

GREEN RENTAL HOUSING FREQUENTLY ASKED QUESTIONS

Last updated: Jan. 27, 2026

Introduction

Green Rental Housing ensures renters get a minimum baseline of health, comfort, and energy efficiency. And it helps landlords stay competitive and simplify maintenance and planning.

It went into effect on January 6, 2026.

We created this document to save you time—and answer the most common questions.

After reading it, if you have a question that isn't covered here or want to provide feedback, please reach out to GreenRentalHousing@a2gov.org.

We'll add questions and answers to this document as they come in. For a summary of the Green Rental Housing program, please visit <https://www.a2gov.org/sustainability-innovations-home/sustainability-me/green-rental-housing/>.

Contents

Introduction	1
Why do we need a Green Rental Housing program?	2
What will Ann Arbor's Green Rental Housing program do?	2
Will this program cause higher housing costs?	3
How will this help families in Ann Arbor?	3
How will this help landlords in Ann Arbor?	4
How do landlords get compliant with the Green Rental Housing program?	4
When will this policy go into effect?	5
Which rental units are included in this program?	5
But there's already a rental inspection program in Ann Arbor. What's different about Green Rental Housing?	5
Will the Green Rental Housing program replace the existing housing code?	5
How will this program be enforced?	5
How was the Green Rental Housing program developed?	6
How were the points on the checklist developed?	6
Who was on the Green Rental Housing Task Force?	6
If most of the electricity from our electric company currently comes from fossil fuels, will switching to electric really reduce greenhouse gas emissions?	7
Why are we only looking at rental units?	7

Questions Commonly Asked by Tenants	8
Will this program increase my rent? (click here to see above)	8
How will I know if my unit meets the requirements for Green Rental Housing?	8
I live on campus. Will this program apply to my rental?	8
Questions Commonly Asked by Landlords	8
How can we be sure this program will succeed when I see tenant behavior that doesn't support energy efficiency (e.g., leaving windows open in winter)?	8
My unit will need significant modifications to meet the requirements. What is the Office of Sustainability & Innovations doing to help make these modifications possible?	9
How can I ensure my unit is compliant?	9
How do I fill out the checklist? Do I need to get all the points?	10

Why do we need a Green Rental Housing program?

Green Rental Housing ensures renters get a minimum baseline of health, comfort, and energy efficiency. And it helps landlords stay competitive and simplify maintenance and planning.

Here in Ann Arbor, we are fortunate to have a vibrant atmosphere with a diverse housing sector, and **about 55% of all residents are renters.**

Many rental units are well-built and well-maintained, providing tenants – from students to lifelong Ann Arborites – with the ability to live in a comfortable, affordable unit. But this is not always the case.

Michigan did not have an energy code until 1977. But the median year built for Ann Arbor rental units is 1964. (Some units date back to the 1850s.)

This means that any rental units were constructed before building codes existed that improve the health, safety, comfort, and energy efficiency. Plenty of these buildings have been updated over time. However, some still do not meet our modern standard of living – resulting in tenants paying higher energy bills for uncomfortable units that produce disproportionately more emissions.

Emissions both inside and outside the building harm physical and mental health – and are responsible for almost 70% of Ann Arbor's greenhouse gases.

Therefore, Ann Arbor directed the creation of a Green Rental Housing program as part of A²ZERO, our community's plan to equitably achieve carbon neutrality by 2030. Under that directive, we've created a program to establish a consistent standard for our rental units, ensuring they meet a minimum baseline for health, comfort, and energy efficiency.

The result is rental units where tenants not only live but also thrive, as we all work together toward our carbon-neutrality goals.

What will Ann Arbor's Green Rental Housing program do?

Green Rental Housing's goal is to ensure a minimum baseline for health, safety, comfort, and energy efficiency, while reducing greenhouse gas emissions stemming from inefficiencies in rental units. To support this goal, energy efficiency, electrification, renewable energy, and other sustainability measures aligned with A²ZERO goals will be integrated into the existing rental inspection process. To learn more

about the program, please review the information at <https://www.a2gov.org/sustainability-innovations-home/sustainability-me/green-rental-housing/>.

Will this program cause higher housing costs?

We do ***not*** expect to see housing costs increase. Here's why :

- **Other communities have already implemented similar programs successfully – and did not see rent increases outside of the normal** cost of operating and rate of inflation. For instance, Boulder, CO, is a community with a similar structure and makeup to Ann Arbor. Their *SmartRegs* rental program didn't experience any rent increases above normal for a decade after its launch. We partly based our program on their success.
- **Many checklist items reduce energy use – and lower utility bills.** If some properties' rents are lower due to a lack of investment/upgrades over time, that could lead to higher utility costs that offset the more affordable rent. By making these upgrades in the lowest-performing buildings, we can lower utility costs while improving renters' comfort and health. And with electric and gas rates increasing year over year, reducing energy use is crucial for keeping costs down.
- **The program offers flexibility and provides landlords with multiple options to implement no- or low-cost measures that can help right now – while setting up a building to make improvements at an affordable pace.**
- **Many rental units will require no upgrades at all, having made upgrades over time.** Many others will be able to upgrade in their regular equipment replacement cycles, with an eye to efficiency. Some may need to make unplanned upgrades, but this is expected to be a minority of rentals, and we offer support to help.
- **Landlords can access up to \$20,000+ for improvements from Ann Arbor's Office of Sustainability and Innovations (OSI).** Smaller properties can — and already have — taken advantage of our Home Energy Rebates, and we're looking to expand these offerings to other building types. These and other financial resources, such as [Michigan Saves](#) and [PACE financing](#), can help improve ROI and reduce costs for those who need to make changes. OSI manages a [Landlord Resource Hub](#) where you'll find meticulously curated information on all the financial resources we're aware of that help with upgrade costs.
- **Market pricing doesn't change:** The market price for rent is competitive, and rent is already high in Ann Arbor. Individual landlords who drastically raise rents, risk pricing themselves out.

How will this help families in Ann Arbor?

The Green Rental Housing program will help ensure renters in Ann Arbor are healthier and more comfortable – and reduce their utility bills.

By air sealing and adding insulation, units can:

- Reduce harmful outdoor air pollutants that come indoors.
- Maintain more consistent temperatures, which contribute to a lower likelihood of illness.
- Better manage moisture to reduce the likelihood of mold and mildew and improve health outcomes.

By removing methane gas in the home – commonly from gas furnaces, gas water heaters, gas stoves, and gas dryers – units can:

- Reduce indoor air pollutants. Indoor pollutant levels may be [2 to 5 times and as much as 100 times higher indoors than outdoors](#). Homes with gas stoves have [50 - 400% higher NO₂ emissions](#) than homes with electric stoves.

- Reduce respiratory disease. The EPA found a [causal relationship between exposure to NO₂ and adverse respiratory effects](#), such as asthma. Additionally, a study found that [12.7% of childhood asthma cases in the U.S. could be attributed to gas stove use](#).

How will this help landlords in Ann Arbor?

GRH helps landlords stay competitive – and connects them with expert help, plus government and utility incentives that make implementation easier and boost ROI on capital improvements.

Key benefits include:

- **Boost tenant satisfaction and demand** with lower energy bills and year-round comfort.
- **Find funding that helps future-proof your property**, so your unit(s) retain value compared with more efficient rental units.
- **Reduce maintenance** and emergency repairs.

Landlords will get support at every step, starting with OSI's Rental Property Owner Resource Hub that lays out:

- Where to find up to \$20,000+ for improvements from City rebates, DTE programs, grants, and federal tax credits
- Cashflow-positive financing options improve ROI
- Access easy-to-follow webinars and walk-throughs, along with checklists and FAQs
- Technical and rebate assistance
- How to claim federal credits
- No-cost options and ready-to-use tools

How do landlords get compliant with the Green Rental Housing program?

We've made achieving a qualifying Asset Rating flexible with two pathways (you choose):

(1) The Home Energy Rating System (HERS) Pathway is often the simplest way to achieve a qualifying Asset Rating. Under this pathway, a landlord will obtain a Home Energy Rating System assessment for each unit:

- Lower HERS scores are better.
- HERS scores last for life.
- If the HERS score is 110 or below:
 - The unit will be considered compliant
 - AND additional HERS assessments will not be needed for future inspections.
- If a unit achieves a compliant Asset Rating under this pathway, there is no need to move on to the Checklist Pathway.
- If, however, the unit receives a Home Energy Rating Score above 110 (which isn't mitigated) or does not wish to obtain one, the landlord has an alternative pathway to compliance: the Checklist Pathway.

(2) Under the Checklist Pathway, a unit must achieve a minimum Energy Efficiency Score by complying with any combination of items to earn points on the Green Rental Housing Checklist:

- Higher Checklist scores are better.
- There are a total of 308 points possible.
- For Compliance Period 1 (Jan. 6, 2026 - Jul. 5, 2028), the minimum Energy Efficiency Score is 70.

- For Compliance Period 2 (post Jul. 6, 2028), the minimum Energy Efficiency Score is 110.

When will this policy go into effect?

The Green Rental Housing Ordinance was passed on June 16, 2025. **The program goes into effect on Jan. 6, 2026.** (More details are available at <https://www.a2gov.org/sustainability-innovations-home/sustainability-me/green-rental-housing/>.)

Which rental units are included in this program?

The Green Rental Housing program applies to all rental units citywide and is incorporated into the existing rental certification process. Given that a unit complies with all local ordinances and is issued a valid Certificate of Compliance (C of C) before being leased to a tenant, any dwelling unit in the city is eligible for rental.

But there's already a rental inspection program in Ann Arbor. What's different about *Green Rental Housing*?

As of 2025, the rental inspection program is intended to ensure basic functionality and safety of systems within a rental unit (e.g., plumbing, mechanical, and electrical systems work properly, doors have adequate locks, smoke detectors and means of egress are present, etc.) For more information, please visit the [Rental Housing Services website](#).

The Green Rental Housing program (starting Jan. 6, 2026) includes critical measures that improve renters' health, comfort, and home energy efficiency, such as insulation, air sealing, and efficient appliances.

Another primary difference is how to achieve compliance – and Green Rental Housing offers added flexibility. The existing (2025) rental code is a full-compliance requirement, meaning all items must be satisfied to pass inspection. The Green Rental Housing program's components offer landlords the flexibility to meet the requirements in a manner most appropriate for their unit.

Will the Green Rental Housing program replace the existing housing code?

No, the program will supplement the existing housing code to include options intended to standardize the health, safety, comfort, and energy efficiency of Ann Arbor rentals. The Green Rental Housing program does not seek to replace or remove any component of the existing housing code, nor to add any additional requirements for compliance with it.

How will this program be enforced?

Since Green Rental Housing is part of the City of Ann Arbor's rental housing inspection process (as of Jan. 6, 2026), it will be enforced by OSI and Rental Housing Services' housing inspectors employed by the City. This program falls under the purview of Rental Housing Services, and OSI. We've created extensive resources to help landlords and will help however we can. If a unit does not comply, it will be subject to a fine until it reaches compliance.

When a unit is up for inspection, the landlord must do one of the following:

1. HERS Pathway: Get a HERS assessment, score 110 or below, and upload the HERS report documenting the score in the attachments section of STREAM for your CR.

2. Checklist Pathway: Fill out an attestation form with the items from the checklist (and their points) that are present in the unit. Provide documentation of those items (photos, screenshots, process documents, contracts, etc.). Upload both to STREAM in the attachments section of STREAM for your CR.

OSI staff will then review the documentation and either approve it or work with the landlord to get the unit into compliance.

How was the Green Rental Housing program developed?

We worked closely with dozens of groups, including technical experts, nonprofits, and Ann Arbor residents and landlords.

To ensure Green Rental Housing is successful, we:

- Collaborated with building experts
- Carefully examined what's worked well in existing rental programs in other cities
- Analyzed our local rental housing stock with the help of a local Task Force of stakeholders

The program was informed by:

- Existing, proven Green building certifications/standards (i.e., PHIUS, LBC, Zero Energy Ready, GreenStar, LEED, AIA Zero Code, existing Michigan building & energy codes, etc.)
- Leading non-profit support networks like RMI and the Urban Sustainability Directors Network
- Members of the public
- Experts in the fields of energy efficiency and housing, including energy auditors, contractors, manufacturers, architects, engineers, builders, and City officials
- Renters, landlords, and low-income housing representatives

In short, we studied what's already worked well; gathered input and feedback from dozens of key groups; and sought counsel from experts, residents, and other stakeholders.

How were the points on the checklist developed?

Points were set by building science. We modeled buildings to determine how various changes affect a building's emissions – such as adding insulation, installing heat pumps, and sourcing renewable energy.

Where possible, the percentage of emissions reduced determines the number of points given.

Items that don't have a directly quantifiable emissions impact are given a consistent score across the board (e.g., accepting affordable housing vouchers, educating tenants on sustainability, hosting swap days). For more information, refer to our [checklist methodology](#).

Who was on the Green Rental Housing Task Force?

The Task Force was comprised of renters, landlords, low-income housing representatives, and City departments.

Among them were qualified architects, licensed builders, students of varying fields of study, engineers, and property managers.

Landlords represented the Washtenaw Area Apartment Association, Greek housing, single-family rentals, and multi-unit complexes.

Tenants represented the Ann Arbor Tenants Union, the Inter-Cooperative Council, the Graduate Employees Organization (GEO) Housing Caucus, and individual renters.

At the start of each Task Force meeting, to promote a safe environment where diverse perspectives were represented and everyone could freely share their thoughts, ideas, and opinions, the Task Force agreed to honor the Chatham House Rule. Those in attendance are free to share the information and ideas from the discussions broadly, without revealing the identities of the individuals who made any particular comment. To maintain this agreement, and out of respect to the members of the Task Force, their names will not be published. Members of the Task Force are welcome to self-identify as a participant, given that they do not reveal any other member.

If most of the electricity from our electric company currently comes from fossil fuels, will switching to electric really reduce greenhouse gas emissions?

Yes, both now and especially over time. Here's why:

1) Electric technologies are often *far* more efficient.

For instance, heating and cooling account for more than half of all residential energy use.

Electric heat pumps are approximately 2.2X - to 4.5X times more efficient than the *most* efficient gas or traditional electric furnaces. That's because heat pumps do not burn fossil gas or produce heat. Instead, they transfer temperature from one place to another. (Essentially, they're sophisticated two-way air-conditioners). So even if an electric heat pump uses electricity derived from fossil fuels, it will consume less energy and produce fewer emissions than the same level of gas-fired heating.

2) More renewables are entering the grid: While the source of electricity used by Ann Arbor's energy provider is not perfect, it is moving in the right direction. Michigan has a mandate to have [50% of all energy be from renewable resources by 2030, increasing to 60% by 2035; and 100% by 2040.](#)

Additionally, the City is working on initiatives that will reduce our dependence on fossil fuels for electricity. For instance, the [Sustainable Energy Utility \(SEU\)](#) approved by Ann Arbor voters in 2024 will provide local solar for participating customers throughout Ann Arbor, including rental units.

As more renewable energy options are available in Ann Arbor, electrification will further reduce our greenhouse gas emissions.

3) Electrification helps us avoid lock-in: Many appliances can last for 15 years or more. And in that time, renewable energy sources will continue to produce a greater percentage of our electricity. Today's electrification will help us reduce emissions now and in the future, instead of being locked into fossil fuels for decades.

Why are we only looking at rental units?

Short answer: We aren't. A priority in A²ZERO is decarbonizing our buildings – because buildings account for almost 70% of Ann Arbor's total carbon emissions.

Three main programs address our building emissions:

- [Energy and Water Benchmarking](#) for large commercial properties
- The [Home Energy Rating Disclosure \(HERD\)](#) program for single-family homes
- Green Rental Housing for rentals.

Each was uniquely designed to address the difficulties faced – and available incentives/levers – to help us achieve communitywide goals specific to each building type. A²ZERO was adopted in 2020. Benchmarking was adopted in 2021, with HERD following in 2023. And now we’re rolling out Green Rental Housing.

Questions Commonly Asked by Tenants

[Will this program increase my rent? \(click here to see above\)](#)

We don't anticipate this program will spur rent increases. (See question above.)

[How will I know if my unit meets the requirements for Green Rental Housing?](#)

The results of any rental inspection are already publicly available through the [city website](#). Starting on Jan. 6, 2026, the Green Rental Housing program will be incorporated into the existing rental inspection program. Once a unit has been inspected, these results will be included online with the Inspection Report and Certificate of Compliance.

[I live on campus. Will this program apply to my rental?](#)

In short, no. The University of Michigan is a state-level entity, meaning it supersedes the city’s jurisdiction.

The Green Rental Housing program will only apply to off-campus rental housing within City limits, not to dormitories or housing owned by the University.

Questions Commonly Asked by Landlords

[How can we be sure this program will succeed when I see tenant behavior that doesn’t support energy efficiency \(e.g., leaving windows open in winter\)?](#)

Improving building efficiency reduces greenhouse gases the most – and that’s why we’ve invested heavily in resources to help. After all, occupant behavior has little to no impact on emissions if the unit they occupy is severely inefficient. However, behavior *does* play a crucial role.

Calculating overall energy consumption can be complex and involves many variables, such as human behavior. Behavioral considerations and building efficiency are closely intertwined.

That’s why the OSI has developed a [resource hub for tenants](#) and is working on additional educational programs and resources to promote energy-saving, comfort-improving behavior among all City residents – not just tenants.

Landlords who work with their tenants on energy efficiency education developed by the OSI: If you pursue the Checklist Pathway, this education will count towards meeting the requirements.

To effectively address building-related greenhouse gas emissions, we must prioritize building-focused solutions, such as the Green Rental Housing program. The Green Rental Housing program aims to set occupants up for success once behavioral resources are implemented.

How will I know if my unit meets the requirements for Green Rental Housing?

BEFORE INSPECTION: Requirements are clear, transparent, and available online – so you can plan ahead and ensure you're on track. We're happy to answer your questions and provide guidance on how to apply for rebates and grants, as desired.

AFTER INSPECTION: The results of any rental inspection are already publicly available through the [city website](#). Starting on Jan. 6, 2026, the Green Rental Housing program will be incorporated into the existing rental inspection program. Once a unit has been inspected, these results will be included online with the Inspection Report and Certificate of Compliance.

My unit will need significant modifications to meet the requirements. What is the Office of Sustainability & Innovations doing to help make these modifications possible?

The Green Rental Housing program was designed to be attainable for almost any unit type. Most rentals should be able to meet the minimums with minimal effort. When modifications are required, the OSI strives to connect landlords with the resources needed to achieve the health, comfort, and energy-efficiency goals of the Green Rental Housing program.

You'll get support every step of the way, too.

The OSI's [Landlord Resource Hub](#):

- Lays out cashflow-friendly funding options such as Michigan Saves and Property Assessed Clean Energy (PACE), both of which offer excellent financing programs for projects directly geared toward efficiency.
- Connects landlords and tenants with the tools, contractors, assessors, and products they need to support efficient rentals
- Provides educational materials for tenants to help promote more sustainable habits and behaviors in the home.

A portion of the [Ann Arbor Home Energy Rebates](#) is available for specific residential efficiency improvements to help offset some costs. And the OSI will continue to pursue grant funding to help landlords mitigate the overall financial impact on both tenants and landlords.

The compliance timeline allows landlords to determine which modifications may be needed – and to simplify planning and cashflow. During the first few years, there is a lower requirement, allowing flexibility to make larger changes over a few years.

The goal of the Green Rental Housing program is to reduce carbon emissions and standardize health, comfort, and efficiency expectations of all rentals citywide. The OSI will seek to assist landlords in achieving compliance goals wherever possible. In consideration of these goals, it is not anticipated that any unit will receive full exemption from participation in the Green Rental Housing program. But certain

leniencies will be considered where appropriate documentation suggests technical impracticality or infeasibility of compliance.

How can I ensure my unit is compliant?

You get to choose. For all units, there are two pathways to compliance (PICK ONE):

1. **Home Energy Rating System Pathway:**
 - Get a Home Energy Rating System (HERS) score from a certified Home Energy Rater
 - Achieve a score of 110 or lower (a HERS score of 0 indicates a carbon-neutral building, so lower numbers are more efficient). [Find a HERS rater.](#)
2. **Checklist Pathway:** Follow the checklist developed by the Office of Sustainability and Innovations:
 - During Compliance Period 1 (Jan. 6, 2026 - Jul. 5, 2028), units must achieve at least 70 of the total 300 points to be compliant.
 - During Compliance Period 2 (after Jul. 5, 2028), units must achieve at least 110 of the total 300 points.

Landlords have the flexibility to choose the pathway that works best for them and their units. If the initial option is not feasible for any reason, landlords can opt for the other pathway.

How do I fill out the checklist? Do I need to get all the points?

Filling out the checklist is straightforward, and you do **not need to get all the points.**

If you chose the checklist pathway, use the checklist to determine which items and actions are eligible for points. Review the checklist, and, using the accompanying form, note which items and actions are present in and for the unit, along with the supporting documentation.

Landlords can choose the options that work best for them and their unit, provided they meet the minimum point requirements. There are no set paths in the checklist to follow, nor do units need to achieve a specific number of points in a given category – just overall.

Have a question that isn't covered here – or want to share feedback?

Please reach out to GreenRentalHousing@a2gov.org.

We'll add questions and answers to this document as they come in.