## Affordable Housing Gets Billions for Resilience Retrofits

HUD's Green Resilient and Retrofit Program, part of the Inflation Reduction Act, seeks to improve the efficiency and resilience of low-income housing.

by Elizabeth Waters

Where we live, the quality of our homes, and the resources we have determine our vulnerability to climate change. As the United States continues to fight and prepare for the impacts of global heating, one of the biggest challenges is ensuring that everyone—people earning lower incomes and communities of color, in particular—have access to housing that offers protection against deadly heatwaves and other extreme weather. The Inflation Reduction Act (IRA) begins to address this by allocating more than \$25 billion in direct spending, across four separate provisions, to efficiency and resilience measures in affordable housing.

One of the most significant of these provisions is the Green and Resilient Retrofit Program (GRRP), administered by the Department of Housing and Urban Development (HUD). HUD has access to \$837.5 million in grant funding and more than \$4 billion in loan authority to improve the resilience and quality of HUD-assisted multifamily housing under sections 8, 202, 811, and 236.

HUD <u>officially launched</u> the GRRP in May and outlined the program's goals:

- To reduce energy and water use in HUD-assisted multifamily properties
- To make HUD-assisted multifamily properties more resilient to extreme weather and natural disasters
- To reduce greenhouse gas emissions from HUD-assisted multifam-

ily properties, both directly and by using materials with less embodied carbon

Funding will be available in three categories, for which HUD released separate notices of funding opportunities (NO-FOs):

- <u>Elements Awards</u>: \$140 million for property owners to add resilience and efficiency measures to recapitalization projects already in progress
- Leading Edge Awards: \$400 million for properties in the early stages of planning a recapitalization project to design it to the highest standards of efficiency, carbon reduction, and resilience and to align with existing financial strategies
- Comprehensive Awards: \$1.47
  billion to initiate recapitalization
  investments in efficiency, carbon
  reduction, and resilience, prioritizing properties with the greatest
  need

The program guidelines stipulate that all GRRP investments must serve low-income, affordable housing communities with at least 15 years of affordability and five years of extended affordability. HUD hopes that the achievement of the program's goals will decrease the energy consumption of the covered housing by 25% (reducing residents' utility burdens) and greenhouse gas emissions by 50%—in line with the Biden administration's goal to reduce economy-wide emissions by 50% by 2030.

In its environmental justice-based analysis of the IRA, The Just Solutions Collective listed two critiques of the GRRP. First, they explain, its \$1 billion in funding will not adequately cover all five million federally assisted housing units in the United States: when averaged across the portfolio, it comes out to \$200 for efficiency and resilience improvements per unit. The organization also notes that while the GRRP will likely reach many environmental justice residents (people in marginalized communities who are disproportionately affected by environmental hazards) through its focus on low-income housing, it does not explicitly prioritize environmental justice communities.

HUD will begin accepting applications for all three awards over the next few months. Application deadlines for the Elements, Leading Edge, and Comprehensive Awards are March 28, April 30, and May 30, 2024, respectively.

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