

Contents

GENERAL QUESTIONS	1
PROGRAM ELIGIBILITY	2
PROGRAM PROCESS.....	3
PROJECT MEASURES, TIMELINE, AND CONSTRUCTION.....	4
ENERGY EFFICIENCY INCENTIVES & OWNER INVESTMENT	5
PHOTOVOLTAIC INCENTIVES.....	5
ENERGY SAVINGS ANALYSIS.....	6

GENERAL QUESTIONS

What is the Low Income Weatherization Program?

The California Low Income Weatherization Program (LIWP), funded by the California Department of Community Services and Development (CSD), supports property owners and their residents to lower utility costs, save energy and reduce greenhouse gas emissions in residential properties. A subset of this program specifically addresses large multi-family properties (LIWP-LMF). This multifamily program brings together energy efficiency, solar thermal, and solar PV upgrade opportunities under a single program offering.

What is weatherization and what are its benefits?

Weatherization, in the context of LIWP, is the installation of any energy efficiency measures that reduce greenhouse gas (GHG) emissions. Common weatherization efforts include: sealing the building shell, repairing and/or replacing heating, cooling, and water heating systems, and replacing lighting, appliances, and water fixtures.

Weatherization services can accomplish a number of goals, such as: increases in the energy efficiency of a property, reductions of total energy expenditures (e.g., utility bills), resolution of health & safety issues, and energy education for residents and property owners.

How is the Low Income Weatherization Program funded?

California's Cap & Trade Program, a product of the Assembly Bill (AB) 32, requires California to return to 1990 levels of greenhouse gas emissions by 2020. LIWP is an integral component of the California Climate Investments, which are funded by this Cap & Trade Program. CSD received \$75 million in funds to provide energy efficiency and renewable energy benefits to populations located within Disadvantaged Communities (DAC), of which \$24 million is committed to large multifamily properties.

Is the LIWP incentive a loan or a grant?

Neither. LIWP incentives are similar to utility incentives or rebates. They are distributed after approved installation of all upgrades and do not need to be repaid.

Who administers the Low Income Weatherization Program for Large Multifamily Properties (LIWP-LMF)?

Program oversight and direction is provided by the California Air Resources Board (ARB) and the California Department of Community Services and Development (CSD). The LIWP-LMF Service Provider is the Association for Energy Affordability (AEA). AEA is supported by three subcontractors: the California Housing Partnership Corporation (CHPC), TRC Energy Services, and GRID Alternatives.

PROGRAM ELIGIBILITY

How do I know if my multifamily property is eligible for LIWP-LMF?

The following eligibility requirements apply to LIWP-LMF incentives and services:

- Property must be located in a CalEPA Disadvantaged Community
- At least 2/3 of tenant incomes fall at or below 80% Area Median Income
- Property must either have or be prepared to provide supporting capital to finance the project
- Property must be prepared to install upgrades that achieve at least 15% energy savings above current property conditions
- Property must commit in writing to maintain affordability for at least 10 years post upgrade
- Property must be prepared to complete construction by February 28, 2017 (all close-out documentation must be submitted and approved by April 30, 2017) in order to receive the higher incentive level of \$4,000/MT for energy efficiency measures that reduce owner paid energy, and \$5,000/MT for energy efficiency measures that reduce tenant paid energy. Projects and measures completing after April 30, 2017 may still be eligible, but at lower incentive amounts (limited incentives available).

What is a Disadvantaged Community?

To participate in LIWP-LMF your property must be located within a designated Disadvantaged Community (DAC), as defined by the California Environmental Protection Agency (CalEPA). CalEPA developed a tool which evaluates each of the 8,000 census tracts in California, assigning a score to each tract based on 19 indicators, such as pollution and population demographics. The latest version of mapping tool is CalEnviroScreen2.0. The DAC regions include 1,993 individual tracts, containing 9.4 million people in 29 California counties. To find out if your property is located in a DAC, please [click here](#). If your property appears in a red-shaded area, it is located in a DAC.

I have a property that is within a few blocks of a DAC boundary, can this property participate in LIWP-LMF?

Unfortunately, properties participating in LIWP-LMF must be located within a DAC. However, you are still invited to submit a program interest form; the LIWP-LMF team can help determine other available programs, rebates, or incentive sources and will contact you in the future should the DAC regions change.

Is LIWP only for TCAC major rehab projects?

No, LIWP is available for both TCAC major rehab projects and standalone retrofits.

My property does not have a regulatory agreement, but it does have a Section 8 project-based Home Assistance Program (HAP) contract. Will LIWP accept the HAP contract to meet the income affordability?

Yes.

Is a property eligible if it doesn't currently have an affordability restriction but it will once the TCAC rehab is completed?

Yes.

Is a gut rehab down to studs with some replacement of systems eligible for LIWP?

Yes. The project must demonstrate that LIWP funds will serve to expand the scope of work to achieve deeper energy reductions (at least 15%).

How many units are required to participate in the LIWP-LMF?

The program is intended to serve properties with at least one building that contains at least 20 units. For projects with more than 2 units but fewer than 20 units per building, a waiver may be obtained to receive LIWP incentives. Eligibility for this waiver will be determined by AEA on a case-by-case basis.

What areas of my multifamily property are eligible for upgrades? What types of upgrades qualify?

LIWP-LMF serves both resident units and the common areas of the property (such as outdoor spaces, laundry facilities, pools, and other resident served amenities). The program is open to all measures that reduce GHG emissions including, but not limited to:

- Building envelope (attic/wall/floor insulation, cool roof, windows, comprehensive air sealing)
- Space heating (system replacement and/or controls)
- Air conditioning (system replacement and/or controls)
- Water heating (system replacement, controls, pipe insulation)
- Appliances (refrigerators, dishwashers, laundry units)
- Lighting (fixture replacement to LED and/or controls)
- Pools (pumps, heaters, and/or controls)
- Hot Water conservation (aerators and showerheads)
- Solar water heating (solar thermal)
- Solar photovoltaics

I have a few older buildings in my portfolio that can benefit from standalone retrofits, but I don't know which would meet the 15% energy savings threshold. How do I determine which properties to enroll in the program?

If they meet all other program requirements, we encourage you to enroll all of the properties and allow the LIWP team to help you identify suitable candidates based on preliminary energy analysis and benchmarking.

PROGRAM PROCESS

What does the participation process look like for LIWP-LMF?

1. Complete an interest form - The LIWP team will schedule a follow-up conversation with you to discuss your property needs and existing conditions, financing sources, timeline and potential upgrade opportunities
2. Receive FREE technical support - The LIWP team will perform preliminary savings and financial analysis and recommend potential upgrade scope.
3. Complete the Intent to Proceed - The owner will submit a good faith deposit and work with the program team to schedule an energy audit at your property.
4. Reserve financial incentives - The LIWP team and owner will refine the scope of work and funding package. The program team will reserve incentives for the property based on the final agreed upon scope of work.
5. Install property upgrades - The property owner and their contractor(s) will install the upgrades and provide the LIWP team with a construction schedule so that the program team can perform 50% and 100% construction completion inspections.
6. Claim financial incentives - Once inspections are completed by the LIWP team and the owner and their contractor(s) have submitted necessary documentation to the program, the good faith deposit will be returned and the incentives will be issued.

Should I enroll my property for a standalone retrofit now or wait until it is a part of a major rehab at resyndication?

We highly encourage property owners to enroll now so that the LIWP team can help you make informed decisions based on the preliminary energy analysis and to ensure that you are able to meet the 25% savings requirement target required for LIWP projects receiving tax credit funding. Additionally, by enrolling early, you will be able to complete any energy efficiency upgrades prior to the resyndication, which may also help you access higher incentive levels for measures which can be successfully installed in earlier program cycles. Even if all upgrades must wait until resyndication, we recommend that you begin the LIWP intake and technical assistance process as early as possible, as this will place you higher in the queue for reservations as future program cycle funding becomes available.

Are properties that complete LIWP-incentivized energy efficiency upgrades, prior to major rehab at resyndication, eligible for the 5 year baseline lookback pathway as provided by TCAC?

Yes, TCAC has approved the LIWP report as an eligible means of establishing baseline conditions for the purposes of the TCAC 5-year lookback pathway.

Should I wait to enroll the property once I have the TCAC major rehab’s final scope of work?

Enroll as early as possible so that LIWP can provide preliminary energy and finance analysis that will help inform the rehab planning necessary to achieve the 25% energy savings target required for LIWP projects receiving tax credit funding.

When are LIWP-LMF incentive funds reserved?

Incentives are reserved after the site assessment is completed and the final scope of work is agreed upon (between the program and the property owner). Incentives are available on a first come, first served basis.

Who pays the incentive and when can I expect to receive the incentive check?

Incentives are reserved on a first- come, first-served basis and are administered and paid by AEA. Incentives are typically paid 4-6 weeks after completion of the post-construction inspection of the installed energy efficiency upgrades and successful review of the program close-out documentation. Pending agreement by the program, larger projects may receive incentives in installments throughout the project in order to make the cash flow more consistent.

Can the owner assign incentive payment to the contractor?

No. The payment will only be made payable to the property owner.

PROJECT MEASURES, TIMELINE, AND CONSTRUCTION

Can I choose my own Contractor to perform the installation work?

Yes, you may choose the contractor(s) of your choice to perform the work, as long as the contractor(s) are appropriately licensed and insured for the installation work performed, and have attended a LIWP-specific contractor webinar. Owners may choose to self-install as long as they too meet the program licensing and insurance requirements. All contractors will be asked to provide insurance and license documentation, and to attend program required web-based trainings prior to commencing installation work. LIWP-LMF will maintain a publicly-available list of participating contractors.

I have a large project that will likely not be finished by the program deadline. What are my options?

If necessary, you can separate the measures for your properties into two phases: (1) measures that can be completed by the end of Q1 2017 and (2) measures that can be completed after Q1 2017 but before February 28, 2018. Each phase of the project would be treated as an individual project; the property owner would reserve and receive the incentives for each independently. Projects that are completed and verified by the April 30, 2017 deadline will receive the higher incentive level and projects that are completed and verified after April 30, 2017 (and before February 28, 2018) will receive the lower incentive level.

I am planning a TCAC major rehabilitation that includes separate disconnected properties. Do I need to achieve 25% energy savings for each property?

No. The set of properties would be considered a single project under LIWP.

My property is not currently being benchmarked and LIWP will use WegoWise to benchmark it. Am I required to use WegoWise?

No. For projects that complete the program, LIWP provides a free one-year WegoWise subscription. Owners may discontinue the account at the end of the term.

ENERGY EFFICIENCY INCENTIVES & OWNER INVESTMENT

Approximately how much could I expect to receive as my LIWP Incentive?

LIWP incentives can cover a significant portion of energy efficiency and solar installation costs; still, owners may have to contribute capital towards project costs. The exact amount of required additional capital depends on the property size, age, condition, depth of scope of work, leveraging opportunities, and the GHG reduction opportunities of the upgrade package. Properties must be prepared to provide supporting capital to finance the project.

For projects that complete construction and submit close-out documents by April 30, 2017, the incentive is \$4,000/MT GHG for energy efficiency measures that reduce owner paid energy and \$5,000/MT GHG for energy efficiency measures that reduce tenant paid energy. Projects and measures completed after April 30, 2017 but before February 28, 2018 will still be eligible, but at lower incentive amounts of \$3,500/MT and \$4,500/MT, respectively.

What are my financial obligations if my multifamily property is eligible for LIWP-LMF?

LIWP incentives can cover a significant portion of energy efficiency and solar installation costs. However, the LIWP incentives will not be paid to the property owner until after the completed installation of approved and verified measures. Therefore, property owners must be prepared to have supporting capital to finance the project.

Additionally, the program requires a good faith deposit for completion of a site energy assessment, ranging from \$1,000 to \$2,000 per property, depending on the number of units. This good faith deposit will be returned to the owner upon project completion.

Does accessing the LIWP incentives preclude me from low income tax credits, solar tax credits, energy efficiency credits and/or utility incentive programs?

No, we encourage you to leverage multiple sources when participating in LIWP-LMF. LIWP-LMF incentives can be used in conjunction with tax credits, utility programs, and other funding sources. If you do use utility incentives or other major funding sources, the LIWP energy savings requirement increases to 25%.

PHOTOVOLTAIC INCENTIVES

Does LIWP provide solar PV incentives? Can these incentives be leveraged with other funding sources?

Yes, PV incentives are based on system size, area served (tenant and/or common area), and type and amount of leveraged funds. Systems serving tenant loads will receive a higher incentive than systems serving common area loads.

The more leveraged funds that are provided to the PV project, the less LIWP funding is needed. Leveraged PV funding sources include: the Multifamily Affordable Solar Housing (MASH) program, Low Income Housing Tax Credits, federal investment tax credits, and other local utility rebates.

What level of solar technical assistance will the LIWP-LMF Solar Provider be able to provide?

GRID Alternatives will provide technical assistance to determine the project’s estimated PV potential, sizing, system production, cost, and financing options that utilize LIWP-LMF incentives. Upon request from the Participant, GRID Alternatives can provide a project proposal to install, operate, and maintain PV systems, including analysis for a property ownership model and a third party ownership model.

I have a Power Purchasing Agreement (PPA) where the Investment Tax Credit (ITC) is going to the owner of the solar system, but the incentive is going to the property owner. Is this an approved scenario for LIWP-LMF?

For LIWP-LMF, incentive checks are always issued to the property owner. This will be true even if the property owner receives incentives for Solar PV equipment that is under a PPA. This is an approved scenario. The intent is, if you have a project under a PPA and the owner of the solar PV system is receiving the federal tax credit, the PPA provider is offering you a more competitive rate. That competitive rate and the incentive that you will receive for LIWP make the project more cost effective for you.

If a third-party is receiving other funding options, such as an ITC for the PPA arrangement, will this reduce the LIWP-LMF incentive?

The PV incentive structure is based on a default dollar value per watt generated by the system. These \$/watt values will vary between common-area-serving and tenant-area-serving systems, and will also vary based on other funding contributions to each particular project. A PV system that is able to take advantage of federal tax credits would have a lower LIWP incentive than a PV project that is not able to take advantage of those credits.

ENERGY SAVINGS ANALYSIS

What are the savings requirements for LIWP-LMF?

LIWP-LMF requires minimum 15% energy savings above existing conditions. Savings are calculated using EnergyPro energy modeling software. For properties leveraging other major funding sources such as TCAC or utility programs, 25% energy savings above existing conditions is required.

Will an existing TCAC or utility program energy audit for the property suffice for LIWP, or will we need to perform a second energy audit?

Where possible, the LIWP-LMF team will work to ensure efforts are not duplicated. If the audit documentation is comprehensive enough to meet LIWP-LMF’s requirements, no second audit will be necessary. In all instances, the LIWP-LMF team will need to make revisions to the energy model and analysis results in order to meet the LIWP-LMF program requirements.

My property is mostly vacant. How would the energy analysis be completed to demonstrate the 15% or 25% above existing conditions in light of this?

The energy analysis will be based on projected usage in a fully occupied building when determining energy savings.