

ACC's Green and Inclusive Finance

On April 25 and 26, 2023, ACC and member Bridgeway Capital co-hosted and facilitated a gathering of a dozen Appalachian-regional member CDFIs to share and build knowledge, learning, and insights together and with experienced industry leaders in the area of green and inclusive finance over the course of two hands-on and interactive action learning days. ACC's members are committed to ensuring that diverse communities in Appalachia are an integral part of leading the emerging green transition. Members discussed real-world case studies with colleagues from Virginia Community Capital, Mountain Association, and Pathway Lending and participated in a hands-on solution sprint that drew from identified high-priority green opportunities. Using a fast-paced design-sprint process, ACC members created a regional CDFI roadmap for a broader Appalachian green economic transition that focuses on ensuring BIPOC (Black, Indigenous, and People of Color) and distressed rural communities and entrepreneurs lead the way.



CDFI leaders from across greater Appalachia and special guests from national organizations gathered at Pittsburgh's iconic Energy Innovation Center

Defining Green Finance:

Roundtable participants defined what green finance means to them by contributing to a 'word cloud,' shown to the right. This exercise showed the diverse & wide-reaching contributing elements of emerging green finance in Appalachia, and shows the commitment ACC members have to an inclusive, fair, and community health-focused mindset.



Practitioner Conversations:

Participants engaged in a dynamic exchange with representatives from banks and CDFIs leading innovation in retail-level approaches to green finance, such as Bank of America, JP Morgan Chase, US Bank, ReInvestment Fund, Coastal Enterprises, Inc (CEI), and Solar Energy Loan Fund (SELF). Topics covered included the imperative to make Net Zero ¹ objectives relevant and accessible for small businesses that are more focused on net payroll - recognizing the inherent risk that failure to invest in awareness and capacity-building in this area as a top priority could deepen the exclusion of BIPOC and distressed rural communities from the green opportunity funding and investment wave - as well as concrete recommendations on 'low-hanging' buildable opportunities and approaches for green financial products & services. Discussion included a focus on the imperative to make NetZero and 'Green' strategies an integrated strategic priority for CDFIs, not just as an 'add on' - as increasingly access to capital and other critical operating resources will depend on capacity to deliver on this core regional, national and global priority area.

Solution Sprints:

In a fast-paced setting, teams engaged in a friendly competition to select a solution that met key criteria, including: 1) solution testing within six months & full market deployment within a year, 2) scalable growth potential, and 3) a focus on underinvested communities.

Three solutions emerged from this process, each with its own high-potential implementations that would positively affect the diverse communities that the ACC membership serves. Solutions included:

- An **Energy Efficiency Upgrades Incentive Grant Program** that ties together two important and unique aspects of CDFI practices that stand out from traditional capital sources - namely providing low-cost and patient loans for diverse communities and de-risking new investments for small business owners, who might be more skeptical about prioritizing green investments otherwise. This solution aims to incentivize small businesses to consider making investments in more efficient green energy upgrades through a blended-finance approach.
- An **Online Training and Resource Platform** seeking to accelerate the capacity-building of Appalachia's large and diverse community of contractors, builders, and tradesmen. As investment follows policy shifts toward large-scale transition to green and energy-efficient upgrades regionally, many BIPOC and deep rural contractors may lack the required certifications and skillsets to participate in this emerging transformative economic opportunity. In this solution, ACC CDFI members would develop a virtual technology platform to connect these contractors with the resources, education, and partners in their area to enable them to gain knowledge, skills and network to fully participate in bringing to life the emerging green economy in the region.
- A **Shared Sustainability Knowledge Database & Curriculum Platform** would create a systemic capacity for collective knowledge generation and collaborative learning between and among dozens of regional CDFIs, ensuring their collective ability to aggregate capacity at a cost-effective level. With billions of dollars worth of green-focused funding and support in the pipeline, it is ever more important to provide these CDFIs with the resources and capacity support to lead the green finance transition in the region.

¹ <https://www.un.org/en/climatechange/net-zero-coalition>

A 2035 Vision for Appalachia

During the meeting, ACC members captured their vision for the future in the form of attention-grabbing newspaper headlines that foresee Appalachia's green and inclusive outcomes in 2035. This exercise helped members to contemplate and set aspirational goals for the individual and collective action of regional CDFIs in supporting small businesses and entrepreneurs.

Example 2035 Visions:

Drawdown is a Big Deal - CDFI Partnership
Announces \$5B in Green & Inclusive
Funding for Appalachia Since 2023

Appalachia Ranked #1 Green and Inclusive
Region in US due to Efforts of NonProfit
Lenders

America's heartbeat- How Appalachia
became the leader in green infrastructure
and inspired the rest of the world.

It's the Climate, Stupid! 10 Simple Programs
to Fund Adaptation Strategies and Support
Your Community

Wv surpasses CA with highest installs solar
per capita

Green energy is accessible for all people

Site Visits

Roundtable participants enjoyed a field day of engagement with a number of Pittsburgh's vibrant green-focused initiatives with integrated approaches and high-impact, well-measured community impact and participation. With stops at seven different sites across Pittsburgh, participants enjoyed thoughtful discussions and interactions with area leaders who highlighted the successes, challenges, and key design elements of each initiative.

Roundhouse at Hazelwood



Hazelwood Green Plaza



Mill 19 at Hazelwood Green



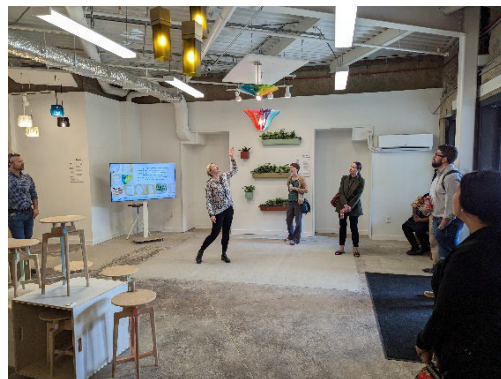
Community Kitchen Pittsburgh featuring the **Hazelwood Initiative**



7800 Susquehanna Street



The Green Leap Project Exhibition



Guest Participants of the Green & Inclusive Finance Roundtable:



BANK OF AMERICA



EASY LOANS FOR IMPROVING HOMES



REINVESTMENT
FUND



JPMORGAN
CHASE & CO.

Participating ACC Members:



**BRIDGEWAY
CAPITAL**



**Carolina
Small Business
DEVELOPMENT FUND**



*Business lending to advance equity
and help communities flourish.*



**SOUTH CAROLINA
Community
Loan Fund**
Investing in Community



**SABRE
FINANCE**

