

To: Ms. Julie Staveland, Ms. Jessica Crawford, and Mr. Robert Jackson; c/o Department of Environment, Great Lakes, and Energy and other applicable state agencies
Fr: RMI, EcoWorks, and Earth Advantage on behalf of the ten cities in the 2021 Michigan City Cohort
Subject: Supporting Michigan Localities in Their Pursuit of Rental Home Energy Efficiency

The recommended actions outlined in this memorandum would serve to advance equity and environmental outcomes in Michigan's rental housing sector while supporting, strengthening, and scaling the pioneering work of ten cities already leading rental policy development across the state.

Rental housing policy is key to both advancing equity outcomes in Michigan and meeting the state's ambitious climate goals. Rental housing has traditionally been underserved by government policy and has undergone fewer energy efficiency improvements than owner-occupied housing.¹ Rental homes are more likely to house low-income families and families of color,² and rental households face disproportionately high energy burdens.³ Rental housing policy therefore represents a core strategy for mitigating the state's deep housing inequities. Furthermore, nearly 30% of Michigan's homes are rentals,⁴ and energy used in buildings constitute more than 40% of Michigan's energy-related greenhouse gas emissions.⁵ Reducing Michigan's energy-related greenhouse gas emissions by 80% by 2050, in line with state goals, will be difficult without substantive policy focused on addressing the unique challenges of the rental housing sector.

In 2021, RMI and EcoWorks convened a group of leading Michigan cities interested in implementing rental efficiency policy. The cohort facilitated city partnerships with local community-based organizations (CBOs), held monthly convenings for cities and CBOs, and provided legal and technical support to set cities up for successful deployment. Ten cities and six CBO partners compose the active core of cohort participants. Most of these ten participants are planning both comprehensive and immediate policy action within the next one to three years. Resource constraints limit the speed and scale of city progress possible, and cities have expressed interest in state support to ease the local administrative burden, provide guidance, and standardize and clarify policy approaches. This memo collects and organizes these cities' requests.

The State's support can both accelerate the efforts of the cohort cities and pave the way for localities across the state to follow suit. The mechanisms outlined below represent the highest-impact, most targeted actions the State can undertake on this front. The recommendations fall under two categories: supporting home energy labeling, disclosure, and benchmarking; and advancing equity and environmental outcomes in rental housing through other means. Most of the former section focuses specifically on Home Energy Labeling, a widely used approach with a clear template for state-level support.

RMI, EcoWorks, and the cohort's participating cities and community-based organization (CBO) partners thank EGLE for the opportunity to provide these recommendations.

¹ Michael Carliner, *Reducing Energy Costs in Rental Housing: The Need and the Potential*, Joint Center for Housing Studies of Harvard University, December 2013, https://www.jchs.harvard.edu/sites/default/files/media/imp/harvard_jchs_carliner_research_brief.pdf.

² Drew DeSilver, "As national eviction ban expires, a look at who rents and who owns in the U.S." Pew Research Center, August 2, 2021, accessed October 14, 2021, <https://www.pewresearch.org/fact-tank/2021/08/02/as-national-eviction-ban-expires-a-look-at-who-rents-and-who-owns-in-the-u-s/>.

³ Ariel Dreihobl, Lauren Ross, and Roxana Ayala, *How High Are Household Energy Burdens? An Assessment of National and Metropolitan Energy Burden across the United States*, American Council for an Energy Efficient Economy, September 2020, <https://www.aceee.org/sites/default/files/pdfs/u2006.pdf>.

⁴ "Selected Housing Characteristics," United State Census Bureau, accessed October 14, 2021, <https://data.census.gov/cedsci/table?tid=ACSDP5Y2019.DP04&g=0400000US26>.

⁵ RMI analysis.

Section 1: Advance equity and environmental outcomes in rental housing.

High Priority Recommendation 1: Continue and expand the State’s support for funding comprehensive rental home assistance, particularly for marginalized or disadvantaged households.

Though retrofit programs fund roughly 1,600 home upgrades in Michigan every year, the number of homes in need remains vastly larger than the number served — currently 2.9 million homes in Michigan are income-qualified for weatherization.⁶ Furthermore, some of these rental assistance programs are pilots and lack a clear plan for institutionalization. The State should pursue all available avenues to increase funding for home assistance programs and institutionalize existing rental pilot programs. These programs are particularly impactful for rental housing units because these homes experience higher energy burdens than owner-occupied households.⁷

The State should ensure this funding is routed toward efficiency programs that target whole-home retrofits and address a range of energy, health, safety, and resilience upgrades. Programs limited to energy upgrades, especially those constrained by short-term cost recovery requirements, often miss the opportunity to make the substantial home improvements that community members need to improve their quality of life. These narrowly-scoped incentive programs are also often inaccessible to the residents that most need support: weatherization programs in Michigan defer more than 30% of prospective projects due to substandard housing conditions (e.g. roof leaks or mold issues) that prevent investment under current program investment guidelines. In more marginalized communities, that number can be as high as 75%.⁸ These “walk-away issues” mean that the residents most impacted by substandard housing conditions are often also the most likely to be ineligible for weatherization assistance. This result is antithetical to the stated intent of weatherization programs to focus support on low-income residents.

Whole-home retrofit programs derive their effectiveness and efficiency from cost-effective synergies between energy upgrades and other improvements. For example, a retrofit may not be able to solve one problem without addressing the other (e.g., roof leaks may need to be addressed before an insulation upgrade). In other cases, one solution may solve multiple problems at once. Addressing multiple issues at the same time can minimize deferral rates while ensuring that weatherization programs deliver the result that residents ultimately hope for: a safe, comfortable, and affordable place to live.

The State can lean on innovative local programs already being piloted across the state to guide these improvements to weatherization programs, especially the Health and Safety pilot programs run by Consumers Energy and DTE. The State should also consider supporting the creation of new state programs that mirror successful local efforts. The State can consider funding support through the infrastructure bill. This can include, for example, funding for low- or no-cost follow-up energy assessments to identify opportunities for efficiency upgrades as well as securing financing via loan fund and grants for home retrofits.

Specifically, the State should consider the following actions for establishing comprehensive home assistance programs:

- Increase funding, in part by harnessing federal funding streams
- Analyze the equity impacts of current constraints on weatherization program investments, which may result in disproportionately high deferral rates for low-income communities and communities of color

⁶ Blizman, Alexis, “Healthy Housing: Importance of health and safety focus on home repairs.” Lecture, August 24, 2021.

⁷ Ariel Drehobl, Lauren Ross, and Roxana Ayala.

⁸ Blizman, Alexis, “Healthy Housing: Importance of health and safety focus on home repairs.” Lecture, August 24, 2021.

- Quantify the cost of the health and safety issues that most commonly result in weatherization project deferrals (and the value captured by addressing these issues) to support a rationale for investing in home improvements that do not directly result in utility bill or other cost savings
- Assess which local programs could be most effectively scaled and which state programs can be most effectively adapted

Examples:

- Consumers Energy runs a [Health and Safety Pilot](#) program that provides funding to address issues that prevent the delivery of energy efficient products and services for single-family and multi-family buildings (e.g., roof repair, asbestos removal)
- DTE ran pilot programs (e.g., the [Energy Waste Reduction Health and Safety Pilot](#)) that provided funding to help with the cost of health and safety issues and take a holistic approach to home repairs
- Ann Arbor's [Aging in Place Efficiently](#) program provides comprehensive home retrofits for older residents to help them stay in their homes for as long as possible

High Priority Recommendation 2: Leverage existing state programs to prioritize rental efficiency and equity outcomes.

The health, equity, and environmental issues in rental housing are urgent and immediate, but creating new programs to address them takes time. For this reason, the State should consider quickly and efficiently advancing rental home equity and efficiency by integrating and elevating rental issues within its existing programs.

Specifically, the State should consider undertaking the following:

- Requiring that recipients of infrastructure funding make rental efficiency commitments
- Leveraging the work of the Council on Climate Solutions and the Environmental Justice Council to support rental housing upgrades
- Using the Catalyst Communities Climate Corps to support workforce development for rental energy efficiency
- Protecting tenants by making rent control a prerequisite to accepting state weatherization funding
- Integrating energy labeling and disclosure information into the [Michigan 2-1-1](#)

Recommendation 3: Create a statewide rental housing registry that collects comprehensive data about the tenant-landlord relationship.

Creating a statewide rental housing registry that collects comprehensive information about rental homes is a critical step to improving outcomes. Information collected can include building characteristics, rent costs, utility costs, evictions, and other elements that can, together, help identify large-scale patterns and bad actor landlords. A lack of comprehensive, standardized information about the rental housing stock currently presents a major barrier to equitable rental home policy because “you can’t manage what you don’t measure.” This gap inhibits both the effective development of new policy and a detailed understanding of the outcomes of existing policy.

Many cities in Michigan already have rental housing registries, but the information collected is generally basic (e.g., the property address and owner contact information), which can facilitate licensing and code enforcement but little else. More detailed information could inform state and local action by revealing both household-scale phenomena and broader patterns in landlord-tenant relationships (e.g., housing affordability and housing vacancy) that remain largely invisible today.

If cities were to simply independently expand the data collected in their rental registries, that would be a step in the right direction. However, if the approach were standardized at the state level, policymakers could have a more comprehensive understanding of the state's rental housing stock. A clear view of the state rental housing landscape would inform smarter state, local, and utility actions. This could include, for example, state-level rental efficiency standards.

The state should also consider structuring a registry in a way that provides transparency for tenants and holds landlords accountable to tenant safety and stability. For example, a registry could include a portal where tenants create their own account linked to their home and access the information provided by their landlords. The portal could also include basic information about the rights tenants enjoy and contact information for housing officials that can assist them.

Specifically, the State should consider undertaking the following:

- Speak with [TechEquity Collaborative](#), a leading advocate for rental registries, to learn more
- Convene Catalyst Communities or other leading cities that already utilize rental housing registries to collect their input on the parameters of a statewide program
- Research the potential impacts of a rental registry, potentially through collaboration with the University of Michigan
- Establish a pilot program to understand the impacts of a statewide rental registry and refine the approach

Examples:

- [Maryland](#) currently operates a statewide rental registry; however, the registry's purpose is to mitigate lead poisoning, and information collected is not as comprehensive as other examples (see below)
- [California Assembly Bill No. 724](#) did not pass but would have collected comprehensive rental dwelling information
- [San Francisco Ordinance No. 265-20](#) requires landlords to report certain information, creating what is effectively a rental registry

Recommendation 4: Advocate for all agencies to lead with environmental justice.

State actors should consider helping elevate environmental justice as a priority throughout state government. This can include undertaking initiatives within a single department to model approaches for other agencies, and it can also include directly advocating for other agencies to advance environmental justice. State actors can consider the federal [Justice40](#) initiative as a framework for this work.

The Michigan Interagency Environmental Justice Response Team has already worked to integrate environmental justice into the state government. State actors should continue to advocate for the Response Team's work as it aligns with the goals and interests of the Michigan City Cohort.

Specifically, state actors should consider undertaking the following:

- Allowing communities to provide direct input into state processes.
- Working with the Response Team's Training work group to establish internal environmental justice trainings and/or inform trainings in other state agencies.
- Requiring newly collected data to be disaggregated by race, ethnicity, income, and geography.
- Analyzing and quantifying equity and human health issues in buildings in Michigan (e.g., health impacts of gas stoves) as well as the equity impacts of current weatherization program limitations.

Section 2: Support energy labeling, disclosure, and benchmarking.

For most local governments, the prospect of developing an energy labeling and disclosure program from scratch can seem like a daunting, time-consuming, and potentially expensive endeavor. State-level entities can play an important role in helping to remove some of the real and perceived barriers to energy labeling program deployment at the local level. States can bring tangible support by taking steps to develop consistently applied standards, enable an accessible technical infrastructure, and support a knowledgeable cadre of energy efficiency and real estate professionals. These state actions can help leading local governments start labeling programs, generate useful results, and put the programs on a path for sustainable growth while enabling other less-resourced cities to follow in their footsteps. State-level support has been instrumental in Oregon, where at least seven cities have already passed or begun developing disclosure policies modeled after the City of Portland's efforts.

Energy labeling and disclosure ensure transparency to renters and homebuyers by providing them with information about the energy efficiency of the property, offering a form of consumer protection. When energy efficiency is made visible, it enables more informed decision-making based on the full cost of home ownership or renting, ensures markets begin to truly value home energy performance, and allows energy efficiency upgrades to be appropriately and equally valued against other home improvements. This is particularly important for protecting low- and moderate-income (LMI) residents with high energy cost burdens. And when energy efficiency is valued, it incentivizes home energy improvements that can contribute to progress towards Michigan's ambitious state and local climate goals. Evidence shows, for example, that home energy labels promote increased participation in energy efficiency programs while providing information that can inform and bolster future utility programming.⁹

Home energy labeling and disclosure programs can utilize a variety of trigger points (e.g., rental licensing, home listing, or home sale) and labeling protocols. Many existing and in-development programs utilize the Department of Energy's Home Energy Score (HES), and that approach receives the most attention in this section. Because HES is only eligible for one- to four-unit homes, comprehensive labeling and disclosure programs must consider other approaches to labeling and disclosure for larger multifamily homes, including benchmarking. But HES-based policies may be a sensible first step for many cities for the following reasons:

- Most homes in Michigan are in one- to four-unit buildings
- Alternatives reliant on utility billing data may not be viable in many areas until utility data sharing protocols and privacy requirements are amended
- Home Energy Score is an asset-based score that removes the impacts of occupant behavior
- Home Energy Score provides customized retrofit recommendations to building owners

The city cohort has identified at least seven cities that are interested in pursuing energy labeling policies over the next one to three years, a group that would benefit directly from state support. The following six recommended actions would, together, provide a comprehensive foundation to support the seven cities in the city cohort and allow others across the state to follow suit. Most of the recommendations in this section are best administered by Michigan's Department of Environment, Great Lakes, and Energy.

High Priority Recommendation 5: Analyze and educate.

⁹ Smith, Isaac, Andrew Shepard, Carter Dedolph, Emma Schoppe, Lisa Timmerman, Kim Havey, Luke Hollenkamp, Anthony Roy, and Matt Braman. Rep. *Score! How Utility Energy Efficiency Programs Are Benefiting from City Energy Labeling Requirements*, 2020. <https://www.mncee.org/sites/default/files/report-files/ACEEEeepgrams%20%281%29.pdf>

A. Provide education and technical assistance to help cities set goals, document their local environment, calculate potential program impact, and map stakeholders.

Building upon the work of the city cohort, the State can facilitate and support a local government planning process to evaluate a proposed energy labeling program. Through this process, the state can help ensure that local governments create appropriate goals for the program and that potential impacts are accurately assessed.

The state can help local governments understand outcomes and develop their specific, quantitative energy labeling goals. The goals a city selects can also inform the type and extent of the energy labeling program structure and delivery mechanism. The State can support cities in making sure the right questions are asked to help cities pinpoint their program outcomes and frame how they should most effectively design a potential policy and/or deliver a program. The State can also assist cities in understanding the local context to inform program design by facilitating an analysis of current market conditions. This analysis can look at the existing pool of qualified professionals who could be tapped to supply or promote energy labels as well as local demographics to most effectively meet the needs of specific local communities.

The State could also support cities by providing an initial analysis of energy labeling program impacts by jurisdiction. This analysis can be done prior to or in concert with the goal-setting exercise. An impact analysis can serve as a starting point for determining the potential outcomes of a home energy labeling program in each city based on the program delivery structure and the estimated number of homes that could receive an energy label. Impacts assessed could include the number of energy labels projected to be delivered, minimum number of energy raters required, number of homes retrofitted, energy savings, carbon reduced, and equity (e.g., racial or income) impacts on communities.

Educating cities should also include sharing the resources from this cohort with other cities and sharing lessons learned from the early wins that cohort cities generate.

B. Support or provide public outreach, stakeholder engagement, and community engagement resources.

The State can support local government public outreach, stakeholder engagement, and community engagement efforts. In all cases, the State should facilitate outreach and engagement that is designed specifically to reach historically marginalized communities or communities that have experienced disproportionately high energy burdens and low benefits from previous policies and programs.

This work can include providing cities with tools to inform and educate the public, supporting stakeholder mapping, and helping convene stakeholder and community meetings. The State can also provide strategic guidance to cities about when in the program development cycle stakeholder meetings provide the most benefit.

C. Administer real estate industry training, including property management.

Real estate professionals — both agents and property managers — can be effective channels in conveying home energy efficiency information to prospective home buyers and renters. While there are existing training courses for real estate professionals available in most markets, these trainings usually provide mainly introductory information about the benefits of energy efficiency and green building techniques. These existing trainings for real estate agents and property managers do not convey detailed information about the benefits and use of home energy labels. The State could support local energy labeling program activity by administering no-cost trainings to real estate professionals that detail the usefulness of home energy labels and the steps the state is taking to support the concept of energy labeling. The goal of the trainings should focus on increasing real estate

agent literacy about the existence of any state or local energy labeling programs and specific details on how that information can assist their real estate clients or prospective renters. These trainings should provide Continuing Education Units (CEUs) and convey clear guidance about how real estate agents can use the locally available energy labels with their clients to ensure they are fully informed about the relative energy performance of the homes they are considering for purchase or rent. Real estate industry trainings are particularly helpful in local markets where a home energy labeling requirement has been established.

High Priority Recommendation 6: Provide funding to support labeling, benchmarking, and disclosure.

The federal infrastructure bill offers the State the opportunity to directly support local home energy labeling policies. Specifically, the State can focus on accessing part of a \$250 million allocation called the *Energy Efficiency Revolving Loan Fund Capitalization Grant Program (INSULATE)*. The INSULATE provision (Section 40502) of the infrastructure bill provides capital for a loan and grant fund and requires certain energy assessments as part of the process for the funded projects. By securing this funding, the State has the opportunity to bolster a residential energy assessment workforce and create a revolving loan and grant fund for energy-related home improvements that relies on home energy labels to identify qualifying loan or grant opportunities.

A separate (but potentially related) funding opportunity exists in Section 40503 of the bill. This provision provides up to \$2 million in funding to eligible states to cover any cost associated with individuals being trained or certified to conduct energy assessments. If the State sought and obtained this funding allocation, local governments in Michigan interested in energy labeling programs or policies could benefit by accessing a trained and credentialed workforce to produce the home energy labels.

While the two provisions of the bipartisan infrastructure bill listed above specifically relate to home energy labeling, two additional funding provisions could be used to support home energy labeling in Michigan. The new allocation of \$500 million of State Energy Program funding (Section 40109) is an opportunity to prioritize energy labeling and disclosure infrastructure development in Michigan, potentially pairing this activity with home retrofit funding. Similarly, Energy Efficiency and Conservation Block Grant (EECBG) funding provision (Section 40552) could be used to coordinate and support smaller cities in Michigan interested in implementing home energy labeling programs or policies, with the opportunity to pair this activity with home retrofits. The EECBG funding provision allocates \$550 million.

The State has already allocated funding to help support local policy development in partnership with CBOs. Providing additional funding to support city-CBO policy development could continue to advance both single-family and multifamily labeling and disclosure policies.

Recommendation 7: Coordinate state energy label design with local options.

As with any label, home energy labels benefit from consistency and clarity. In many states, home energy labels are provided for both new construction and existing homes, with different scoring systems and market-facing labels for each. In some states, a local utility program may issue their own energy label that focuses only on the utility's specific interests. This inconsistency can create confusion in the general public and within the real estate industry, limiting the effectiveness of all energy labeling efforts in the state. The State can play a beneficial role in developing rules that outline the information that must be contained on market facing labels. The State could also take the lead in the design of a uniform statewide energy label that could be used regardless of the rating or scoring system used (e.g., Home Energy Label or custom checklist) or the entity providing the label.

To ensure consistent information is conveyed to the market, the State could require the following information be provided on all state-authorized energy labels:

- Annual energy use information by fuel type
- Annual or monthly energy cost information by fuel
- Renewable energy production by fuel
- Cost savings from fuel displaced by the generation of renewable energy
- Average annual utility retail residential energy price in dollars, by fuel type
- Estimated carbon emissions resulting from the energy used in the home, based on the carbon intensity of the fuel by utility provider

To ensure consistent information is effectively conveyed to the public, the State can also provide best practices for labels to be used by cities that keep the report visually engaging, easy to understand by a general audience, and brief (i.e., 1–2 pages).

Recommendation 8: Create statewide assessor training and/or licensure and use training as a tool to advance workforce diversity, equity, and inclusion.

The State can establish the rules under which home energy labeling activity should operate in Michigan and define who is authorized to deliver home energy labels. Having statewide rules in place gives comfort to local government decision-makers as they can point to these existing rules when developing a local program or policy. It also provides evidence to the real estate industry that home energy assessments are undertaken with a level of professionalism applied consistently across the state. This gives these parties greater confidence in the information contained on the energy label itself. If labeling policies are voluntary, real estate professionals would also be more likely to introduce the energy information to prospective tenants or clients and more likely to support local labeling initiatives. Setting consistent rules can also help reduce overall market confusion, whether among residents, home performance professionals, or broader real estate industry participants like appraisers and lenders.

The first step the State can take to help develop consistent standards is to ensure that home energy assessors become codified as a distinct contracting service with their own licensure and insurance requirements. An element of the licensure process should include minimum training and credentialing requirements. By establishing a baseline set of qualifications for home energy assessors, the state is helping to create a level of credibility for this category of contracting professionals and for the energy assessment process itself. Because home energy assessors sometimes do not offer installation contracting services that require licensure, establishing a distinct category with specific standards helps to ensure that the market receives consistent levels of service. This also helps to ensure that homeowners receiving an assessment have an established pathway for registering a complaint if they deem professional standards have not been met.

The State should also consider using home energy labeling as a tool to advance workforce diversity, equity, and inclusion. For example, the State can consider supporting the inclusion of energy labeling training into community workforce agreements and pre-apprenticeship programs that can improve job access for marginalized communities. More broadly, the State can consider helping cities to be proactive, flexible, and intentional in engaging with communities of color, women, and others to provide job opportunities related to energy labeling and energy efficiency.

Recommendation 9: Establish statewide labeling program administration.

To help activate home energy labeling activity, the State can lead by providing some general program infrastructure that Michigan cities can access and use as the underpinnings for their own local program activity.

Providing access to key energy labeling program infrastructure components will reduce cost burdens on local governments interested in developing a new policy or integrating energy labeling activity into any existing residential services. Specifically, the State should consider the following actions:

A. Act as the Home Energy Score Partner or identifying another organization to play that role.

The U.S Department of Energy (DOE) Home Energy Score provides the most widely used, standardized “miles-per-gallon” rating for existing homes. One helpful state agency role that the State could take on is to either become an official DOE Home Energy Score “Partner” or identify a third-party organization to act as the state’s official Home Energy Score Partner. The Home Energy Score Partner role entails taking on the administrative and technical responsibilities that come with the Partner status, including determining how Home Energy Scores will be offered in a defined market area and overseeing the work of local, authorized Home Energy Assessors who deliver the score within Michigan. Cities may find the responsibilities of being the Home Energy Score Partner too much of an administrative or technical burden, and therefore the State could remove that barrier by serving as a statewide Home Energy Score partner or collaborating with an already-approved Home Energy Score Partner to play this role throughout the state.

B. Undertake assessor training and support.

As the Home Energy Score Partner, the State would be the coordinating entity with U.S. DOE’s Home Energy Score program staff. The State would also, at a minimum, undertake or contract to a third-party the role of managing and maintaining the local authorized home energy assessor network and managing the quality assurance requirements for the Home Energy Score-related scoring activity in the state. Assessor training can include access to foundational credentialing such as those offered by Building Performance Institute (BPI), or it can focus on the additional credentialing required to become an authorized Home Energy Score assessor. Federal funding through the bipartisan infrastructure bill could support this assessor training programming. See the section on federal funding options for details.

C. Provide centralized program administration.

The State can also support the goals of Michigan cities by promising to supply or enable centralized program administration support. This support can include IT infrastructure to create consistent, publicly accessible scoring information and a centralized hotline to answer energy labeling program questions from the general public and real estate professionals. A centralized energy label generation system that can deliver a Michigan-customized energy label through authorized assessors to the market in real time removes this burden from local programs. Likewise, the State can reduce the administrative burden on a locally managed energy labeling program with customer service support. This support is especially valuable for programs being run in smaller cities where administrative capacity is generally very limited.

Recommendation 10: Support labeling and disclosure for multifamily buildings larger than four units.

Comprehensively advancing equity and environmental outcomes in Michigan’s housing stock requires a focus on more than just Home Energy Labeling. Specifically, it requires approaches that cover homes larger than four units.

This broad focus is particularly important as multifamily buildings house a higher proportion of renters than smaller, single-family buildings, and rental homes face higher energy burdens than owner-occupied homes and disproportionately house low-income folks and families of color. Developing statewide labeling infrastructure

that leaves out large, multifamily housing would disproportionately provide benefits to the portion of the housing sector that is generally whiter and wealthier.

State actors should advocate for the MPSC to facilitate streamlined and comprehensive utility data disclosure to ensure cities are able to incorporate multifamily units into their programs. This can include supporting a statewide benchmarking ordinance and/or improved utility data disclosure processes through either public stakeholder processes or direct communication with MPSC.

Fortunately, many of the same strategies and structures useful for Home Energy Labeling can be applied to multifamily labeling and benchmarking. Specific examples corresponding to each Home Energy Labeling recommendation are provided below.

A. Regarding Recommendation 1: Analyze and educate

Multifamily homes can use a benchmarking software known as EnergyStar Portfolio Manager (E*PM). In the same way that the State can administer real estate industry trainings for Home Energy Labeling, they can prepare the market with trainings for E*PM.

B. Regarding Recommendation 5: Establish statewide infrastructure.

Cities need tools to measure and track building compliance for larger multifamily buildings. While E*PM is the market standard for collecting and reporting energy performance data for multifamily buildings, many jurisdictions could benefit from additional state-standardized tools for program administration and compliance tracking. The State can also support incentivizing or requiring utilities to provide their data through an Application Programming Interface (API) from which E*PM can pull directly for multifamily buildings.

The State can also consider administering a hotline that answers multifamily building owner inquiries and/or facilitating communication between building owners and their utilities.

Conclusion: Improving rental home energy efficiency represents a high-impact policy avenue for improving equity and environmental outcomes in the state.

The recommended actions outlined in this memorandum would serve to advance equity and environmental outcomes in Michigan's rental housing sector while supporting, strengthening, and scaling the pioneering work of the 2021 Michigan City Cohort. RMI, EcoWorks, Earth Advantage, and the cohort's participating cities and community-based organization (CBO) partners thank EGLE for the opportunity to provide these recommendations. Should the State have any questions about these recommendations, please reach out to Michael Gartman at mgartman@rmi.org, Jake Glassman at jglassman@rmi.org, Brittany Turner at bturner@ecoworksdetroit.org, and Anthony Roy at aroy@earthadvantage.org.