



DOE Desk Office  
Office of Information and Regulatory Affairs  
Office of Management and Budget  
New Executive Office Building, Room 10102  
725 17<sup>th</sup> Street, N.W.  
Washington, DC 20503

February 4, 2010

Frank Norcross, EE-2K  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, DC 20585

**RE: Weatherization Program Notice 10-12**

Dear Mr. Norcross:

On behalf of Stewards of Affordable Housing for the Future (SAHF), thank you for the opportunity to comment on the Department of Energy's Draft Weatherization Program Notice 10-12, which proposes monthly reporting requirements for Grantees and Sub-Grantees receiving Weatherization Assistance Program (WAP) funding under the American Recovery and Reinvestment Act (ARRA).

SAHF is a nonprofit organization consisting of nine, sophisticated not-for-profit members who are committed to the long-term, sustainable ownership and continued affordability of multifamily rental properties for low-income families, seniors, and disabled individuals. As nationally-focused nonprofits, SAHF members possess expertise in developing, financing, and operating affordable housing across the country. Together, SAHF members own and operate over 85,000 affordable rental homes in 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Energy efficiency is a critical issue to our members. High energy costs affect the affordability of housing for low-income tenants and the sustainability of the properties. Hundreds of millions, or even billions, of dollars are spent unnecessarily each year on energy which could be conserved with cost-effective energy efficiency renovations. Fortunately, the \$5 billion allocation to WAP provided under the American Recovery and Reinvestment Act (ARRA) is an exponential increase over the FY 2008 \$227 million appropriation for weatherization. This infusion of funds creates a unique opportunity to increase energy conservation for and among low-income residents of multifamily properties.

Stewards of Affordable Housing for the Future · 555 11<sup>th</sup> St NW · Suite 525 · Washington DC 20004

[www.sahfnet.org](http://www.sahfnet.org) · phone (202) 737-5970 · fax (202) 737-5971

Mercy Housing · National Affordable Housing Trust · National Church Residences · The NHP Foundation ·  
NHT/Enterprise Preservation Corp. · Preservation of Affordable Housing · Retirement Housing Foundation ·  
Volunteers of America · Evangelical Lutheran Good Samaritan Society

SAHF has emerged as a leader in the field of multifamily residential energy efficiency and actively campaigns to increase the energy efficiency of the affordable housing stock on a nationwide scale. SAHF testified at a June 18, 2009 hearing on the Weatherization Assistance Program, providing substantive guidance on how best to integrate WAP funding into HUD-assisted housing. In addition, SAHF submitted comments on the Notice of Proposed Rulemaking (NPR) addressing the weatherization of HUD-assisted housing and received substantive feedback from DOE in the final rule published in the Federal Register on January 25, 2010.

Although the weatherization authorizing statute identifies the groups SAHF serves as the intended beneficiaries of WAP, the program historically has underserved multifamily renters.<sup>1</sup> 45% of low-income Americans are multifamily renters<sup>2</sup>, but less than 20% of the 6.2 million homes weatherized since the inception of the program in 1976 have been in multifamily dwellings.<sup>3</sup> DOE expressly recognized this opportunity in the *Weatherization Program Notice 09-1B* (March 12, 2009) when it urged states to dispense with any policies not statutorily mandated that might impede the delivery of weatherization services to multifamily dwellings.<sup>4</sup> SAHF believes that increased accountability and transparency, consistent with the core aims of ARRA, will ensure that Grantees and Sub-Grantees expeditiously and correctly utilize WAP funds to serve all sectors of their communities, including affordable rental housing.

### **SAHF Supports Monthly Reporting Requirements for WAP Grantees and Sub-Grantees**

At the time of ARRA's passage, President Obama and many other Administration officials stressed the need for increased accountability and transparency in the expenditure of government funds. ARRA centered on documenting jobs created and persons served. In order to track progress, Grantees and Sub-Grantees should be required to submit monthly reports covering all the metrics listed in WPN Attachment 1. Although many Grantees and Sub-Grantees may argue this places an undue administrative burden on them, the timing provisions in ARRA were designed to demonstrate progress over both the short and long term. Grantees and Sub-Grantees receiving unprecedented levels of funding under WAP need to document that they are spending, and will continue to spend, all the funds they receive in a manner fully compliant with the statutory and regulatory requirements promulgated by DOE. Requiring only quarterly reporting will increase inefficiencies within the WAP program and will inhibit DOE from remedying situations when a Grantee or Sub-Grantee is non-compliant or unable to expend all of its funds in a timely fashion. Under a quarterly reporting system, DOE will be able to act only on information that is already four months old, thereby hampering its ability to identify problem areas promptly. Given the short timeframe imposed by ARRA, allowing such a delay is unacceptable. Entities receiving the increased WAP funds need to demonstrate their capacity to ramp-up and serve their community within the timeframe mandated by ARRA.

<sup>1</sup> See 42 U.S.C. § 6861(b) (stating that WAP funds should be used especially for "low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children") (2008).

<sup>2</sup> See U.S. Census Bureau, *American Community Survey* (2007); Joint Center for Housing Studies of Harvard University, *State of the Nation's Housing 2009* Table W-7 (2009).

<sup>3</sup> Of that 20%, a large portion of the multifamily units weatherized were in duplexes. See U.S. Dept. of Energy, *Weatherization Assistance Program Briefing Book* ("DOE Briefing Book") § 1-1 (2008).

<sup>4</sup> See U.S. Dept. of Energy, *Weatherization Program Notice 09-1B* 9 (Mar. 12, 2009).

### **SAHF Proposes that DOE Modify Attachment 2 to Include Certain Metrics Listed in Attachment 1**

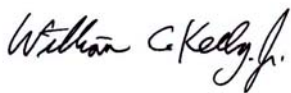
Attachment 2 only provides total figures for outlays and units and does not break down the information in the manner provided in Attachment 1. Without additional information DOE will be unable to determine on a real time basis whether traditionally served multifamily properties are receiving adequate funding. Given the short duration of the ARRA funding, having to await quarterly reports for this information will unduly delay programmatic adjustments beyond the time when they can be most effective. To avoid this result, Attachment 2 should be modified to include the following metrics contained in Attachment 1: property type (e.g. single-family and multi-family) and total outlays by property type (i.e. outlay for single-family units, outlay for multi-family units). This will not create a substantial burden as Grantees and Sub-Grantees will need to collect this data for their quarterly report and, therefore, if they continually monitor progress, as required by DOE, they already will have the data assembled for inclusion in a monthly report. Moreover, any potential administrative burden is outweighed by the need to ensure that Grantees are meeting their goals and complying with DOE's request to weatherize the historically underserved multifamily housing sector.

### **SAHF Proposes that DOE Post Monthly Reports on Recovery.gov**

Although OMB Memorandum M-10-08 discusses what may be posted on recovery.gov, SAHF proposes that DOE post all monthly progress reports of Grantees on recovery.gov. Furthermore, SAHF proposes that these progress reports be broken down by Sub-Grantee to assess the progress made on the local level. Allowing the public to see the results achieved on the local level not only aligns with the accountability and transparency aims of ARRA, but helps demonstrate that WAP funds are having a real impact in communities. Breaking down monthly progress reports to the Sub-Grantee level, which should not be a challenge because Grantees merely will aggregate the information collected from each Sub-Grantee in their monthly report, also will allow DOE to target inefficiencies within the system to ensure that Sub-Grantees expend WAP funds expeditiously.

Thank you again for the opportunity to comment. We look forward to the final rule and to continuing to work with DOE to weatherize affordable multifamily housing. Please do not hesitate to contact me at 202-737-5975 or [bkelly@sahfnet.org](mailto:bkelly@sahfnet.org) if you have questions or need additional clarification.

Sincerely,



William C. Kelly, Jr.  
President  
Stewards of Affordable Housing for the Future