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HUD Publishes Updated NOFOs Addressing Eligibility and Funding Priorities Ahead of Final GRRP Application Deadlines



On April 3rd, HUD published updated Notices of Funding Opportunities (“NOFOs”) for each of the three Green and Resilient Retrofit Program (“GRRP”) cohorts—Elements, Leading Edge, and Comprehensive. To date, HUD has announced grant and loan awards totaling more than \$544 million across the three cohorts and a final application window remains open for each cohort in 2024.^[1]

The updated NOFOs provide important updates and clarifications regarding how HUD intends to allocate its remaining funds in the final application round and beyond. Key changes and clarifications provided in the revised NOFOs are summarized below. For a more detailed summary of these updates, see Section I.A.3 of each NOFO.

- The updated NOFOs extend the final **Leading Edge** application deadline to **May 15, 2024**, and **Comprehensive** application deadline to **June 12, 2024**.^[2]
- The revised Elements NOFO expands eligibility to include properties that have **closed** on their recapitalization financing on or after **May 11, 2023**. Previously, eligibility was limited to projects that were materially advanced but had not yet closed on their construction or recapitalization financing. Recently closed transactions wishing to apply for GRRP funds are subject to additional requirements and limitations, including that the Elements funded costs must either have been added to the original scope of work after the recapitalization closing or included in the original scope, but removed due to cost overruns or other changes in construction pricing.
- The revised NOFOs impose new limits on the total number of GRRP awards sponsors and their affiliates may receive under each cohort and application round. Under the fourth and final application cycle, affiliated applicants may receive no more than **two awards** under each cohort. Further, across all application rounds, the total number of awards that each sponsor and its affiliates may receive is capped at **14 Elements Awards**, **11 Leading Edge Awards**, and **15 Comprehensive Awards**, unless funds remain after funding all other qualified applicants.
- The updated NOFOs provide additional clarity regarding how HUD will use funding that remains available or becomes available after the fourth application round. Significantly, the revised Elements NOFO states that any funds remaining under the Elements cohort following the final application round may be rolled over to fund additional projects under the Leading Edge cohort.
- The Updated **Elements** NOFO clarifies that projects that have completed a HUD environmental review for another funding source may use that prior review to complete the preliminary environmental screen required for the application.

The applications for all three cohorts have been updated to reflect the revised NOFOs. The latest applications can be downloaded at www.hud.gov/GRRP.

While the summary above highlights some of the most significant updates, the revised NOFOs include a variety of other changes that should be reviewed by applicants seeking funding under the final application rounds in the months ahead. Should you have any questions about this KH Housing Alert or other issues related to GRRP funding, please contact [Eric Herrmann](#) or [Adam Cohen](#).

[1] GRRP is a nearly \$5 billion federal investment authorized under the 2022 Inflation Reduction Act to enhance energy and water efficiency and reduce carbon emissions among HUD's assisted housing portfolio. See Klein Hornig's previous Housing Alerts for summaries of [GRRP eligibility and program types](#), along with [subsequent revisions](#) made to the GRRP Implementation Guidance.

[2] An earlier NOFO revision extended the application deadline for the final cycle of **Elements** awards to **July 31, 2024**.

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