



OFFICE OF HOUSING

Green and Resilient Retrofit Program (GRRP)

OFFICE OF MULTIFAMILY HOUSING PROGRAMS

HUD Northwest Regional Administrator Margaret Salazar

June 16, 2023

HUD's Climate Action Plan

- Reflects a comprehensive effort to reduce HUD's energy and carbon footprint by investing in more efficient, sustainable, and equitable housing infrastructure.
- Overarching strategies:
 1. Increasing climate resilience (e.g., better understanding of risk and capacity building for our residents, owners, and borrowers)
 2. Reducing greenhouse gas emissions (e.g., energy benchmarking, energy standards, and incentives)
 3. To pursue environmental justice (e.g., focusing on those communities historically overburdened by environmental and climate hazards)
- Unified HUD commitment to addressing climate change

IRA Overview

- Inflation Reduction Act signed in August 2022
- Total \$370 billion in investments, clean energy tax incentives
- Focused on promoting green and climate-resilient solutions
 - Clean energy tax incentives
 - Accelerate private investment
 - Improve supply chains
 - Create more green jobs
- www.CleanEnergy.gov

IRA Programs Involving Housing

- Green and Resilient Retrofit Program
 - Grants and loans for energy efficient and resilient retrofits
 - Utility Benchmarking
- Solar generation and clean energy deployment
- Greenhouse Gas Reduction Fund
- HUD is working with federal agency partners on increased investment in housing

HUD's Multifamily Portfolio

- Nearly 30,000 properties across the country
- Property size from 4 units to over 2,800 units
- 1.4 Million rental assistance units
- Owned/operated by third party independent owners
- Properties can be involved with Multifamily in multiple ways
 - FHA-insured mortgages
 - Grants/loans for property development
 - Property-based rental assistance for low-income residents
 - Use Agreements

GRRP Overview

- \$1 Billion provided through the Inflation Reduction Act (IRA)
 - \$837.5 Million for retrofits plus up to \$4 Billion total in loan authority
 - \$60 Million for contracts to support scoping of retrofits
 - \$60 Million for HUD's implementation costs
 - \$42.5 Million for property benchmarking
- Retrofits will reduce properties' climate impact while making them more efficient, safe, and healthy for residents through:

Energy and/or water efficiency
 Energy and water benchmarking
 Improved indoor air quality
 Low-emission building materials or processes

Climate resilience
 Building electrification
 Zero-emission electricity generation
 Energy storage



What does GRRP pay for?



Utility Efficiency

Energy Star 7.0 windows
 Electrical upgrades
 WaterSense fixtures
 HVAC and water heater heat pumps
 Efficient ovens and clothes dryers
 Air-seal testing
 Insulation
 Heat or Energy Recovery Ventilators



Climate Resilience

Clean backup power
 Emergency shelter
 Emergency water access
 Storm shutters
 FORTIFIED certification
 Green or blue roof
 Floodproofing
 Permeable pavement
 Subsurface stormwater storage
 Wind- and impact-resistant windows
 Rainwater/greywater collection systems
 Fire resistant roof, windows, & fencing



Carbon Reduction

Rooftop or carport solar
 Wind energy generation
 Geothermal energy generation
 Renewable energy storage
 Electric Vehicle charging stations
 Responsibly sourced raw building materials

And more, including soft costs.

Common Features

- Funding for HUD's Multifamily rental assistance programs, primarily §8 PBRA, §202, and §811
- GRRP funds can be paired with non-HUD IRA resources (rebates, tax credits, etc.)
- Properties can choose to receive funding as grants, surplus cash loans, and amortizing loans
- NOFOs have distribution requirements:
 - Each HUD Region - at least 5% of properties
 - Non-Metro Areas - at least 15% of properties
 - Caps per owner and its affiliates



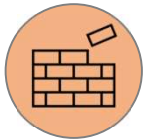
Eligible Properties

- **Most Project-Based Rental Assistance (PBRA) contracts**
 - RAD PBRA properties prior to 9/30/2021
- **Section 202 Direct Loans or Capital Advances**
 - Including those anticipating a RAD conversion
- **Section 811 Capital Advances or PRA contracts**
- **Section 236 properties still receiving Interest Reduction Payments (IRP)**
- **Not Eligible:**
 - Public housing properties
 - LIHTC-only or market rate apartments



Three Different NOFOs

- Three paths for properties - meeting owners where they are
- Accessible to owners at all levels of development expertise
- Simple application process to reduce barriers



Elements Awards

Owner driven
Specified investments
Small awards (<\$750K)



Leading Edge Awards

Owner driven
Ambitious initiatives
Medium size awards (<\$10M)



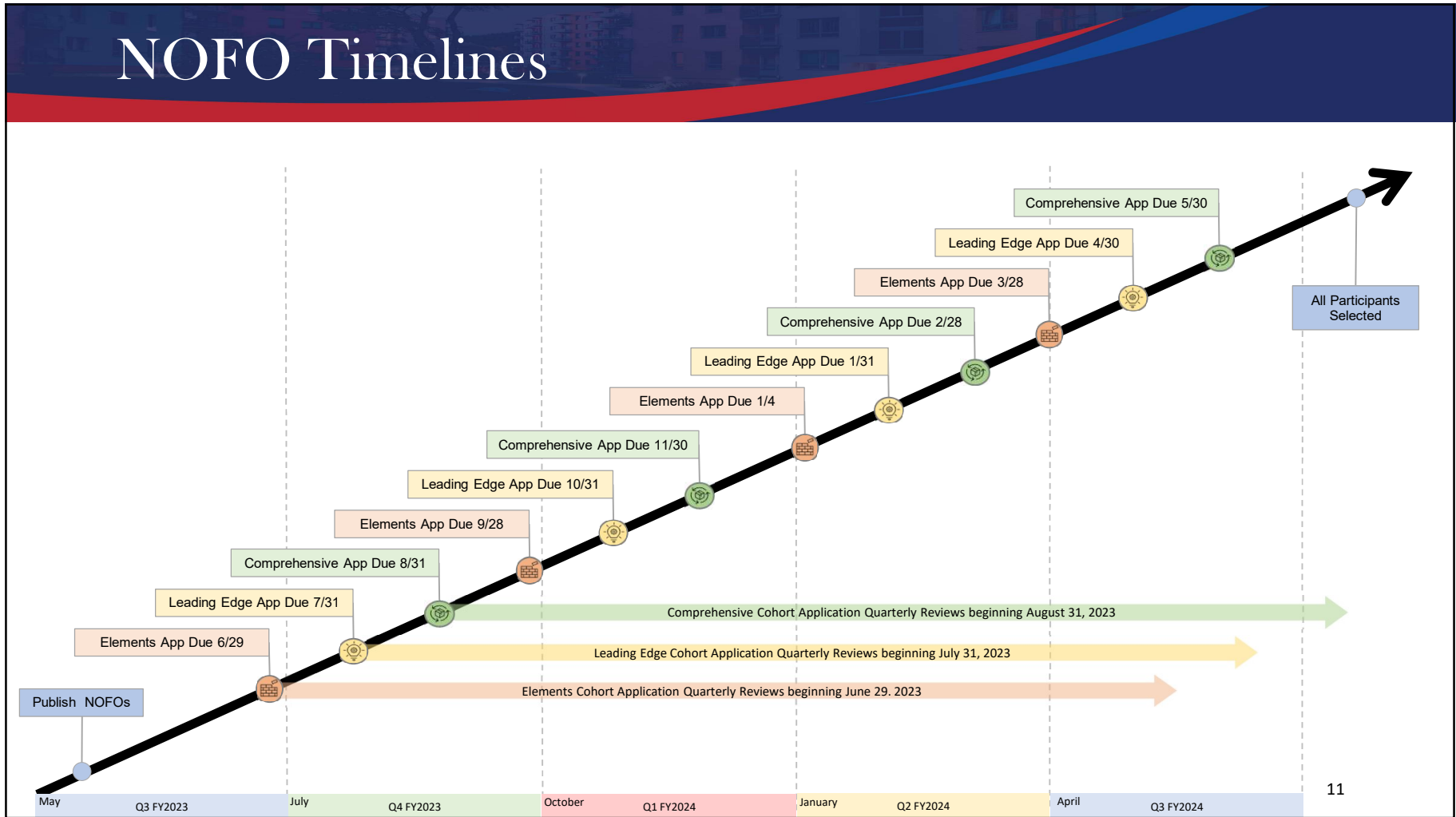
Comprehensive Awards

Comprehensive property assessments
Blending Elements and Leading Edge scopes
Largest awards (<\$20M)

Designed to enhance efficiency and climate resilience in owner-driven recapitalization transactions

Designed to focus on properties with significant need, considering both energy consumption and climate risk, with significant HUD implementation support

NOFO Timelines



More Information

- Notice and NOFO published on May 11, 2023
- Website - www.hud.gov/GRRP
- Email for questions - GRRP@hud.gov

- HUD Oregon Field Office
- Field Office Director Bryan Guiney - Bryan.G.Guiney@hud.gov