2024 Financial Innovations Roundtable Summary

Collaborative Infrastructure for Equitable Climate Finance: Market-Building and Lender Capacity-Building

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About the 2024 Financial Innovations Roundtable

Now in its 26th year, the Financial Innovations Roundtable (FIR), located at the Carsey School of Public Policy at the University of New Hampshire, has worked to address problems related to access to capital for low- and moderate-income consumers and communities. The FIR works with a range of financial institutions, government agencies, foundations, and trade associations to access their expertise for problem-solving discussions. This year's FIR (June 3–4, 2024) was hosted again by the Federal Reserve Bank of New York and explored opportunities for collaborative infrastructure for equitable climate finance in the context of the Greenhouse Gas Reduction Fund (GGRF). The FIR agenda was inspired by an earlier convening (April 26, 2024) in Washington, D.C., with many of the same stakeholders, shortly after the U.S. Environmental Protection Agency announced selectees of its Clean Communities Investment Accelerator (CCIA) and National Clean Investment Fund (NCIF) awards.

The Greenhouse Gas Reduction Fund, the full Inflation Reduction Act, other unprecedented Federal legislation, and growing regional and local initiatives are creating the perfect storm—a once-in-a-generation opportunity to transform communities and ignite progress and prosperity, with a particular focus on low-income and disadvantaged communities. This Financial Innovations Roundtable brought together GGRF awardees, sub awardees, and partners, as well as experienced practitioners, thought leaders, and investors from across the ecosystem needed for efficient and effective implementation. With a primary focus on the cross-cutting topics of **capacity-building** and **market-building**, participants discussed collaboration opportunities across the ecosystem.

The FIR was structured in two tracks, each addressing a key element of building a pathway—building a market and building the capacity of the field to serve that market. The event had 111 participants from a variety of sectors including community financial institutions, government agencies, philanthropic organizations, banks, technical assistance providers, and other organizations supporting clean energy and decarbonization in low-income and disadvantaged communities (LIDAC). All eight CCIA and NCIF selectees were represented.

Introduction and Framing

Claire Kramer Mills, Director of Community Development Analysis and Insights at the Federal Reserve Bank of New York, opened the FIR with a welcome and introduction.

Michael Swack, Senior Fellow and Founding Director of the Center for Impact Finance at the University of New Hampshire's Carsey School of Public Policy, thanked our gracious hosts at the NY Fed and the sponsors of this year's FIR: Wells Fargo Foundation, JP Morgan Chase, Deutsche Bank, Robert Wood Johnson Foundation, Kresge Foundation, MacArthur Foundation, and Schmidt Family Foundation. He introduced the incoming director of UNH's Carsey School of Public Policy, Stephen Bird.

Swack noted that Greenhouse Gas Reduction Fund (GGRF) resources present a huge opportunity and challenge to the community development finance field. We all know that. How community development finance performs over the next five years in deploying resources to serve our target communities will define the field for a long time. And people will be watching. Politicians, federal and state agencies, funders, investors, and members of our communities—you name it.

"Collaboration" is a popular buzzword we often hear. We learn that it's a good thing to collaborate, for example, within your workplace. If you say someone is collaborative—that's a compliment. But what about collaborating with people, organizations, companies, and communities to accomplish goals outside the workplace? Does collaboration work?

Well, it must. Today and tomorrow, we hope to dig deep to discuss what many in the field understand to be two of our primary challenges. First, how do we build the market for billions of dollars of investment to combat the climate crisis by mobilizing financing and private capital for greenhouse gas- and air pollution-reducing projects in low-income and disadvantaged communities across the country? Second, how do we build the capacity of GGRF-funded organizations and related support organizations to serve that market? Our meeting over the next two days will focus on those two questions.

Effective collaboration should empower everyone involved. The organizations represented in this room should be able to share ideas, concerns, questions, and thoughts to spark conversation, form connections, find solutions, and, most importantly, help achieve our goals. **Sharing expertise and ideas** means drawing on the specialist knowledge of other organizations, lenders, funders, investors, marketing people, and tech people. For our field, this will be more essential than ever before. And that will mean changing how we do our work—or our business model—because we have never had a challenge of this size and scope. So, collaboration and change—both hard to do. Especially together!

Eric Hangen, Senior Fellow at the Center for Impact Finance at the University of New Hampshire's Carsey School of Public Policy, framed this year's FIR and its two tracks. He opened with several examples of households struggling to achieve energy security, afford the energy they use, and make their housing safe and healthy. The stories of those households—and of the organizations that serve them, which face similar challenges—are each unique, but generally follow the archetype of the Hero's Journey, with the following steps (think of Greek mythology, Harry Potter, Star Wars, or the Lord of the Rings):

- A call to step into the unknown
- Often, a refusal of that call
- A moment when the journey truly begins
- A whole series of tests met, and obstacles overcome, leading to some major ordeal
- Unexpected intervention by powerful (in Greek mythology, supernatural) external forces
- On the verge of the journey's completion, one more final test
- Finally, a victory in which the hero comes back to their community, having achieved ultimate victory, but transformed in doing so, and serves as an inspiration to others.

Most importantly, in the Hero's Journey, the Hero never achieves victory alone. There are always mentors and friends who help along the way. The key question as we implement the Greenhouse Gas Reduction Fund is: Who will serve as mentors and friends to the households and organizations we're trying to assist?

The two tracks of this year's FIR involve the journeys of two different groups of Heroes: the borrowers who seek to benefit from the GGRF money (the focus of the Market-Building Track) and the lenders whose mission is to serve those borrowers (the focus of the Lender Capacity-Building Track). The borrowers' success relies on friends and mentors who can guide them over or through the obstacles and make the journey to more affordable and resilient energy as smooth, painless, and worry-free as possible. The lenders' success requires them to be mentors and friends to one another—to figure out collectively how to build impactful programs by identifying and assembling the necessary components, accessing appropriate expertise, sharing effective tools and strategies, and developing operating infrastructure.

Hangen noted that the lenders' journey is made more difficult by the fragmented programming which emanates from multiple federal agencies before spreading through 50+ state agencies. He appealed to funders to help pay for the "glue" that can help to assemble those fragments in a workable whole and allow the lenders to finish their journey and be better friends and mentors to their customers. Eric closed his remarks with a call to those present to work together to create the tools, programs, platforms, shared infrastructure, and working relationships—in short, the ecosystem—required to achieve clean energy deployment in low-income communities on a truly impactful scale.

Track #1: Market-Building

Building Standards / Applying Standards to the "Customer Journey"

Moderator: Lotte Schlegel, Institute for Market Transformation (IMT) advisor

Panelist Speakers:

- Emily Ng, Urban Homesteading Assistance Board (UHAB)
- Laura Humphrey, L+M
- Kerry O'Neill, Inclusive Prosperity Capital (IPC)

Breakout Group Facilitators: Abby Corso, Elevate; Bob Dean, Elevate; Kim Stevenson, New Ecology Institute; Marla Thalheimer, IMT; and Richard Yancey, BEEx.

This session applied the building principles discussed at UNH's April 26th meeting in Washington, D.C., to the building decarbonization process. After hearing the perspectives of a building owner, technical assistance provider, and finance expert, participants formed breakout groups that considered a proposed set of *common categories of tools that can be applied through the Greenhouse Gas Reduction Fund program to implement a common set of principles.*

Panelists shared a set of broad principles that could inform a standard for eligible building decarbonization projects under the GGRF, with the goal of creating high-impact projects through appropriate installation standards. The broad principles included:

- Minimum (floor) for GHG reductions at program level
- No new fossil fuel systems with GGRF funding
- Net zero emissions buildings definition, net zero over time
- Manage / limit use of refrigerants being phased out by EPA
- Energy burden / insecurity is reduced / not increased, particularly for rental housing residents
- Address health and safety barriers to do no harm
- Prioritize local and minority- / women-owned contractors
- Community-informed localization of the principles (e.g., Wisconsin is different from Puerto Rico)

These principles were workshopped in small groups. A key conclusion from those discussions is that the lack of a clear definition of a qualified project is a significant issue for GGRF recipients and something that would be extremely helpful to clarify before program launch.

Tech Enhancements for Market-Building

Moderator: Patrick Davis, Community Reinvestment Fund, with Jessica Luk-Li, Climate Impact Advisors

Panel Speakers:

- Alexander Shermansong, SURE platform
- Marc Zuluaga, Cadence OneFive
- Jeff Coleman, Eli Technologies
- David Denny, SunnyAI

This session considered how tech could serve as a “force multiplier” to help increase efficiency—by targeting the buildings with the most to gain, for instance, and lowering the TA cost per customer served. It included panel presentations, small group discussion and report-outs, discussion of themes, and next steps.

Panelists presented a “value chain” from project ideation through development and described how technology can support that process. Technology was discussed primarily as a “force multiplier”—a tool that enables actors to move faster and more efficiently—as opposed to a standalone solution. The panelists focused particularly on the potential of technology to ease project acquisition and loan origination:

- Big data analysis to help screen portfolios of buildings for the best opportunities
- A platform using AI to help consumers navigate the market for rooftop solar
- To smooth the process of loan origination and underwriting for multifamily retrofits, a tech platform that processes energy-specific data and documents so that CDFIs can continue with their standard underwriting processes
- A platform to help consumers identify and apply for rebates

Technology can also aid GGRF recipients in meeting their significant reporting and measurement requirements. Many lenders would benefit from augmenting or updating loan origination and underwriting systems.

Aligning Building Programming in Communities: How GGRF Lenders Could Work with State, Utility, and Building Hub Programming

Moderator: Dale Bryk, Harvard Law School

Panel Speakers:

- Maggie Molina, Northeast Energy Efficiency Partnerships
- Betta Broad, Association for Energy Affordability
- Richard Yancey, Building Energy Exchange (BE-Ex)
- Janet Joseph, Sustainable Solutions

This session examined how the plethora of existing buildings programs, as well as both new and existing "buildings hubs," integrate with GGRF lenders to drive the pipeline. It included panel presentations, small group discussion and report-outs, discussion of themes, and next steps.

Energy efficiency investments have grown steadily over the years. Consumer-funded utility efficiency programs and State efficiency agencies now deploy significant funding, around $8–10 billion per year. Nonetheless, there are often significant cost gaps for buildings' energy retrofit projects that neither utility efficiency programs nor upcoming DOE rebate programs can handle on their own. Filling those gaps is a vital role for GGRF funding. However, many efficiency program implementers are unfamiliar with GGRF programs and the organizations that are disbursing GGRF funds. Closer working relationships between GGRF implementers and those programs and agencies could transform markets as well as reach deeper into communities.

A second prominent issue is utility data access. Shared access to information on which consumers are using the most energy could help identify where to deploy dollars. A call was made to work with Public Utility Commissions to require or encourage utilities to provide better data.

At the federal level, Davis-Bacon rules could be a significant challenge particularly for smaller projects.[1]

Creating a local ecosystem of organizations is important because of the wide variety of people who must come together to make buildings energy projects happen—not just the owner but also tenants, contractors, energy auditors, engineers, and architects. A Building Hub can play a role by providing a common vocabulary, translating information to make it actionable and understandable, and acting as a trusted resource and expert. Building hub designs will and should vary depending on local context, gaps, and resources.

[1] The Davis-Bacon Act requires that all contractors and subcontractors working under federal contracts in excess of $2,000 pay their laborers and mechanics at least the locally prevailing wage and fringe benefits. The Act's requirements favor larger (often, white-owned) construction firms and contractors over smaller firms for which reporting and compliance costs are significant. Especially for smaller projects, smaller firms may choose not to bid because of the added costs imposed by the Act.

Group conversation in this session identified tensions and potential synergies between the GGRF goals of “market transformation” and “community transformation.” If the priority is just to get deals done quickly, community transformation / community benefit goals may suffer. Insufficient attention to community benefits could lead to community backlash.

Finally, even in resource-rich states like New York and Massachusetts, deep electrification projects need additional capital for more operating money, more accessible loan products, predevelopment grants, and better public education. Massachusetts regulators are looking at a 3-year plan with $5 billion to invest in efficiency and heat pump programs. Planning in many states runs in 3- or 5-year cycles. Each new cycle offers a good point of intervention to talk about GGRF.

Supporting Vendors and Contractors

Moderator: Brett Theodos, The Urban Institute

Panel Speakers:

- Marla Thalheimer, IMT
- Desiree Thomas, TruFund
- Samantha Grassle, Elemental
- Mabell Fernandez, Association for Enterprise Opportunity

This session centered on the role of community lenders in addressing the critical shortage of contractors and installers in the clean energy economy. The session included panel presentations, small group discussion and report-outs, discussion of themes, and next steps.

Panelists focused on how to support the small business sector to both build the sector’s capability for project deployment and to promote greater social equity in business ownership. Though there has been growth in BIPOC- and women-owned firms, there is still a lack of diversity in the sector generally. IRA implementation offers an opportunity to promote diversity among business owners such as installers, contractors, developers, and climate tech companies, thus advancing social goals as well as climate goals.

Action on several different fronts could help achieve those goals. First, because labor shortages hamper the growth of many firms, partnerships with vocational schools and community colleges are a promising way to both increase and diversify the labor force. Second, many new and existing small businesses within the green economy will require loans. Compared to routine business loans, those loans will require a flexible approach to lending. For example, owners may not be able to provide personal guarantees. Borrowers will also need support beyond loans, such as technical assistance and credit-building services. Third, building hubs have piloted “rising trades” programs providing business services, mentoring, and connections to project opportunities. There is a need to replicate and scale that programming. Fourth, Green Banks can point small business borrowers to CDFIs and community banks, promoting the visibility of those institutions. Fifth and last, small businesses would benefit from expert guidance on compliance with Davis Bacon and Build America Buy America, which pose significant obstacles to success.

As in the previous session, participants noted the tension between getting money out the door quickly (“market transformation”) versus disbursing it equitably (“community transformation”).

Finally, there was discussion of the very fractured small business support ecosystem, in which business lenders and business service organizations are not well coordinated and small business owners have great difficulty navigating the system. Much of this fragmentation stems from upstream fragmentation of funding programs. Local coordination efforts and flexible funding at the local level could help to create a more coherent system. There were some successes during the pandemic era that were created in part by the sense of urgency that made program administrators more willing to depart from business as usual. That energy and sense of urgency is needed again.

Track #2: Lender Capacity-Building

Lessons Learned and Building Out Green Lender Trainings (Training, Parts 1 & 2)

Facilitator: Lee Anne Adams, NeighborWorks America

Presenter: The Climate Lender Training Ecosystem

- Cormac Molloy, NeighborWorks America

Case Study: UNH-Inclusiv Solar & Green Lending Professional Series

- Yusi Turell, UNH Center for Impact Finance
- Neda Arabshahi, Inclusiv

Panel Speakers

- Cormac Molloy, NeighborWorks America
- Emily Robichaux, Opportunity Finance Network
- Neda Arabshahi, Inclusiv
- Yusi Turell, UNH Center for Impact Finance

This two-session discussion started with the challenging realities of how different types of community lenders move from interest, through training, to launching and growing a green lending program.

Lee Anne Adams framed the two-session discussion on lender trainings, noting that we are here to address three audiences: (1) Lenders who are already doing green lending, but need to understand IRA opportunities; (2) Strong lenders who are not yet doing any green lending; and (3) Lenders who do not yet think green lending is for them or are not motivated by climate change.

Cormac Malloy said the landscape is rapidly evolving; part of today’s conversation is how it can evolve collaboratively. The **Climate Lender Training Ecosystem** can be viewed as a spectrum from least intensive to most intensive:

1. **Introductory webinars, workshops, and informational sessions.** These are offered by many organizations, sometimes for certain networks, and may attract the ‘climate curious’ and lenders or their partners not yet familiar with IRA, etc.
2. **Specialized sessions including webinars, workshops, more specific and focused trainings.** These too are offered by many organizations, but usually to a more niche audience. They focus on specific topics or products and assume general knowledge.
3. **Day-long or multi-day sessions include facilitated trainings and are much more involved.** These are offered by organizations with a training component to their mission and operations, including

OFN, the National Housing Trust, and NeighborWorks America. Trainings often target different organizational roles within established lenders that are looking to establish green lending.

4. **Multiweek, in-depth, applied courses—often in groups/cohorts**. Assignments build to implementation, e.g., a new loan product. Doing the work takes time, hence the multiweek format with TA. Often 2+ staff from a single organization will participate (specialist and leadership). The UNH-Inclusiv instructor-led courses are a strong example of this.

Training programs and technical assistance will need to adapt as the industry rapidly moves forward. Where possible, capacity-building and training organizations should find ways to align, if not partner. Emerging green lenders should feel welcome to approach trainers and TA providers about what they're looking for. Established green lenders and "graduates" of training and TA can help inform curricula through case studies, best practices, etc.

Malloy concluded that, ultimately, we will all be a part of defining success. Government & GGRF awardees will frame the market, private capital markets will be essential, thought leaders and advocates will connect the dots to lenders and consumers, and all of us in this room will define our unique needs. This will be done best in alignment across the ecosystem of training and capacity-building.

Next, **Yusi Turell** and **Neda Arabshahi** presented on lessons learned through the **UNH-Inclusiv Solar and Green Lending Training & Technical Assistance** program. Since 2020, 456 staff of GGRF Selectee Members/Partners have completed an 8- or 9-week solar or green lending training, spanning lender types (Credit Unions, Loan Funds, Cooperativas (Puerto Rico), Community Banks, and Green Banks).

GGRF success and a healthy climate finance field require a significant acceleration of community lenders' development and risk-managed deployment of green loan products in LIDAC communities. However, despite 'early adopters' (both lenders and trainers), a gap remains in the training ecosystem to help 'majority' lenders move from intrigue to implementation. There is a general misconception that this process can be done quickly. Instead, lenders need a guided step-by-step approach to build new loan products or strategy. This process can be standardized through high-quality national trainings, before (or along with) customized consulting and/or geographic TA. Training indicators should include initial 'outcomes' such as new product development, co-lending collaborations, and deployment data, beyond customary training 'outputs' of the number of students and student evaluations.

UNH-Inclusiv employs a model of '*CORE + CUSTOMIZATION'* at two levels. In lender instruction, students receive Core instruction with experts and resources + Customized (lender-specific) assignments and coaching. In training structures generally, UNH-Inclusiv offers Core trainings across lender types + Customized (type-specific) 'tracks,' add-ons, etc. Like Lego pieces that combine structure and flexibility, this approach is efficient, scalable, and adaptable.

UNH-Inclusiv currently offers instructor-led and self-paced trainings for lenders in consumer solar, commercial solar, and green home improvement. They are currently developing trainings in multifamily decarbonization, resilient solar & storage, and community engagement. They expect to work with GGRF Selectees to design and deliver additional trainings to meet their and the field's needs in the following areas.

- The "what"—Green Loan Products across the EPA's Priority Projects, e.g., Commercial Buildings Decarbonization; EVs, Fleet Electrification, and EV Charging; and New Net-Zero SFH Development.
- The "how"—Strategy, Community Engagement, Market Development & Deployment
- The "who"—'Greening the Lender' (culture, policies...)

Following case studies of Element FCU (West VA) and a hybrid training cohort in which Native CDFIs comprised half of the participants, Turell and Arabshahi shared several lessons learned:

1. **Building a field from scratch requires open and honest exchange with practitioners.** Training curriculum and instruction must be informed by lenders' significant external and internal hurdles. Post-training support services (TA) are usually needed.
2. **Participating organizations vary in their commitment to green lending.** Participants need materials and **'kits' to help them advocate internally** for solar lending with their leadership, Board, or colleagues.
3. **Building effective cohorts requires a common action objective, mixed lender types, and similar readiness.**
4. **Certain features increase the effectiveness of online instruction**: flipped classroom, instructor-facilitators with battle scars, cohort learning, learning management systems, assignments that build toward the new product/strategy, individual coaching, 'minimum viable length'...
5. **"Next-level" scale for community lender trainings.**
    - **Partners are essential** to success in areas such as curriculum development (content contributors) and delivery (instructors).
    - **GGRF Collaboration.** Which standards, platforms, tools, and resources to employ in trainings?
    - **Feedback loops and clear roles in a dynamic environment**, e.g., TA feedback to revise trainings, quarterly updates on trends to GGRF selectees whose lenders participate in trainings and TA.
6. **Training content and delivery need to be designed in the context of a broader ecosystem** that includes, for instance, a range of audiences and topics including developer trainings, CCIA expectations and support, and EPA requirements.

Adams next introduced a panel of training providers. Emily Robichaux described Opportunity Finance Network's (OFN) three primary organizing principles for CDFI support: Money, Voice, and Strength. OFN offers webinars, events, and trainings, as well as CDFI Connect, a practitioner resource library and active resource base in which groups come together to share information and crowdsource.

Adams facilitated a discussion with panelists and the audience:

Q. How do we not fall back on models of pushing solutions onto communities, rather than listening to communities on what they need in terms of support and financial products? This is THE critical question, and we as a field do not have a full answer. Lenders must go out and listen to their communities. Trainers must be intentional with who is involved in planning the trainings and developing curriculum. Could we fund specialized CDFIs to form their own training, rather than providing one to them? Community lenders who will be part of CCIA are assumed to be closest to those communities; a borrower needs assessment should feed into the green lending products they develop.

Q. Community lenders will not always reach out to new members; consequently, there are still communities that are not served. This GGRF funding is for those who have not been able to access traditional capital; what about those who would find it difficult to access even GGRF funding? GGRF intermediaries need to let in community networks early on to help design and inform the process. For example, Kresge is funding Community Action Network to build a pipeline to connect to GGRF dollars. Relatedly, California has been investing cap & trade dollars over the past 10 years, $12Bn, and we still have gaps. Different training modules need to be available for areas like California, New York, and Chicago that already have models. Separate modules should be available for places that are earlier-stage such as West Virginia and North

Carolina. The promise is GGRF will allow many communities to access climate funding, but that will not happen everywhere to start. We need to focus on places that do not yet have infrastructure and start to build that out now. This is not enough funding to do it all, but can we put some infrastructure in place for further capital down the road? Finally, there is a role for policy folks and advocacy folks. Partnership comes with friction, and there is a place for that in this emerging ecosystem.

Q: What are your organizations willing to bring to the table?

- Robichaux: OFN has an existing platform for formal and informal engagement and is looking to collaborate on content development.
- Turell: UNH is a named sub awardee on several CCIA and SFA awards and hopes to contract on others. Our commitments are at a few different institutional levels: training individual lenders, supporting GGRF awardees, and working collaboratively across the climate finance space to stand up shared infrastructures and productive partnerships.
- Malloy: CDFIs in the NeighborWorks network mainly focus on residential lending, so this will be the starting point—embedding climate finance in our existing trainings and building out new specialized trainings.
- Arabshahi: Inclusiv is interested in collaborating. We could contribute experience working with over 700 lending professionals (so far) and learning their insights and obstacles along the way.

Finally, participants broke into small groups to consider ways to build out training infrastructure that both centers communities and also incorporates the benefits of scale and standardization. Trainings must be integrated with selectees' intake processes and should generate feedback loops to inform intake and other support. For trainings, as with other parts of the GGRF process, how can we also filter out some of the noise that happens when we are talking to many entities in the same room, and focus on the specific, hard questions that do not get enough time?

Technical Assistance: Delivery Models (TA, Part 1)

Moderator: Curtis Probst, NYCEEC with Esther Toporovsky, Community Sustainability Partners

CCIA Awardee Needs & Call to Action – Panel Speakers:

- Doug Sims, Justice Climate Fund
- Kristen Wagner, Native CDFI Network
- Cathie Mahon, Inclusiv
- Emily Robichaux, Opportunity Finance Network
- Dan Marsh, Appalachian Community Capital and President, Grow America

Models for Post-Training Support Services – Panel Speakers:

- Michael Freedman-Schnapp, Forsyth Street
- Neda Arabshahi, Inclusiv
- James McIntyre, Inclusive Prosperity Capital
- Patrick Kelley, Housing Partnership Network

This session addressed the question: Within the lender support services ecosystem, what lender support services must be developed, expanded, and/or integrated for training graduates to be successful? This was Part 1 of a two-session discussion on coordinating lender TA. This session included panel presentations, small group discussion and report-outs, discussion of themes, and next steps.

CCIA selectees addressed the question, *What kinds of post-training support do you anticipate your lenders will need most? Where would it add value to coordinate and/or consolidate lender support models?*

- **Emily Robichaux, Opportunity Finance Network (OFN)**: OFN's approach is multimodal, designed to reach people where they are. OFN will provide support for nascent lenders, including a regular Clean Community Finance Forum, Community of Practice monthly meetings, and a resource library. OFN is especially interested in collaborating with others on content (e.g., presenting at a CoP meeting, the Forum, or other gatherings, developing resources) and in developing strong feedback loops on lender experiences and needs.

- **Dan Marsh, Appalachian Community Capital (ACC)**: Our priority is to understand Appalachian community needs; we don't bring the answers to the community. There's not a lot of money for training, just 10% of the 10% CCIA admin budget to build capacity among staff, municipal employees, contractors, and others engaged in the program. Grow America (of which Marsh is president) will continue to provide trainings, including developing a certification series to match current in-house professional training, but these are not necessarily tied to CCIA or ACC. Green lending is not a unicorn we're chasing; renewable and climate change functions are a part of the capital stack as part of the full toolkit of private and public dollars. How do we leverage and stretch those dollars? Our role is to listen, react, and build communities' sustainable futures. Collaboration is essential, just not sure what that collaboration means.

- **Kristen Wagner, Native CDFI Network (NCN):** In a survey of our 63+ members, NCN learned that only 7 have ever done renewable energy lending. Remember that 10% of member communities don't have access to electricity or water! NCN's lenders are community-driven. Accordingly, a lot of training + TA will center more on what communities need, rather than what lenders themselves need. NCN plans to integrate capacity-building support into what we're already doing, including strong community partnerships. We want templates to customize, not standard loan products. Most of our lenders are 1 or 2 people; we need to reduce the burden on them through, e.g., hub of underwriting, trainings, toolkits. We could also coordinate reporting (databases and reporting systems). NCN will continue to focus on the infrastructure that tribal lands need, how CCIA fits in, and how NCN can best support them. We'll all know more in a year about where coordinating lender capacity-building makes sense.

- **Doug Sims, Justice Climate Fund (JCF)**: An overarching principle is to keep collaborating across the field, including with green banks (who didn't receive CCIA). JCF envisions a continuum of learning for lenders. There will be an assessment phase—e.g., what they need, where they are, assets under management, staffing levels—then a customized training program for each lender that includes a wide range of topics and approaches, designed in partnership with Carsey [UNH-Inclusiv]. To accommodate a wide variety of lenders, lenders will be able to access the programs in waves. After the assessment, there is a capital reservation phase, then support around Qualified Projects, including a la carte technical service awards to engage expert TA. Trade Coordinators from the African American Alliance of CDFI CEOs, National Bankers Association (NBA), Community Development Bankers Association (CDBA), and National Association for Latino Community Asset Builders (NALCAB) will help with each wave, all working with their members to help understand how to access the program and what support they and their communities need. Broader field collaboration opportunities include:

    - State cohorts of CCIA lenders—unique to each region/state
    - Regional/state/local collaboration with NCIF lenders to do deals together

  - TA to access other federal programs, how to braid together
  - Low-hanging fruit for collaboration (depends on permissibility)
    - Standards on project types, e.g., building decarbonization
    - Compliance
    - Ensuring everyone who wants to participate is served by someone
  - Far-out ideas (again, depends on EPA and other permissibility)
    - Procurement sharing (low-cost equipment)
    - All CCIA graduates have access to NCIF
    - Identify the most burdened communities. Share successful products and initiatives that can help serve those hardest-to-reach places.

- **Neda Arabshahi, Inclusiv**: Inclusiv aims to provide financial and technical assistance to 400 community development credit unions, in four annual waves of 100 each. Capacity-building activities will include:

  - Readiness (UNH-Inclusiv program helps lenders develop these in some of our courses, and/or can be developed after a course):
    - A list of gaps in current capabilities that need to be filled in order to launch a green loan program.
    - A list of internal staff and external partners that will be enlisted to address these gaps.
    - An implementation plan with a timeline to help the lender move from its current state to a ready-to-launch green loan program.
  - Community of Practice / Peer Learning and Support. Access to a facilitated community of practice where tools, resources, and best practices/lessons learned can be shared to help lenders streamline the launch and growth of their green loan programs.
  - Ongoing Learning. General ongoing technical assistance on topics commonly requested by the community of practice (this can be in the form of webinars, continuing education training workshops, small group consulting clinics, toolkits, self-paced learning modules, etc.).
  - Tailored TA from Consultants. Targeted/bespoke one-on-one technical assistance where a consultant provides highly customized support to a specific community lender to help them address a barrier, challenge, and/or topic that the lender does not have capacity or expertise to navigate on their own.
  - GGRF Compliance. Help tracking LIDAC lending via technology solutions (such as Inclusiv's Financial Inclusion Data Analytics Platform or 'FIDAP').
  - Contractor Vetting and Management support. How to build strong contractor partnerships, how to evaluate contractor reliability and stability, how to compare bids, what to look for in a price quote, in terms of contractor licensing/bonding documents, checklist from pre-development to project closeout, and final payment.
  - Consumer engagement, education, and protection support. What are green projects, common risks and pitfalls, how to select, how to leverage IRA tax credits and rebates, considering if a green loan is right for your budget, etc.

Curtis Probst summarized themes across CCIA panelists: Listen first; Recognize diversity; Identify resources—what do lenders really need; Tailor appropriately—design resources to match what is needed; and Collaborate broadly.

Probst began the session's **TA provider panel** by asking panelists to help the room understand where they and their delivery model fit in the landscape of TA services. *Individual consulting, lending platforms, group/cohort-based support, membership organizations and collaboratives… What are the strengths of your delivery model as you see it, and what are its weaknesses or contexts where it is less appropriate?*

- **Michael Freedman-Schnapp** said that **Forsyth Street Advisory** works with nonprofits and government agencies, Green Banks, and affordable housing institutions. The community development finance field sees a 'plate of cookies' with GGRF; it gets their attention, and they think, 'let's get those cookies!' But that approach buries the fact that this is really an organizational change process. Forsyth Street piloted a 'climate lending roadmap' process that begins with facilitated discussion (why are we doing this, market opportunity, mission opportunity) and moves on to strategy, product development, pipeline, technical capacity, TA, tracking and reporting. This is a good process for fairly resourced CDFIs that can create a new vertical and talk about new staff or consultants to hire. This would be a harder process for a 1- or 2-person community lender. Freedman-Schnapp is curious about potential roles for peer-to-peer and cohort learning and emphasized the need for a library of concrete case studies. NCIF markets will be a strong signal for what CCIA lenders could expect 2+ years from now.

- **James McIntyre** said **Inclusive Prosperity Capital (IPC)** is focused on meeting the market where it's at. GGRF is not nearly enough money to solve for community needs; we need wholesale changes to our institutions to facilitate new models of lending, etc. IPC's Sustainable Underwriting for Resiliency and Efficiency (SURE) is a multifamily decarbonization lending platform that offers standards that fit into the diverse nature of what we're solving for. There is flexibility in product design. We focus on pipeline, of which finance is the last step. Participating in SURE serves as long-term training experience; consultants like Esther Toporovsky and Michael Freedman-Schnapp are also important in bringing people along. How do we focus on supporting folks where they're at? That's not to say we don't need standardization when we're talking about scale. But, for example, there's a mortgage market everywhere… how can we learn from other examples like affordable housing and adapt what we learn to what we're doing now?

- **Neda Arabshahi** described the cohort-based TA that follows from **UNH-Inclusiv**'s instructor-led trainings (presented earlier). Lenders of different types and geographies learn from each other as well as from outside experts. The flexibility of this alumni ecosystem allows different subset groupings, e.g., presentations on federal tax credits, regional/state-level deep dives, or common markets or technologies (e.g., affordable housing or vehicle lending). The alumni TA program includes microsites where lenders have everything they need to build their loan product; these are self-guided and platform-based, but linked to a support system for consulting-type sessions with a TA provider. The program also facilitates matchmaking with a partner or lead investor—a huge area of potential collaboration. The UNH-Inclusiv delivery model works less well for organizations that deviate too far from a standardized path or if they need something that works specially for them. In those cases, a deeper 6- and 12-month consulting engagement would be more appropriate; we would point them in that direction.

- **Patrick Kelley** said that most members of the **Housing Partnership Network (HPN)** are large, multifamily developers; there are also 37 'housing-forward' CDFIs. HPN is a named sub with JCF and participated in several other GGRF applications. HPN has an intensive focus on peer exchange and learning; it's rare that HPN develops its own trainings. Several years ago, HPN stood up the Housing Sustainability Collaborative, comprised of ~13 CDFIs, both mavens and the 'climate-curious,' all of whom wanted to explore sustainability in affordable housing. Soon, other organizations outside of

HPN, including rural actors and HCAC, expressed interest in joining. We hold a monthly dialogue, recently focused on preparation for GGRF opportunities. The group is a tremendous asset, in part because it brings together developers and lenders to understand each other's perspectives and processes. In cohort-based consulting, peer-to-peer exchange encourages practical tips, such as, 'How do you communicate with your board about green finance opportunities?'

Kelly noted that HPN is participating in loans with IPC on the SURE platform. SURE is humble in its approach. Lenders participate in actual deals and transactions, with a peer and sharing risk. Their learning is shaped by the continuous processes of doing deals.

In the ensuring discussion, participants noted that centralized services work best for organizations with standard business models, such as CDCUs. Tools such as HomeWise documents can be customized to different conditions. But it is surprising how two proximate geographies can foster very different strategies, such as whether a project should start with start with electrification or start with solar, due in part to different interconnection processes and incentives.

On a higher level than projects and transactions, how do we build competencies around climate and social equity? Should GGRF incorporate equity metrics and requirements? Groups and money need to come together to decide what to solve for and to come up with values that can inform program design in various markets.

Technical Assistance: Ecosystem Coordination (TA, Part 2)

Facilitator: Jen Verne, CDFI Climate Crisis Working Group, Main Street Launch

Panel Respondents:

- Esther Toporovsky, Community Sustainability Partners
- Lee Anne Adams, NeighborWorks America
- Kerry O'Neill, Inclusive Prosperity Capital

This session addressed two questions. How should lender support services be coordinated, so that lenders can access what they need, when they need it? How should these interface with each other and with training, to contribute to feedback loops that lead to learning and improvement at scale? This was Part 2 of a two-session discussion on coordinating lender TA. This session included small group discussion and report-outs, a panel of respondents, discussion of themes, and next steps.

Facilitated by **Jen Verne**, participants split into small groups to identify important TA services and to place them in 'buckets' to reflect how they could be scoped and delivered: National/Central, State/Regional, and Local community. This sorting helps us understand how we might design and bundle capacity-building activities at the appropriate institutional level, i.e., to make TA services (and other shared infrastructure) as efficient and standardized as possible, while also doubling down on vital local considerations such as relationships, infrastructure/policies, and unique needs. The table below reflects report-backs from all five groups.

Delivery "Buckets"	Lender Support Services in this Bucket
Centralized / National	• Standardized trainings, Peer-to-peer learning, Training for regulators, Lessons learned, Feedback, Education around technology, Learning curves across the board in climate and energy tech topics • Resource library, Database of case studies • Standards, Reporting standards • Capital stack coordination, Federal braiding model • Secondary markets • Underwriting • Compliance • Procurement • Insurance • Lender helpdesk (e.g., who/what is eligible) • Messaging to different stakeholders, to build widespread support for GGRF • Tech platforms, NREL pipeline connectivity • Shared equity principles across the whole GGRF space, not just related to reporting. Reach developers and contractors in addition to BIPOC communities and lenders.
Regional / State	• Regulatory environment / utilities • Incentives, Connection with state-level funding opps (e.g., Solar for All) • Energy costs • Support for actual project implementation • State Energy Offices and agency coordination, State-level approvals and matchmaking, Navigator for key stakeholders • Qualified market, Market, Market risk assessments • P2P policy dev—reshape electricity market, also ease CDFI operation, see ACEEE databases and scorecards
Community—with other local stakeholders	• Pipeline development • Local permitting and approvals • Contract support delivered locally, Contractor-installer network, Small Business Development, SBDC + extension • Rural Partners Network, environmental advocacy research groups • True community coordination, Outreach & trusted communication, Trust & accountability on funding distribution • Community-specific impact metrics • Education on community engagement / Justice 40 models • Mapping differences across states/regions (need, capacity, gap)—are there trends and helpful categories? There are haves and have-nots, and even the 'haves' may be calcified
Targeted (1:1) Consulting	• 'Product-market fit' • Org change support • Mentoring • Participations, Co-investments (experience for less climate-mature lenders) • Peer learning among tribal learners • Legal services for smaller lenders • Development of standard documents • Assessing financial need of borrowers and borrower community • Canvasing, different needs within property mix, identify opportunity • Go deep in financial coaching—households, landlords • Lender translation, community partners who know needs • [Lenders would benefit from a database of these consultants.]

The lender capacity-building track concluded with panelists' responses to the report-outs:

- **Kerry O'Neill** observed that capacity-building is along a continuum. Too often we hear, "I can't do anything standardized because my XXX need something bespoke and customized!" We've demonstrated that plug-and-play works. Not fully built out, not every market, not every technology—but we do have models for trainings, standards, etc. We can take a 'yes and' approach, underpinned by shared values. As a field, we should start with the CCIA program and build out lender capacity-building from there. (NCIF might be harder, different models, and Solar for All has natural coordination in the National Community Solar Partnership.)

- **Esther Toporovsky** noted that 'messy conversations' like these are needed to build new industries and markets around climate finance. Even centralized programming needs to be 'community-first' and centered on equity. Timing is also a huge consideration. Currently, there are a few different roads we could travel down, either sequentially or in parallel. Even as Pathway 1 aims for immediacy, targeting ready deals and high-capacity CDFIs, we should also be creating systems and processes that take time and resources to incubate. This Pathway 2 will take longer. Who is doing what right now, and how are they serving harder-to-reach communities? What is the business case for collaboration—how can collaborative approaches demonstrate efficiency and acceleration? There are international models with feedback loops that we should look at.

- **Lee Anne Adams** observed that earlier presentations at UNH's separate showcase event demonstrated that there are lenders and partnerships already in place in local communities. However, we lost the thread here; they weren't in this room. We should invest in partnerships at the community level, since those are what will be sustained over time. Adams additionally called for more innovation in centralized services, e.g., compliance, procurement, possibly reporting. She pointed to the need to embed climate resilience across existing capacity-building efforts, such as NeighborWorks' Training Institute.

Closing

The concluding plenary brought together all participants. **Yusi Turell** and **Eric Hangen** reported on highlights of the lender capacity-building and market-building tracks, respectively. They noted that these topics intersect at the community level. There was a brief discussion about collaboration structures and leveraging private capital, as well as GGRF rule-setting and usability of the money. The visibility of GGRF-related successes at the community and state levels will help retain and expand support for the program.

David Erickson, Senior Vice President & Head of Outreach & Education at the Federal Reserve Bank of New York, closed the 2024 FIR. Many of today's topics are illustrated through case studies and discussions in the recently released book, "What's Possible: Investing NOW for Prosperous, Sustainable Neighborhoods." David urged participants to continue to align on each other's work and collaborate toward broad and equitable access to climate-related opportunities.

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