Maryland Department of Housing and Community Development

Multifamily Energy Efficiency & Housing Affordability Program

Multifamily Energy Efficiency and Housing Affordability-EmPOWER (MEEHA) is funded by utility rate-payers (utility customers) through electric utility companies serving Maryland and regulated by the Public Service Commission.

ELIGIBILITY

Only individually and mixed metered projects located in the service territories of the following electric utility companies are eligible for funding:

- Baltimore Gas and Electric Company (BGE)
- Delmarva Power
- Potomac Edison
- Potomac Electric Power Company (PEPCO)
- Southern Maryland Electric Cooperative, Inc. (SMECO)

Eligibility is determined by the Maryland Department of Housing and Community Development (DHCD) but generally properties that are financed through HUD, USDA, Low-Income Housing Tax Credit, existing assisted rental housing developments, including those with project-based Section 8, and projects that have received or will receive a reservation of DHCD financing are deemed eligible.

For projects with existing affordability restrictions, a minimum of five (5) years of affordability must remain, otherwise an extension of affordability will be required. If a property has no existing affordability restrictions, a 5-year period of affordability will be imposed on the property.

ESTIMATED SAVINGS

A recent evaluation of completed projects found that there was an 18% reduction in electricity usage on average, saving approximately 1,163 kWhs per year. This translates into annual electric cost savings of $170/unit. This does not include any savings resulting from upgrades in common areas (common area measures were not included in the evaluation).

AVAILABLE ENERGY EFFICIENCY ITEMS

MEEHA-EmPOWER funds may only fund the costs of energy conservation measures which result in the reduction of electrical (kWh) usage.

Projects which involve the rehabilitation of existing multifamily rental housing are eligible for DHCD's multifamily energy funding for qualified energy conservation measures as detailed in an acceptable Energy Audit as follows:

- 100% of the cost of qualified energy conservation measures that collectively demonstrate a Savings to Investment Ratio of 1.1;
- Partial funding ("cost sharing") of qualified energy conservation measures that collectively demonstrate a Savings to Investment Ratio of less than 1.1 when energy funding is matched with other funds to bring the item(s) into a Savings to Investment Ratio criteria compliance.

PROGRAM HISTORY

Reduction in SIR requirement. Originally, the program required projects to meet an SIR of 1.5 or higher to qualify for funding. The requirement has been lowered to an SIR of 1.1.

Funding for common areas. Common area electric measures were not eligible for funding until 2015.

Upfront payment for audits no longer required. Beginning in 2018, owners are no longer required to pay out-of-pocket for costs associated with completing an energy audit.

MEASURES ELIGIBLE FOR FUNDING

- Energy audit
- Air sealing and duct sealing
- Interior/exterior Energy Star lighting
- Insulation
- Low flow faucet aerators and shower heads
- Cooling Tower replacement/repair
- Programmable thermostats
- Controls, devices or equipment which increase the efficiency of existing HVAC equipment or systems
- High performance HVAC equipment or systems
- Energy Star appliances
- High efficiency water heaters or distribution equipment
- Energy recovery ventilation devices
- Energy Star windows and roofing shingles
- Elevator motor and controls
- Variable speed pumps
- Variable speed ventilation
- Other qualifying energy conservation measures identified in the project energy audit

"The Maryland MEEHA EmPOWER Energy Grant Program is **a wonderful resource and tool** that Homes for America has used to make tremendous improvements in terms of energy efficiency in our communities.

Without MEEHA, the cost alone would have prevented us from pursuing these upgrades. Through MEEHA, several measures were covered in full and additional items were able to be cost shared allowing us to maximize the potential savings for our residents. From the energy audit to the installation, **DHCD made the process simple for us** to ensure savings were being realized at the three communities that have received grants to date (Homes at Foxfield, Parkside Apartments and The Bradford). The retrofits lowered the workload of our maintenance staff and energy bills for our tenants. We plan to continue to utilize the MEEHA grant program at several of our properties in the future to achieve our mission of providing great housing for our low-income residents."

Frank Fudala, Vice President, Portfolio Management, Homes for America

STEP-BY-STEP PROCESS

1. Building owner completes pre-application and submits it to DHCD.
2. DHCD reviews the pre-application to determine that the property is eligible for the program.
3. Building owner obtains tenant consent to release utility usage.
4. DHCD conducts pre-audit inspection and develops written report of energy improvement opportunities.
5. Building owner selects an energy auditor from DHCD's pre-qualified auditor list.
6. Energy auditor completes a comprehensive energy audit and identifies cost-effective measures.
7. Building owner solicits contractor bids for energy improvements.
8. Building owner submits full application package to DHCD with contractor pricing.
9. DHCD reviews and approves the application and determines funding amounts.
10. Building owner reviews proposed funding package and determines it wants to move forward.
11. DHCD issues approval memo and grant agreement.
12. Contractor installs measures.
13. Building owner submits requisition(s) for installed measures.
14. DHCD performs inspection to ensure that the measures pass quality assurance tests.
15. DHCD issues payment.
16. Building owner collects energy usage data for 24 months after construction is complete.

HOW TO APPLY

Apply Online here

Contact Scott Falvey, Housing and Building Energy Programs:
Call 301.429.7739
Email Scott.Falvey@maryland.gov