# Montgomery County (Maryland) Green Bank

The Nation's First County Green Bank

May 22, 2017

**ACEEE Energy Efficiency Finance Forum--Chicago, Illinois** 

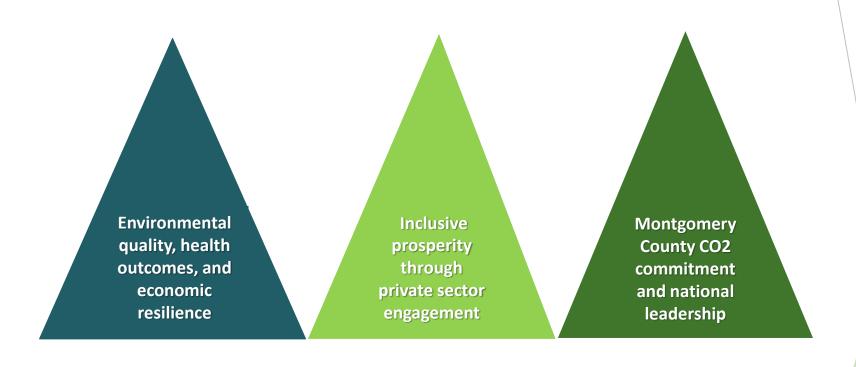
**Fundraising Sources and Investment Decisions** 

## Statement of Purpose

The Montgomery County Green Bank is a publiclychartered nonprofit dedicated to accelerating affordable clean energy and energy efficiency investment in Montgomery County, Maryland.

We partner with the private sector to *inclusively* build a more prosperous, resilient, sustainable, and healthy community.

### Montgomery County Green Bank Goals



Jobs CO<sub>2</sub>

#### About Us

- ► Publicly-chartered by Montgomery County, MD--June, 2015 with 9 month pre-launch County work group process
- ▶ 11 members on the Board of Directors—2 County
- ► Designated as the County's Green Bank--July, 2016--an incorporated nonprofit (pursuing 501c3 status)
- ► Highly engaged board and partners (DEP, CGC), pro bono, in kind, and small gift support, Governance and Operations established--ED starts 6/17
- ➤ Set to receive ~\$14m in funding over 3 fiscal years (\$6M by 3Q, 2017) from the County via the Pepco-Exelon utility merger settlement agreement (Customer Investment Fund)

### Market Focus and Operating Model

- Nonprofit start up with initial funding from merger, no regularly recurring capital infusion
- Priorities— LMI and Affordable Housing Mandate, Scaling Markets/Sectors Broadly—Gap Focus, Deeper Retrofits and Resilience, Leverage and Sustainability
- ► Single Family—loan loss reserve planned
- ► *Multi-Family*—"additionality"-focused direct lending with affordable housing partners, technical assistance and/or credit enhance PACE
- ► Commercial—non REIT; loan loss reserve planned

### Capitalization and Fundraising

- ► Initial \$14.1M capitalization from utility merger: \$3M in FY17 (5/17), \$3M in 1QFY18 (9/17), \$8M in FY19
- ► Secured first 6-figure philanthropic gift—April, 2017 for communications and replicability (Maryland+)
- ► Partner Compendium and Sources of Funds docs fundraising and media strategy development underway
- ► CDFI (-like) subsidiary to be explored FY18
- Standardization to enable future securitization a priority

# Thank you

Comments and Questions:

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www.mcgreenbank.com