Wisconsin 2025-26 Qualified Allocation Plan
Appendix W: Energy Efficiency and Sustainability

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WHEDA Energy Efficiency & Sustainability Guidelines

Sustainable design and energy efficiency strategies will be customized based on the development type, location, and available resources. WHEDA recognizes a range of green building certifications and renewable energy options, allowing projects to choose the most appropriate approach. The requirements and scoring process will focus on the following components:

1. **Green Building Certification**
2. **Renewable Energy (for New Construction only)**
3. **Energy Design Assistance**

The scoring matrix in the Multifamily Application applies separate criteria for **rehabilitating existing buildings** and **new construction** to evaluate each project appropriately. Both rehabilitation of existing residential buildings and adaptive reuse of nonresidential buildings converted to residential are eligible for the criteria for rehabilitation projects. Project teams should carefully review certification options to determine whether a new construction or rehabilitation certification fits their development.

WHEDA encourages project teams to engage with utility companies early in the process of deciding which points to pursue. This helps determine whether plans are feasible and if a waiver from the Public Service Commission (PSC) might be required. **Projects requiring a PSC waiver to meet the scoring criteria are not eligible for points in the category they claim**.

Green Building Certifications

Projects must select one of the following three levels of green building certifications:

- **Threshold**
- **Advanced**
- **Stretch Goal (Net Zero)**

Applicants must indicate their chosen certification level in their **Full Application Submission**. Developers are responsible for meeting all certification requirements and obtaining verification upon project completion.

Projects may change certifications if the change does not result in a lower score and is approved by WHEDA before the **Application Two Submission**. A written request to change certifications must be submitted before the **Application Two Submission**. Any changes that reduce the initial category score or substantial modifications after the 2025 Application Two Submission may incur penalties.

Proof of certification must be submitted before the issuance of the **Tax Credit Allocation**, the completed **IRS Form(s) 8609 for Federal Credits**, and the **Wisconsin Low-Income Housing Credit Allocation Certificate** for State Credits. If the selected certification requires monitoring or verification beyond the Application Three due date, applicants should discuss this with WHEDA prior to the Application Three due date.

Threshold Requirements & Scoring

At a minimum, each project must obtain a pre-approved certification from the **Threshold** list.

Threshold Certification Requirements

1. **Eligible New Construction Certifications:**
    - Enterprise 2020 Green Communities Criteria
    - LEED Silver Certification
    - Wisconsin Green Built Communities Gold Certification
    - Passive House Institute US PHIUS Core
2. **Eligible Rehabilitation Certifications** (for existing residential properties or adaptive reuse of nonresidential buildings):
    - Enterprise 2020 Green Communities for Moderate & Substantial Rehab
    - Wisconsin Green Built Homes Gold Certification
    - Passive House Institute US – PHIUS Core Revive

Additional Threshold Requirements for Rehabilitation of Existing Buildings

Rehabilitation projects using **Threshold certifications** must meet one of the following requirements:

- **HERS Index score of 80 or less** for properties built in or after 1980 or demonstrate that the energy performance of the completed building will be equivalent to or better than ASHRAE 90.1-2013, using an energy model created by a qualified energy services provider according to Appendix G 90.1–2016.
- **HERS Index score of 100 or less** for properties built before 1980 or demonstrate that the energy performance of the completed building will be equivalent to or better than ASHRAE 90.1-2013, using an energy model created by a qualified energy services provider according to Appendix G 90.1–2016.
- **Post-rehab HERS Index score at least 15% lower** than the pre-rehab HERS Index score.

Documentation verifying one of the requirements must be submitted before **8609 issuance**.

Advanced Certifications Scoring and Point Eligibility

Applicants can earn an additional **10 points** by obtaining one of the following **Advanced certifications**:

1. **Eligible New Construction Advanced Certifications:**
    - Enterprise 2020 Green Communities Criteria Certification Plus
    - LEED Gold/Platinum Certification
    - Wisconsin Green Built Communities Gold Plus
    - Passive House Institute US PHIUS Core
2. **Eligible Rehabilitation Advanced Certifications:**
    - Enterprise 2020 Green Communities for Moderate & Substantial Rehab Certification Plus
    - Wisconsin Green Built Homes Gold
    - Passive House Institute US – PHIUS Core Revive

Stretch Goal – Net Zero Certification Scoring and Point Eligibility

Net Zero certifications should be pursued only under exceptional circumstances where resources, funding, and opportunities align, ensuring that the goal can be achieved without reducing the number of units produced. Projects should carefully assess whether Net Zero is feasible, as it may not be the best option for most developments.

Projects seeking **Net Zero Certification** must submit a narrative as part of their **Full Application Submission by March 21, 2025**. The narrative must detail the plan to achieve certification, including financing and a timeline. The 2025 Application Two Submission must include an updated narrative to reflect any changes. WHEDA may request additional information or a meeting to assess the potential impact on project feasibility and/or unit production.

Applicants can earn an additional **20 points** by obtaining one of the following **Stretch Goal – Net Zero Certifications**:

Eligible New Construction Net Zero Certifications:

- Enterprise 2020 Green Communities Criteria Certification Plus via Criterion 5.4b
- LEED Zero Energy
- Wisconsin Green Built Communities Gold Net Zero
- Passive House Institute US PHIUS Zero

Eligible Rehabilitation Net Zero Certifications:

- Enterprise 2020 Green Communities for Moderate & Substantial Rehab Certification Plus via Criterion 5.2b
- Wisconsin Green Built Homes Gold Net Zero
- Passive House Institute US – PHIUS Core Zero Revive

Renewable Energy (for New Construction only)

New Construction projects pursuing **Threshold** and **Advanced** certifications can earn additional points by incorporating renewable energy. Applicants pursuing **Stretch Goal – Net Zero Certifications** are not eligible for additional renewable energy points.

Renewable Energy Point Allocation:

- **Geothermal HVAC System** serving the entire building: **4 Points**
- **Solar*** that offsets 20% or more of the total building's annual energy load OR solar that offsets 70%-80% of the common area annual load: **2 Points**
- **Centralized Geothermal HVAC System with Solar** that offsets at least 20% of the annual energy load: **8 Points**

**Community solar subscriptions is eligible for additional points for solar energy provision with documentation confirming availability of service for the entire project.*

Proof of geothermal or solar installation must be provided before **8609 issuance**.

Energy Design Assistance (EDA) Requirement

All successful Tax Credit Awardees **are required to participate in the** Focus on Energy—Energy Design Assistance (EDA) Program. An equivalent Energy Co-op program may be used for properties outside the Focus on Energy service area. It is strongly recommended that the EDA process be started **early to meet program timelines and** Housing Tax Credit deadlines**.**

If a project is located in an area without access to an Energy Design Assistance program, this requirement is waived without penalty. Projects must be at least 5,000 square feet and have four or more units to qualify for Focus on Energy Design Assistance. Scattered site projects will need to meet with Focus on Energy to determine eligibility. The EDA requirement is also waived without penalty if a project is not eligible for Focus on Energy or another Energy Design Assistance program.

Project teams should follow the process and requirements of their selected energy design assistance program. Projects utilizing design assistance programs outside the Focus on Energy service area may have slight timeline and documentation variations that might not align with WHEDA Tax Credit Program timelines and requirements. WHEDA encourages project teams to engage with energy efficiency programs early to ensure they meet Tax Credit Program deadlines. Please communicate any variations in documentation or deadlines to WHEDA **e**arly to determine any necessary adjustments or waivers.

Focus on Energy – Energy Design Assistance and Timeline

FOCUS ON ENERGY® provides technical and financial support to design professionals, builders, developers, and owners throughout the design and construction process. The best time for WHEDA Housing Tax Credit Projects to begin the Energy Design Assistance (EDA) process is during the design development stage. Projects will submit designs for review and collaborate with the EDA team to select energy efficiency strategies and set goals. Be sure to indicate that the project is a **WHEDA Housing Tax Credit project** in your submission under the "Special Considerations and Other Comments" section.

Each project will receive a **Bundle Requirements Document (BRD)** detailing the energy efficiency plans and projected cost savings. The BRD must be included in the **2025 Application Two Submission**. **Focus on Energy** will issue a final verification report upon project completion, which must be submitted to WHEDA before the final 8609 issuance**.**

Applicants may choose to participate in an Energy Design Assistance program before being awarded, but it is not required and does not offer an advantage in the selection process. Projects must resubmit to Focus on Energy for an updated BRD if EDA services are used before the design development stage.

WHEDA Housing Tax Credit Awardees have two Energy Design Assistance programs to choose from:

1. **Energy Design Assistance (EDA)**
2. **Express Energy Design Assistance (Express EDA)**

Energy Design Assistance (EDA)

The **EDA Program** requires an introduction meeting to review project development designs and a results meeting. Projects should allow **ten weeks** to complete the initial consultation and obtain the necessary program documentation, including the **Bundle Requirements Document (BRD)**, which must be submitted as part of the **2025 Application Two Submission**.

The EDA offering is a valuable resource for developers, particularly those new to energy efficiency, as it helps integrate energy-saving strategies early in the design process for greater impact and cost savings.

Express Energy Design Assistance (Express EDA)

The **Express EDA Program** follows a similar process but does not require any meetings. Project teams can submit development designs through **Focus on Energy's online platform**. Projects should plan for **four weeks** to complete the initial consultation and obtain the required documentation, including the **Bundle Requirements Document (BRD)** necessary for the **2025 Application Two Submission**.

Express EDA is a good option for teams with prior experience and resources in energy efficiency.

Schedule of Required Documentation

Tax Credit Program Milestone	**Due Date for 2025 Competitive Cycle**	**Due Date for 2025 Noncompetitive Cycle**	**Required Sustainability and Energy Efficiency Documentation**
Project Concept Submission	December 6, 2024	N/A	N/A
Full Application Submission	March 21, 2025	Concurrent with Initial Application Submission	1. Applicants must indicate energy efficiency and sustainability points and select their green-built certification 2. Applicants pursuing any net zero certifications must include a narrative outlining plans to achieve the certification
Deadline to Submit Plans to Focus on Energy EDA	August 1, 2025	At least 10 weeks prior to Application Two submission deadline	Applicants must submit initial development designs to Focus on Energy EDA. Indicate WHEDA Housing Tax Credit Project in 'Special Considerations & Comments Section' Applicants outside of the Focus on Energy coverage should inform WHEDA of any impacts to the EDA process
Application Two Submission	November 2025	180 days after Reservation Agreement Issuance Date	1. Applicants must submit a Focus on Energy EDA Bundle Requirement Document or another Energy Design Assistance Program Documentation equivalent 2. Applicants pursuing any net zero certifications must update their narrative outlining plans to achieve the certification 3. WHEDA Approval Letter of any energy efficiency and sustainability updates/changes
Application Three Submission	Within 180 days of PIS date	Within 180 days of PIS date	1. Focus on Energy EDA Final Verification Report or another Energy Design Assistance Equivalent 2. Green Building Certification Verification Documentation 3. Renewable Energy Installation Verification Documentation (New Construction Only) 4. Additional Rehab Threshold Requirements (Rehab Only)