

Technical Bulletin

Don't Miss Out on \$ For Your Next Project in Maryland!

A Comprehensive Overview of Incentives for High Performance Multifamily New Construction & Retrofit

THANK YOU FOR YOUR PARTNERSHIP.



Kim Pelosi

Program & Policy Engagement Manager
KimPelosi@MaGrann.com
856-813-8764

QUESTIONS?
info@magrann.com

Engage with us early in your design process to optimize performance and incentive outcomes!

A variety of funding programs are available in Maryland to support energy efficiency and electrification upgrades in multifamily new construction and existing buildings.

This bulletin provides a detailed summary of funding programs available in Maryland for multifamily projects, all of which are contingent on the project meeting specific energy efficiency or building electrification criteria.

Many of these programs are well suited to support projects pursuing high performance compliance requirements such as **Statewide and Montgomery County BEPS laws, Maryland Department of Housing and Community Development (DHCD) sustainability criteria, as well as replacement of high energy usage systems reaching end of life or as part of renovation upgrades, etc.**

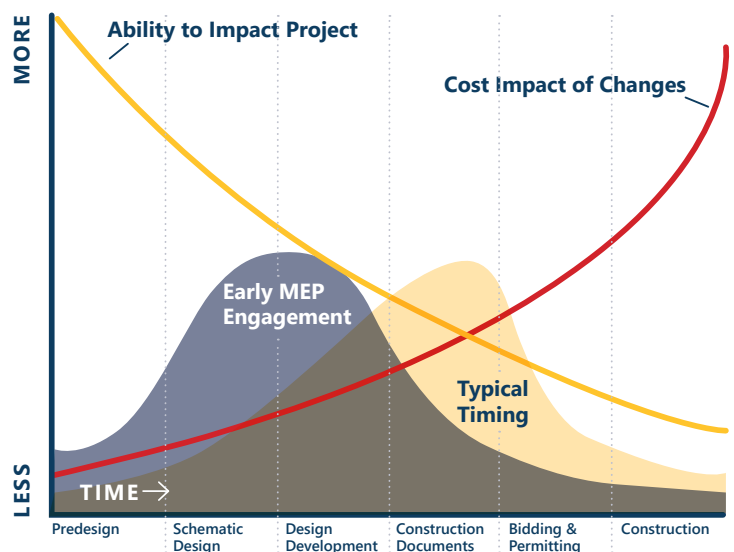
MaGrann is happy to discuss any of these programs in more depth. We may be able to directly facilitate your participation and serve as a liaison with the program sponsor, in addition to assisting with meeting compliance requirements as your sustainability consultant, energy auditor, and/or MEP engineer.



Early Birds Get the Incentives

When it's time to take action, getting your sustainability and engineering consultant involved from the start is like having a life coach for your project – you'll make smarter, more agile decisions that help you save money and avoid costly mistakes.

MaGrann even includes a complementary incentive analysis as a standard step in our early engagement and design process to help maximize utility rebates and tax credits. The result? A project that hits energy performance goals, saves time and money, and avoids last-minute design compromises and corrections.



This technical bulletin represents our current understanding of these developing programs and regulations. We recommend consulting the resources linked below and the responsible Maryland agencies for additional clarification. We will continue to monitor for updates as programs evolve and more information becomes available.

Maryland Incentives

Jump to a Section by Clicking Below

The programs linked below are divided into two broad categories – new construction and existing building retrofit. Moderate or substantial rehab projects may fall under either Existing Building or New Construction depending on how the program defines gut rehab vs moderate rehab, specific performance requirements, or other criteria.

New Construction Quick Links

Technical Assistance Incentive Programs

- [Montgomery County Green Bank \(MCGB\) Technical Assistance](#)

Implementation Incentive Programs

- [EmPOWER Maryland Utilities New Homes](#)
- [Maryland DHCD Multifamily Energy Efficiency and Housing Affordability Program \(MEEHA\) – New Construction Pathway](#)
- [EmPOWER Maryland Utilities Commercial New Construction Program](#)
- [Mont. County Energy Efficient Buildings Property Tax Credit](#)

Financing & Competitive Grants

- [Affordable Housing Funding through Maryland DHCD](#)
- [Maryland Property Assessed Clean Energy Loans \(C-PACE\) – New Construction Pathway](#)
- [Maryland Clean Energy Center \(MCEC\) Programs](#)
- [MEA Competitive Grants & Financing](#)

Federal Green Preferential Lending Programs

- [Fannie Mae Green Building Certification](#)
- [Freddie Mac Green Certified](#)

Existing Building Quick Links

Technical Assistance Incentive Programs

- [Montgomery County Green Bank \(MCGB\) Technical Assistance](#)
- [Maryland Energy Administration \(MEA\) Technical Assistance – coming soon](#)

Implementation Incentive Programs

- [Maryland DHCD Multifamily Energy Efficiency and Housing Affordability Program \(MEEHA\) – Existing Building Pathway](#)
- [EmPOWER Maryland Utilities Prescriptive & Custom](#)
- [EmPOWER Maryland Utilities Monitoring Based Commissioning \(MBC\)](#)
- [Mont. County Energy Efficient Buildings Property Tax Credit](#)
- [IRA MEA HERO and HER – pending U.S. DOE approval](#)

Financing & Competitive Grants

- [Affordable Housing Funding through Maryland DHCD](#)
- [Maryland Property Assessed Clean Energy Loans \(C-PACE\) – Existing Building Pathway](#)
- [Maryland Clean Energy Center \(MCEC\) Programs](#)
- [MEA Competitive Grants & Financing](#)

Federal Preferential Lending Programs

- [Fannie Mae Green Building Certification](#)
- [Freddie Mac Green Rewards](#)
- [Fannie Mae Green Certified](#)

Maryland Incentives

NEW CONSTRUCTION

Technical Assistance Incentive Programs

Montgomery County Green Bank (MCGB) Technical Assistance

Building Type Requirements: Multifamily is eligible regardless of meter configuration. Also available to commercial properties.

Income Profile Requirements: Available to market rate and LMI housing, but LMI and/or properties located in an [Equity Emphasis Area](#) may be eligible for higher incentives.

Location Requirements: Must be located in Montgomery County, Maryland.

Stacking with other Programs: The MCGB Technical Assistance program is stackable with all other Implementation Incentive Programs. The program is also stackable with Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Projects must engage a MCGB Technical Assistance provider to conduct a study dedicated

to evaluating the feasibility of the project meeting some sort of above code sustainability feature. This study can take the form of a renewable energy or resiliency measure feasibility study, third party certification feasibility study, energy modeling, value engineering, or any additional related study pre-approved by the MCGB.

Incentive Structure: This program will cover a portion of the contracted TA study cost as described above. The incentive amount and percentage of total cost covered by the program is dependent on a variety of factors such as LMI designation, whether the project is in an Equity Emphasis Area, the building owner's financial means, the overarching goals of the assessment, etc. and will be subject to MCGB review and determination on a project-by-project basis. The funding request must take the form of the contract between the MCGB Technical Assistance provider and the property, as well as a narrative detailing major project characteristics and goals. The percentage of the study cost covered by the program is typically around 30%-50% for market rate/non-Equity Emphasis Area projects and between 75%-100% for LMI/Equity Emphasis Area projects.

NEW CONSTRUCTION

Implementation Incentive Programs

EmPower Maryland Utilities New Homes

Building Type Requirements: Multifamily is eligible if dwelling units are served by individual residential account electric meters. Also available to townhomes, condominiums and single-family homes.

Income Profile Requirements: Available to market rate or low to moderate income (LMI) housing. Affordable housing projects may be required to alternatively pursue the DHCD MEEHA New Construction Program outlined below.

Location Requirements: Project must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern

Maryland Electric Cooperative, Washington Gas Light.

Stacking with other Programs: The New Homes program is not stackable with any other Implementation Incentive Program, except for the EmPOWER Utilities Commercial New Construction program which can be leveraged for common area measures not captured by the New Homes program. The New Homes program is stackable with Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Project must meet the program's ENERGY STAR v1.1/v3.1 "Code Plus" tier at a minimum, with higher incentives available for projects that meet ENERGY STAR v1.2/v3.2, and even higher incentives for projects that achieve the applicable version of ENERGY

Maryland Incentives

STAR NextGen. Additional equipment- based incentives are also available for installing qualifying Air Source Heat Pumps, Heat Pump Water Heaters, ENERGY STAR thermostats, and other eligible equipment.

Incentive Structure*: Any number of the incentives below can be stacked. Equipment incentives are not available if the project does not pursue ENERGY STAR certification at a minimum. All incentives are paid out upon project completion and verification that green certification was achieved or equipment was installed.

Project Scope	Incentive
ENERGY STAR v1.1/v3.1 ("Code Plus")	\$400/MF dwelling unit; \$750/townhome
ENERGY STAR v1.2/v3.2 certification	\$600/MF dwelling unit; \$1,400/townhome
ENERGY STAR NextGen certification**	\$3,600/MF dwelling unit; \$4,400/townhome
ENERGY STAR thermostat	\$75/equipment
ENERGY STAR Heat Pump, > 16.9 SEER2/8.2 HSPF2	\$1,000/equipment
ENERGY STAR Heat Pump Water Heater, >3.0 UEF	\$1,500/equipment
ENERGY STAR HVAC Quality Install Grade 1	\$150/equipment

*Incentive offerings may vary slightly between utilities
 **If pursuing NexGen certification incentive, you cannot stack any of the equipment- specific incentives outlined underneath. E.g., a MF dwelling unit meeting NextGen will receive \$2,600 (\$600 + \$2,000) per unit,

Maryland Department of Housing and Community Development (DHCD) Multifamily Energy Efficiency and Housing Affordability Program (MEEHA) – New Construction Pathway

Building Type Requirements: All multifamily is eligible regardless of meter configuration. Also available to townhomes and condominiums.

Income Profile Requirements: Available to LMI housing only – at least 20% of dwelling units must have income or rent restrictions at or below 80% AMI for a minimum of 5 years after construction (to qualify for Tier 1 incentives) or a minimum of 15 years after construction (to qualify for Tier 2 incentives).

Location Requirements: Project must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern Maryland Electric Cooperative, Washington Gas Light.

Stacking with other Programs: The MEEHA New Construction program is not stackable with any other Implementation Incentive Program. The MEEHA New Construction program is stackable with Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Project must meet applicable version of ENERGY STAR MFNC at a minimum, with higher incentives available for

achieving applicable version of ENERGY STAR NextGen, DOE Efficient New Homes (formerly Zero Energy Ready Homes), or Passive House.

Incentive Structure: Any number of the incentives below can be stacked. Incentives are paid out during construction in three stages (30%, 60%, 100% completion) via a requisition process, or all at once at project completion.

Project Scope	Incentive
ENERGY STAR MFNC	\$700/dwelling unit
ENERGY STAR NextGen	\$600/dwelling unit
DOE Efficient New Homes (Formerly Zero Energy Ready Homes)	\$1,500/dwelling unit
Passive House	\$1,500/dwelling unit

Maryland Incentives

EmPower Maryland Utilities Commercial New Construction Program

Building Type Requirements*: Multifamily is eligible if dwelling units are served by a master commercial account electric meter. Also available to commercial properties. In order to be eligible for the design support portion of the incentive, property must have at least 50,000 sq. ft. of conditioned space and have at least 150 tons of cooling capacity and 75 kW of lighting load.

Income Profile Requirements: Available to market rate or LMI housing. Affordable housing projects may be required to alternatively pursue the DHCD MEEHA New Construction Program outlined above.

Location Requirements: Project must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern Maryland Electric Cooperative, Washington Gas Light.

Stacking with other Programs: The Commercial New Construction program is not stackable with any other Implementation Incentive Program, except for the New Homes program which can be leveraged for any individually metered dwelling unit measures not captured by the Commercial New Construction program. The Commercial New Construction program is stackable with Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Project must demonstrate energy savings over an ASHRAE 90.1 2019 baseline projected via a whole building ASHRAE model.

Incentive Structure*: Program consists of two incentive components – design support and custom.

*Building type requirements and incentive structure may vary slightly between utilities.

Project Scope	Incentive
If pursuing the design support incentive:	
Conduct a charrette-style “brainstorming” meeting including the customer, design team, and program representative. Must occur during schematic design.	\$1,000 fixed incentive paid following the charrette.
The energy modeler produces a preliminary ASHRAE model. Must demonstrate energy savings over ASHRAE 90.1 2019 baseline.	\$.10/sq. ft. for the first 50,000 sq. ft.; \$.03/sq. ft. for the remaining sq. ft.; \$.02/sq. ft. bonus for achieving > 20% savings, capped at \$10K Paid following submission of modeling files and design drawings.
The energy modeler produces another ASHRAE model based on final construction documents. Must demonstrate energy savings over ASHRAE 90.1 2019 baseline.	Will cover the incremental design costs up to \$8,000. Paid out following submission of modeling files, CDs, and incremental design cost fee schedule.
As an optional step, Enhanced Commissioning may be carried out by a third-party commissioning agent (CA).	Will cover costs for this service up to 8,000, based on building commissioned sq. ft. and the cost of Enhanced Commissioning services.
Custom incentive (available regardless of whether design incentive is pursued)	
Custom application is submitted along with equipment spec sheets, lighting workbook, and invoices. Must demonstrate energy savings over ASHRAE 90.1 2019. Must submit model or spreadsheet savings calculations. Application and savings calculations must be submitted before construction begins.	\$.29/kWh saved for first year of projected savings, capped at 75% of incremental cost from baseline to installed equipment. Paid out upon project completion and verification equipment was installed.

Maryland Incentives

Mont. County Energy Efficient Buildings Property Tax Credit – New Construction Pathway

Building Type Requirements: All multifamily with at least 10,000 SF is eligible regardless of meter configuration. Also available to commercial properties.

Income Profile Requirements: Available to market rate or low to moderate income (LMI) housing.

Location Requirements: Property must be located in Montgomery County, MD. Projects located in Equity Emphasis Areas are eligible for an additional 10% credit.

Stacking with other Programs: The Mont. County Property Tax Credit is stackable with all other programs included in this technical bulletin.

Project Scope Eligibility: To qualify for the Tier 1 credit, buildings must demonstrate a minimum of 10% energy efficiency performance above Montgomery County’s current building code requirement.

To qualify for the Tier 2 credit, projects must comply with one of the building certification programs listed under the Incentive Structure description and comply with the Tier 1 requirements.

Incentive Structure: The incentive takes the form of an

up to 100% property tax credit against County taxes for four years following the completion of an eligible new construction project. Tier 1 and Tier 2 credits can be combined to result in up to a 100% property tax credit.

If the project meets Tier 1 requirements, the credit is calculated as follows:

- % above applicable code * the multiplier of the improvement tier = % annual credit awarded for 4 years

If the project meets Tier 2 requirements, the credit is calculated as follows:

- 25% credit for 4 years if the property meets LEED Gold, NGBS Gold, PHIUS+/Passive House, BREEAM-NC Excellent (or equivalent certification)
- 50% credit for 4 years if the property meets LBC Petal Certification, LEED Platinum, NGBS Emerald, BREEAM-NC Outstanding, Living Building Certification (or equivalent certification)

More details on the tax credit calculation formula can be found on the [Mont. County Energy-Efficient Buildings Property Tax Credit Webpage](#).

NEW CONSTRUCTION

Financing & Competitive Grants

Affordable Housing Funding through Maryland DHCD

These funding sources include Low Income Housing Tax Credits (LIHTC), Rental Housing Financing Programs (RHFP), Rental Housing Works (RHW), and the Multifamily Bond Program (MBP). These funding sources are all generally subject to the same energy and sustainability-related requirements, as outlined below for New Construction:

Building Type Requirements: Multifamily is eligible. Please refer to the draft [2026 Maryland Qualified Allocation Plan](#) and the draft [2026 Maryland Multifamily Rental Financing Program Guide](#) for more details.

Income Profile Requirements: Available to LMI housing. Please refer to the documents linked above for more details.

Location Requirements: Anywhere in the State of Maryland.

Stacking with other Programs: DHCD funding is stackable with the Implementation Incentive Programs, and is generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: The list of requirements below outlines the major energy efficiency and sustainability-related requirements to keep in mind, but the [2026](#)

Maryland Incentives

[Maryland Multifamily Rental Financing Program Guide](#) should be referred to for the full list of development requirements.

Minimum (Threshold) Criteria:

- Projects must be certified under the current version of ENERGY STAR MFNC, as applicable to project type. Projects must only install High Efficiency (minimum of 100 lumens/watts and 85 CRI) LED fixtures or lamps when lighting is replaced or installed. For exterior or commercial lighting, lighting must be Design Lights Consortium (DLC) approved.
- Projects must utilize high-performance all-electric heating/cooling and domestic hot water equipment and other in-unit or shared appliances such as dryers, cooktops, ovens, or ranges. Projects may be granted a waiver from the requirement to have all-electric heating/cooling and domestic hot water equipment under certain circumstances, as outlined in the MRFP.
- All supply ducting for split HVAC systems must be sealed and insulated.
- All projects must provide and install at least one dual level two or higher EV charging station. Parking spaces with access to EV charging stations shall be labeled for their intended use for EV charging. In addition, EV charging stations shall be on the accessible path and provide convenient access to residents.
- Where new HVAC equipment is being specified, there must be no use of CFC refrigerant.
- Projects must install ENERGY STAR qualified HVAC systems when systems are replaced or installed. HVAC units must be at least 10% greater efficiency than code minimum when ENERGY STAR equipment is not available. The closest efficient system available to 10% must be used if a model meeting the 10% efficiency minimum is not available. Packaged, thru the wall HVAC units, if proposed, must have duct work serving all major rooms, and the overall system design must include an adequate air return path. Projects that certify at the time of application to achieve Department of Energy

(DOE) Efficient New Homes (formerly Zero Energy Ready Homes) or comparable DHCD-approved energy savings certification or rating designation in Section 4.6.2 may request a waiver of the ENERGY STAR HVAC requirements.

- Appliances must be ENERGY STAR certified, including vented bathroom exhaust fans. Microwaves/range hoods are excluded.
- When replacing or installing new windows/doors on a 3 story or less project, windows/doors must meet the requirements of the current ENERGY STAR Residential Windows, Doors, and Skylights specifications. In 4 story or more projects, windows/doors must meet the requirements of the current ENERGY STAR MFNC National Program requirements.

Competitive Scoring Criteria:

Projects pursuing competitive DHCD funding sources can add additional points to their application through the following energy efficiency and sustainability-related measures:

- 10 points if a project meets one of the following certifications:
 - » Enterprise Green Communities Criteria
 - » LEED Homes or Homes Midrise
 - » ICC-700 National Green Building Standard
 - » Earthcraft Multifamily
 - » Green Globes
- 2 points if a project utilizes on site renewable energy sources such as solar or geothermal.
- 2 points if a project utilizes heat pump technology for domestic hot water heating (cannot be leveraged in tandem with 10-point and 6-point options outlined above).

Incentive Structure: The DHCD award determination process is further outlined in the documents linked above.

Maryland Property Assessed Clean Energy Loans (C-PACE) – New Construction Pathway

Building Type Requirements: Multifamily is eligible regardless of meter configuration. Also available to commercial properties.

Income Profile Requirements: Available to market rate or

LMI housing.

Location Requirements: Any Maryland county that has enabled C-PACE, which is currently most counties

Maryland Incentives

in Maryland. Note that Montgomery County and Prince George's County self-administer their C-PACE programs, vs the other counties which have their programs administered at the state level.

Stacking with other Programs: C-PACE is stackable with the Implementation Incentive Programs, and is generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis, especially due to the mortgage lender consent requirements associated with C-PACE.

Project Scope Eligibility: Project must demonstrate energy or water savings over building code via a whole building energy model or via itemization of qualifying project improvements whose efficiency specifications exceed code requirements. Renewable and resiliency projects can also be funded through C-PACE, which have their own eligibility requirements.

Incentive Structure: 100% of project costs associated with water and energy related measures that demonstrate savings above the code baseline are financeable through C-PACE. The loan payments are collected in the same manner as real property taxes and are listed on the real property tax bill as a separate line item. Rate terms are fixed and based on the weighted average useful life (WAUL) of the qualifying project improvements. The C-PACE term may not exceed the WAUL. Interest rates vary depending on the capital provider. Please refer to [MD PACE Program Guide](#) for full details on the program.

Also note that although Maryland C-PACE just requires the demonstration of any savings over baseline, capital providers such as [PACE Equity](#) offer reduced C-PACE rates for projects that go above and beyond the minimum savings requirement and meet additional performance standards. PACE Equity's CIRRUS program offers reduced rates for projects that adhere to one of the performance pathways outlined on the [CIRRUS program webpage](#).

Options include achieving a qualifying industry-recognized green building certification, or certification through PACE Equity's CIRRUS Low Carbon green certification that was uniquely developed for the program.

Maryland Clean Energy Center (MCEC)

High performance multifamily new construction projects may also be eligible for funding under MCEC's [Climate Catalytic Capital \(C3\) Fund](#). This program evaluates funding eligibility on a project-by-project basis, so get in touch with us for more information if you are interested in reviewing eligibility for a particular project.

Maryland Energy Administration (MEA) Competitive Grants & Financing

Every fiscal year, MEA announces a new suite of competitive grant and financing programs, with several intended to support multifamily energy efficiency or building decarbonization. MEA's full list of FY26 programs can be found here: [MEA FY26 General Notice Upcoming Programs](#).

NEW CONSTRUCTION

Federal Green Preferential Lending Programs

Fannie Mae Green Mortgage Loan "Green Building Certifications"

Building Type Requirements: Multifamily is eligible regardless of meter configuration.

Income Profile Requirements: Available to market rate or LMI housing.

Location Requirements: Anywhere in the United States.

Stacking with other Programs: Fannie Mae Green Building Certifications is stackable with the Implementation Incentive Programs, and is generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: Project must meet one of the green building certifications listed in Fannie Mae's [Form](#).

Maryland Incentives

4250. Eligible list of certifications includes ENERGY STAR MFNC, Enterprise Green Communities, DOE Efficient New Homes (formerly Zero Energy Ready Homes), and Passive House, among others.

Incentive Structure: When projects meet one of the green building certifications listed in Form 4250, the project is eligible for preferential pricing on their Fannie Mae mortgage loan, with different basis point reduction potential depending on the category under which the green building certification is listed on Form 4250.

All Fannie Mae green loans are securitized as Green Mortgage-Backed Securities (Green MBS).

Freddie Mac Green Loan “Green Certified”

Building Type Requirements: Multifamily is eligible regardless of meter configuration.

Income Profile Requirements: Available to LMI

housing only – at least 50% of units must be affordable at workforce housing levels.

Location Requirements: Anywhere in the United States.

Stacking with other Programs: Freddie Mac Green Certified is stackable with the Implementation Incentive Programs, and is generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: Project must meet one of the green building certifications listed in Freddie Mac’s [Green Advantage Term Sheet](#).

Incentive Structure: When projects meet one of the green building certifications listed in the term sheet linked above, the project is eligible for discounted 5-10- year fixed rate loan pricing.

EXISTING BUILDINGS

Technical Assistance Incentive Programs

Montgomery County Green Bank (MCGB) Technical Assistance

Building Type Requirements: Multifamily is eligible regardless of meter configuration. Also available to commercial properties.

Income Profile Requirements: Available to market rate and LMI housing, but LMI and/or properties located in an [Equity Emphasis Area](#) may be eligible for higher incentives.

Location Requirements: Must be located in Montgomery County, Maryland.

Stacking with other Programs: The MCGB Technical Assistance program will likely not be stackable with the BEPS Technical Assistance program, but is stackable with all other Implementation Incentive Program. The program is also stackable with Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Projects must engage a MCGB

Technical Assistance provider to conduct an ASHRAE Level I, II or III audit. The audit must also incorporate an electrification feasibility study and an assessment of financial strategies and incentives available for the recommended measures beyond those provided by the TA program incentive. The program can also fund renewable energy, EV charging, and resiliency measure feasibility studies, as well as consultation support to help projects comply with Maryland and/or Montgomery County Building Energy Performance Standards (BEPS).

Incentive Structure: This program will cover a portion of the contracted TA study cost as described above. The incentive amount and percentage of total cost covered by the program is dependent on a variety of factors such as LMI designation, whether the project is in an Equity Emphasis Area, the building owner’s financial means, the overarching goals of the assessment, etc. and will be subject to MCGB review and determination on a project-by-project basis. The funding request must take the form of the contract between the MCGB Technical Assistance provider and the property, as well as a narrative detailing

Maryland Incentives

major project characteristics and goals. The percentage of the study cost covered by the program is typically around 30%-50% for market rate/non-Equity Emphasis Area projects and between 75%-100% for LMI/Equity Emphasis Area projects.

Maryland Energy Administration (MEA) Building Energy Performance Standards (BEPS) Technical Assistance – Coming Soon

The Maryland Energy Administration (MEA) is planning the launch of a technical assistance program to assist building owners covered by the State of Maryland's Building Energy Performance Standards (BEPS). Types of technical assistance provided by the program may include energy benchmarking and decarbonization studies, among other potential areas of support. This program is not available yet, but MEA [anticipates program launch](#) Spring of 2026.

Implementation Incentive Programs

Maryland Department of Housing and Community Development (DHCD) Multifamily Energy Efficiency and Housing Affordability Program (MEEHA) EmPOWER and/or Greenhouse Gas Reduction Program (GHGRP) – Existing Building Pathway

Building Type Requirements: All multifamily is eligible regardless of meter configuration. Also available to townhomes and condominiums.

GHGRP multifamily buildings must be at least 35,000 GSF. If the property contains multiple buildings, they may be eligible if they are serviced by the same space heating or water heating system or are serviced by the same electric or gas meter.

Income Profile Requirements: Available to LMI housing only – at least 20% of dwelling units must have household incomes at or below 80% AMI for a minimum of 5 years after construction for EmPOWER funds.

If pursuing GHGRP funding, at least 51% of dwelling units must have household incomes at or below 80% AMI for a minimum of fifteen years. A Regulatory Agreement must be established if a restrictive covenant does not already exist on the property meeting these terms.

Location Requirements: EmPower funded projects must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern Maryland Electric Cooperative, Washington Gas Light. If pursuing GHGRP funding only, project can be located anywhere in the State of Maryland.

Stacking with other Programs: The MEEHA Existing

Building program is not stackable with any other Implementation Incentive Program, but is stackable with the Financing & Competitive Grants and Federal Green Preferential Lending Programs. The Program is also stackable with the Technical Assistance Incentive Programs.

Project Scope Eligibility: Projects must produce a comprehensive energy audit in accordance with current BPI Multifamily Building Analyst standards, completed by an approved DHCD Qualified Energy Professional (QEP). Incentives are paid on a measure-specific basis according to which measures were recommended in the audit, approved by DHCD, and installed.

If pursuing GHGRP funding in addition to EmPOWER funding, the program may also approve and incentivize the electrification of fossil fuel equipment, and/or incidental repairs and electrical infrastructure upgrades associated with the electrification measures. If pursuing GHGRP funding only, electrification measures must be a part of the scope of work. Property owners should engage with a QEP and/or DHCD for further guidance on measure eligibility. Contact MaGrann for a copy of the official 2026 MEEHA & GHGRF Program Guidance.

Incentive Structure: Program consists of two incentive components – audit support and measure-specific incentives. The energy saving or decarbonization measures that were recommended in the report and approved by

Maryland Incentives

DHCD are then incentivized on a measure-by-measure basis, and paid during construction as work is completed and verified by the DHCD. Under the audit incentive, up to \$4,000 can be included on the first requisition for installed energy efficiency measures. Maximum funding per measure caps are specified in the program guidance. Note that GHGRP funding also has an overall incentive cap of \$15,000 per dwelling unit.

EmPower Maryland Utilities Prescriptive & Custom

Building Type Requirements: If the energy savings associated with the measure installation is tied to an individual [residential](#) account meter, the multifamily property would be eligible for incentives through the residential version of the program. If the measure installation is tied to a master commercial account meter, the multifamily property would be eligible for incentives through the [commercial](#) version of the program.

Income Profile Requirements: Available to market rate or low to moderate income (LMI) housing. Affordable housing projects may be required to alternatively pursue MEEHA and/or GHGRP incentives outlined above.

Location Requirements: Project must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern Maryland Electric Cooperative, Washington Gas Light.

Incentive dollar amounts may vary slightly between the utilities.

Stacking with other Programs: The Prescriptive/Custom program is not stackable with the MEEHA/GHGRP program but may be stackable with the MBC program. The program is also stackable with the Technical Assistance Incentive Programs, Financing & Competitive Grants and Federal Green Preferential Lending Programs.

Project Scope Eligibility: Project must install eligible prescriptive measures, as specified in the web pages linked above. Measures contributing to energy savings that are not specified as prescriptive measures may also be leveraged as custom measures. Applicants must receive pre-approval from the utility before purchasing or installing the measures. For custom applications, applicants must submit a technical narrative describing the facility, existing equipment, proposed upgrades, estimated costs,

and savings calculations. The utilities preferred technical narrative format is via their [Technical Analysis Study Report \(TASR\) Template](#), but any equivalent format is acceptable. Savings calculations must also be provided in an Excel workbook showing the formulas.

Incentive Structure: Prescriptive measure incentives are listed in the web pages linked above. The incentive for custom measures is \$.29/kWh for the first year of projected kWh savings, capped at 50% of total project cost (labor and materials). All incentives are paid upon utility verification that all pre-approved measures were installed.

EmPower Maryland Utilities Monitoring Based Commissioning (MBC)

Building Type Requirements: Multifamily is eligible if dwelling units are served by a master commercial account electric meter. Mechanical equipment must also be in relatively good condition (not near end of life).

Benchmarking data must also be provided showing the facility has higher than average energy use intensity.

Income Profile Requirements: Available to market rate or low to moderate income (LMI) housing. Affordable housing projects may be required to follow Pathway 1, as outlined above.

Location Requirements: Project must be located within one of the EmPower Maryland Utility Territories – PEPCO, BG&E, Delmarva Power, Potomac Edison, Southern Maryland Electric Cooperative, Washington Gas Light.

Incentive dollar amounts may vary slightly between the utilities.

Project Scope Eligibility: Monitoring Based Commissioning is a pathway designation under the Utilities broader Tune Up program, and consists of three required phases:

- **Phase 1** – An ASHRAE Level 1 or Level 2 audit is completed, and automated remote monitoring and diagnostic equipment is installed at the facility.
- **Phase 2** – Monitoring is performed to establish a usage baseline, and recommendations of operation and maintenance measures are included as part of the submission of an equipment monitoring report.

Maryland Incentives

- **Phase 3** – Implementation of operation and maintenance measures recommended in Phase 2 monitoring report and any identified in the ASHRAE audit are installed. Examples of typical operations and maintenance measures include sensors, circuit-control devices, adjustments to water supply temperatures, reduced thermostat set points, etc. Additional monitoring is performed following measure installation. The total monitoring contract (including baseline monitoring and monitoring following measures installation) must have an 18-month duration at a minimum.

Incentive Structure:

- **Phase 1** – Incentives are 25% of the 18-month monitoring contract cost capped at \$8,000, with an additional \$.04 per conditioned square foot for the ASHRAE Level 2 audit, if provided.
- **Phase 2** – No incentive
- **Phase 3** – Incentives are paid following measure installation and follow up monitoring. The final incentive is paid at \$.22/kWh saved annually. For measures identified in the audit report that fall into the custom or prescriptive program (as described above under Pathway 2), those measures can be funded separately through that pathway.

Full details on the Tune Up program and Monitoring Based Commissioning pathway can be found in the [Tune-up Program Guidance Manual](#).

Mont. County Energy Efficient Buildings Property Tax Credit – Existing Building Pathway

Building Type Requirements: All multifamily with at least 10,000 SF is eligible regardless of meter configuration. Also available to commercial properties. The property must have also received a Certificate of Occupancy from the Dep. of Permitting Services and achieved at least a minimum of 50% occupancy rate for at least 12 consecutive months.

Income Profile Requirements: Available to market rate or low to moderate income (LMI) housing.

Location Requirements: Property must be located in Montgomery County, MD. Projects located in Equity Emphasis Areas are eligible for an additional 10% credit.

Stacking with other Programs: The Mont. County Property Tax Credit is stackable with all other programs included in this technical bulletin.

Project Scope Eligibility: To qualify for the Tier 1 credit, building owners must demonstrate a measurable reduction in energy use by demonstrating 12 months of baseline usage, summarizing measures installed to reduce energy use, and measuring post-install performance via ENERGY STAR Portfolio Manager.

To qualify for the Tier 2 credit, projects must comply with one of the building certification programs listed under the Incentive Structure description and comply with the Tier 1 requirements.

Incentive Structure: The incentive takes the form of an up to 100% property tax credit against County taxes for two years following the completion of eligible energy efficiency improvements. Tier 1 and Tier 2 credits can be combined to result in up to a 100% property tax credit.

If the project meets Tier 1 requirements, the credit is calculated as follows:

- (Improved ENERGY STAR score – baseline ENERGY STAR score) * multiplier of the improvement tier = % annual credit awarded for 2 years

If the project meets Tier 2 requirements, the credit is calculated as follows:

- 25% credit for 2 years if the property meets LEED O+M Gold or BREEAM In-Use Excellent (or equivalent certification)
- 50% credit for 2 years if the property meets LEED O+M Platinum or BREEAM In-Use Outstanding (or equivalent certification)

More details on the tax credit calculation formula can be found on the [Mont. County Energy-Efficient Buildings Property Tax Credit Webpage](#).

Inflation Reduction Act Home Efficiency Rebates Opportunity Program (HERO) and Home Electrification and Appliance Rebate Program (HER) – Pending U.S. Dept. of Energy Approval

The Maryland Energy Administration (MEA) is planning

Maryland Incentives

the launch of a federally-funded energy efficiency and electrification rebate program for single family and multifamily homes. The HERO program will be available for qualifying whole-home energy efficiency upgrades that reduce energy use by at least 20%, and the HEAR program will be available for replacing fossil fuel systems with

electric alternatives. Program availability is pending final approval with the U.S. Department of Energy (DOE).

EXISTING BUILDINGS

Financing & Competitive Grants

Affordable housing funding through the Maryland DHCD

These funding sources include Low Income Housing Tax Credits (LIHTC), Rental Housing Financing Programs (RHFP), Rental Housing Works (RHW), and the Multifamily Bond Program (MBP). These funding sources are all generally subject to the same energy and sustainability-related requirements, as outlined below for existing building rehabs:

Building Type Requirements: Multifamily is eligible. Please refer to the Please refer to the draft [2026 Maryland Qualified Allocation Plan](#) and the draft [2026 Maryland Multifamily Rental Financing Program Guide](#) for more details.

Income Profile Requirements: Available to LMI housing. Please refer to the documents linked above for more details.

Location Requirements: Anywhere in the State of Maryland.

Stacking with other Programs: DHCD funding is stackable with the Implementation Incentive Programs and the Technical Assistance Incentive Programs. It is also generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: The list of requirements below outlines the major energy efficiency and sustainability-related requirements to keep in mind, but the draft [2026 Maryland Multifamily Rental Financing Program Guide](#) should be referred to for the full list of development requirements.

Minimum (Threshold) Criteria:

- Once the funding award is received, a comprehensive energy audit must be submitted to DHCD. The audit

must demonstrate a minimum of 15% energy savings for the rehabilitated building(s) over the existing building's performance. If the 15% energy use reduction is not able to be achieved, a project may complete one of the energy or green certifications listed in the competitive scoring criteria below.

- All projects must provide and install at least one dual level two or higher EV charging station. Parking spaces with access to EV charging stations shall be labeled for their intended use for EV charging. In addition, EV charging stations shall be on the accessible path and provide convenient access to residents.
- Where new HVAC equipment is being specified, there must be no use of CFC refrigerant.
- Projects must install ES qualified HVAC systems when systems are replaced or installed. HVAC units must be at least 10% greater efficiency than code minimum when Energy Star equipment is not available. The closest efficient system available to 10% must be used if a model meeting the 10% efficiency minimum is not available. Packaged, thru the wall HVAC units, if proposed, must have duct work serving all major rooms, and the overall system design must include an adequate air return path.
- Appliances must be ENERGY STAR certified, including vented bathroom exhaust fans. Microwaves/range hoods are excluded.
- Projects must only install High Efficiency (minimum of 100 lumens/watts and 85 CRI) LED fixtures or lamps when lighting is replaced or installed. For exterior or

Maryland Incentives

commercial lighting, lighting must be Design Lights Consortium (DLC) approved.

- When replacing or installing new windows/doors on a 3 story or less project, windows/doors must meet the requirements of the current ENERGY STAR Residential Windows, Doors, and Skylights specifications. In 4 story or more projects, windows/doors must meet the requirements of the current ENERGY STAR MFNC National Program requirements.
- Newly installed mechanical ventilation must terminate at the exterior of the building, not the attic or other unconditioned or interstitial space. Best efforts must be made to extend existing mechanical ventilation to terminate at the exterior of the building.
- A building draft- stopping and air-sealing scope of work is to be included in the project specifications with minimum verification completed by sampling 10% of the units with a blower door test.
- A building duct-sealing and insulation scope of work must be included in the project specifications (for ducts located outside the building envelope with minimum verification completed by sampling 10% of the units, utilizing a duct blaster or similar diagnostic test).

Competitive Scoring Criteria

Projects pursuing competitive DHCD funding sources can add additional points to their application through the following energy efficiency and sustainability-related measures:

- 10 points if a project meets one of the following certifications:
 - » Enterprise Green Communities Criteria
 - » LEED Homes or Homes Midrise
 - » ICC-700 National Green Building Standard
 - » Earthcraft Multifamily
 - » Green Globes
- 4 points if project scope, as defined by the audit, results in energy savings of 30% or greater over pre- retrofit levels, or all of the ECMs having a Savings to Investment Ratio (SIR) greater than 1.0 as determined by the audit.
- 2 points if project scope, as defined by the audit, results in energy savings of 20% or greater over pre- retrofit levels, or all of the ECMs having a Savings to Investment Ratio (SIR) greater than 1.5 as determined by the audit (cannot be leveraged in tandem with the 4-point option above).

- 2 points if a project utilizes on site renewable energy sources such as solar or geothermal.
- 2 points if a project utilizes heat pump technology for domestic hot water heating (cannot be leveraged in tandem with 10 point and 6-point options outlined above).

Incentive Structure: The DHCD award determination process is further outlined in the documents linked above.

Maryland Property Assessed Clean Energy Loans (C-PACE) – Existing Building Pathway

Building Type Requirements: Multifamily is eligible regardless of meter configuration. Also available to commercial properties.

Income Profile Requirements: Available to market rate or LMI housing.

Location Requirements: Any Maryland county that has enabled C-PACE, which is currently most counties in Maryland. Note that Montgomery County and Prince George’s County self-administer their C-PACE programs, vs the other counties which have their programs administered at the state level.

Stacking with other Programs: C-PACE is stackable with the Implementation Incentive Programs and the Technical Assistance Incentive Programs. It is also generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis, especially due to the mortgage lender consent requirements associated with C-PACE.

Project Scope Eligibility: Project must demonstrate energy or water savings over the building’s existing performance via “clear and logical documentation of assumptions for the calculations of savings.” The program recommends, but does not require that the project analysis submitted be based on industry standards such ASHRAE Energy Audit Standards, ASHRAE Standard 90.1 Appendix G, etc. Renewable and resiliency projects can also be funded through C-PACE, which have their own eligibility requirements.

Incentive Structure: 100% of project costs associated with water and energy related measures that demonstrate

Maryland Incentives

savings above the building's existing performance baseline are financeable through C-PACE. The loan payments are collected in the same manner as real property taxes and are listed on the real property tax bill as a separate line item. Rate terms are fixed and based on the weighted average useful life (WAUL) of the qualifying project improvements. The C-PACE term may not exceed the WAUL. Interest rates vary depending on the capital provider. Please refer to [MD PACE Program Guide](#) for full details on the program.

Also note that although Maryland C-PACE just requires the demonstration of any savings over baseline, capital providers such as [PACE Equity](#) offer reduced C-PACE rates for projects that go above and beyond the minimum savings requirement and meet additional performance standards. Pace Equity's CIRRUS program offers reduced rates for projects that adhere to one of the performance pathways outlined on the [CIRRUS program webpage](#).

Options include achieving a qualifying industry-recognized green building certification, or certification through PACE

Equity's CIRRUS Low Carbon green certification that was uniquely developed for the program.

Maryland Clean Energy Center (MCEC)

High performance multifamily existing building projects may also be eligible for funding under MCEC's [Climate Catalytic Capital \(C3\) Fund](#). This program evaluates funding eligibility on a project-by-project basis, so get in touch with us for more information if you are interested in reviewing eligibility for a particular project.

Maryland Energy Administration (MEA) Competitive Grants & Financing

Every fiscal year, MEA announces a new suite of competitive grant and financing programs, with several intended to support multifamily energy efficiency or building decarbonization. MEA's full list of FY26 programs can be found here: [MEA FY26 General Notice Upcoming Programs](#).

EXISTING BUILDING

Federal Green Preferential Lending Programs

Fannie Mae Green Building Certifications

Building Type Requirements: Multifamily is eligible regardless of meter configuration.

Income Profile Requirements: Available to market rate or LMI housing.

Location Requirements: Anywhere in the United States.

Stacking with other Programs: Fannie Mae Green Building Certifications is stackable with the Implementation Incentive Programs and the Technical Assistance Incentive Programs. It is also generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: Project must meet one of the

green building certifications listed in Fannie Mae's [Form 4250](#). Eligible list of certifications includes Enterprise Green Communities Criteria Plus, as well as a few other certifications that may be attainable for rehab projects.

Incentive Structure: When projects meet one of the green building certifications listed in Form 4250, the project is eligible for preferential pricing on their Fannie Mae mortgage loan, with different basis point reduction potential depending on the category under which the green building certification is listed on Form 4250.

All Fannie Mae green loans are securitized as Green Mortgage-Backed Securities (Green MBS).

Freddie Mac Green Certified

Building Type Requirements: Multifamily is eligible regardless of meter configuration.

Income Profile Requirements: Available to LMI housing

Maryland Incentives

only – at least 50% of units must be affordable at workforce housing levels.

Location Requirements: Anywhere in the United States.

Stacking with other Programs: Freddie Mac Green Certified is stackable with the Implementation Incentive Programs and the Technical Assistance Incentive Programs. It is also generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: Project must meet one of the green building certifications listed in Freddie Mac's [Green Advantage Term Sheet](#).

Incentive Structure: When projects meet one of the green building certifications listed in the term sheet linked above, the project is eligible for discounted 5-10-year fixed rate loan pricing.

Fannie Mae Green Rewards

Building Type Requirements: Multifamily is eligible regardless of meter configuration.

Income Profile Requirements: Available to market rate or LMI housing.

Location Requirements: Anywhere in the United States.

Stacking with other Programs: Freddie Mac Green Rewards is stackable with the Implementation Incentive Programs and the Technical Assistance Incentive Programs. It is also generally stackable with other Financing & Competitive Grant Programs and Federal Green Preferential Lending Programs, but further guidance should be sought to confirm stacking among programs in those categories on a per project basis.

Project Scope Eligibility: Property must commit to implementing improvements projected to reduce the property's annual energy and/or water usage by at least 30% combined, of which at least 15% must be projected energy savings, as determined by a Fannie-Mae assessment tool called a High-Performance Building (HPB) Report, which includes an ASHRAE Level 2 energy audit. A Technical Solar Assessment must also be submitted if the borrower is interested in solar. Following the improvement commitment by the borrower and the loan closing, the borrower has 12 months to implement the improvements. Borrowers must also report the property's annual energy performance for the life of the mortgage loan.

Incentive Structure: The costs of the HPB report and Technical Solar Assessment are 100% paid by Fannie Mae. 75% of the owner-projected and 25% of the tenant projected energy and water cost savings may be included in the Underwritten Net Cash Flow. All Green Rewards loans are securitized as Green Mortgage-Backed Securities (Green MBS). Refer to the [Green Rewards Term Sheet](#) for additional details.

Please reach out for further assistance or if you have any questions.

This technical bulletin represents our current understanding of these developing regulations. We recommend consulting the resources linked above and the responsible Maryland agencies for additional clarification. We will continue to monitor updates and will reach out again as more information becomes available.