



FEDERAL HOUSING ADMINISTRATION

# Office of Multifamily Housing Programs



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

As part of the Inflation Reduction Act, the Green and Resilient Retrofit Program (GRRP) enables HUD to design the Benchmarking Initiative for multifamily property owners. The initiative will provide benchmarking services to HUD multifamily assisted properties. This Q&A provides additional guidance for the initiative.

| Question  | Answer  |
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| 1. What is the Benchmarking Initiative?                                 | <p>Through the Inflation Reduction Act, the Benchmarking Initiative offers HUD funded energy and water monitoring services to owners of eligible properties for up to four (4) years. All properties are encouraged to perform energy and water benchmarking.</p> <p>Benchmarking is the process of tracking energy and water usage at a property. It enables multifamily property owners to analyze utility usage and provides insight into how a property can become more efficient in its energy and water usage.</p>  |
| 2. What is the difference between GRRP and the Benchmarking Initiative? | <p>GRRP has 2 components: the direct loans and grants program (commonly referred to as GRRP) and the Benchmarking Initiative.</p> <ol style="list-style-type: none"><li>1. The loans and grants program will provide billions of dollars to improve energy efficiency and climate resiliency in multifamily properties.</li><li>2. The Benchmarking Initiative will provide energy and water tracking services to eligible property owners. In addition, energy and water benchmarking may be required for properties receiving fundings from the loans and grants program.</li></ol> |
| 3. Which properties are eligible for the Benchmarking Initiative?       | <ul style="list-style-type: none"><li>➤ Eligible properties include those receiving assistance under the Section 8 Project Based Rental Assistance (PBRA), Section 202 Supportive Housing for Low-Income Elderly, or Section 811 Supportive Housing for Low-Income Persons with Disabilities programs.</li><li>➤ An award from the GRRP loans and grants program is not necessary.</li><li>➤ An FHA-insured loan is not necessary.</li></ul>  |
| 4. What is the cost of participating in the Benchmarking Program?       | <p>There is no direct cost associated with receiving support services through HUD's Benchmarking Program for eligible properties. Some utilities may charge an administrative fee to obtain the required whole building utility data.</p>   |
| 5. What are the owners' obligations in the Benchmarking Initiative?     | <ul style="list-style-type: none"><li>➤ Owners must commit to reporting both energy and water usage for 4 years. Subsequently, owners may inherit the processes and systems for</li></ul>   |

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|   | <p>collecting utility data and elect to continue with benchmarking; and</p> <ul style="list-style-type: none"> <li>➤ Owners must register with the Environmental Protection Agency (EPA)'s Portfolio Management system. HUD's contractor will be available to assist with registration; and</li> <li>➤ There is no required level of energy and water efficiency that must be met; and</li> <li>➤ FHA-insured loans receiving the Green MIP reduction are still required to attain a compliant score.</li> </ul>  |
| 6. What would the benchmarking data collected be used for?  | <ul style="list-style-type: none"> <li>➤ The benchmarking data will not impact owners' financing eligibility; and</li> <li>➤ The program would enable multifamily property owners and HUD to better understand current energy and water usage to identify utility inefficiency and future policy efforts; and</li> <li>➤ Many local jurisdictions have already implemented benchmarking requirements for multifamily properties. HUD's Benchmarking Program would integrate seamlessly and help such reporting.</li> </ul>  |
| 7. Is there a deadline for registering?   | <p>HUD's intent is to begin making contractor benchmarking services to eligible volunteer properties beginning in Fall 2023.</p> <p>While there is no set deadline, properties are encouraged to opt-in early as there is limited funding availability and to take advantage of the full 4 years of the initiative.</p>   |
| 8. My property's energy and water usage data is available through the local utility companies, how do I participate in the Benchmarking Initiative? | <ul style="list-style-type: none"> <li>➤ Most utility companies are able to provide the requisite information to support participation in the Benchmarking Initiative. Property owners can reference the EPA's list of Utilities Providing Energy Data <a href="#">here</a> and a map of a utility company territory that provides web services (automated data exchange services) <a href="#">here</a>.</li> <li>➤ If your utility company does not have a readily available method for providing whole building utility data available for benchmarking, we encourage property owners to work with the utility and the relevant regulators, as appropriate, to establish such a process for obtaining energy and water usage data.</li> <li>➤ HUD is engaging with utility companies to encourage nationwide accessibility of energy and water usage data.</li> </ul> |
| 9. What other benefits are available through the GRRP program?  | <p>There is a pipeline of direct loans and grants available to property owners as described in <a href="#">Housing Notice 2023-05</a>. Eligibility for this funding may require benchmarking of both energy and water through the Benchmarking Initiative.</p>  |
| 10. Will participation in the Benchmarking Initiative inhibit my property from being sold or refinanced?  | <p>No, benchmarking a property does not impact the owners' financing eligibility for any program. If a sale or refinance of the property occurs during the 4-year benchmarking</p>  |

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|  | service provided by the HUD's contractor, the new property owners will have an option to either continue or decline the remaining service period. |
| 11. Where can I send my questions or comments? | Further questions on the Benchmarking Initiative may be sent to <a href="mailto:MFBenchmarking@HUD.gov">MFBenchmarking@HUD.gov</a> .              |