

Overview of Funding from the Inflation Reduction Act

Updated 05/18/2023: more updates forthcoming

Program	Funding Level	Program Purpose	Timing	Guidance	Administering Entities	Other Notes
Greenhouse Gas Reduction Fund	\$27B (three grant competitions - \$14B, \$6B and \$7B)	Supporting clean energy investments	<p>Funding available through September 30, 2024.</p> <p>Notice of Funding Opportunity expected Summer 2023</p> <p>EPA released a framework for the GGRF that outlines key parameters and expected application components in April 2023. They also released a factsheet giving an overview of the GGRF.</p>	<p>General Assistance & Low-Income & Disadvantaged Communities Grant Program</p> <p>Consists of:</p> <p>1) National Clean Investment Fund (\$14B) Will fund 2-3 national nonprofits who will partner with private capital providers to deliver financing at scale. Intended to catalyze tens of thousands of clean technology projects.</p> <p>2) Clean Communities Investment Accelerator (\$6B) Will fund 2-7 hub nonprofits who will work to rapidly build the clean financing capacity of specific networks of public, quasi-public and nonprofit community lenders. Must ensure that low-income and disadvantaged communities have access to financing for clean technology projects.</p> <p>Zero-Emissions Technologies Grant Program</p> <p>Consists of:</p> <p>1) Solar for All (\$7B) Will fund up to 60 grants to States, Tribal governments, municipalities and nonprofits.</p>	Environmental Protection Agency (EPA)	<p>HPN considering joint application</p> <p>Request for Information closed December 5, 2022. HPN submitted a letter and provided members with a template for them to submit their own.</p> <p>EPA welcomed written technical feedback and comments on the implementation framework until May 12. HPN submitted comments and provided members with a template to submit their own.</p> <p>EPA hosted six public listening sessions on the implementation framework.</p>

				Intended to expand the number of low-income and disadvantaged communities that are primed for investment in residential and community solar.		
Green and Resilient Retrofit Program (GRRP)	\$1B	Fund energy and water efficiency, energy and water benchmarking, energy storage, building electrification, and climate resilience projects in eligible multifamily affordable housing projects	<p>Funding available through September 30, 2028.</p> <p>HUD released guidance in May 2023. See this factsheet or this presentation for an overview of the program.</p> <p>HUD also released a summary of important deadlines and the application periods for the NOFOs here.</p> <p>Application Deadlines:</p> <p>08/31/2023 - First Application Period 11/30/2023 - Second Application Period</p>	<p>The Notice of Funding Opportunity (NOFO) can be found here</p> <p>The funding is broken up into three paths (or cohorts):</p> <p>1) Elements</p> <ul style="list-style-type: none"> For owners to include proven and meaningful climate resilience and utility efficiency measures in projects that are in the process of a recapitalization transaction Funding of up to \$40K per unit or \$75K per property HUD expects to make roughly 200 awards NOFO can be accessed here <p>2) Leading Edge</p> <ul style="list-style-type: none"> For ambitious retrofit activities to achieve an advanced green certification. 	Department of Housing and Urban Development (HUD)	<p>HPN signed on to RFI comment letter with Preservation Working Group (Request for Information closed October 27, 2022)</p> <p>Only program in IRA exclusively for affordable housing</p> <p>Eligibility: Owners and sponsors of HUD-subsidized Section 202, 811, Project-based Section 8, and Section 236 properties that agree to extended affordability.</p> <p>HUD is holding a webinar on Tuesday May 23. Register here.</p> <p>HUD is also holding GRRP Office Hours every Wednesday, May 24</p>

			<p>02/28/2024 - Third Application Period 05/30/2024 - all other application periods</p>	<ul style="list-style-type: none"> • Ideal for projects in the planning stages of a recapitalization effort – these awards complement the existing financing strategy to allow for higher standards of efficiency and resilience • Funding of up to \$60K per unit or \$10M per property • HUD expects to make roughly 100 awards • NOFO can be accessed here <p>3) <u>Comprehensive</u></p> <ul style="list-style-type: none"> • For properties with the highest need for climate resilience and utility efficiency upgrades, regardless of prior development or environmental retrofit experience. • Will have access to TA for property assessments to develop a plan that meets the property’s needs and GRRP retrofit objectives • Funding of up to \$80K per unit or \$20M per property • HUD expects to make roughly 300 awards • NOFO can be accessed here 		<p>through June 28, 2023 from 3-4 PM EST. Use this Zoom link.</p>
<p>High-Efficiency Electric Home Rebates (also referred to as Home</p>	<p>\$4.5B</p>	<p>Rebates to cover the costs of electrification projects</p>	<p>Funding available through September 30, 2031.</p> <p>National Association of State Energy Officials (NASEO) released an RFI on HOMES</p>	<p>Provides \$4.275B for State Energy Offices to offer rebates for electric appliances. Also provides \$225M to Tribes for the same purpose.</p>	<p>Department of Energy (DOE) via State Energy Offices</p>	<p>Information can be found through NASEO’s IRA Task Force at this website or through this factsheet.</p>

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<p>Electrification Rebates or HEEHRA)</p>			<p>and HEEHRA that was due Friday May 19, 2023 (two week turn-around)</p> <p>An initial Request for Information was due March 3, 2023.</p> <p>Changes to residential energy efficiency tax credits under the IRA will become effective starting in late 2023.</p> <p>States submit spending plans by August 2024 – states that do not submit within the timeframe will have funds reallocated.</p>	<p>Maximum of \$14,000 per building with percentage caps varying by income and building type.</p> <p>Eligibility: LMI homeowners and MF building owners and entities working on behalf of LMI homeowners and MF building owners carrying out qualified electrification projects</p>	<p>State energy offices can be found here.</p> <p>State allocations can be found here.</p>	<p>https://www.energystar.gov/about/federal_tax_credits</p> <p>State incentives can be tracked through this database.</p> <p>Additional information can be found by accessing this DOE public roundtable recording. (Register to gain access to recording.)</p> <p>More information is also available at this Congressional Research Service report</p>
<p>HOMES Rebate Program (also referred to as Home Efficiency Rebates)</p>	<p>\$4.3B</p>	<p>Grants to provide rebates for the costs of energy efficiency retrofits that are modeled to achieve or have achieved reductions in energy usage</p>	<p>Funding available through September 30, 2031.</p> <p>National Association of State Energy Officials (NASEO) released an RFI for private sector partners that was due May 19 (two week turn-around)</p>	<p>Provides \$4.3B for State Energy Offices to offer rebates for energy efficiency improvements. Rebate amounts will be determined based on the energy saved – either modeled or measured.</p> <p>Eligibility: Homeowners and multifamily building owners and aggregators doing whole-house energy efficiency retrofit projects that achieve 20% energy savings or more</p>	<p>DOE via State Energy Offices</p> <p>State energy offices can be found here.</p> <p>State allocations can be found here.</p>	<p>Information can be found through NASEO’s IRA Task Force at this website or through this factsheet.</p> <p>Rebates cannot be combined with another federal grant or rebate program</p> <p>https://www.energystar.gov/about/federal_tax_credits</p>

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Bonus Solar Credit for the ITC for Affordable Housing (Section 48 Tax Credits)	Approx \$10B	Provides bonus solar in low-income communities.	<p>Tax credit expires in 2032.</p> <p>Application procedures, additional criteria, applicable definitions, and other information needed to complete an application for 2023 will be in forthcoming guidance.</p>	<p>Facilities (federally-assisted) of 5 MWs or less are eligible:</p> <ul style="list-style-type: none"> - 10 percentage points if solar installed in low-income community - 20 percentage points if solar installed as part of a qualifying low-income residential building project <p>Tenants must financially benefit. Annual limit of 1.8 GWs.</p>	Department of Treasury	<p>For more information, see this post about the changes to the tax credit and this link to a webinar on the tax credit.</p> <p>See this link for podcast explaining the provisions for affordable housing and low-income communities.</p> <p>IRS issued initial guidance on February 13th, 2023:</p> <ul style="list-style-type: none"> - The application will have two phases, starting with

						<p>low-income residential buildings and projects that benefit low-income households</p> <ul style="list-style-type: none"> - Capacity Limitation is divided into four categories (see page 8 of Notice) <p>More information can be found in Notice 2023-17</p>
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Sources and Resources

- <https://www.nationalhousingtrust.org/news-article/nht-policy-brief-key-provisions-inflation-reduction-act-for-affordable-housing>
- <https://www.enterprisecommunity.org/blog/maximizing-inflation-reduction-act-benefits-affordable-housing>
- <https://www.aceee.org/policy-brief/2022/09/home-energy-upgrade-incentives-programs-inflation-reduction-act-and-other#:~:text=The%20recent%20Inflation%20Reduction%20Act,emissions%20due%20to%20existing%20homes.>
- <https://www.novoco.com/periodicals/articles/benefits-inflation-reduction-act-affordable-housing>
- <https://www.danby.com/en-us/blog/high-efficiency-electric-home-rebate-act-heehra-energy-efficiency-rebates/>