Energy Efficiency Financing Grant Program

Overview

The Energy Efficiency Financing Grant Program is a partnership among Opportunity Finance Network (OFN) and an anonymous donor. The 2019 program will provide six to ten total grants - between $50,000 to $200,000 - to OFN members. A total of $900,000 in awards will be made.

2019 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, and reducing carbon emissions.

Energy efficiency is a growing financing sector in the CDFI industry and includes energy efficiency improvements and retrofits -- such as lighting, weatherization, insulation, solar panels, and other renewable energy sources -- for residential and commercial properties. These lead to reduced utility bills for building owners, lower rents for tenants, and positive behaviors for the environment, such as recycling, sustainable water usage, and adoption of alternative energy sources.

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

1. Energy Efficiency Strategy
   A compelling strategy to expand affordable energy efficiency financial products and services that benefit low-income communities.

2. Use of Funds
   A compelling use of funds that demonstrates how the applicant will use the Energy Efficiency Financing Grant Award to advance the applicant’s strategy in ways that otherwise would not be possible.

3. Impact
   A solid track record of tracking impact and outcomes over the applicant’s history and an articulation of how applicant plans to develop projections for outcomes/impacts of the proposed strategy.

4. Readiness
A clear articulation of any resources (e.g. staff, financial, partners, capital) the applicant anticipates needing to implement its strategy, and how the organization plans to obtain the resources.

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 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 an energy efficiency financial product or service to serve greater numbers of low-income, low-wealth consumers.

**Award Types**
Six to ten total grants- between $50,000 to $200,000 – will be awarded to OFN members. A total of $900,000 in awards will be made.

**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.

**IMPORTANT NOTES:**

**Note about applicants:**

- CDFIs must be an OFN member to apply for the 2019 Energy Efficiency Financing Grant Program.
**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 2019 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 2019 Energy Efficiency Financing Grant Program.
Application Materials for the Energy Efficiency Financing Grant Program

Eligibility to Apply
To be eligible for the 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.

2019 Selection Criteria
The Energy Efficiency Financing Grant Award Selection Committee will evaluate eligible applicants according to the five criteria below.

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In evaluating strategies against the criteria above, the 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.

2019 Timeline

**November 14**
APPLICATION AND GUIDELINES POSTED
Application and guidelines launched.

**November 14 – December 13**
APPLICATION PERIOD
Applications and supporting documents are uploaded online at Energy Efficiency Financing Grant Program Application. **All applications must be submitted online. Hard copy applications will not be accepted.** The cutoff for applying is 8:00 PM EST on December 13, 2019. Applications will not be accepted after this deadline.

**December 23-31**
All applicants will be notified of their status by the end of 2019.

**How to Apply**
Applicants must submit applications electronically at Energy Efficiency Financing Grant Program Application.
Detailed Application Guidelines for the Energy Efficiency Financing Grant Program

The following is a complete list of the materials you will need to apply for the 2019 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. Energy Efficiency Financing Grant Program Award Statement:
Word document; max. 1,500 words

A statement which provides a compelling strategy to expand affordable energy efficiency financial 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 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 an 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**
- 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?

**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 be 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.

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 2019 Energy Efficiency Financing Grant Program, please email Seth Julyan at sjulyan@ofn.org or 202.868.6920.