

2020 Renewable and Energy Efficiency Financing Grant Program

Overview

The **Renewable and Energy Efficiency Financing Grant Program**

is a four-year partnership between Opportunity Finance Network (OFN) and an anonymous donor. Between 2019-2022, OFN will provide up to a total of \$5.25 million in grants to OFN members focused on renewable and energy efficiency financing.

The 2020 program will provide between fifteen to twenty total grants—ranging from \$50,000 to \$200,000 per award—to provide lending capital and/or loan loss reserves to OFN members for renewable and energy efficiency financing. A total of up to \$1,450,000 in grants will be made in 2020.

2020 Renewable and Energy Efficiency Financing Grant Program and Selection Criteria

Improving the energy efficiency of housing, businesses, and community facilities can transform lives and communities by lowering operating costs, creating “green collar” jobs, increasing resilience, and reducing carbon emissions.

Renewable and energy efficiency are growing sectors in the CDFI industry and include financing of energy efficiency improvements and retrofits and renewable energy installations—such as lighting, weatherization, insulation, solar panels, and other renewable energy sources—for residential and commercial properties. These energy measures lead to reduced utility bills for building owners and tenants, improved indoor air quality and comfort, and healthy, resilient communities, all while mitigating climate crisis. Further, energy efficiency improvements often lead to other behaviors positive for the environment, such as recycling, sustainable water usage, and adoption of alternative energy sources. Finally, renewable energy and energy efficiency are important drivers of economic development, key as we work to respond to and recover from the COVID-19 health and economic crisis.

The *Renewable and Energy Efficiency Financing Grant Program* Selection Committee will evaluate eligible applicants according to the five criteria below.

1. Renewable and Energy Efficiency Strategy

A compelling strategy to expand affordable renewable and energy efficiency financing products and services that benefit low-income communities.

2. Use of Funds

A compelling proposed use of the *Renewable and Energy Efficiency Financing Grant* award funds to advance the applicant’s strategy in ways that otherwise would not be possible. Note: The Award must be used for lending capital or for a loan loss reserve. The Award cannot be used for operating purposes.



3. Evaluation

A solid track record of defining and measuring impact over the applicant's history and an articulation of how applicant plans to define, project, and evaluate outcomes/impacts of the proposed strategy.

4. Readiness

A clear description of the resources (e.g. staff, financial, partners, capital) needed for the applicant to implement its strategy, how the applicant plans to obtain those resources, and the status of the resources (in hand, committed, application submitted, early talks, etc.)

5. Financial Strength and Performance

Acceptable financial performance and risk management, and a sound business model that positions the organization for sustained growth, innovation, and success.

In evaluating strategies against the criteria above, the **Renewable and Energy Efficiency Financing Grant Program** will prioritize strategies that incorporate one or more of the following:

- **Innovation:** Applicant's strategy involves innovation in product design, marketing, technology, or another component that creates or expands access to affordable renewable and/or energy efficiency products and services to low-income communities.
- **Replicability:** Applicant's strategy has the potential to be adopted and implemented by other CDFIs or organizations.
- **Scalability:** Applicant's strategy positions a CDFI (with its partners) to significantly scale a renewable energy or energy efficiency financing product or service to serve greater numbers of low-income, low-wealth consumers.
- **Impact:** Extent to which applicant's strategy benefits their target communities, particularly low-wealth, low-income, and under-resourced communities.

Award Types

Fifteen to twenty total grants—between \$50,000 to \$200,000 each—will be awarded to OFN members. A total of \$1,450,000 will be awarded this year.

Conditions of the Award

The Award must be used for lending capital or for a loan loss reserve. The Award cannot be used for operating purposes.

Awardees are required to sign grant documents associated with their Award.



Awardees will be required to submit a narrative report related to progress of the Awardees' strategy and a financial report related to the use of funds due one year following receiving an award.

Awardees will contribute to and participate in efforts by OFN to promote awardees' innovative strategies and spark replication through articles, webinars, social media, etc.

IMPORTANT NOTES:

Note about applicants:

- CDFIs must be an OFN member to apply for the *2020 Renewable and Energy Efficiency Financing Grant Program*.
- While CDFIs that received an award from the *2019 Energy Efficiency Financing Grant Program* are eligible to apply for a 2020 award, the total maximum amount any CDFI will be awarded through this awards program between 2019-2022 is \$200,000.

CONFIDENTIALITY: OFN will to the best of its ability ensure the confidentiality of all application materials. OFN staff, contractors, and members of the Selection Committee will review materials submitted in connection with the *2020 Renewable and Energy Efficiency Financing Grant Program*, as necessary and appropriate.

DISCLAIMER: OFN reserves the right to reject any and all applications, and no applicant has any rights to any award unless and until granted in writing and applicant complies with all terms and conditions of the *2020 Renewable and Energy Efficiency Financing Grant Program*.



Application Materials for the 2020 Renewable and Energy Efficiency Financing Grant Program

Eligibility to Apply

To be eligible for the **2020 Renewable and Energy Efficiency Financing Grant Program** organizations must satisfy each of the three conditions specified below.

1. Charitable Purpose

Applicant is a U.S. tax-exempt organization with a current 501(c)(3) determination letter from the Internal Revenue Service. If your organization does not have this tax status, it may be eligible if it is a U.S. Treasury CDFI Fund certified CDFI.

NOTE: CDFI Fund certification does not automatically guarantee eligibility. If the organization is not a 501(c)(3), OFN may request additional information during the application review process to determine whether the activities that would be supported by the Energy Efficiency Financing Grant Program comply with relevant rules and regulations for charitable giving. For more information on the CDFI Fund, please visit www.cdfifund.gov.

2. Is an OFN Member

Applicant is a member of the Opportunity Finance Network.

3. Current Plan

Applicant is operating under a business plan or strategic plan that was written or updated within the last five years.

2020 Selection Criteria

The Energy Efficiency Financing Grant Award Selection Committee will evaluate eligible applicants according to the five criteria below.

1. Renewable and Energy Efficiency Strategy

A compelling strategy to expand affordable renewable and energy efficiency financing products and services that benefit low-income communities.

2. Use of Funds

A compelling proposed use of the *Renewable and Energy Efficiency Financing Grant* award funds to advance the applicant's strategy in ways that otherwise would not be possible. Note: The Award must be used for lending capital or for a loan loss reserve. The Award cannot be used for operating purposes.

3. Evaluation



A solid track record of defining and measuring impact over the applicant’s history and an articulation of how applicant plans to define, project, and evaluate outcomes/impacts of the proposed strategy.

4. Readiness

A clear description of the resources (e.g. staff, financial, partners, capital) needed for the applicant to implement its strategy, how the applicant plans to obtain those resources, and the status of the resources (in hand, committed, application submitted, early talks, etc.)

5. Financial Strength and Performance

Acceptable financial performance and risk management, and a sound business model that positions the organization for sustained growth, innovation, and success.

In evaluating strategies against the criteria above, the **Renewable and Energy Efficiency Financing Grant Program** will prioritize strategies that incorporate one or more of the following:

- **Innovation:** Applicant’s strategy involves innovation in product design, marketing, technology, or another component that creates or expands access to affordable energy efficiency products and services to low-income communities.
- **Replicability:** Applicant’s strategy has the potential to be adopted and implemented by other CDFIs or other organizations.
- **Scalability:** Applicant’s strategy positions a CDFI (with its partners) to significantly scale a consumer financial product or service to serve greater numbers of low-income, low-wealth consumers.
- **Impact:** Extent to which applicant’s strategy benefits their target communities, particularly, low-wealth, low-income, and under-resourced communities.

2020 Timeline

2020 Renewable and Energy Efficiency Grant Program Launch	April 28, 2020
Application period open	April 28, 2020 – June 5, 2020
Application deadline	June 5, 2020 (11:59 PM ET)
Selection committee review	June 8, 2020 – June 19, 2020
Applicants notified	June 22, 2020 – June 26, 2020
Grants disbursed	June 29, 2020 – July 3, 2020

How to Apply

Applicants must submit applications electronically at [Renewable and Energy Efficiency Financing Grant Program](#)



Detailed Application Guidelines for the Renewable and Energy Efficiency Financing Grant Program

The following is a complete list of the materials you will need to apply for the 2020 Renewable and Energy Efficiency Financing Grant Program.

**Applicants must upload all items except #1 Organizational Information. The Organizational Information section is an online questionnaire.*

1. Organizational information: Online questionnaire

The application will prompt applicants to enter the legal name and address of the headquarters of the entity seeking to receive an award. Email addresses and phone numbers will be requested for a lead contact person and/or the President or Executive Director.

2. Renewable and Energy Efficiency Financing Grant Program Award Statement:

Word document; max. 1,500 words

A statement which provides a compelling strategy to expand affordable renewable energy and/or energy efficiency financing products and services that benefit low-income communities and addresses the following (**key questions to address are bolded**):

Overview

- **Briefly describe the mission and core activities of applicant and why renewable and/or energy efficiency financing is important to the organization's activities.**

Rationale for Strategy

- **What are/were the motivators for your CDFI to consider its strategy?**
- **What is the unmet market demand that your CDFI is addressing?**
- Does your strategy depend on having other partners or community resources in place? Describe any agreements with significant partners, or where you are in the process with partners.
- **Describe your organization's target market for its strategy.**
- Please describe any innovations in your strategy in terms of the products offered, populations served, and/or program design (e.g. marketing, technology)?
- Does your strategy have replication potential in the CDFI industry, and if so, how (e.g., a platform that other CDFIs could use or a product, innovation, or strategy that other CDFIs could adopt)?
- Are you planning to expand geographically with your strategy?

Use of Funds

- **How will you use the funds and how would a *Renewable and Energy Efficiency Financing Grant Program Award* advance your strategy in ways that may otherwise not be possible?**



- Does your CDFI have or plan to raise other loan capital or grant sources to support the strategy?

Impact and Evaluation

- **What outcome and impact measures will be the most relevant to your strategy? How do you plan to collect the data, and how will the data collection be integrated in your current systems to track data?**
- **How will your strategy benefit your target communities, particularly, low-wealth, low-income, and under-resourced communities?**

Readiness and Viability

- **How will your organization implement your strategy?** What additional resources will you need, if any? What team member(s) is leading the proposed strategy and what changes, if any, are needed at the staff or board level to implement your strategy?

3. Current Business or Strategic Plan: PDF format preferred; No max. length

Please provide a copy of the applicant's current business plan and/or strategic plan. This document should have been updated within the last five years.

4. Latest Interim Financial Statements: PDF format preferred; No max. length

Please provide interim financial statements for your most recently completed quarter or month, preferably year to date actuals against the budget.

5. Impact / Outcomes

Please provide a sample impact tracking report or a list of impact and outcome indicators your CDFI collects.

6. Key Staff; PDF format preferred; No max. length

A document listing key staff (name and position) with a summary of their experience and qualifications.

7. Board of Directors; PDF format preferred; No max. length

A list of the members of the Board of Directors with institutional affiliations.

8. IRS Tax-Exempt Determination Letter(s) or Proof of CDFI Fund Certification; PDF format; No max. length



Provide copy(ies) of 501(c)(3) tax-exempt determination letter(s) from the U.S. Internal Revenue Service regarding the applicant organization's charitable purpose and tax-exempt status OR provide proof of CDFI Fund certification (letter or other correspondence from the CDFI Fund).

Questions and Technical Assistance

If you have questions about the application process for the *2020 Renewable and Energy Efficiency Financing Grant Program*, please email Seth Julyan at sjulyan@ofn.org or 202.868.6920.