

REQUEST FOR PROPOSALS

FUNDING TO SUPPORT DEVELOPMENT OF FINANCING PROGRAMS FOR EQUITABLE CLEAN WATER INFRASTRUCTURE

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SECTION I – INTRODUCTION

1.1 Purpose

The Coalition for Green Capital (CGC) in partnership with Quantified Ventures (QV) and with funding support from the Robert Wood Johnson Foundation, invites interested green banks to apply for up to \$50,000 in grant funding and technical assistance to support development of financing programs for clean water infrastructure.

The purpose of this initiative is to encourage investments in water infrastructure projects in economically disadvantaged communities that will modernize their water infrastructure, improve their climate resilience, and improve health and economic prosperity. Clean water infrastructure could include green stormwater infrastructure, surface water protection, energy & water conservation, and more.

CGC and QV, along with other partners, will select a cohort of six existing green banks to receive funding and technical assistance to build a pipeline of clean and equitable water infrastructure projects that directly benefit disadvantaged communities. In addition to building this pipeline, the project team will work with each green bank to develop the program structure to finance clean water projects that the green bank can build into its portfolio of offerings moving forward. Participating green banks will be able to leverage this experience to build a pipeline of financeable projects for their investment portfolios, build strong relationships with local communities, and engage in peer-to-peer learning with other green banks. Ultimately, the projects identified by the six green banks will have the opportunity for financing either through the Robert Wood Johnson Foundation or through green banks' future Greenhouse Gas Reduction Funds.

The key dates for green banks interested in this RFP are as follows:

- February 15th (4-5pm ET) – Informational video call hosted by CGC and QV
- March 18th – Responses to this RFP due to CGC by 11:59pm PT
- Late March / Early April – Anticipated selection and announcement of grant recipients
- Early / Mid April – Kickoff meeting

1.2 Program Overview

Background

The Robert Wood Johnson Foundation is committed to cultivating a [Culture of Health](#) rooted in equity that provides every individual with a fair and just opportunity to thrive, no matter who they are, where they live, or how much money they have. This includes supporting the development of the physical, economic, and social conditions in communities that enable all residents to reach their best possible health and wellbeing. Clean water infrastructure is imperative for good health and a critical solution for environmental justice because of its ability to rapidly deliver benefits to communities most impacted by a changing climate.

In the world of climate financing, private capital has been more comfortable financing renewable energy and energy efficiency projects because those projects have built the perception that they are more financially viable in comparison to natural climate solution projects, such as water, agriculture, and land conservation, which still struggles to attract the financing support needed to make them viable.

Green banks have a proven track record of removing perceived barriers to scale investments in clean energy technology. Green banks can now play the same role in accelerating investments in water infrastructure projects by filling financing gaps in the market.

The driving force behind this opportunity is the EPA's announcement of an unprecedented \$27 billion [Greenhouse Gas Reduction Fund](#) (GGRF) created by the Inflation Reduction Act. The historic federal investment is designed to mobilize financing and private capital to combat the climate crisis and advance American economic competitiveness by delivering lower energy costs, economic revitalization, and prioritizing historically disadvantaged communities.

GGRF is designed to achieve the following objectives:

1. Reduce greenhouse gas emissions and other pollutants.
2. Deliver the benefits of greenhouse gas- and air pollution- reducing projects to American communities, particularly low-income and disadvantaged communities.
3. Mobilize financing and private capital to stimulate additional deployment of greenhouse gas and air pollution reducing projects.

Achieving Clean Water and Climate Objectives:

There are two key outcomes associated with this effort. First, is building a pipeline of financeable water projects for each cohort green bank. Second, is designing the structure of the financing programs that the green banks can use to finance clean water projects in the future. Long-term, the project team intends to scale these programs by encouraging other green banks to adopt and adapt the offerings developed by the cohort of green banks selected through this endeavor. We envision a future where the entire network of green banks – capitalized through GGRF funds – has the tools they need to establish and implement clean water financing programs in their respective geographies.

Given this long-term objective, it is critical that potential projects are eligible for GGRF funding by meeting GGRF’s criteria for project types and project attributes:

1. **Project Types:** GGRF guidance for eligible project types mirrors the categories established in the White House’s Justice40¹ initiative. One of these categories is “Clean Water Infrastructure”. While this category is only broadly defined by Justice40, to ensure alignment with the EPA’s objectives, the project team will focus on water projects that meet the EPA’s definition of “Clean Water Infrastructure” as defined by the [CWSRF](#) guidelines.
2. **Project Attributes:** Within the eligible categories, any project receiving GGRF funding must also meet the specific eligibility requirements² that further GGRF’s stated objectives. This includes reducing GHG emissions, reducing other air pollutants, mobilizing private capital, and more.

Taken together, eligible projects could include green stormwater infrastructure (ex. rain gardens, bioswales, urban tree canopy), energy conservation (ex. on-site renewable energy or methane capture associated with water utilities), surface water protection (ex. purchase of land or water rights to reduce runoff from residential & commercial development), or water conservation (ex. water efficient appliances, safe drinking water, water meters).

Note – this list is not exhaustive and will be scoped out in partnership with cohort green banks. There are numerous ways for clean water and drinking water infrastructure projects to meet the carbon reduction goals of the GGRF, while simultaneously providing a range of other resilience and health benefits. For further examples, Duke University’s Nicholas School for Energy, Environment, and Sustainability has outlined [opportunities for financing nature-based solutions](#).

¹ Memo, Interim Implementation Guidance for the Justice 40 Initiative, M-21-28 (whitehouse.gov)

² CCIA NOFO: Appendix B – Eligible Project Checklist

Pipeline Development Considerations

In addition to developing a pipeline of projects that meet the EPA and GGRF-eligibility criteria, the project team also will help the Green Banks develop projects that have a strong connection to health and equity and directly benefit disadvantaged communities. To provide additional guidance to applicants on how the project team approaches its community and equity goals, below is the CGC’s “3-5-7 Framework,” which was developed by CGC’s Environmental Justice Advisory Board in conjunction with community advocates and network community based organizational partners. The purpose of the framework was to ensure that justice frameworks and community priorities would be reflected early in the project design and selection process. Though not required, applicants are invited to use this framework in developing pipeline for this project.



SECTION II – FUNDING OPPORTUNITY AND PROPOSAL REQUIREMENTS

2.1 Funding Opportunity

Grant funding of ~\$50,000/grantee will be available to support up to six selected green banks.

Selected green banks may use grant funding for staff and consultant costs necessary to perform due diligence; partner with community organizations; build community engagement and support; and integrate goals and commitments related to clean water, public health, and racial and social equity through the following activities:

- Establish an initial phase of community engagement to identify shared priorities around financing clean water infrastructure in disadvantaged communities.
- Develop, with technical support from CGC and QV, a project pipeline and suite of financing programs that green banks can deploy once they receive RWJF or future GGRF capitalization funding.
- Contribute to the development and socialization of a best practices guide to further enhance nationwide expansion of “resilience financing” amongst the national green bank community.
- Support green bank cohort participation in quarterly peer-to-peer learning sessions to share best practices, technical assistance, and guidance from the project team.

To meet the objectives above, the following engagement will be expected from each cohort member green bank:

- Participation in kickoff meeting with the project team (in-person or virtual)
- Engage in predevelopment workshop to identify local priorities and project areas (in-person)
- Participate in monthly check-ins with the project team (virtual)
- Participate in quarterly peer-to-peer learning sessions with other cohort green banks (virtual)
- Engage with the project team and community partners as needed (virtual or in-person)
- Active participation and support from the organization’s CEO

At the conclusion of the cohort, participating Green Banks may be eligible to submit a proposal to RWJF for balance sheet debt or credit enhancement to support implementation of the pipeline.

2.2 Proposal Requirements

Successful applicants will (1) develop investable water infrastructure projects in disadvantaged communities, (2) integrate efforts across stakeholders in the water infrastructure ecosystem (ex. CBOs, municipal partners, water utilities), (3) have an identified community engagement strategy to develop local priorities, and (4) have a diverse leadership team. The cohort will also be geographically diverse to create replicable use cases.

A completed proposal must include:

1. A statement of interest describing why the entity is applying for funding, how funding would fit within the entity's priorities and activities, and what success would look like.
2. Description of how the green bank will leverage this opportunity to finance clean water infrastructure in disadvantaged communities to advance health, social, and racial equity.
3. Overview of the strategy, work plan, and approach.
4. Example of green bank's experience building community partnerships and designing financing programs to fit those communities' needs.
5. Identification of potential types of projects the green bank would be interested in pursuing and relevant partnerships that could form starting point for development of project pipeline (Appendix).
6. Project team organizational chart (Appendix).
7. Budget for the grant funds (Appendix).
8. A list of references for 3 community organizations or community partners with whom the green bank has collaborated in the past OR hopes to partner with in the future (Appendix).

Proposals should be limited to 12 pages, not including resumes and supplementary materials (e.g., appendices, images, reports, articles). The written proposal will be the only form of proposal considered by CGC.

Information contained in any proposal will be considered proprietary and will be shared only within the grant project team, selection panel, and the Robert Wood Johnson Foundation.

The following commitments are expected of each cohort green bank:

- Commitment from green bank CEO / senior leadership
- Identify green bank staff lead point of contact for the CGC / QV team to work with over course of project.
- Involvement of senior leadership – when needed – in nurturing relationships with relevant community stakeholders, particularly in disadvantaged communities.
- Commitment to ensuring the community is engaged in development/planning of financing programs.
- Commitment to ensuring the community is engaged in development/planning processes that are associated with project identification and pipeline development.
- Commitment to making future capitalization funds available for clean water infrastructure projects.
- Commitment to serving people of color and those with low and moderate incomes and to advancing health equity.

SECTION III – APPLICATION SELECTION PROCESS AND CRITERIA

Proposals must be submitted in PDF format to Nenha Young (nenha@coalitionforgreencapital.com) and William Barber III (william@coalitionforgreencapital.com) before Monday, March 18th, 2024 at 11:59 pm PT.

All completed proposals will be reviewed by the project team and an external review panel, with funded cohort announced in late March. Proposals will be scored on a 100-point system, with selection criteria including (but not limited to) the following:

- Potential project types and relevant partners that could form basis of project pipeline (25 points)
- Demonstrated commitment to the project (20 points)
- Clear plan for community engagement or community partnerships (20 points)
- Capacity to execute on time and budget (20 points)
- Potential to leverage additional grants and financing (15 points)

Project Team

Coalition for Green Capital (CGC) was founded in 2012 with a mission to create a national green bank. When the Green Bank Act was not passed by Congress, CGC pivoted to developing green banks at the state and local levels. CGC hypothesized that achieving state and local success would build a track record, make a difference in the fight against climate change, and make the eventual creation of a national green bank more likely. Now, that day has arrived and CGC is in the process of applying to get access to \$5-\$11 billion from the EPA to serve as one of 2-3 national green banks that will emerge through the Greenhouse Gas Reduction Fund. Becoming the national green bank would be the culmination of CGC's efforts over the past 14 years, which has seen it help establish 20+ green banks around the country and advance the movement through policy advocacy, strategic development, and technical assistance.

Quantified Ventures (QV) is a nationally recognized leader in implementing innovative funding and financing strategies for environmental projects. Our success hinges on our ability to 1) identify untapped financial resources, typically based on a rigorous evaluation of project outcomes and their beneficiaries, and 2) structure innovative partnerships and transactions that engage new stakeholders. QV has direct experience in establishing and administering water, energy, and climate financing programs at both a nationally leading infrastructure bank and state revolving funds. QV can offer green banks technical assistance to address a range of their operational and programmatic needs, including what types of environmental infrastructure projects they can support and what financing tools they can leverage.

Support for this program was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation

SECTION IV – FREQUENTLY ASKED QUESTIONS

Who may apply for funding?

Any entity that is formed as a “Green Bank”, will be pursuing funding through the Greenhouse Gas Reduction Fund, has an investment portfolio (planned or realized) that is predominantly focused on climate investments, and satisfies the application requirements laid out in the RFP. Green bank formation status (ex. non-profit vs. state agency) and capitalization status will not be considered barriers to application.

What are the eligible uses of funding?

Funds can be used for all reasonable expenses incurred while meeting the demands of the RFP, including but not limited to:

- General capacity building;
- Staff support;
- Hiring of consultants and outside contractors;
- Pass-through funding for community partners.

What is the anticipated time and staffing needed for this project?

This engagement is expected to run through December 2024. During that time, engagement is expected to include:

- Kickoff meeting
- In-person predevelopment session (in-person)
- Monthly team check ins (virtual)
- Quarterly peer-to-peer learning sessions (virtual)
- Ad hoc engagement with project team, community partners (virtual or in-person)

May the green bank pass through or subcontract funding to other organizations?

Yes

May green banks partner with other institutions on the grant?

Yes

What type of reporting will be required of the green banks?

During the monthly team check-ins, CGC gather data on community engagement strategies, additional needs to increase the absorptive capacity of the coalition green banks and their representative communities.