to ownership, or
3. Other forms of ownership as approved by the AHFC Program Manager.

Note: Option 2 is not intended to allow applicant households to receive Weatherization services without a thorough review of ownership. Applicable examples may involve applicants who live in homes located on land owned by private parties, such as

- a dwelling unit built on the land, out-of-pocket by the applicant household;
- a dwelling unit purchased and relocated to the location by the applicant household, situated in the location and occupied for two heating seasons, and for which proof of ownership has been lost; such as a used ATCO trailer purchased from a logging or construction company, a storage shed that has been converted to a dwelling, older mobile homes, etc.

In such cases, Grantees should be able to request a proof of land ownership and a brief signed statement from the land owner indicating the arrangement between the two parties.

Proof of land ownership is not required for mobile homes on leased property.

Year Built Verification

Where possible, Grantees must verify the year a dwelling was built through local or borough property tax assessment records for real property and/or DMV records for mobile homes. When such third-party resources are not available, it may be possible to obtain verification from local third-parties such as city or tribal offices or local elders who are most familiar with the development of housing stock in the community. A signed statement from the applicant that plausibly details the history of the dwelling and is corroborated by a Grantee's site inspection and data collection may be acceptable.

Grantees are required to comply with lead based paint regulations. Verification of the year built must be in the client file. When the year built is unknown or cannot be verified reliably, Grantees must presume the presence of lead and lead safe work practices must be followed. A lead test may show no presence of lead. Grantees must weigh the costs of LSW practices and lead testing and act in the best interests of the clients, workers, and the program.

Prior Weatherization Verification

Weatherization is intended to be a one-time grant per dwelling unit. Due to changing program guidelines and funding levels since program inception, however, some dwelling units may be eligible to receive Weatherization one more time. However, prior-weatherized dwelling units may be prioritized lower on the wait list than dwelling units that have never been served by Weatherization. This depends on when the dwelling unit was first weatherized by the program.

- Dwelling units weatherized after April 14, 2008, may not receive Weatherization again.
- Dwelling units weatherized during October 1, 1994 to April 14, 2008, are eligible to receive Weatherization once more—with State funds only, but not DOE—but clients in these dwelling units will be ranked lower on the wait list.
- Dwelling units weatherized before October 1, 1994, may receive Weatherization once more without any impact on the priority rank.

Note: *applicants* may receive Weatherization more than once; *dwelling units cannot*.

- A. Grantees shall check records of prior-weatherized dwelling units to determine if and when a dwelling unit has been weatherized in the past.
- B. Grantees shall note in the client file that a prior-wx review has been performed.
- C. When a dwelling unit is verified as served with Weatherization funds after April 14, 2008, the Grantee shall automatically deny the application.
- D. When it is unclear whether a dwelling unit is “a prior-wx,” the Grantee shall seek additional information to clarify if the dwelling unit on the application matches one on a prior-wx list. If it is still not possible to determine if the dwelling unit is an ineligible prior-wx, the Grantee may err on the side of the client and wait until the on-site assessment to make the final determination. In this case, the Grantee shall inform the household that its final eligibility determination will be dependent on the Grantee’s site inspection findings.
- E. If a dwelling unit served after April 14, 2008, is remodeled to create additional dwelling units (e.g., converting a single-family home into a duplex), the new unit is not eligible for Weatherization, unless whole building work was not provided the previous time the property was served.

This is very rare. One example would be only emergency heating work was provided at the end of a program year when limited funds or logistics prevented improvements to the building envelope, and the new dwelling unit has its own heat source.

- F. Grantees shall check all properties for evidence of prior weatherization, including placement of a weatherization decal. Dwelling units that are found to be ineligible due to receiving Weatherization after April 14, 2008, shall be denied Weatherization, regardless of initial approval by eligibility staff.

Prior-Weatherization Lists

Grantees with overlapping service areas shall exchange lists of homes they have served per AHFC's instructions by May 31 of each program year.

- to prevent duplication of funding to any dwelling unit and
- to ensure households are prioritized in a consistent manner by all Grantees serving a community.

Prior weatherization lists shall be provided as Access or Excel files so that Grantees may sort the data. At a minimum, prior-wx lists shall include:

- first and last name of the primary applicant;
- mailing address;
- street address (when available);
- legal description;
- type of dwelling (e.g., single-family, multi-family, mobile home, etc.);
- mobile home serial number (when available);
- Weatherization program year and client number; and
- date weatherization was completed.

As necessary, Grantees may share additional information drawn from client files as necessary to facilitate identifying properties. **Grantees shall treat all client data exchanged as highly confidential at all times.**

AHFC Home Energy Rebate Program (HERP) Verification

State guidelines prohibit expending Weatherization *and* AHFC Home Energy Rebate Program (HERP) funds for improvements on the same dwelling unit.

A Weatherization applicant previously served by either program is not prohibited from applying to Weatherization as long as the applicant's current dwelling unit has not been served by Weatherization after April 14, 2008 or by HERP after May 1, 2008.

Households may not submit applications to both programs for the same dwelling unit. Regardless, violations of this guideline have occurred due to:

- A household realizes it does not have the resources to complete the improvements required to qualify for a HERP rebate of *improvement costs* after receiving an As-Is rating.
- A household does not comply with HERP guidelines and is denied a HERP rebate of improvement costs.
- A Weatherization applicant may not know a HERP rebate for improvement costs was awarded to a previous owner.
- A household may forget it has applied to one program when it submits an application to the other due to extensive wait lists for both programs.

Consequently, AHFC may allow a household to withdraw its HERP application and apply to Weatherization for the same dwelling unit when:

- a HERP rebate for improvements made to the dwelling after May 1, 2008, has not been awarded; or
- a HERP rebate only for an As-Is rating for the dwelling unit has been awarded after May 1, 2008.

To minimize the possibility of duplication of funding to a dwelling, Weatherization Grantees shall verify whether:

- a HERP application has been submitted for the dwelling; **AND**
- a HERP rebate of *improvement costs* has been awarded after May 1, 2008.

Grantees shall note in the client file that a HERP review has been performed.

- A. Upon receipt of a Weatherization application, the Grantee shall review:
1. an applicant's certification and/or comments on the Weatherization assistance application regarding participation in the AHFC HERP; **AND**
 2. the *most recent* HERP list received from AHFC prior to the date of the Weatherization application. (AHFC will issue HERP lists to Weatherization Grantees on a monthly basis.)

This initial review for potential duplication of funding shall be done even if the Grantee plans to postpone complete processing of the Weatherization application until the household moves higher up the Weatherization wait list.

- B. If the Weatherization application review indicates a HERP rebate was issued for *improvements made to the dwelling after May 1, 2008*, the Grantee shall automatically deny the Weatherization application.
- C. If the Weatherization application review indicates *participation in AHFC's HERP* but not receipt of a HERP rebate for *improvement costs*, the Grantee shall:

1. provide the household with an AHFC HERP withdrawal form and inform the household that it must return the completed form to the Weatherization Grantee within 30 days, or the Weatherization application will be cancelled.
2. deny the Weatherization application if the withdrawal form is not received on time.
3. upon timely receipt of the HERP withdrawal form:
 - a. file it in the Grantee's Weatherization client file, **AND**
 - b. inform AHFC HERP staff via email of receipt of the HERP withdrawal.
- D. If the review of the most recent HERP list reveals an infraction, the Grantee shall send an email to AHFC HERP staff to inquire if a rebate has been issued for improvements made to the home after May 1, 2008.
 1. If a HERP rebate of *improvement costs* has been issued, the Grantee shall deny the Weatherization application.
 2. If a HERP rebate for *improvement costs* has not been issued, the Grantee shall complete the process in "C." above.
- E. After the Grantee reviews a new Weatherization application for potential duplication of funding, the Grantee is not required to review subsequent AHFC HERP lists for the same Weatherization applicant household or property.
- F. Due to the time lapses between application submission and delivery of services/funding that occur in both programs, HERP lists may not be as detailed or current enough to enable Grantees to accurately identify households/dwellings upon first review. Therefore, the Grantee shall have the client certify that the household has not been participating in the AHFC HERP since submitting its Weatherization application at the time of the dwelling assessment.
- G. At any time a Grantee suspects a household of double-dipping, the Grantee shall report the possible infraction to AHFC HERP staff via email.

Rental Dwelling Units

A Rental Dwelling Unit is defined as a home occupied by a household unit that is not the owner of record. This includes, but is not limited to, homes occupied under the following agreements:

- Rent-to-Own,
- Lease-Purchase,
- Life Estate, and
- Verbal.

Authorized Agent

If an agent is to act on behalf of the owner of the property, the agent must show documentation authorizing that person to enter into contractual agreements for an owner. When an existing property management agreement does not exist, the owner may provide a signed and dated statement designating an agent for the purpose of cooperating with the Weatherization Assistance Program.

Landlord-Tenant Agreement

For all rental dwelling units (including Life Estates), a Weatherization *Landlord-Tenant Agreement Permission to Enter Premises/Rental Agreement* (LTA) (See Section 2. *Administrative and Eligibility Forms.*) must be completed by the tenant, owner/agent, and Grantee.

Permission to Enter the Premises

Prior to conducting energy-related building inspections and assessments, repairs, and improvements, Grantees shall obtain written permission to enter the premises during application intake. A completed LTA satisfies this requirement. At least 24-hour notice shall be given to each tenant prior to assessing that unit.

For a mobile home situated on land that is not owned by the applicant household, a completed LTA from the landowner is not required.

WX Funding Limitations on Rentals

Grantees are required to solicit an owner contribution for rental dwelling units to be weatherized. All rental units are subject to the contribution requirements.

For ***all*** rental units, Grantees will determine the amount of materials needed to weatherize the building. Grantees shall solicit a cash or in-kind contribution from the owner/agent. Maximum investment limits (See pp. 1-44 to 1-45.) shall be specified in the LTA and applied equitably to all landlords. Whether or not a contribution is specified, Weatherization work may proceed.

For all units in a rental dwelling of **five or more units**, the dollar amount of materials and labor provided by the Grantee shall not exceed \$3,000 per eligible dwelling unit (\$5,000 EWX) unless the owner is willing to contribute cash or in-kind services. For any owner contribution, the Grantee will provide up to \$3,000 (\$5,000 EWX) in materials and labor and then match dollar-for-dollar any owner contribution up to an amount estimated by the Grantee, not to exceed \$6,000 (\$8,000 EWX) of Weatherization funding per eligible dwelling unit.

For rental buildings of **three or four units**, the dollar amount of materials and labor provided by the Grantee shall not exceed \$4,000 (\$6,000 EWX) per eligible dwelling

unit, unless the owner is willing to contribute cash or in-kind services. For any owner contribution, the Grantee will provide up to \$4,000 (\$6,000 EWX) in materials and labor, and then match dollar-for-dollar any owner contribution up to an amount estimated by the Grantee, not to exceed \$8,000 (\$10,000 EWX) of Weatherization funding per eligible dwelling unit.

For a **single-family** rental dwelling unit or a **duplex**, the dollar amount of materials and labor provided by the Grantee shall not exceed \$6,000 (\$8,000 EWX), unless the owner is willing to contribute cash or in-kind services. For any owner contribution, the Grantee will provide up to \$6,000 (\$8,000 EWX) in materials and labor, and then match dollar-for-dollar any owner contribution up to an amount estimated by the Grantee, not to exceed \$8,000 (\$12,000 EWX) of Weatherization funding per eligible dwelling unit.

A written request to modify the investment limit for a rental unit may be submitted to the AHFC Program Manager on a case-by-case basis. The request shall include the rationale for increasing the limit.

In-Kind Contributions or Improvements

In-kind contributions or improvements may be counted in a similar manner as cash contributions. These must be energy conservation or related health-and-safety improvements (e.g., fixing wiring or adding a circuit for a fan but not fixing entry steps) to qualified individual units or to common areas of a qualified building. Only improvements made to the building in the six months immediately prior to the date of application or during Weatherization project activities may be counted as in-kind contributions.

Made Prior to Weatherization Project: The Grantee will determine the *eligibility* of improvements made no more than 6 months prior to the application date and their *value* using actual receipts for materials and labor. Copies of all receipts must be obtained during initial intake and kept in the client file. When receipts are not available, the in-kind contribution will be disallowed.

Made During the Weatherization Project: Grantees may estimate a reasonable market value for the in-kind materials and/or labor and have the owner/agent sign a brief statement for the file, agreeing with the estimated value.

Grantees shall include in-kind contributions or improvements and their associated costs in the Weatherization project work scope.

Improvements made by the owner should be made prior to the start of Weatherization activities whenever possible. If improvements must be made after Weatherization activities, the Grantee will ensure they are completed.

All owner contributions will be returned to the Weatherization Assistance Program and shall not be used for other than legitimate Weatherization activities. Grantees may

have the owner make the required contribution directly to a subcontractor or materials supplier, provided the transaction is tracked for reporting purposes.

Note: All materials and improvements must remain with the rental dwelling unit after a tenant leaves.

Waiver of Owner Contribution for Single-Family and Duplex Rental Dwelling Units

At the discretion of the Grantee, the owner contribution for single-family and duplex rental units may be waived by the Grantee.

- This waiver applies only to those individual landlords (not businesses or consortiums) that own four or fewer rental dwelling units, whether single-family or multi-family dwelling units.
 1. An exception would be a Housing Authority that is selling the dwelling unit to the applicant household through a Mutual Help and Occupancy Agreement, and the Title has not been conveyed yet. In this case, if the household qualifies for the program, the dwelling unit may be treated as an owner-occupied home.
 2. Another exception would be when
 - a Housing Authority has allowed a buyer, who has a Mutual Help and Occupancy Agreement, to rent the dwelling unit to a relative (tenant);
 - the tenant's household qualifies for the program; and
 - the dwelling unit otherwise qualifies for a waiver of an owner contribution (per pp. 1-28 to 1-29).
- The LTA and LTA Addendum are required to obtain permission from the owner and compliance with other program obligations, but the contribution may be waived.
- The maximum investment limit applies regardless of a waiver of an owner contribution.
- Justification for waiving an owner contribution must be documented in the client file.

The Grantee may grant a waiver of an owner contribution automatically when one or more of the following applies:

1. A member of the tenant's household is related to the owner and is not charged rent or is charged an amount that is well below market value.

This guideline applies to "generational" housing; i.e., when ownership of a home is kept within families and the current owner charges minimal (\$300 or less per month), if any, rent. In other words, the owner is not treating the home as an investment or income property. If it is not clear that it is the owner's intention to

keep occupancy of the home within the family, the Grantee shall deny the waiver or obtain prior approval from the AHFC Program Manager.

A certification from the owner attesting to the relationship also is required. (This is not necessary for Life Estates, as the recorded document identifies both parties.)

2. A member of the tenant's household is named as the beneficiary in a Life Estate recorded for the property.
3. The owner's household unit income is less than or equal to the income limits for its size published by the U.S. Department of Energy (DOE) that are current as of April 1st of the program year.

All Grantees shall use the DOE income limits for this purpose.

4. A severe emergency exists (See pg. 1-46.);
5. The household has a lease-purchase or rent-to-own agreement and supporting documentation that meets the guidelines below; or
6. Prior approval is obtained from the AHFC Program Manager for exceptional circumstances.

Note regarding #5 above—In limited cases, a home that is being purchased through a lease-purchase or rent-to-own agreement may be treated as owner-occupied. To qualify for a waiver of an owner contribution, the following conditions must be met:

- The household must have lived in the home at least one year after signing the lease-purchase or rent-to-own agreement;
- The Grantee must be able to verify ownership per the guidelines on pp. 1-20 to 1-21 and verify that the Seller is the current owner (or authorized agent of the owner);
- The lease-purchase or rent-to-own agreement must be signed by the owner/authorized agent (seller) and a member of the client household (buyer);
- The client (buyer) must have met any special conditions stipulated—if there are any—required for conversion from lease/rent to purchase (e.g., completion of a minimum occupancy period, payment of a scheduled balloon payment, etc.).

Overages

If the landlord declines to make a contribution and job costs exceed the estimated amount by less than 50% due to unexpected problems, no owner contribution will be required, though the Grantee may solicit one.

If a project goes over budget by less than 20%, note the overage in the client file. For overages over 20%, a written notification must be sent to the AHFC Program Manager.

Benefits Must Accrue to Tenants

Only eligible Weatherization measures shall be applied to any rental dwelling unit improved by Weatherization. No undue enhancement shall occur to the value of the rental unit as a result of Weatherization work performed. Undue enhancement is defined as any enhancement to a building that increases the value of the property and does not provide energy conservation or health-and-safety benefits to the tenant. If an enhancement to the building can be shown to benefit a tenant, that enhancement shall not be considered undue.

The benefits of Weatherization services must accrue primarily to the tenant and not to the landlord. The Grantee shall document in the client file (or common file for a multi-family building) how Weatherization has benefited the client in a rented dwelling unit, especially where the owner of the building pays the utilities. Some examples of acceptable documentation follow.

- “WX replaced a furnace with a cracked heat exchanger, thus assuring the H/S of the client.”
- “Insulation was added to the attic and crawl of this 4-plex, which reduces overall heat loss and stratification, thus increasing client comfort. Ventilation fans were added to units to control moisture and to improve IAQ. Moisture migration into the attic space was eliminated by air-sealing, preserving critical structural building components, mitigating conditions that could impact H/S such as mold and other environmental toxins, and increasing the durability of housing stock for lower-income households.”
- “By lowering fuel consumption (estimated 21% reduction from AkWarm), rents and tenants’ cost of living will be stabilized for the foreseeable future. Keeping subsidized rents lower increases the affordability of housing for low-income clients and helps them stretch their limited income.”

Exit interviews conducted during final inspections also can assist in determining benefits, as well as collection of the last 12 months of fuel and electricity consumption with a signed release from the account holder(s) to obtain future records for the purpose of documenting the reduction in consumption.

Conditions for Serving Ineligible Rental Dwelling Units

- **66% Qualification for Whole Building Work:** Sixty-six percent (66%) of units in a multi-family building (50% for duplexes and 4-plexes) must qualify by income to allow work to be done on the whole building as opposed to individual units. (Whole building work includes insulation of the roof or crawl, ventilation, heating work, and other measures that affect the entire insulated structure.)

The Grantee shall determine which method of delivering Weatherization services to a multi-family building will best achieve the goals of the program. Depending on the configuration of the individual rental units in a multi-family building, performing whole building work may be the best option. In these cases,

the Grantee will expend WX funds and report units as completions according to the following guidelines.

- **Vacant Units:** If a unit is vacant, it cannot qualify for funds but improvements can be made to it. If a vacant unit is improved, it must be counted as a completion.

However, if a vacant unit will be rented to eligible parties in the near future or has a history of such, it may be counted as an eligible unit and receive funds. The owner/agent may provide a signed statement, explaining the history of eligible tenancy and the intention to continue renting the unit to eligible tenants within 180 days, as verification that the unit meets this requirement.

- **Over-Income Units:** If a unit occupied by an over-income household unit, it cannot qualify for funds but improvements can be made to it. If an over-income unit is improved, it must be counted as a completion.
- **Future Full Weatherization of Unqualified Units:** A written request to return to work on rental 2- to 4-plex dwelling units, which were not originally qualified by income but previously received whole building performance improvement work before April 14, 2008, may be submitted to the AHFC Program Manager on a case-by-case basis. The request shall include the rationale for returning to the units.

Grantees may not return to work on rental units in buildings of 5 or more dwelling units that have previously received whole building performance improvement work.

Furthermore, when assisting vacant units, the Grantee must maintain a fair and equitable prioritization of all clients on its wait list (considering application date, demographics, logistics, etc.) Priority clients in eligible housing units should not regularly be wait-listed behind vacant units.

Eighteen-Month Compliance Period

Commencing on the date the LTA is signed and continuing for a period of eighteen months after the work is completed, the owner shall agree not to increase rents on weatherized units, unless those increases are demonstrably related to matters other than Weatherization work performed.

Demonstrably related to matters other than Weatherization work performed is defined as increases in the Fair Market Value of rental units, an increase in property taxes, or increases in utilities paid by the owner, in excess of 25% per year. Any increases should be split equally between all units in the building. The completion date is defined as the date the owner, agent, or tenant certifies completion of the work.

Commencing on the date the LTA is signed and continuing for a period of eighteen months after the work is completed, the owner also shall not terminate or evict any covered tenants or any subsequent tenants, **provided** that the tenants comply with all obligations owed to the owner in accordance with any leases or rental agreements between the owner and tenants.

The LTA applies to present tenants and any subsequent tenants for the eighteen-month period.

In addition to the provisions outlined above, all provisions of the Alaska Uniform Landlord and Tenant Act (AS 34.03.010-380) apply to the owner and tenants who are parties to this agreement.

The LTA shall run with the land and/or weatherized unit in the case of sale or transfer to other owner/agents. Copies of the LTA shall be provided to the owner, to the tenant, and kept in the Grantee's client file.

Definition of Eligible Dwelling Unit

A "dwelling unit" means a house, cabin, a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters.

An eligible dwelling unit must:

- be occupied by an income-eligible household unit,
- be the primary residence of that household unit, and
- meet the following definitions and restrictions for a dwelling unit.

In addition, some rental dwelling units may qualify under the Conditions for Serving Ineligible Rental Dwelling Units (pg. 1-30).

Only the portion of a dwelling unit that is occupied by the qualifying household year-round is eligible for Weatherization. An unoccupied portion of a dwelling unit cannot receive Weatherization services.

A unit in a multi-family building occupied by an eligible owner-household is subject to the Maximum Investment Limits for multi-family dwellings (except for condominiums). (See pp. 1-44 to 1-45.) However, an owner contribution is not required.

Substantially Complete

"Substantially Complete" means a dwelling unit has all of the normal integral parts including a foundation, floors, walls, roof, windows, doors, and permanent heating system.

A dwelling or a portion of a dwelling is not considered substantially complete if it is not considered habitable for local climates (e.g., an uninsulated building in Fairbanks).

A household that purchases or moves into a dwelling that does not have a working permanent heating system may be denied assistance, because the dwelling is not substantially complete. The Program is not intended to make homes habitable.

A building that does not meet the above criteria may be considered for Weatherization services when it has served as a primary residence for a household for at least two winters/heating seasons.

Condominiums

- Condominiums shall be treated as single-family homes.
- Weatherization funds cannot be expended on most common areas/components unless all units in the building qualify. However, attic and crawl space areas that are immediately and directly above/below the qualifying unit may be served. The Grantee shall obtain written permission from the condo association as necessary to make improvements to the client's unit.
- When a unit is occupied by a tenant, the rental dwelling policies on pp. 1-25 to 1-32 apply—except the bulleted items under Conditions for Serving Ineligible Rental Dwelling Units. In other words, the unit should be treated as a single-family rental unit.
- Contact the AHFC Program Manager for guidance if an entire condo building is occupied by income-eligible households or if some households have applied for Weatherization and others have applied for the AHFC Home Energy Rebate.

Commercial Use

For state funds only, a dwelling unit also used for commercial purposes that is occupied by an income-eligible household or an apartment building that meets all other eligibility requirements is eligible for Weatherization services using funding for the income-eligible dwelling units:

- for all of the building if 25% or less of the floor space is utilized for commercial purposes (e.g., a self-employed resident's home office, an apartment resident-manager's rental dwelling unit, etc.), or
- for only that portion of the structure occupied as a residence if more than 25% of the floor space is utilized for commercial purposes (e.g., an apartment in a warehouse; the upper half of a split-level that is used as a residence but not the lower level that is used as a hair salon, etc.), or
- for all of the building for small homes that are full-time residences the majority of the time (e.g., a 1,500 sq. ft., single-family home that is used to provide daycare services).

To determine the percentage of commercial use of the home, the Grantee shall review a household's most recent IRS Form 1040 and Schedule C and/or current profit/loss statements to verify how much business use of the home the household claims for tax purposes. This should be consistent with other information gathered during the WX intake process. Households that claim more than 25% use of the home for business

purposes to gain advantages on their tax returns cannot claim lesser amounts on their Weatherization applications to qualify for Weatherization services.

When inconsistencies exist, the Grantee may at its discretion require additional verification to determine if the household unit and/or the dwelling unit may receive Weatherization services. The Grantee also may give conditional approval to an otherwise eligible household, advising the household that the final determination of business use of the home will be made during a review of the assessment.

Information gathered during the home assessment must support the amount of residential and business use reported.

State-Licensed Assisted Living Homes (ALHs)

State-licensed Assisted Living Homes (ALHs) may be served with state funds only (not DOE funds). A current list of State-licensed ALHs may be obtained at <http://www.hss.state.ak.us/dph/cl/ALL/default.htm>.

The amount of funding available to weatherize an ALH is based on the type of structure and the number of income-eligible household units.

1. Owner-Occupied Single-Family ALHs that Meet Program Guidelines
 - Grantees may treat owner-occupied single-family ALHs as regular clients, when the occupants as a group meet program guidelines. The standard average cost per unit for the region applies. The ALH shall be reported as one completed home.
2. Other ALHs, defined as:
 - owner-occupied single-family dwellings whose occupants as a group do not meet program income guidelines
 - Rental single-family dwellings
 - Multi-family dwellings
 - A. Household units shall be defined per the guidelines below.
 - Each client-resident—as defined by the State—comprises one household unit.
 - A live-in aide (and the aide's immediate family members) shall be counted as a household unit with \$0 income (per Definition of Household Unit on pg. 1-10).
 - A resident owner-operator and any immediate family members comprise one household unit. (This household's income shall be calculated even when the owner-operator also acts as a live-in aide.)
 - B. Each household unit's income shall be calculated per regular program income guidelines.

- C. A minimum of 50% of the household units must be income-eligible to qualify the ALH.
- D. The following policies also apply to these ALHs.
- Each income-eligible household unit qualifies the dwelling for \$2,000 of materials and labor provided by the Grantee, unless the owner is willing to contribute cash or in-kind services. For any owner contribution, the Grantee will provide up to \$2,000 in materials and labor, and then match dollar-for-dollar any owner contribution up to an amount estimated by the Weatherization assessor, not to exceed \$4,000 of state Weatherization funding per income-eligible household unit.
 - For rentals, Grantees also shall apply the Rental Dwelling Units policies (beginning on pg. 1-25). Where a conflict occurs, the ALH guidelines shall be followed.
 - A single-family dwelling shall be reported as one completed home.
 - A multi-family dwelling that provides complete individual dwelling units to client-residents so that they can live independently (apartment, efficiency, townhouse, 1/2 of a duplex, etc.) shall be reported as the number of homes in the building.
 - For a multi-family dwelling that does not provide complete individual dwelling units to client-residents so that they can live independently in the dwelling unit (i.e., they do not have their own bedroom, bathroom, and kitchen/kitchenette), each 800 square feet of actual living space shall be reported as a completed home. A written explanation regarding determination of unit numbers must be in the file.

Grantees are advised to apply the aforementioned requirements in a prudent and consistent manner to Assisted Living Homes. Justification for the amount of state Weatherization funding expended on an ALH must be in the client file.

Shelters

A Grantee may weatherize shelters under the following conditions:

- "Shelter" means a dwelling unit or units whose principal purpose is to house on a temporary basis individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.
- The benefits of Weatherization must accrue to the tenants not the owner(s). A written explanation regarding how the tenants benefit must be in the file.
- As for any multifamily structure, AHFC guidance governing eligibility and benefits must apply. Because they are not owner-occupied, the multi-family rules for investment limits and owner permission apply.

- For the purpose of determining how many dwelling units exist in a shelter, a Grantee may count each 800 square feet of actual living space as a dwelling unit. A written explanation regarding determination of unit numbers must be in the file.
- The eligibility of individual clients does not need to be determined if there is sufficient evidence that all clients would meet the income eligibility standards all the time. This must be addressed in a letter from the property owner or manager describing the activities of the shelter, the clientele served, and their income levels.
- Justification for emergency (per pg. 1-46) Weatherization services must be in the file.
- Once accepted as a project, the standard assessment process will be applied and those measures that meet the Weatherization program guidelines will be implemented as funds allow. All required diagnostic tests will be applied and target ventilation and air-sealing numbers addressed. Commercial ventilation codes may apply. All general Weatherization rules and regulations apply, including maximum investment limits for rental dwelling units.

State review and approval is not mandatory if all the above requirements are met. All shelters will be inspected by the AHFC Program Manager unless otherwise determined. Costs will be disallowed if terms and conditions are not met.

Ineligible Dwelling Units

Additionally or for clarification, the following dwellings are not eligible for program services. An exception to this ineligibility must be approved in writing by the AHFC Program Manager unless otherwise allowed under Other Allowable Uses of Funds (pp. 1-39 to 1-42).

1. a dwelling in which the household unit is not income eligible;
2. a dwelling reported complete for Weatherization assistance after April 14, 2008;
3. a dwelling currently on the AHFC Home Energy Rebate Program list or for which a household received an AHFC HERP rebate for improvements made to the home after May 1, 2008—this includes rental dwelling units in duplexes that have received the benefits of improvements to common building components;
4. a motorized vehicle;
5. a hotel or motel room;
6. a travel trailer, camper, or other highly mobile dwelling;
7. a pleasure or fishing boat;
8. a dwelling leased or maintained by the United States government;

9. a dwelling owned or maintained by the State of Alaska or State-owned corporation, school, or authority;
10. a dwelling designated for acquisition or clearance by a Federal, State, or local program within 12 months from the date Weatherization of the dwelling unit would be scheduled to be completed;
11. a dwelling that is not substantially complete;
12. a portion of a dwelling not being lived in or not substantially complete;
13. a portion being converted for an apartment or business use;
14. certain non-conforming dwellings;
15. a dwelling that is not the primary residence of the applicant;
16. a dwelling that is not occupied at least nine months of the year by the qualifying applicant-household and/or is not occupied by the qualifying household during the heating season (See note following this list.);
17. dwellings actively being marketed for sale or rent, unless the new occupant is also eligible for the program; and
18. an eligible dwelling unit occupied by non-cooperative residents (e.g., cancel more than one appointment, do not provide suitable access to work areas, belligerent or threatening occupants or guests, uncontrolled pets, etc.); denial for non-cooperation must be documented in the client file as well as adequate attempts by the Grantee to inform the client of necessary steps to take and timelines to receive service.

Note regarding #16 above— Weatherization improvements are intended to benefit the qualifying household. The greatest benefits are realized during the heating season. Households that spend winter away from home (“snowbirds”) will consume fuels/electricity elsewhere, which counteracts the intention of Weatherization. Households also should be present throughout the entire Weatherization process to fully comprehend the program and improvements provided.

Extended absences due to family emergencies and/or for medical treatment may be allowed on a case-by-case basis, as may employment that requires regular shifts away from home (e.g., slope workers, prison officers, fishing, etc.) Justification for serving a household that does not comply with Weatherization occupancy guidelines must be in the client file.

Walk-Away Policy

Some situations exist where uncooperative clients, unsafe or unsanitary conditions, or the condition of the structure is such that Weatherization service is not practical. The Grantee may, at its option, refuse service. If this option is exercised, the Grantee will inform the client, in writing, why the service is being refused. If the client rectifies the reason(s) for the refusal, the client may request the application to be reconsidered and

the home returned to the waiting list. If the limited amount of money available to serve a home cannot begin to address the great needs of the home, then the Grantee should be able to turn down spending any money on the home. By contrast, if the home is in very good condition, no money should be spent on that home.

The walk-away policy gives Grantees the discretion to not serve homes or to limit service on homes in the following circumstances.

1. If a home is in very good condition, the service provider will:
 - a. Provide a check to insure no unhealthy or unsafe conditions exist,
 - b. Check the heating system for proper operation and efficiency,
 - c. Justify all energy conservation work (cost-effective measures only), and
 - d. Make repairs where needed and justified.
2. If the home is in poor condition, the Grantee may refuse or offer reduced Weatherization services. Grantees may check tax assessment notices and note improvement assessments.
3. If unsafe or unsanitary conditions exist that may be hazardous to a Weatherization worker's health, service may be postponed until the unsafe or unsanitary condition is corrected. Work to correct these conditions may be done as part of the Weatherization process or completed by the owner or other parties.
4. If a client is uncooperative, abusive, or threatening toward Weatherization personnel, the Grantee may choose not to serve that client. If the Grantee chooses not to provide Weatherization services, a letter will be sent to the client outlining the reasons for denial of service. The client may be bumped to the bottom of the waiting list, removed from the list, and invited to re-apply in six months, or asked not to re-apply.
5. If Weatherization services could create potential problems or exacerbate existing problems, Grantees may defer Weatherization services until the problems are resolved.
6. If a client has an abundance of personal belongings that fills the house to the point that work cannot progress, Grantees may follow the guidelines below.
 - a. At the assessment, the Grantee shall give the client a written statement or have the client sign an agreement that the household will remove items by a certain date. If Weatherization workers return on that date and the items are still in place, the Grantee may cancel the project at that point or give the client a written notice that formally defers the project until another date agreed upon by the Grantee and the client.
 - b. If the client is unable to remove the items, the Grantee may include the cost of crews removing and replacing the items in the project scope. Grantees are not encouraged to expend limited Weatherization resources for this purpose, but there are clients who cannot perform any kind of lifting or have mental health issues that make it difficult to manage their belongings. The Grantee must document the situation in the client file.

- c. The Grantee may provide only those measures that are not impacted by the personal possessions (e.g., exterior wall wrap, insulated skirting, etc.). It shall be documented in the client file why the amount of Weatherization measures provided was limited by the Grantee.

Cancelling projects after they are assessed can result in a big loss to a Grantee's production, but this is warranted at times.

Other Allowable Uses of Funds

Homes and/or households that do not meet standard eligibility criteria may qualify for assistance in certain circumstances. Grantees will determine who will receive work under the following categories. Written permission from the AHFC Program Manager is not required for these categories. If the situation of a particular client falls outside these designated categories, the Grantee must request permission in writing from the AHFC Program Manager to work on the home.

Fuel Switch

A Grantee may change a dwelling's heating fuel type in certain, limited situations.

- Changing from wood or coal heat to other types of fuel-fired heating systems for medical reasons, such as when the client is elderly or disabled and wood or coal preparation is difficult or impossible. The new fuel type shall not require physical effort to use. If the client is not elderly or disabled, the Grantee may obtain a third-party verification of the need.
- Heat pumps can be installed as a fuel switch option in Southeast and Kodiak, only when the client, due to age or disability, cannot operate a solid fuel system (wood or coal) or health concerns are caused by a fossil fuel system. Documentation must be in the file justifying the installation of a heat pump. All other heat pump installations must be preapproved by the AHFC Program Manager.
- Switching fuels is allowed in cases when it will be possible to save significant energy dollars for a Weatherization client through the course of fuel conversion, keeping in mind the priority of *energy savings*. Two AkWarms must be run for comparison, and an SIR of 1.0 must be met. Both AkWarms must be on file for review by AHFC. ***(The purpose of Weatherization is not to switch fuel types. This approach should be used minimally. If this practice is implemented regularly, the AHFC Program Manager will revisit the allowability of the measure.)***
- Replacing an electric water heater with a storage tank integrated with a fuel-fired boiler (i.e., indirect sidearm systems).
- Replacing a fuel-fired water heater with an electric water heater for health-and-safety concerns when the unit fails maximum depressurization testing and

cannot otherwise be corrected. (**Example:** *The new system now passes the maximum depressurization test when the previous one failed.*)

- When a client lives in an area of the state that has high electric costs and the client's primary heat is electric, an affordable direct-vent system (e.g., Toyotomi, Monitor, Rinnai, Navian, etc.) can be added to offset some of the electric heating cost.
- Fuel switches shall be funded by state funds only—not DOE.
- Prior written approval from the AHFC Program Manager must be obtained before expending funds on any other type of fuel switch, including renewables.

Non-Conforming Dwelling Units

Grantees may serve certain ineligible dwelling units as non-conforming dwelling units. AHFC has given a blanket approval for weatherizing specific types of non-conforming dwellings.

A travel trailer, houseboat, float home, bunker, basement of an unfinished house, or sod igloo can be considered a non-conforming dwelling unit eligible for Weatherization provided:

- it has served as a permanent, full-time residence for at least two heating seasons in that location with a foundation or mooring or on blocks; and
- is connected to electric, water, and sewer utilities when available nearby; and
- is not motorized for mobility or resting on wheels or axles.

Compliance with these guidelines must be documented in the client file.

Other ineligible dwellings may qualify as non-conforming dwelling units upon approval by the AHFC Program Manager on a case-by-case basis. The Grantee shall include detail on the proposed measures as well as the structure in a letter to AHFC requesting approval for weatherizing a non-conforming dwelling unit. Funds should not be expended on a house boat, float home, or travel trailer that may move in a year. (Boats that are being used as homes, but are in operating condition, such as fishing vessels, are not eligible.)

When an application for a non-conforming dwelling unit is received and determined income-eligible, a Grantee shall assess the non-conforming dwelling in accordance with Section 5. *Building Standards* and the grant requirements. Standard weatherization measures and techniques may not work and alternatives must be justified in the client file.

Secondary Fuel

Adding a supplemental heat source, such as a wood stove, to a dwelling unit may be allowable on a case-by-case basis with prior written approval from the AHFC Program Manager. This guideline pertains to rural areas that are regularly subject to any of the following conditions:

- extreme high cost of the primary fuel used to heat the home;
- fuel distribution to the community may be delayed for a prolonged period due to adverse weather conditions or a lack of community funding to maintain community electricity generation, or
- electrical outages are frequent and/or of a prolonged duration.

When such conditions are present, a supplemental wood stove may enable the household to keep the home heated, which may eliminate the need to vacate and may prevent freeze-up of plumbing systems.

Grantees are reminded that the goal of Weatherization is to reduce overall fuel consumption, not to increase it.

Note: There are dwelling units (WX or EWX) that currently depend on two types of fuel for heating. In such cases, the secondary fuel may be treated as a primary fuel when both fuels are used 50/50 to adequately heat the home.

Warranty Work

- If a home has been weatherized in the previous program year, its final inspection was completed within the last 12 months, and for some reason needs weatherization-related repair or additional work on the Weatherization measures provided, State funds may be expended without prior AHFC approval or reverifying the household's eligibility
- If the final inspection was completed more than one year prior to the warranty request, written approval from the AHFC Program Manager must be obtained prior to expending \$5,000 or more. For warranty work under \$5,000, justification must be on file. In either case, reverifying the household's eligibility is not required.
- On rare occasion, a client may call to report the prescribed weatherization is underperforming after the warranty period has expired. The Grantee may consider the dwelling for warranty work if it determines that the original Weatherization scope of work did not adequately address the unique needs of the dwelling unit, *and* the client has called back within 24 months after the Weatherization inspection.

This could happen if conditions during the assessment were not present to alert the assessor to a problem, and the household was not capable of articulating known weatherization issues in the dwelling to the assessor.

The household does not have to undergo an eligibility re-verification unless the prescribed warranty work is estimated to exceed \$10,000.

The purpose of this guideline is to allow Grantees to maintain the Weatherization program's reputation for quality work and responsiveness to addressing the unique problems of Alaska housing stock. Northern building science is a growing discipline that is continuously researching and refining Weatherization measures.

- Warranty work requests from subsequent homeowners will not be honored without prior approval from the AHFC Program Manager. The intent of the program is to assist the qualifying households who intend to live in the dwellings served by the program.
- Units completed for warranty work may not be counted as completions. (See Section 3, *Revised Projects* for recordkeeping and reporting procedures for warranty expenses.)

Final inspection of all homes must be completed no more than 60 days after Weatherization work is done. When this is not feasible, justification must be documented in the client file. Grantees are advised to inspect homes quickly so that the warranty period may start as close to the date the work was completed as possible. This guideline is intended to help Grantees deny households that would like Weatherization to come back yearly to perform annual home maintenance (readjust doors, recaulk, etc.). Timely inspections also prevent projects from dragging on, which can frustrate clients. Inspectors can address clients' questions or concerns about Weatherization measures before any confusion turns to frustration, which diminishes an otherwise satisfactory experience for the client. For additional guidance on the inspection process, see Inspections on pg. 1-50.

Compliance

Each application would be reviewed by the Grantee to determine that the household and/or the dwelling unit is/are eligible under one of the approved categories. If there is a request outside of these categories or if the Grantee has concerns about whether a home should be served, written permission from the AHFC Program Manager will be required before work can commence. ***If clients chosen for expenditures do not clearly fall within the boundaries of what is described above and if no written permission is obtained from AHFC, any costs expended from Weatherization funding will be disallowed.***

When prior written approval from the AHFC Program Manager is required, requests will be submitted in writing and fully describe the need (e.g., household make-up, severity of conditions, etc.).

Monitoring by AHFC program staff may include the following:

1. Review the overall circumstances requiring the use of State funds.

2. Review of all written documentation on the selection of the client for assistance as well as on the detail of the situation.

All documentation concerning these clients must be written and kept in the client file so that at any time a monitor could determine why the client was selected for State funds.

Maximum Investment Limits for State Funds Only

The Grantee shall manage the budgets for all units weatherized so that the average cost per unit (ACU) of all projects combined—\$11,000 for WX and \$30,000 for EWX—is not exceeded by the end of the program year.

Maximum investment limits also apply in certain circumstances as outlined on the following WX and EWX tables. (See pp. 1-34 to 1-35, for limits for Assisted Living Homes.)

Note: Single-family dwellings and condominiums occupied by eligible owners are not subject to the maximum investment limits.

WX Maximum Investment Limits for State Funds Only

Dwelling Type	Eligibility Status	No Owner Contribution	With Owner Contribution	With Waiver of Owner Contribution
Single-family*	eligible tenant	6,000	up to 8,000	**
Duplex	eligible owner	6,000		8,000
	ineligible owner	0	0	
	eligible tenant	6,000	up to 8,000	8,000
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	6,000	up to 8,000	
3- to 4-plex	eligible owner	4,000	up to 8,000	
	ineligible owner	0	0	
	eligible tenant	4,000	up to 8,000	
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	4,000	up to 8,000	
5-plex or larger	eligible owner	3,000	up to 6,000	
	ineligible owner	0	0	
	eligible tenant	3,000	up to 6,000	
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	3,000	up to 6,000	

* Single-family = house, cabin, mobile home, and eligible non-conforming dwellings.

** The home shall be treated as an eligible owner-occupied single-family unit subject to the average cost per unit for the region.

EWX Maximum Investment Limits for State Funds Only

Dwelling Type	Eligibility Status	No Owner Contribution	With Owner Contribution	With Waiver of Owner Contribution
Single-family*	eligible tenant	8,000	up to 12,000	**
Duplex	eligible owner	8,000		12,000
	ineligible owner	0	0	
	eligible tenant	8,000	up to 12,000	12,000
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	8,000	up to 12,000	
3- to 4-plex	eligible owner	6,000	up to 10,000	
	ineligible owner	0	0	
	eligible tenant	6,000	up to 10,000	
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	6,000	up to 10,000	
5-plex or larger	eligible owner	5,000	up to 8,000	
	ineligible owner	0	0	
	eligible tenant	5,000	up to 8,000	
	ineligible tenant or vacant	0	0	
	vacant but usually rented to eligible tenants/the owner has committed to rent unit to an eligible tenant	5,000	up to 8,000	

* Single-family = house, cabin, mobile home, and eligible non-conforming dwellings.

** The home shall be treated as an eligible owner-occupied single-family unit subject to the average cost per unit for the region.

Prioritizing Applications

The Grantee shall rank eligible applicants. Priority shall be given to the elderly, persons with disabilities, children under six years old, the lowest income households, and emergencies.

"**Elderly**" is defined as 55 years of age or older. Acceptable verification of age includes:

- a copy of a current state-issued driver's license or ID card,
- a copy of a birth certificate,
- a copy of a senior property tax exemption, or
- an observation of the individual by a Grantee's staff or authorized representative noted in the client file.

Grantees may verify **disabilities** by:

- receiving a copy of a percentage of a disability letter from the Veteran's Administration that indicates at least a 50% disability; or,
- receiving a copy of a Social Security benefit verification (pg. 1-18.) that indicates payments are for a disability (SSDI/SSI); or,
- receiving a copy of a determination from a federal, State or other agency that provides assistance to persons with disabilities; or,
- receiving copies of documentation from a professional third party (professional clinician, care coordinator, case manager, etc.) indicating the nature and extent of the disability; or
- receiving a Grantee-prepared form completed by a professional third party that indicates the nature and extent of the disability; or
- an observation of an obvious visible long-term physical impairment by a Grantee's staff or authorized representative noted in the client file.

Children are defined by AHFC in accordance with the definition used by LIHEAP. For priority purposes, children must be under six years old. An applicant's listing of the child's name and age on the signed application is acceptable verification.

Emergencies are defined as Weatherization-related conditions that are life-threatening to the residents—either no working heat source(s) in winter or CO poisoning in the home. The home should be substantially complete. Copies of a red-tag notice from a utility, heating system repair/replacement estimates, hospital or emergency services reports of CO-poisoning, and/or verification by the Grantee of the severe conditions must be in the client file.

Priority Categories

1. The household includes a resident who is elderly, disabled, or a child under 6 years old, and the total household unit gross income is less than or equal to the income limits published by the U.S. Department of Energy (DOE) that are current as of April 1st of the program year.
2. The household includes a child who is 6-18 years old, and the total household unit gross income is less than or equal to the income limits published by the U.S. Department of Energy (DOE) that are current as of April 1st of the program year.
3. Other households with total household unit income that is less than or equal to the gross income limits published by the U.S. Department of Energy (DOE) that are current as of April 1st of the program year.

Note—for state funds only, the following categories can be qualified using adjusted gross income.

4. The household includes a resident who is elderly, disabled, or a child under 6 years old, and the total household unit income exceeds DOE's income limits but does not exceed AHFC's income limits for state funds that are current as of April 1st of the program year. Priority 4 also includes Priority 1 households in homes weatherized with DOE funds after September 30, 1994.
5. The household includes a child who is 6-18 years old, and the total household unit income exceeds DOE's income limits but does not exceed AHFC's income limits for state funds that are current as of April 1st of the program year. Priority 5 also includes Priority 2 households in homes weatherized with DOE funds after September 30, 1994.
6. Other households with total household unit income that exceeds DOE's income limits but does not exceed AHFC's income limits for state funds that are current as of April 1st of the program year. Priority 6 also includes Priority 3 households in homes weatherized with DOE funds after September 30, 1994.
7. Other households with total household unit income that exceeds DOE's income limits but does not exceed AHFC's income limits for state funds that are current as of April 1st of the program year in homes weatherized with DOE funds after September 30, 1994.

Note: Conditions of a home and/or fuel consumption may justify moving any household up the wait list, particularly emergency circumstances as described on pg. 1-46. Justification must be fully documented in the client file.

Grantees may not be able to serve all clients each year due to wait lists and the logistics of serving each community within their service areas. With prior approval from the AHFC Program Manager, Grantees may add other criteria to further prioritize applicants. Timely application updates are required to verify a household still qualifies for Weatherization assistance, before the household is moved up the wait list due to waiting a year.

Wait List Progression

After a household has been wait-listed 12 months, the Grantee may move the household up one priority level. Thereafter, the Grantee may move the household up one priority level after every additional 12 months on the wait list.

Grantees also may move a household up the wait list when it reports a change that affects its priority. Such changes include:

- the birth of new resident (The client may submit a brief signed statement reporting the change, or a Grantee's intake person or assessor can document the child's name and date of birth in the client file.);
- a resident turns 55 years old (See pg. 1-46 for proof required.);
- a resident has been determined to experience a disability (See pg. 1-46 for proof required.); and
- a change in the condition of the dwelling unit that the Grantee determines to be an emergency in accordance with program guidelines. (See pg. 1-46 for proof required.)

The Grantee shall not lower the priority rank of a household that *has waited at least 12 months* regardless of an application update that indicates a change in household make-up or income level that would warrant a priority level *lower* than its initial priority rank. The priority system is intended to ensure the highest priority households are served before lower-priority households, but it also allows lower-ranked eligible households to receive assistance in a timely manner. Furthermore, a household's priority rank may be moved up more than one priority level in accordance with the priority guidelines above *whenever* the household's higher priority status is verified.

When an application is updated, the household make-up or income most likely will have changed, which may raise a household's priority rank (or lower its rank if it has waited less than a year). Such changes in household make-up and income should be reflected by the priority rank assigned to the household at the time the update is processed. Then, the priority should be moved up one level if the household has waited at least 12 months for assistance.

Note—for state funds only:

- When an application is being routinely updated and a resident that qualified the household for a higher priority rank is reported to have died or to have vacated the residence due to medical reasons, the household's rank on the priority list does not need to be lowered for this reason.
- Similarly, households in which children age out of a higher priority group to a lower one while the household is wait-listed, do not need to be moved to a lower priority rank for this reason.

Eligibility Notification

The Grantee shall notify an applicant in writing of its eligibility determination. An eligible notification shall include the following information:

- The Grantee's contact information;
- Expected schedule for the home work plan and Weatherization work;
- That the work will not proceed without the approval of both the owner (if it is a rental) and the client;
- Particulars necessary regarding purchase and installation of materials; and
- Requirements for final inspection and future monitoring by AHFC and the federal government.

Ineligibility and Appeal Rights

A Grantee shall identify in a letter to an applicant the reason(s) for ineligibility.

If the reason is not for a lack of information, the letter shall identify that an appeal of the decision can be made to the head of the Grantee's Weatherization program.

The appeal process for ineligibility is as follows:

Level 1

1. The applicant must notify the Grantee that an appeal is made and supply any information noted in the ineligibility letter;
2. The Grantee Weatherization head reviews the appeal;
3. The Grantee Weatherization head shall make a decision on the appeal and notify the applicant within 30 days of the appeal request. If the decision is that the applicant is still ineligible, the Grantee shall inform the applicant household that it can request the Grantee to submit a further appeal to AHFC.

Level 2

1. If the applicant has requested the Grantee appeal to AHFC, the Grantee shall submit the applicant file to the AHFC Program Manager;
2. The AHFC Program Manager will review the file and give a copy of the file to the AHFC program coordinator, along with a recommendation;
3. The AHFC program manager will make a final decision on the eligibility status and notify the applicant and the Grantee within 45 days of receipt of the appeal request.

Any further appeals shall follow AHFC regulations for appeals.

Inspections

The Weatherization Assistance Program has a reputation for providing quality work. Inspections are an important part of quality control and program compliance.

- The Grantee shall conduct a final inspection for each dwelling reported complete no more than 60 days after Weatherization work is done. When this is not feasible, justification must be documented in the client file.
- The inspector may be a qualified member of the Grantee's staff. However, the inspector shall not be the crew lead or the supervisor if the supervisor is hands-on for the project. The Grantee also may choose to contract with independent contractors who are qualified to inspect Weatherization work.

The goal is to have someone other than installers inspect their work. However, there may be times when logistics make this difficult. For smaller Grantees and/or Grantees with large service areas, separation of duties may not always be practicable.

- It is highly recommended that the Grantee conduct in-house reviews of blower door and other diagnostic numbers.
- The Grantee shall conduct file reviews for all required documentation.

A Grantee that may have difficulty complying with these guidelines shall contact the AHFC Program Manager for guidance to develop a suitable inspection process.

Quality Control

The Grantee will ensure quality control for assessments and implementation of all measures conducted under the Weatherization program.

The Grantee also will ensure that the materials selected are designed for use in an arctic climate and appropriate for the specific application and in compliance with Section 8. *Material Standards*, as applicable. The installation of such materials also must be in such a manner as to ensure longevity of the measure over the projected life of the measure, within reason. (For example, a window should be appropriately chosen for the dwelling, climate and existing conditions, and installed in such a way that it should last for at least fifteen years. Weather stripping, however, may only last one to three seasons.) A minimum one-year warranty will be offered to all weatherization clients by Grantees on any weatherization work performed under this program.

At least one final inspection is required for each dwelling reported complete. (QCI requirements will apply for DOE-funded units.) This inspection will be performed within a timely manner following the completion of work on the dwelling, and will ensure that all materials specified in the client worksheet were installed properly, in a workman-

like manner, and in accordance with manufacturers' recommendations, weatherization program standards, and local building codes where applicable.

Work files must be reviewed for all required documentation. Diagnostic sheets will be reviewed for completeness.