MEMORANDUM

TO: Council Members
FROM: Elizabeth Osborne
SUBJECT: Overview of Washington Weatherization Program

BACKGROUND:

Presenter: Amanda Rains, Senior Program and Evaluations Supervisor, Washington Department of Commerce

Summary: The Washington Department of Commerce manages the state and federal programs that provide weatherization services for qualified low-income households. Weatherization Program staff will present on how these programs are funded and administered, and the challenges associated with delivering weatherization services.

Washington’s Low-Income Weatherization Program

July 2022 updates

Seth Kolodziejski, Bill Kraus & Amanda Rains
We strengthen communities
Federal program funding outlook

• 2022 DOE formula funding: $5,937,231

• 2022-2027 BIL Infrastructure funding: $47,115,447

• 2023 LIHEAP formula funding: TBD

• 2021-2023 LIHEAP ARP (American Rescue Act) funding: $14,368,097

• 2022 BPA funding: $2,553,626
Federal program policy changes

- DOE regional priority lists
- DOE categorical eligibility
- DOE/LIHEAP Weatherization Readiness
Opportunities

• **Multifamily program**
  - 20% carve out of BIL funding
  - Develop new and existing local agency capacity
  - Target historically hard to reach areas

• **Low income solar**
  - 2022 LIHEAP State Plan
  - DOE solar pilot
State Funding - Program Updates

Bill Kraus
State program funding outlook

- July 1 amended Wx+H contracts to add $10M received in from the supplemental budget process

- Plan on requesting $38M for the 2023-2025 biennium
State Program Policy Changes

- Matchmaker Program becomes WA Weatherization Plus Health funding (state Wx+H)
- State Wx+H implements Plus Health program statewide
- State Wx+H opens up Tier II activities—now funds weatherization readiness and oil/propane fuel switch to electrical technologies
HRLP updates

Program funding & spending

- Looking Ahead to 2023-2025

- Program struggling with current legislation restrictions

- What’s next?
HRLP challenges

- Interest rate tied to the Consumer Price Index (CPI)
- Income eligibility levels
- Appraised vs tax value of home
- Maximum loan amounts
- Ability to transfer loans to qualified people

Interest Rate

<table>
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<th>Year</th>
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<tbody>
<tr>
<td>2018</td>
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<tr>
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<tr>
<td>2022</td>
<td>4.7</td>
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<tr>
<td>2023*</td>
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Individuals

- HUD Loans: $43,920
- State WX+H: $51,291
- Fed WX: $64,950
- HRLP: $64,950

Thurston County 3 person household

*2023 estimate
Program Challenges
Workforce development achievements
Workforce development priorities

• Develop and share career resources
  - Regulatory
  - Regional approaches
  - Systemic and structural changes
  - Fiscal record keeping
  - Prevailing wage
  - Alternate delivery models
  - Administrative requirements
  - Getting started

• Enhance activities

• Measure outcomes
  - Define goals and outcomes of each major activity
  - Identifying reliable baseline measures
  - Establishing an assessment plan
  - Interpreting data systematically
WX Measure availability

- Window orders are two to three months behind
- Electricians inability to deliver in a timely manner

Our average material/labor has increased over the past year

![Average Single Family Cost](chart.png)
Program Opportunities
FY23 Weatherization program opportunities

- Implementing our Workforce Development Plan
- DOE Regional Priority Lists
- Categorical eligibility for HUD programs
- BIL funding multi-family program
- Piloting solar as a weatherization measure
- Statewide Plus Health program
- Expanded activities for State Wx+H program
  - Weatherization readiness
  - Fuel switch from oil and propane to electric
  - Tribal home rehabilitation (still in pilot phase)
FY23 Weatherization program opportunities

• Needs assessment for energy efficiency services for low-income household and overburdened communities
  • Task 1: Comprehensively assess the needs for providing building energy efficiency services to low-income and overburdened communities.

• Task 2: Assess the strengths and limitations of the existing building energy services and delivery systems

• Task 3: Identify viable opportunities and options to meet state energy strategy goals for scaling up building energy efficiency services to equitably serve low-income populations by creating a detailed implementation plan.
Thank you!

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