



GREEN BANK
FOR RURAL AMERICA
A Subsidiary of Appalachian Community Capital

Green Bank's Phase II Funding – Open Round
Application Guidebook

Application Guidebook

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A. Vision and Goals

Overview

Appalachian Community Capital is starting the Green Bank for Rural America to help rural areas gain the most benefit from the new energy economy. Rural energy communities in Appalachia and across the country have been the heart of energy production in America, powering the growth of our nation. The Green Bank aims to build upon and revitalize this spirit, working alongside communities to build resilient local economies and to create new opportunities for a prosperous future.

The Green Bank will make investments— beginning with a \$500 million award from the U.S. Environmental Protection Agency – to connect rural communities to new sources of financing. The EPA award will help attract even more private capital, for an estimated \$1.6 billion into 2,000 diversified energy projects. This means 13,000 good jobs and a way to preserve the quality of life in rural communities, where local businesses and community leaders work together to control their future.

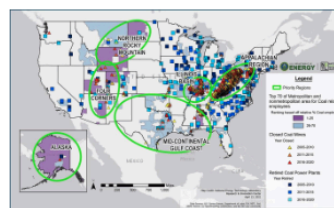
These investments will:

- Create **good jobs** that stay in rural communities, helping local communities thrive.
- Help families and businesses save and **build wealth** and increase profitability – creating a prosperous future.
- Create **healthier communities** and preserve the quality of life in rural areas.

The Green Bank for Rural America will prioritize investments in 582 counties in Appalachia, energy communities, and rural communities of color and Native communities. Financing and technical assistance will be available in all eligible rural areas nationwide.



Appalachia (Appalachian Regional Commission)



Coal Communities and Power Plant Closures (White House Interagency Working Group)

With the award from EPA, we will support a network of lenders to catalyze the next generation energy economy. These lenders include: US Treasury CDFIs, US EDA Revolving Loan Funds, USDA Intermediary Relending Funds, and other public and non-profit lenders.

Appalachian Community Capital and Green Bank for Rural America are also raising two funds, seeking program related investments (PRIs), mission-related investments (MRIs), and grants, to support investing in rural America during and beyond the EPA award timeframe. Powering Rural Opportunities (PRO Fund) will finance projects that fall outside EPA guidelines; and a Participation Facility will provide additional capital for Community Lenders in both EPA and non-EPA eligible projects.

Green Bank for Rural America's Investment Strategy: Four Pillars

Our investment strategy is structured around four pillars to support lenders and communities to build long-term capacity to fund new energy projects:

1. **Capitalization Funding:** Capitalization awards will be provided to participating US Treasury CDFIs, EDA RLFs, USDA IRPs, and other public and non-profit loan and investment funds.
2. **Technical Assistance:** Technical assistance awards will accompany capitalization awards to provide services and capacity building to Community Lenders, development support to communities for new energy projects, and direct support to projects. Technical assistance services target buildings (including housing, commercial and industrial, and community facilities), distributed energy generation and storage, zero-emission transportation projects, and business financing.
3. **Workforce Development:** Resources to help Community Lenders and funded projects work with local partners to cultivate a skilled workforce capable of supporting and sustaining the long-term goals of new energy projects. This includes training programs, apprenticeships, and partnerships with local educational institutions and unions
4. **Community Engagement:** Resources to help Community Lenders and community leaders ensure active participation and buy-in from the local community, enhancing the social acceptability and success of projects. This involves stakeholder consultations, public awareness campaigns, and inclusive planning processes.

B. Funding Opportunity

The Green Bank for Rural America will make Capitalization and Technical Assistance awards (grants) totaling \$450 million to Community Lenders (CLs) serving priority communities in

Appalachia, energy communities, and rural communities of color and Native communities. Awards will be made to Community Lenders through a competitive application process.

Applications will be accepted on a rolling basis with award determinations announced quarterly. The Green Bank for Rural America anticipates announcing initial awards in the first quarter of 2025 and awarding all funding by January 2027.

Applicants that are not selected for awards may revise their applications and reapply at any time, as long as funding is available.

Community Lenders (defined below) may apply for:

1. Capitalization Awards:
 - a. Most Awards will be between \$1 million and \$10 million, with exceptions for a small number of Awards up to \$35 million.
 - b. Community Lenders may apply for the greater of: 100% of net assets or the cumulative of the past three years' total loans originated.
 - i. For emerging Community Lenders with limited track record, maximum award may be determined by additional factors such as organizational capacity, project pipeline, community needs, and/or CL coverage.
 - c. Capitalization awards are permanently restricted to the eligible uses outlined in Section D.
2. Technical Assistance (TA) Grants:
 - a. Only Community Lenders that have been selected for a Capitalization Grant are eligible to receive a TA grant.
 - b. TA grants are provided at 10% of Capitalization Funding received.
 - c. Capitalization and TA grant applications are evaluated together. There is not a separate application process for TA grants.
3. Note: Community Lenders must disclose whether they have received or applied for funding from other EPA CCIA or NCIF Awardees, see Question 1.8.

C. Community Lender Eligibility Criteria

1. **Eligible Entity Types:** Eligible Community Lenders include a wide range of entity-types that serve the priority communities, including:
 - a. U.S. Treasury certified Community Development Financial Institutions (CDFIs), including Native CDFIs
 - b. Public-sector lenders, including state, municipal, and Tribal governments, and federal agency affiliated lenders, such as U.S. Economic Development Agency (EDA) Revolving Loan Funds, U.S. Department of Agriculture Intermediary Lending Funds
 - c. Not-for-Profit Entities that are legally eligible to make loans.

2. Non-Eligible Entities: Entities not fitting the above descriptions of a Community Lender are not eligible to apply for this funding. This includes for-profit organizations, other than those that also meet the criteria above such as certified CDFIs that have a for-profit structure.

D. Use of Capitalization and Technical Assistance Awards

This section provides guidelines on the eligible uses of Capitalization and Technical Assistance Awards made to eligible Community Lenders by the Green Bank for Rural America. It details the types of projects, communities, and financial products eligible for funding.

1. Eligible Projects

Community Lenders must deploy 100% of their Capitalization Awards to finance and/or support eligible projects, activities (businesses), and technologies in one of the following priority project categories and that meet the other eligible project requirements. See Appendix II. for the Eligible Project Checklist.

1. **Built Environment:**

- a. Eligible for financing are projects, activities, and technologies that:
 - i. Retrofit an existing building, making a substantial (20%) contribution for that building becoming a net-zero emission building over time, and/or
 - ii. Construct a new net-zero emissions building in a low-income and disadvantaged community.
 - iii. Built environment includes:
 1. Residential – single or multi-family; for rent or ownership; manufactured housing.
 2. Commercial, industrial, community facilities, and other buildings
 - iv. Examples of projects in this category include (but are not limited to):
 1. Reducing carbon emissions/energy use through energy and water efficiency, geothermal heating and cooling, and appliance electrification.
 2. Whole building retrofits to improve energy efficiency.
 3. Adaptive reuse of existing buildings incorporating energy efficiency features including installation of energy efficient windows, door, HVAC systems, and all-electric ENERGY STAR

appliances.

2. Distributed Energy Generation and Storage:

- a. Eligible for financing are projects, activities (businesses), and technologies that develop and deploy renewable power generation.
 - i. Examples include (but are not limited to):
 1. Building/Residential rooftop solar
 2. Building/Residential rooftop solar-plus-storage
 3. Renewable energy generation such as solar, wind, hydro, and geothermal
 4. Stand-alone energy storage
 5. Replacement of diesel generators with battery storage
 6. Energy generation and/or storage systems that support microgrids
 7. Distribution system upgrades necessary for project interconnection

3. Zero Emission Transportation:

- a. Eligible for financing are projects, activities, and technologies that increase the accessibility and use of zero-emission vehicles and supporting infrastructure.
- b. Examples of the types of projects in this category include (but are not limited to):
 - i. Fleet electrification, such as school buses
 - ii. Electric trucks to support commercial activity
 - iii. Public transportation, such as buses or community transportation
 - iv. Charging infrastructure for all EVs

4. Business Financing: Energy efficient / renewable energy products and services supporting the above.

The EPA has provided the following guidelines for meeting the LIDAC requirement for businesses that reduce or avoid greenhouse gas emissions. The LIDAC requirement for providing Financial Assistance to a business could be met in any one of these ways:

- The business is located in a LIDAC
- The business is a property providing affordable housing
- The business has at least 51 percent of its equity ownership by members of Federally Recognized Tribes
- Manufactured products are used by LIDAC customers
- Staff and/or trade time serving LIDAC customers

For example -

- A manufacturer of solar racking systems is located in a LIDAC
- A distributor of HVAC or similar energy efficient products ships its products to a LIDAC

- An affordable housing developer or operator retrofits a property to include energy efficient equipment to reduce energy consumption by 20% or create a Net Zero property.
- A business (service provider) that installs energy efficient equipment to LIDAC properties or customers

Note - use of proceeds is restricted to eligible activities.

5. Other Project eligibility requirements:

- Project uses only commercial technologies that have been deployed for commercial purposes at least three times in the U.S. over a period of at least five years in the U.S. and for the same general purpose as planned for this project.
- Project financing is additional. In other words, without the CCIA financing the project may not otherwise have been financed.
- Project mobilizes private capital, such as any portion of the project cost or “capital stack” coming from private (i.e. non-governmental) sources of financing such as banks, loan funds receiving non-governmental financing, tax credit or other private equity, grants from non-governmental sources, or incentives from utilities or philanthropy.

2. Eligible Communities/Geographies

Community Lenders must deploy 100% of funds in geographies that meet both EPA requirements and Green Bank priority communities. **See Appendix III for EPA tools and guidance on EPA-defined Low-Income and Disadvantaged Communities.**

- EPA Requirements:** Community Lenders must deploy 100% of their Capitalization and TA Grants to finance and/or support projects in EPA-defined Low-Income and Disadvantaged Communities (LIDAC). **Please find our interactive GIS map on [our website Resource Hub page](#) to review eligible LIDAC communities.**

The EPA has provided the following tools to assess eligible LIDAC Communities, also outlined in Appendix III, which include:

- Climate and Economic Justice Screening Tool:
<https://screeningtool.geoplatform.gov/en/#3/33.47/-97.5>
- Environmental Justice Screen - Identified Disadvantaged Communities
<https://www.epa.gov/ejscreen>
- Geographically Dispersed Low-Income Households
- Properties Providing Affordable Housing

In addition to the LIDAC Communities outlined in Appendix III, the EPA FAQs also identify Federally Recognized Tribal Entities as LIDAC-eligible:

- Federally Recognized Tribal Entities: Federally Recognized Tribal Entities: All Federally Recognized Tribal entities, which are considered disadvantaged

regardless of whether a Federally Recognized Tribe has land, consistent with M-23-09 (memorandum dated as of January 27, 2023) and CEJST. A “Federally Recognized Tribal Entity” means (i) any individual member of a Federally Recognized Tribe; (ii) any for-profit business that has at least 51 percent of its equity ownership (or the equivalent in limited liability companies) by members of Federally Recognized Tribes; (iii) any non-profit entity with at least 51 percent of its Board of Directors (i.e., Governing Board) comprised of members of Federally Recognized Tribes; 17 or (iv) any Federally Recognized Tribal government entity. Under this definition, any Federally Recognized Tribal Entity is included within the definition of Low-Income and Disadvantaged Communities, regardless of where that entity is located (i.e., the entity may be located in areas outside of the CEJST land area dataset, including but not limited to tribal service areas or counties.)

2. **Green Bank for Rural America Requirements and Portfolio Priorities:** Community Lenders must deploy 100% of their Capitalization and TA Grants to finance and/or support projects in 1) Appalachia or 2) rural communities, which may include priority communities such as Energy Communities, rural communities of color, Native communities, and rural Persistent Poverty Counties. **Please find our interactive GIS map on [our website Resource Hub page](#) to review eligible communities in rural areas, Appalachia, and other priority communities.**
 - a. **Appalachia** as defined by the Appalachian Regional Commission: [Appalachian Counties Served by ARC - Appalachian Regional Commission](#)
 - b. **Rural** defined as either:
 - i. Communities not in Metropolitan Statistical Areas. Rural communities include micropolitan statistical areas and non-core counties - Office of Management and Budget, 2020 data.
 - ii. Census tracts that are not Urban Areas - US Department of Census, 2020 data.
 - iii. USDA Rural Urban Commuting Areas - USDA ERS. The Green Bank for Rural America is currently using 2010 data to determine eligibility for this data point, and will be updating with 2020 data when USDA completes its analysis of 2020 census data. The 2010 data set is available [here](#).
 - c. **Priority Energy Communities** as outlined by:
 - i. The Interagency Working Group on Energy Communities: [Priority Energy Communities - Energy Communities](#), or
 - ii. Applicants identifying communities experiencing economic impacts from the closure of coal mines or coal fired power plants, related economic impacts in supply chain businesses, and economic impacts resulting from transitions in other energy industries such as oil or natural gas.
 - d. **Persistent Poverty Counties (PPC):** Information on PPC counties can be found from the Census Bureau [here](#) and [here](#).

3. Eligible Financial Assistance Products

Community Lenders may provide the following types of financial assistance/products with Capitalization Awards.

1. Debt Instruments:

- **Loans:** Traditional loans including partially forgivable loans, forgivable loans, and zero-interest or below-market interest loans.
- **Predevelopment Loans:** loans that finance pre-construction activities such as market studies, business planning, preliminary architectural and engineering, environmental assessments, energy audits, and financial structuring including tax credit structuring. These may be forgivable, or repaid upon closing of project financing.
- **Loans with Interest Rate Buydowns:** Loans paired with mechanisms to reduce the interest rates to the borrower.
- **Secured and Unsecured Loans:** Both collateralized and uncollateralized lending options.
- **Subordinated Debt:** Debt that ranks below other loans with regard to claims on assets or earnings.
- **New Markets Tax Credit Leveraged Debt:** Financing that uses leverage to increase the investment capital available under the New Markets Tax Credit (NMTC) program to stimulate economic growth in distressed areas.
- **Bridge Financing for Tax Credit Investments:** Short-term loans used to bridge the gap between when a tax credit is awarded and when it can be claimed, ensuring project continuity.
- **Construction Financing:** Loans provided to cover the expenses associated with building new structures or renovating existing ones, typically dispersed in phases as project milestones are completed.
- **Lines of Credit / Working Capital Loans:** Lines of credit without a particular use of proceeds restriction, are eligible so long as they are to a “Qualified Project”. EPA plans to provide additional guidance on how working capital loans can meet the definition of Financial Assistance to Qualified Projects.
- **Business / Corporate Financing:** EPA plans to provide additional guidance on how forms of corporate (business) finance can meet the definition of Financial Assistance to Qualified Projects.
- **Loan Purchasing Programs:** Programs to buy loans from the original lenders, providing liquidity and risk distribution.

2. Equity Instruments:

- **Equity Project Finance:** Direct equity investments in projects for a share of the ownership and profits.

- **Private Equity Investments:** Investments in private companies in exchange for equity ownership.
- 3. **Hybrid Instruments:**
 - **Mezzanine Debt:** Debt that incorporates equity-based options, such as warrants, with lower-priority debt.
 - **Preferred Equity:** Equity which provides a priority return ahead of common equity but behind debt.
- 4. **Credit Enhancements:**
 - **Loan Guarantees:** Guarantees to back loans made by others to enhance credit worthiness.
 - **Loan Guarantee Funds:** Funds set aside to cover defaulted loans up to a certain percentage.
 - **Loan Loss Reserves:** Reserves to cover potential losses on loans.

Non-Eligible Uses of Funds

- **Subgrants:** Direct sub-granting of the awarded funds to third parties is not permitted under this funding opportunity.

Note on Eligible Financial Products

Financial products provide opportunities for Community Lenders to offer subsidy to projects that would not otherwise be financed and which can have impact in EPA and Green Bank Priority Communities. Applicants are encouraged to outline ways in which they will use the allowable subsidy to finance projects.

4. Use of Technical Assistance Awards

Community lenders may use Technical Assistance awards to build their capacity - and support communities and projects - to provide financial assistance to CCIA-eligible projects such as:

- Training, staffing, developing new financial products, building organizational capacity and internal systems in a variety of areas such as compliance and reporting.
- Pre-development activities such as engineering, design, site and building assessments (e.g. energy audits), market research, business planning / project development, financial structuring.
- Community Engagement activities such as visioning, planning, project development
- Workforce Development activities such as partnership with community colleges, workforce boards, unions, and training organizations.
- Awards to non-profit organizations to undertake the above activities.

The Green Bank for Rural America will provide rosters of qualified and vetted consultants – including for-profit service providers, non-profit organizations, and public agencies - through our Technical Assistance Hubs. Local and national consultants may apply to participate through an RFP process. Please see our website [Resource Hub page](#) for more information.

Note: 10% of the Technical Assistance Award must be spent on Community Engagement Activities and 10% of the Technical Assistance Award must be spent on Workforce Development activities. Examples include:

- **Community Engagement:**
 - o A rural Persistent Poverty community has long been uncertain of its strategy for downtown redevelopment and needs assistance with visioning, project prioritization and positioning, and preliminary planning. A Community Lender provides a \$40,000 TA award to offset these costs, to be matched with grant support from other sources (national foundation and corporate donation), to undertake a year-long planning and visioning process, the result of which is the creation of a community redevelopment strategy and the identification of a specific project that can be funded by a community lender. A pre-vetted Technical Assistance provider is identified through the TA Hub for Community Engagement to undertake this work.
 - o A developer seeking financing from a Community Lender for a project in Appalachia has not demonstrated use of a local planning process or engagement with relevant officials. In response, the Community Lender connects the developer with the Community Engagement TA Hub, which identifies gaps including inadequate notice to the community about the project; opposition to the project has been documented but not addressed; and the project is not identified as a priority in local economic development plans. The Community Lender provides a TA award to a pre-vetted TA provider to better engage the community. The TA provider offers guidance on: public notice, hearings, and comment processes; meetings with local officials; community surveys; feedback sessions; plus visioning and project prioritization efforts.
- **Workforce Development:**

A financed project in a rural energy community will need to hire 45 construction employees in an area with a shortage of skilled tradespeople. The Community Lender provides a \$40,000 TA award to the project sponsor to support a workforce training program provided in partnership with the local Workforce Development Board and community college, to operate an apprenticeship training program. The TA Hub for Workforce Development assists in the planning for this program, involving a nearby union local to participate in the apprenticeship program.

E. Application Content

Overview

Community Lenders interested in receiving Capitalization Funding and a Technical Assistance Award must fill out an application which consists of the following sections:

1. **Applicant Information:** This section collects basic organizational information. Applicants identify whether they have applied for EPA GGRF funding from other sources.
2. **Executive Summary:** Applicants are asked to provide a summary of their application. Be sure to describe the proposed uses of the requested Capitalization and Technical Assistance awards and the anticipated impacts in target communities.
3. **Organizational Profile:** Applicants provide a short overview of their organization, including mission, [eligible entity type](#), and how the governing board is accountable to the communities you serve.
4. **Lending and Technical Assistance (TA) Track Record:** Applicants reference data provided in the Application Workbook to provide a narrative overview of the organization's lending and investment experience. Applicants respond to questions about TA services offered, impact from past initiatives, data/reporting, and compliance experience. Note: Building capacity in reporting and compliance is an eligible use of TA awards and may be referenced.
5. **Proposed Use of Funds:** Applicants provide a funding request and the proposed use of funds consistent with EPA guidance ([Frequent Questions about the Clean Communities Investment Accelerator | US EPA](#)) and the goals of Green Bank for Rural America. **See Appendices II and III for more checklists on eligible use of funds from the EPA.**
 - 5.1 **Requested Capitalization Award:** See Section B of this document for guidance on Capitalization Award amounts to request.
 - 5.2.1 **Markets and Communities:** Applicants are asked to describe their proposed use of funds, and specifically how their activities will benefit priority communities as defined by both the EPA and the Green Bank for Rural America.
 - Applicants are asked to estimate how much of your total financing will benefit each of the Green Bank for Rural America's priority communities. *For example, an applicant may reply: We expect the following distribution of lending (for illustration purposes only):*
 - *Appalachia: 100%*
 - *Energy Communities: 25%*
 - *Underserved Rural: 90%*
 - *Native and/or Tribal Lands: 10%*
 - *Persistent Poverty Counties: 80%*
 - *Communities of Color 50%*
 - Applicants should provide an example of a market you intend to serve that is not currently served by a Community Lender.

5.2.2. **Priority Projects:** Applicants are asked to describe the types of businesses and/or projects they anticipate financing within the [EPA Eligible Project categories](#). Applicants are asked to describe how you arrived at the projected deployment \$ in the Application Workbook – Projected Deployment columns. If available, Applicants are asked to provide the anticipated \$ volume of originations for each of the proposed Project categories.

5.2.3. **Financial Products:** Applicants are asked to provide the anticipated \$ volume of originations for each of the proposed Financial Products.

- Tip: The provision of forgivable Pre-Development financing is an eligible financial product, enabling expanded provision of technical assistance to projects, as needed.

5.3 **Lending Pipeline:** Complete the Lending Pipeline tab in the Application Workbook including the sample transactions in Columns A-C that are illustrative of the project you anticipate to finance, and the Projected Deployment \$ in Columns D-K.

5.4 **Leverage.** Existing capacity in raising leverage financing is not required to receive an award from Green Bank for Rural America. Support for raising leverage financing is an eligible use of Technical Assistance funding and is a service provided in the Green Bank for Rural America Technical Assistance Hubs, both of which may be referenced in this response.

5.5 **Use of TA Awards.** Describe your plans to use the technical assistance award to accelerate the financing as described above. Be sure to include a proposed budget for use of the TA Award. See Application Guide Section D for eligible uses of technical assistance awards.

- See Section E.6, below, regarding required use of the TA Award for Workforce Development and Community Engagement activities. These TA activities should be described in Section 6 and not in this response.

6. **Workforce Development and Community Engagement:** Applicants must use 10% of their TA Award for Workforce Development activities and 10% of their TA Award for Community Engagement. In this section, Applicants describe their experience and future plans for workforce development and community engagement activities. ([See examples in the TA section above.](#)) Green Bank for Rural America’s goal is to identify relative experience levels of applicants, capacity building opportunities, existing programs and future plans. In this section, we hope to signal the importance of these activities and to understand how your organization is thinking about these topics.

- Characterize the level of experience your organization has with each of these program pillars. All levels of experience are acceptable and eligible for funding.
- Describe how you anticipate using TA funds to support workforce development activities. TA funds may be used to identify and engage workforce development partners - such as community colleges, unions, certification organizations - and to leverage additional resources for workforce activities. TA may also provide

support for Davis-Bacon and Related Acts compliance. Please review our website for a description of the additional resources provided in the [TA Hub for Workforce Development](#).

- Describe how you anticipate using TA funds to support community engagement activities. TA funds may be used to identify and engage local and regional partners, and to leverage additional resources for community engagement activities. Please review our website for a description of the additional resources provided in the [TA Hub for Community Engagement](#).
 - Applicants may include case studies of a project(s) in which they have participated and/or letter(s) of support from 1) a workforce development or 2) community engagement partner.
 - Note: Specialized webinars will be held to outline TA resources for both Workforce Development and Community Engagement, and resources will be available on the Green Bank website.
7. **Financial Information:** Complete the Application Workbook tabs for Financial Data and Lending track record. Referencing the Workbook data, applicants should provide a short description of their financial strength, referencing capitalization, asset quality, and liquidity, as well as anything anomalous in the required financial attachments requiring explanation. Applicants should identify external ratings or validation of their financial strength, such as an AERIS, NeighborWorks, or S&P rating or financial institution regulator exam.
 8. **Declarations and Certifications:** Applicants must affirm the accuracy of the information provided and intent to comply with relevant regulations and policies including Consumer Protection Policies and Housing Affordability Policies, if relevant.
 9. **Required Attachments:** Lists all necessary documents that must accompany the application, such as legal documents, proof of eligibility, and supporting financial data.
 10. **Submission Agreement:** A formal acknowledgment that the applicant agrees to the terms of submission and understands the obligations involved in applying. Note: A contractor or consultant is not an acceptable authorized representative.

Instructions on How to Apply

Download application materials from the Green Bank for Rural America website, [Awards for Community Lenders page](#).

1. **Completed Application Form:** The application must be filled out in its entirety and submitted in MS Word format.
2. **Complete Application Workbook:** All tabs of the application workbook should be completed and submitted in MS Excel format.

3. **Supporting Documents:** Applicants must provide the following documents in addition to filling out the application, to be submitted as individual documents in MS Word, Excel or PDF formats.

Required Attachments:

- Governing Board
- Organizational Chart
- 3 years of audited or CPA compiled financial statements (including management letters)
- Tax Filings (e.g. 990)
- Application Workbook
- Technical Assistance Budget
- Board Letter of Support/Board Resolution indicating organizational support for applying for this funding
- IRS Letter of Determination
- Certificate of Good Standing or equivalent from state certifying agency
- CDFI Fund Certification letter (if applicable)

Optional Attachments:

- Workforce Development Plan (if not outlined in Section 6)
- Community Engagement Plan (if not outlined in Section 6)
- Letters of Support/Case Studies re: workforce development and/or community engagement

4. **Application Submission:** Submit completed applications and supporting materials through the **application portal** available on the Green Bank for Rural America website [Awards for Community Lenders page](#).

Submission Timing: We do not have application deadlines, but rather consider applications on a rolling basis. We anticipate keeping the application period open through 12/31/2026, and applications may be submitted at any time as long as funds are available.

5. **Award Announcements:** We anticipate announcing awards on a quarterly basis, with the first awards announced in the first quarter of 2025.

Support for Applicants

Support for Applicants can be accessed on the Green Bank for Rural America website, [Awards for Community Lenders page](#).

1. **Application webinars:** Informational webinars will be held approximately once a month.
2. **Help Desk:** Questions may be submitted through the help desk button.
3. **Office Hours:** One-to-one meetings with the Green Bank team can be scheduled through the office hours icon.

4. **FAQs:** FAQs are available.

F. Evaluation Process and Criteria

1. **Overview:** The Green Bank for Rural America will assess each Community Lender's plan and capacity to utilize CCIA funding effectively to meet investment objectives and contribute positively to priority communities. The evaluation process involves multiple stages, each designed to ensure a thorough assessment of the applicant's capabilities, plans, and potential impact.
2. **Eligibility Review:** The eligibility review process is the first screen in the Green Bank for Rural America's open competition to distribute capitalization and technical assistance awards to Community Lenders serving Appalachia, and rural communities including Energy Communities, communities of color and Native communities. The Green Bank Investment Team reviews applications for completeness and alignment with Green Bank markets and objectives. **Please note that Applications that exceed the word limit for any question will be returned for revision.** Eligibility will include a review of these elements:
 - a. Organizational status (eligible entity (Section B), confirm status with federal and state agencies)
 - b. Financial (audited or CPA-prepared financials, tax filings)
 - c. Conditions of Ineligibility (applicants suspended or debarred from receiving funds using the federal SAM database and relevant state systems)
 - d. Commitment to Green Bank for Rural America's priority communities
 - e. Commitment to Workforce Development and Community Engagement as evidenced by either existing programs or a commitment to use technical assistance to enhance these activities
3. **Evaluation, Application Scoring, and Resubmission:** Once applications have been submitted for evaluation, they are rigorously reviewed using a consistent scoring methodology. The evaluation follows the application structure and relative weighting of each area is outlined below.
 - a. Lending and technical assistance track record (20%)
 - b. Proposed use of funds: Capitalization (40%)
 - i. Markets and Communities
 - ii. Project Priorities
 - iii. Financial Products
 - iv. Pipeline
 - v. Leverage

- c. Proposed use of funds: Technical Assistance (10%)
 - i. Plan to use TA award to accelerate eligible financings and build organizational capacity
 - d. Financial assessment (15%)
 - e. Organizational capacity (15%)
 - i. Reporting/compliance (have or plan to build)
 - f. **Workforce Development and Community Engagement Plans.** These sections are scored separately from the rest of the application. They are each scored on a 10-point scale, and each section must receive a score of at least 5 out of 10 for the application to be considered for an award
4. **Stakeholder Review:** Applications that meet a minimum score are evaluated by a Stakeholder Review Panel, focusing on the impact.
 5. **Steering Committee Decision:** The Green Bank for Rural America Steering Committee, guided by a comprehensive recommendation from the Chief Investment Officer, makes final funding decisions, which are documented and communicated to applicants. Funding decisions are based on both the strength of the application and the overall portfolio goals of Green Bank for Rural America.
 6. **Feedback and Resubmission:**
 - a. **Constructive Feedback:** Applicants not advancing will receive feedback identifying areas for improvement.
 - b. **Opportunity for Resubmission:** Applicants not advancing are encouraged to revise and resubmit applications to address identified gaps.

G. Reporting, Compliance, and Non-Performance / Remediation

Guidelines for Use

Capitalization and TA Grants will be documented in an Investment Agreement which will outline:

- **Specific Project Use:** All funds must be utilized specifically for the eligible projects and activities and in eligible communities outlined in the Application Guide. Lack of deployment in eligible projects / activities and communities may result in the requirement to return the awarded funds.

- **Low-income and disadvantaged communities Reporting (LIDAC):** Community Lenders will report on their financing, community engagement and workforce development activities. Investment Agreements for Community Lender awards will outline that 100% of all financing is in LIDAC. Therefore reporting will require that financing transactions break down LIDAC characteristics.
- **Compliance and Reporting:** Recipients must adhere to specific reporting and compliance guidelines. These will be described when they are finalized by the EPA in early 2025. Failure to comply with requirements may result in the requirement to return the awarded funds.
- **Close-out Period:** Once the entire award is deployed, the Community Lender enters a close-out period in which transactions are no longer reported to the EPA, but rather through a public reporting framework that will be defined by ACC, with EPA approval.
- **Financial Management:** Recipients are expected to maintain accurate financial records of use of funds, accurate accounting of program income and program implementation costs reimbursable under program income
- **Terms and Conditions:** Recipients are required to comply with the program Terms and Conditions, including associated flow down requirements. (See Appendix I)

Financial Oversight

- **Auditing:** The Green Bank for Rural America reserves the right to audit program and financial activities associated with the use of awarded funds to ensure compliance with contractual Terms and Conditions and the approved Application.
- **Federal Single Audit:** Any organization that expends more than \$750,000 in federal funding needs to perform a federal single audit, formerly A133. CCIA funding will trigger this compliance requirement.

Reporting Requirements

The Green Bank for Rural America will provide Awardees with training and support to complete required reporting. At this time, the reporting templates are being finalized. Recipients will submit reports semi-annually and/or annually depending on the report. We expect reporting requirements will fall into the following categories:

1. Performance / Progress level reports on key performance metrics and pipelines
2. Transaction Level Reporting
3. Environmental Information reporting, likely offered through a third-party provider (TBD).
4. TA Subaward Report documenting use of awards
5. Financial Statement Reporting, submitting annual financial statements and in some cases 990s.

6. Semi-annual and annual narrative reports outlining program activities, case studies, and plans for the next reporting period.
7. Additional reports may be required such as program evaluation, investment objective and impact reports and reports resulting from quality assurance audits.

Non-Performance / Remediation Process

In cases where performance milestones are not met, or non-compliance is detected, the Green Bank for Rural America will implement the following remediation processes:

1. **Year 1:** The assigned Relationship Manager will outline performance expectations and offer training and technical assistance to address deficiencies.
2. **Year 2:** Community Lenders failing to meet requirements will undergo a review by the Chief Investment Officer (CIO), who may recommend restructuring the investment agreement. This could involve a reduction or return of awarded funds.
3. **Year 3:** Non-compliant Community Lenders will be required to either return the provided award or agree to terms for a restructured agreement.

Appendix I. Terms and Conditions

Overview

The Green Bank for Rural America establishes comprehensive terms and conditions for all awards to ensure adherence to federal regulations, effective use of funds, and alignment with Green Bank program objectives. This section outlines the key terms and conditions that flow down to Community Lenders under this CCIA program.

Even if not specifically named, all terms and conditions in the EPA Terms and Conditions with Appalachian Community Capital flow down to Community Lenders to the extent they are applicable. A full description of these requirements will be provided to Community Lenders and the full Terms and Conditions will be available upon request.

Award Documentation

Each Community Lender Award (known as a subaward) is formalized through an Investment Agreement, which serves as the primary document governing the terms under which funding is provided. Key elements included in the Investment Agreement are:

- **Federal Award Identification:** Community Lenders must be registered in the System for Award Management (SAM). If the Community Lender is not yet registered in SAM, then information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>) to apply for a “unique entity identifier” (“UEI”) in SAM. Please note: it has been reported that this process can take up to three months.
- **Deployment Requirements:** Detailed guidelines on how the funds should be utilized, including qualified project types, priority project categories, and eligible communities.
- **Funding:** Description of how funding will be drawn-down, disbursed, and managed.
- **Reporting Obligations:** Detailed schedule and requirements for transaction, use of funds, measuring environmental impact, and narrative reporting. (As outlined in Section G above.)
- **Disclosure Requirements:** Detailed requirements for organizational disclosure and events that trigger proactive disclosure.
- **Consequences of Non-Compliance:** Specific repercussions for failing to meet the terms of the Investment Agreement, including the remediation process and potential repayment of funds.

Additional Terms and Conditions Guidelines

- **Procurement:** Guidelines for competitive procurement.

- **Signage:** Requirements to post signage at construction sites of financed projects.
- **Fiscal Agent:** Procedures for establishing an account with the fiscal agent for the CCIA Program.
- **Financial covenants:** Periodic reporting of Community Lender financial covenants
- **Close-out and Post-closeout:** Program income (net) earned must be used according to EPA guidelines, until it is used up or returned.

Federal Statutory Requirements

Community Lenders are required to comply with all applicable federal regulations and acts, including but not limited to:

- **BuildAmerica/BuyAmerica Act:** Ensuring that American-made products are used wherever possible in funded projects.
- **Davis-Bacon Act:** Adhering to federally mandated wage rates for all laborers and mechanics involved in funded construction activities.
- **Uniform Relocation Act:** Guidelines for the fair treatment and compensation of individuals or businesses displaced by federally funded projects.
- **National Historic Preservation Act:** Requirements to consider the effects of the project on historic properties and to consult with appropriate state Historic Preservation Offices.
- **Disadvantaged Business Enterprise (DBE) Vendor Use:** Ensuring fair opportunity for DBEs to compete for contracts and procurement.
- **Financial Management Policies:** Federal Funding Accountability and Transparency Act
- **The Civil Rights Compliance** website is [here](#).
- **Information on additional requirements** that pass through can be found [here](#).

Oversight and Compliance

- The Green Bank for Rural America will ensure compliance with all terms and conditions through regular contact with Community Lenders by the Investment team. The Investment team will connect Community Lenders with technical assistance resources to build their capacity to finance projects aligned with the grant purpose and in compliance with all requirements.
- Appalachian Community Capital will oversee a quality management plan that includes providing tools and support for measuring environmental impact.
- Appalachian Community Capital will conduct random reviews of Community Lender compliance and impact over the performance period.
- **Amendments:** Any amendments to the terms of the agreement must be approved in writing by the Green Bank for Rural America.

Communication of Changes

The Green Bank for Rural America commits to promptly communicating any changes in federal regulations or program-specific terms and conditions that may affect Community Lenders. This communication will be conducted through official notices and updated documentation provided to all affected parties.

Conclusion

By accepting funding from the Green Bank for Rural America, Community Lenders agree to adhere to all specified terms and conditions outlined in the Investment Agreement and this Application Guide. Compliance with these terms is essential for the successful implementation of projects and the achievement of the Green Bank's strategic objectives.

Appendix II. CCIA-Eligible Project Checklist

The table below provides an illustrative checklist of the requirements of all three criteria for CCIA-eligible projects. (Note: this table was developed by the EPA, and slight modifications have been made by the Green Bank team.) Business financing is an eligible activity.

CCIA-Eligible Project Checklist		
<i>Criteria</i>	<i>Requirement</i>	<i>Rationale</i>
a. Qualified project	<input type="checkbox"/> Would the project, activity (business), or technology reduce or avoid greenhouse gas emissions (including carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons, and sulfur hexafluoride) consistent with the climate goals of the United States?	<i>[Determined by transaction, etc.]</i>
	<input type="checkbox"/> Would the project, activity (business), or technology reduce or avoid emissions of other air pollutants ?	<i>[Determined by transaction, etc.]</i>
	<input type="checkbox"/> Would the project, activity (business), or technology deliver additional benefits to American communities within <u>one or more</u> of the following seven categories? <ul style="list-style-type: none"> <input type="checkbox"/> Climate change <input type="checkbox"/> Clean energy and energy efficiency <input type="checkbox"/> Clean transportation <input type="checkbox"/> Affordable and sustainable housing <input type="checkbox"/> Training and workforce development <input type="checkbox"/> Remediation and reduction of legacy pollution <input type="checkbox"/> Development of critical clean water infrastructure 	<i>[Determined by transaction, etc.]</i>
	<input type="checkbox"/> May the project, activity (business), or technology not otherwise have been financed ?	<i>[Determined by transaction, etc.]</i>
	<input type="checkbox"/> Would the project, activity (business), or technology mobilize private capital ?	<i>[Determined by transaction, etc.]</i>
	<input type="checkbox"/> Would the project, activity (business), or technology support only commercial technologies ?	<i>[Determined by transaction, etc.]</i>

b. Priority project	<input type="checkbox"/> Would the project, activity (business), or technology fall within at least one of the three priority project categories ? <input type="checkbox"/> Distributed energy generation and storage <input type="checkbox"/> Net-zero emissions buildings <input type="checkbox"/> Zero-emissions transportation	<i>[Determined by transaction, etc.]</i>
c. Low-income and disadvantage d community	<input type="checkbox"/> Would the project, activity (business), or technology be in a low- income and disadvantaged community ? <i>(see Appendix III: Guidance for Low-Income and Disadvantaged Community Expenditures for details)</i>	<i>[Determined by transaction, etc.]</i>
<p>If the project, activity, or technology would fail to meet any of the three criteria, including any of the underlying requirements for those criteria, it would <u>not be a CCIA-eligible project.</u></p>		

Appendix III. Guidance for Low-Income and Disadvantaged Community Expenditures

The table below provides guidance for assessing expenditures against the 100% requirement on use of funds for the purposes of providing financial and technical assistance in low-income and disadvantaged communities. Costs for these purposes include costs for capitalization funding, technical assistance awards, and technical assistance services—all of which must ultimately support projects in low-income and disadvantaged communities—as well as other costs that are reasonable and necessary for the deployment of such financial and technical assistance, including costs for program administration activities. (Note: this table was developed by the EPA.)

Guidance for Low-Income and Disadvantaged Community Expenditures	
<i>Category</i>	<i>Requirement</i>
a. CEJST-Identified Disadvantaged Communities	<input type="checkbox"/> Would the expenditure be for the purposes of providing funding and/or technical assistance to a Community Lender(s), enabling financial assistance for a project (or set of projects) in areas identified as disadvantaged by the Climate and Economic Justice Screening Tool (CEJST) ?
b. EJScreen-Identified Disadvantaged Communities	<input type="checkbox"/> Would the expenditure be for the purposes of providing funding and/or technical assistance to a Community Lender(s), enabling financial assistance for a project (or set of projects) in areas identified by EJScreen within either of the following two categories? <ul style="list-style-type: none"> <input type="checkbox"/> Within census block groups that are at or above the 90th percentile for any of EJScreen’s supplemental indexes when compared to the nation or state <input type="checkbox"/> Within Tribal lands as included in EJScreen

<p>c. Geographically Dispersed Low-Income Households</p>	<p><input type="checkbox"/> Would the expenditure be for the purposes of providing funding and technical assistance to a Community Lender(s), enabling financial assistance to low-income individuals/households within either of the following two categories for them to deploy projects?</p> <p><input type="checkbox"/> Is in a <i>Metropolitan Area</i> and has an income at or below the greater of (1) 80% AMI (Area Median Income) and (2) 200% of the Federal Poverty Level or is in a <i>Non-Metropolitan Area</i> and has an income at or below the greater of (1) 80% AMI, (2) 80% Statewide Non-Metropolitan Area AMI, and (3) 200% of the Federal Poverty Level</p> <p><input type="checkbox"/> Is currently approved for assistance from or participation in at least one of the following programs, with an award letter within the last 12 months:</p> <ul style="list-style-type: none"> • Low Income Home Energy Assistance Program • Supplemental Nutrition Assistance Program • Weatherization Assistance Program • Lifeline Support for Affordable Communications • National School Lunch Program • Supplemental Security Income • Any other verified government or non-profit program serving Asset Limited, Income Constrained, Employed (ALICE) individuals or households designated by the EPA Administrator
<p>c. Geographically Dispersed Low-Income Households</p>	<p><input type="checkbox"/> Would the expenditure be for the purposes of providing funding and technical assistance to a Community Lender(s), enabling financial assistance to low-income individuals/households within either of the following two categories for them to deploy projects?</p> <p><input type="checkbox"/> Is in a <i>Metropolitan Area</i> and has an income at or below the greater of (1) 80% AMI (Area Median Income) and (2) 200% of the Federal Poverty Level or is in a <i>Non-Metropolitan Area</i> and has an income at or below the greater of (1) 80% AMI, (2) 80% Statewide Non-Metropolitan Area AMI, and (3) 200% of the Federal Poverty Level</p> <p><input type="checkbox"/> Is currently approved for assistance from or participation in at least one of the following programs, with an award letter within the last 12 months:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Low Income Home Energy Assistance Program

<p>d. Properties Providing Affordable Housing</p>	<p><input type="checkbox"/> Would the expenditure be for the purposes of providing funding and technical assistance to a Community Lender(s), enabling financial assistance to projects on properties providing affordable housing that are within either of the following two categories?</p> <p><input type="checkbox"/> Multifamily housing with rents not exceeding 30% of 80% AMI for at least half of residential units and with an active affordability covenant from one of the following federal or state housing assistance programs:</p> <ul style="list-style-type: none"> • Low-Income Housing Tax Credit • A housing assistance program administered by HUD • A housing assistance program administered by USDA under Title V of the Housing Act of 1949 • A housing assistance program administered by a tribally designated housing entity • Any other housing assistance program designated by the EPA Administrator <p><input type="checkbox"/> Naturally-occurring (unsubsidized) affordable housing with rents not exceeding 30% of 80% AMI for at least half of residential units</p>
<p>If the expenditure would fall within any of the four categories above, then it would be an eligible use of funds for the purposes of providing financial and technical assistance in low- income and disadvantaged communities.</p>	

Added by EPA subsequent to creation of the table above:

Federally Recognized Tribal Entities: Federally Recognized Tribal Entities: All Federally Recognized Tribal entities, which are considered disadvantaged regardless of whether a Federally Recognized Tribe has land, consistent with M-23-09 (memorandum dated as of January 27, 2023) and CEJST. A “Federally Recognized Tribal Entity” means (i) any individual member of a Federally Recognized Tribe; (ii) any for-profit business that has at least 51 percent of its equity ownership (or the equivalent in limited liability companies) by members of Federally Recognized Tribes; (iii) any non-profit entity with at least 51 percent of its Board of Directors (i.e., Governing Board) comprised of members of Federally Recognized Tribes; 17 or (iv) any Federally Recognized Tribal government entity. Under this definition, any Federally Recognized Tribal Entity is included within the definition of Low-Income and Disadvantaged Communities, regardless of where that entity is located (i.e., the entity may be located in areas outside of the CEJST land area dataset, including but not limited to tribal service areas or counties.)