

Green Bank for Appalachia, Energy Communities, and Underserved Rural America



Growing the next generation energy economy in Rural America

Presentation to Potential Community Lenders – Sept 11, 2023

Green Bank for Rural America



EPA Greenhouse Gas Recovery Fund application timeline:

- Released: July 14, 2023
- Submission Deadline: October 12, 2023
- Notification of Selections: ~March 2024
- Start of Period of Performance: ~July 2024

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The Green Bank for Rural America will grow the next generation energy economy, supporting thousands of businesses and create thousands more quality jobs in economically distressed communities while reducing the carbon footprint in target communities.

This effort will be supported by funding from the EPA Greenhouse Gas Reduction Fund (GGRF), the Appalachian Regional Commission, as well as private investment from corporate and philanthropic partners.

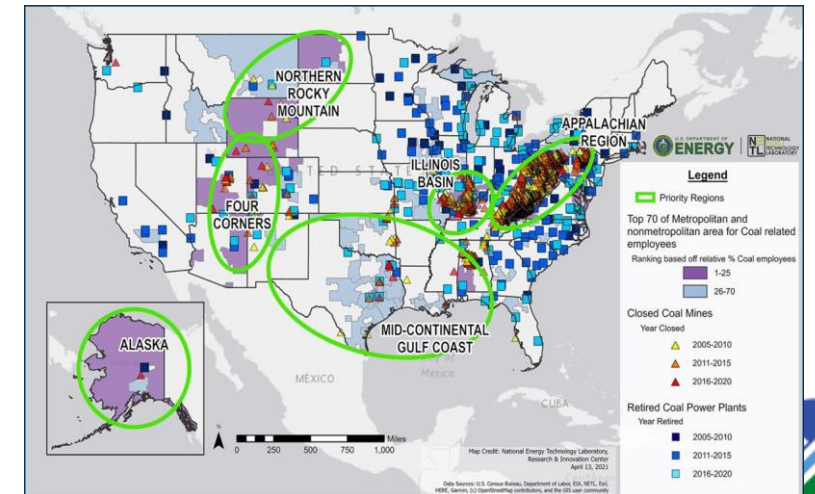
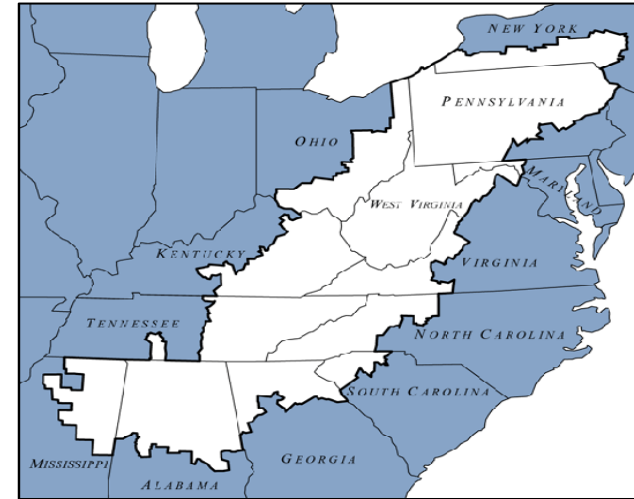
Appalachia and Rural America have powered the economic growth of our nation – from coal, to oil, to natural gas - and the Green Bank will help ensure these communities are well positioned to leverage opportunities presented by the new energy economy.



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Target communities:

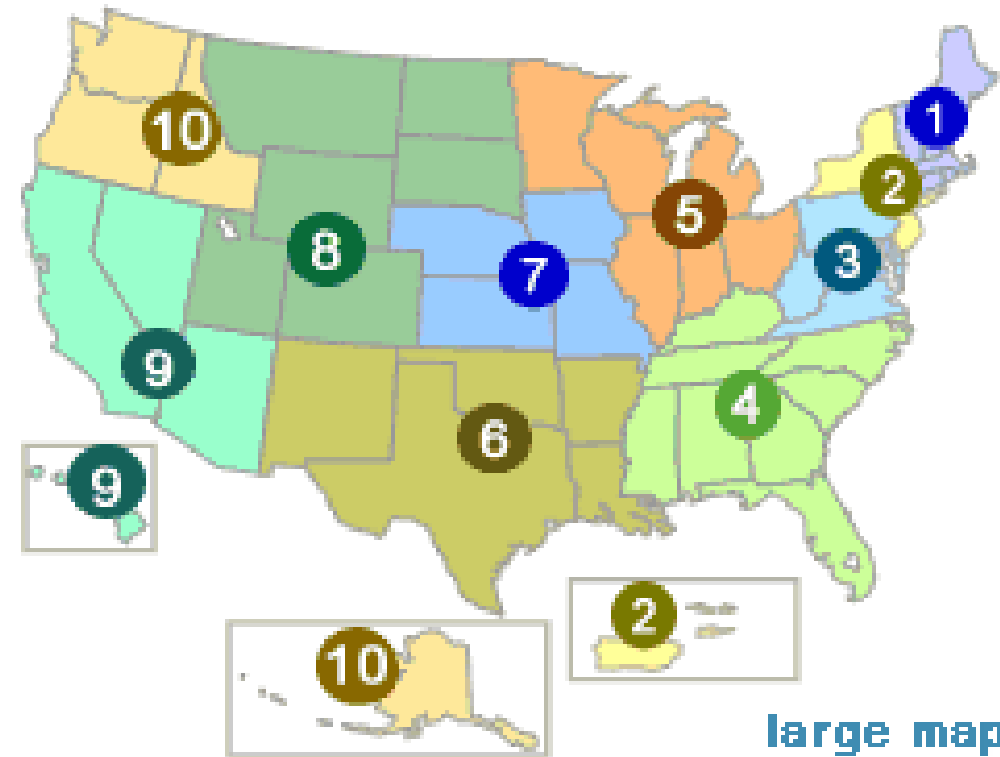
1. Appalachian Region – entire 13 state region.
2. Energy Communities – *see map*
3. Rural Communities
4. Other geographies with High Impact Projects - TBD



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EPA GGRF CCIA program must operate in all 10 EPA Regions.

- Need not operate in all 50 states.
- Need not operate in all counties in a given state.



EPA GGRF supports activities in Low Income and Disadvantaged Communities

100% of EPA GGRF support to be deployed in low-income and disadvantaged communities defined as:

Geography

- [CEJST-Identified Disadvantaged Communities](#), or
- [EJScreen-Identified Disadvantaged Communities](#)

or

Households and Individuals

- For Non-Metropolitan Areas: 80% of AMI and 200% of the Federal Poverty Level or
- Approved for assistance from income-based federal assistance such as HHS, SNAP, School Lunch, SSI, ALICE, etc., or
- Affordable Housing with rents not exceeding 30% of 80% AMI for at least 1/2 of units. Includes LIHTC, Section 8, USDA 514/515, ...

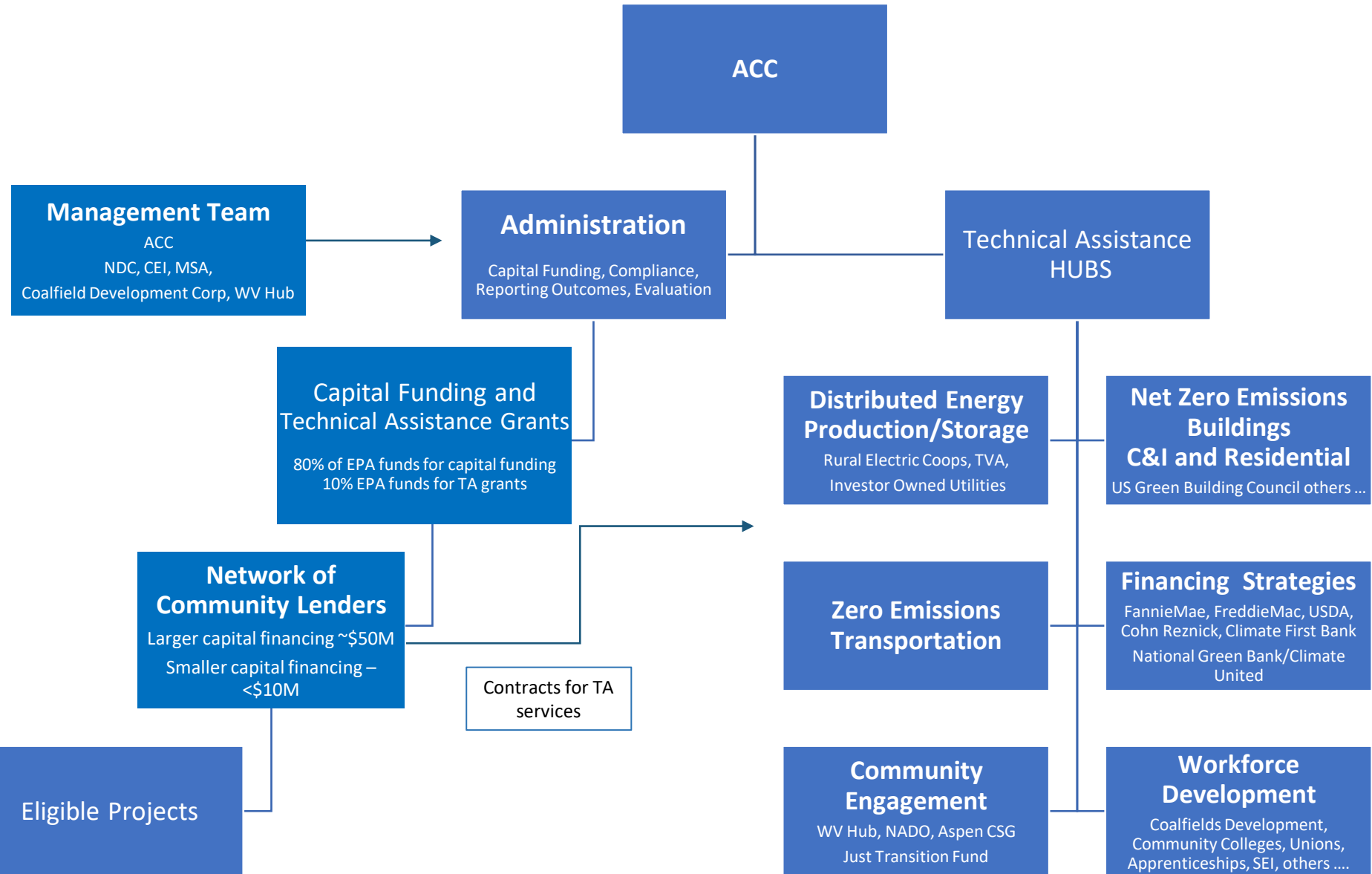
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Management Team / National Partners

- **Appalachian Community Capital.** 34 members that manage +\$2 billion in assets targeting Appalachia communities in 13 states and 423 counties. (EPA Regions 2 - 5)
- **Coastal Enterprises Inc (CEI).** Based in Maine and finances rural nationwide. +\$1.5 billion in deployment for business and communities to support good jobs and environmentally sustainable development. (EPA Regions 1 & 2).
- **Main Street America (MSA) / NTCIC / National Trust for Historic Preservation.** Works in over 1,500 communities nationally with \$2 billion in deployments. Will focus on EPA Regions 7 thru 10 and rural nationwide.
- **National Development Council (NDC).** Nationwide footprint, rural and urban. Over \$6 billion in financings for housing, community facilities, business lending, C&I in 500 communities. Will focus on EPA Regions 7 thru 10 and rural nationwide.
- **Coalfield Development Corporation.** Lead workforce development partner. Nationally recognized leader in workforce development located in the heart of Appalachian coal country, works with business, educational partners, and unions to train employees for quality job opportunities.
- **WV Community Development Hub.** Lead Community Engagement partner. Nationally recognized community development leader located in the heart of Appalachian coal country,



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Network of Community Lenders for the ACC Application

- Three types of eligible Community Lenders per the NOFO
 - Not-for-profit loan fund – 501(c)(3) or Tribal law
 - Public entity loan fund – state, municipality, Tribal government
 - Quasi-government community loan fund – provide a public purpose
 - **CDFIs, Federal CUs, and State CUs are explicitly identified as eligible community lenders**
- Serve Appalachia, Coal and Energy Communities, and/or Underserved Rural Communities
- Community Engagement commitment
- Workforce Development commitment

Capitalization Subawards to Community Lenders

- Pass-through grants or project subsidy
- Most Awards up to \$10 million per Community Lender
- Exception Framework for Awards up to \$50 million per Community Lender
- Must be an existing Community Lender to receive an Award, per EPA
- Reporting and compliance requirements

Financial Assistance: Eligible Uses

Eligible uses by Community Lenders include:

- Debt – senior and subordinate
- Forgivable debt
- Tax credit bridge financing
- New Markets Tax Credit leverage debt
- On-bill financing credit facilities
- Aggregation / Warehousing – with potential resale to secondary market
- Refinancing products
- Lease Financing
- Structured Finance Solutions
- Equity Investments
- Securitization – LLR and interest rate buy down

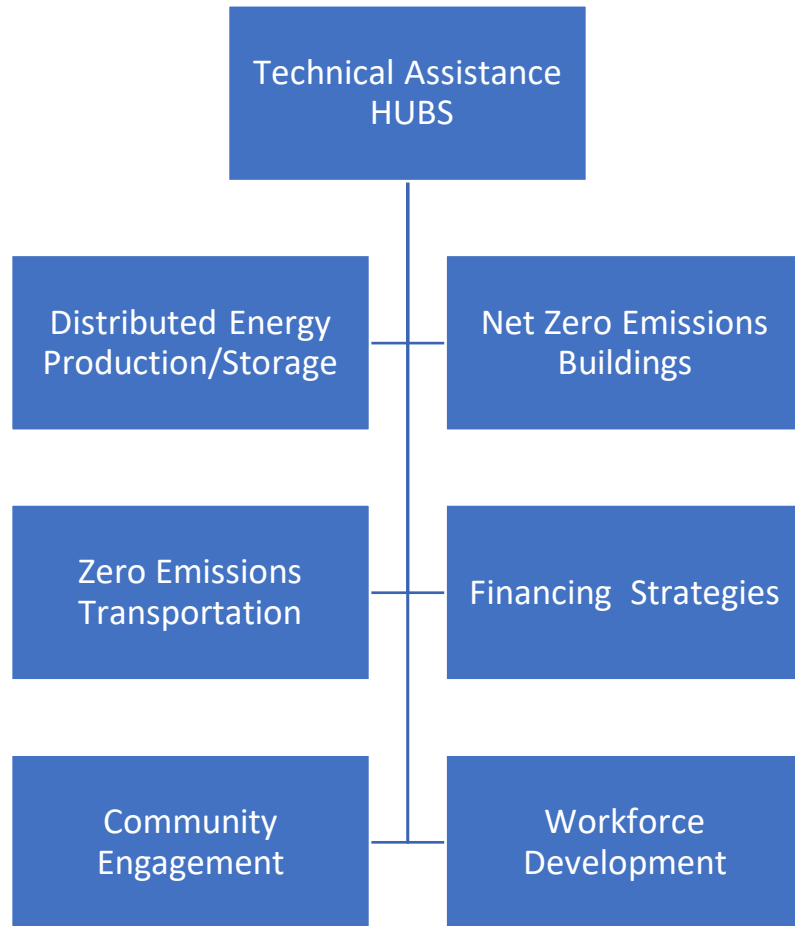
Eligible Projects Checklist

- Qualified Projects
 - Reduce greenhouse gases, air pollution, and contribute to cleaner environments and communities *that wouldn't be otherwise financed*
- Priority Project Areas
 - Low carbon emissions buildings (including housing) – new or renovated
 - Distributed energy generation and storage
 - Zero emissions transportation – cars, buses, trucks, charging infrastructure
- Low and/or Disadvantaged Communities – 100%

Technical Assistance Subawards to Community Lenders

- 10% of Capitalization Funding received by Community Lender
- May be used for activities such as:
 - Supporting pre-development activities (engineering, design, business planning / project development, financial structuring, ...)
 - Procuring training, hiring staff, developing new financial products and internal systems
 - Community Engagement, visioning, planning, project development
 - Workforce Development with community colleges, workforce boards, unions, training organizations
- TA Hubs will offer TA resources to support Community Lenders

TA Hubs and TA Services



- The Green Bank will establish TA Hubs in areas aligned with Program Goals and Priority Projects
- TA Services (webinars, online resources) will be available to all community lenders
- CLs can use their TA subgrants to purchase services from these providers
- CLs can use their TA subgrants to purchase services from other qualified providers / local providers

Examples of TA Services offered include:

Development Services:

- Business plan / feasibility studies
- Market studies / market research
- Financial structuring / modeling, pro forma preparation
- Engineering, design / architectural
- Access to tax credits, utility subsidies
- Raising private capital
- Structuring solar/wind contracts with local utilities
- Clean energy / energy efficiency grant applications
- Workforce Development – workforce training and job readiness
- Community Engagement – community planning, project visioning, project initiation
- Metrics / Measurement Frameworks

Impact Reporting

Community Lenders will report on outputs and outcomes from their green financing, such as:

- **Greenhouse gas emissions/Other Air Pollutants reduced or avoided**
- **Additional Benefits to LIDAC Communities**
- **Priority Projects financed**
- **Community engagement activities**
- **Workforce development activities**
- **Market transformation metrics**

Some metrics are familiar. We will develop templates and training for others

Next Steps – Call to Action!

If you share the desire to bring dedicated funding to rural America, **we need your help:**

- **Letter of Interest as a Community Lender by September 21 or sooner!**
- **Complete our Community Lender Survey by September 15 or sooner!**
- Letter of Support from Communities and Community Organizations
- Letter of Commitment from Workforce Development organizations

Find both on our website:

- [Green Bank for Appalachia, Energy Communities, and Underserved Rural America – Appalachian Community Capital \(appalachiancommunitycapitalcdfi.org\)](http://appalachiancommunitycapitalcdfi.org)

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**Questions/More Information: Contact
Appalachian Community Capital**

GreenBank@acc1.org

Letter Of Interest - Contents

- Describe your organization
- How you serve: 1) Appalachia, 2) Coal / Energy Community, 3) Underserved Rural, or 4) a Tribal Community.
- Which EPA region(s) you serve
 - Link to find the EPA regions www.epa.gov/aboutepa/regional-and-geographic-offices]
- Benefits you expect to access from this opportunity including:
 - \$ capitalization funding you anticipate requesting;
 - \$ of technical assistance grants to support project development and capacity building you anticipate requesting; and
 - Types of technical assistance services you anticipate requesting
- Level of experience and/or commitment to clean technology financing
 - All levels of experience can benefit and are welcome to participate
 - Reference experience financing: Low Carbon Buildings; Distributed Energy Generation & Storage; Zero Emissions Transportation; and/or financing for businesses undertaking the above
- Reference a potential pipeline of qualified projects your organization may deploy over a 36 month period.
 - If possible, please include a pipeline report that notes project name, location, anticipated \$ project size, and a one sentence project description as an attachment to this letter. These projects may be in the early stages of planning and development.

Survey - Contents

It should take about 15 minutes to complete

- Part 1: Information about your organization
 - Types of markets served (EPA regions; coal and rural communities)
 - Types of financial products and services
 - Asset size; cumulative lending; staff size
- Part 2: Clean Energy Lending Questions
 - Types of energy transitions/investments in your market
 - Experience with Clean Energy lending and TA
 - TA needs to start or expand Clean Energy lending
 - Pipeline of Clean Energy lending