



REQUEST FOR PROPOSALS
for FINANCING OF CLEAN ENERGY IMPROVEMENTS

DIRECTED TO: Private Commercial and Industrial Property Building Owners
Participating in Montgomery County Benchmarking Program

Open RFP – Send to RFP@mcgreenbank.org at any time.
RFP Closing Date: Open Submissions

This Request For Proposals for Financing of Clean Energy Improvements aims to support:

- ***Owners of private commercial buildings in Montgomery County that:***
 - ***are required to submit a property under the County’s [benchmarking law](#);***
 - ***wish to improve the energy performance of one or more benchmarked properties;***
 - ***who have a plan(s) for undertaking energy performance improvements on the benchmarked property(ies)¹; and***
 - ***are seeking financing to support the implementation of these improvements.***

I. OVERVIEW

The Montgomery County Green Bank (“Green Bank”) is a nonprofit organization established by Montgomery County, Maryland (the “County”) to accelerate energy efficiency and renewable energy upgrades of commercial and industrial (“C&I”) and residential properties in the County by providing financing options that enhance the availability of capital in the market to support these upgrades.

This Request For Proposals (“RFP”) is being issued by the Green Bank to solicit financing proposals from C&I building owners who are required to benchmark and report data to the Montgomery County Department of Environmental Protection (“DEP”) pursuant to the County’s Benchmarking Law² (the

¹ If you are a building owner that presently does not have an energy performance improvement plan and are seeking support for evaluating and developing an energy performance improvement plan, go to Montgomery County Green Bank’s website (www.mcgreenbank.org) for information on contractors that could provide assistance.

² In May 2014, the Montgomery County adopted a [Building Benchmarking Law](#) ([PDF](#), 580 KB) and amended the original legislation with [Bill 35-15 Environmental Sustainability – Benchmarking – Amendments](#) in November 2015. Benchmarking provides a Building Owner with actionable data which may be used to improve the energy

“Building Owners”) and who are seeking financing options to undertake clean energy improvements (see box at right) on their properties to improve property energy performance.

The Green Bank is taking this step as it recognizes that the County has promoted a benchmarking program that helps Building Owners understand the energy performance of their properties, that Building Owners may wish to undertake energy efficiency measures that would improve performance, and that these Building Owners may need assistance to finance such improvements. The Green Bank could be a source of financing to Building Owners to support undertaking these improvements.

If you are a Building Owner who is contemplating improving the energy performance of your property, the Green Bank has a couple of options for financing for these improvements:

- *Apply for tailored financing via a direct application request* by submitting a financing proposal application (Exhibit A) via this RFP to RFP@mcgreenbank.org for Green Bank consideration. (Word version of application can be found [here](#).)
- *Apply for immediately available financing through our Partner Banks that offer the Commercial Loan for Energy Efficiency and Renewables (CLEER).* Access already available financing through the Green Bank’s CLEER program offered by Participating Lenders. Information on CLEER offered by Participating Lenders can be found at <https://mcgreenbank.org/all-programs/commercial-project-financing/>. Send a simple email inquiry to RFP@mcgreenbank.org and we can connect you to the Participating Lenders, or you can contact them directly.

Tailored financing proposals submitted under this RFP will be considered as they are received. Each proposal will be reviewed against Green Bank evaluation criteria provided in this RFP and those proposals meeting the criteria will be further discussed by the Green Bank with Building Owners for potential investment by the Green Bank. If you have any questions, please send an email to RFPbenchmarking@mcgreenbank.org.

II. MONTGOMERY COUNTY GREEN BANK BACKGROUND

The Green Bank was designated as Montgomery County, Maryland’s green bank in August 2016, and is a publicly chartered, 501(c)3 nonprofit dedicated to accelerating affordable clean energy and energy

performance of their building(s) by undertaking energy efficiency and renewable energy improvements and reducing operating costs.

Clean Energy Improvements can include:

- Building envelope
- Lighting
- Chillers
- HVAC systems
- Controls
- Renewable energy (e.g., solar PV)
- Building Tune-Ups
- Energy Storage
- Combined Heat and Power

efficiency investment in the County. We partner with the private sector to build a more inclusively prosperous, resilient, sustainable, and healthy community. Our work supports Montgomery County's goal to reduce its greenhouse gas emissions.

The Green Bank seeks to improve the financial feasibility of energy performance improving work undertaken by Building Owners. In particular, the Green Bank looks for opportunities where our investment can work with other capital to move a project forward or provide credit enhancement for a commercial lender's loan to mitigate perceived project risk. Our capital can be deployed to support financing structures that best align debt service payments with projected monthly energy savings with a maximum term of up to 12-years.

As the nation's first local level green bank, the Green Bank uses public and private funds to drive investment to Montgomery County clean energy markets. The Green Bank's total assets are approximately \$23 million.

IV. GOALS FOR THIS REQUEST FOR PROPOSALS

The Green Bank is issuing this RFP to Building Owners who have realized through the County's benchmarking requirements that their buildings can be more energy efficient, and who wish to undertake energy efficiency and renewable energy upgrades that could improve the building's energy performance and in turn the building's benchmarking performance.

The Green Bank's principles of this RFP include:

- when energy performance improvements are undertaken, they can result in energy cost savings benefits;
- in some instances, Building Owners wishing to undertake such energy savings improvements do not have available financial resources to fund the improvements;
- the Green Bank is able to finance energy performance improvements and seeks options to partner to help Building Owners move forward with such improvements; and
- the use of Green Bank financing products could help Building Owners to move more quickly to make energy improvements/investments to their buildings and thereby lower their energy costs and help the County meet its greenhouse gas emissions reduction goals.

V. GREEN BANK FINANCING OFFERINGS

Building Owners are encouraged to think expansively about how Green Bank financing can help them undertake energy performance improvements and to propose what they feel would best suit their needs. When responding to this RFP, Building Owners should provide information on both energy efficiency and / or renewable energy project work they would like to undertake.

The Green Bank has two options available to Building Owners for financing energy performance improvements.

- *Tailored financing through direct application request via RFP:* The Green Bank can provide financing tailored to a specific project – via direct financing or credit enhancements - for energy efficiency and renewable energy upgrades under certain circumstances. Proposals for tailored financing submitted in response to this RFP should consider these factors:

- Direct financing to fund energy performance improvements with project budgets up to \$1,000,000, and no more than 65% of the total capital required for the energy improvements.
 - Guarantees up to 25% of total financing to financial institutions that are providing financing on a building's energy performance improvement projects.
 - Other options proposed by Building Owner.
 - Proposals must identify how Building Owners would use the Green Bank's capital, together with capital from other financing sources (e.g., the Building Owner's commercial bank or other financial entity) to finance the proposed project.
- ***Financing immediately available through Partner Banks:*** The Green Bank has existing partnerships with Participating Lenders to finance energy efficiency and renewable upgrades. The Commercial Loan for Energy Efficiency and Renewables (CLEER) is a Green Bank program that is offered by these Participating Lenders. Information can be found at: <https://mcgreenbank.org/all-programs/overview/>. The product is offered through Participating Lenders shown on our website at <https://mcgreenbank.org/all-programs/participating-lenders/>. **Financing is immediately available.** By sending an inquiry to the Green Bank at RFP@mcgreenbank.org, the Green Bank can discuss this option with you and connect you to a Participating Lender. The Building Owner may also directly contact any of the Participating Lenders. Key components of CLEER include:
 - Up to \$250,000 loan (can be higher with waiver)
 - 100% financing of improvements
 - Not secured by property (depending on credit of borrower)
 - Up to 12 years

VI. CRITERIA FOR SUBMITTING A RFP APPLICATION

The Green Bank is seeking RFP proposals from Building Owners for Green Bank investment in improvements that meet the following FOUR criteria:

- 1) Building Owners who wish to undertake one or more of the following:
 - a. Limited energy retrofit measures that address a single piece of equipment or single energy system, including renewable energy systems;
 - b. Extensive whole-building energy retrofit measures where Building Owner installs a number of different energy performance measures to improve the whole building's energy use; AND / OR
 - c. Energy efficiency or renewable energy improvements on a property they are in the process of acquiring that is subject to the Benchmarking Law.
- 2) Projects that enable a Building Owner to achieve at least one of the following:
 - Make energy improvement upgrades/retrofits that are at or above-code and reduce the energy consumption for the property by a minimum of 5%; OR
 - Add renewable energy improvements onto the property.

- 3) Projects where the projected energy efficiency improvement and/or renewable energy investments are expected to deliver positive operating cost savings.
- 4) Projects scheduled to begin within six (6) months from selection by the Green Bank for investment.

VII. REQUEST FOR PROPOSAL REQUIREMENTS

Submit a full proposal electronically in the Proposal Format provided on the attached Exhibit A form via email at: RFP@mcgreenbank.org. (Word version of application can be found [here](#).) Proposals may be submitted at any time and will be reviewed as received. The subject line should read: "Response to RFP for Energy Improvement Financing Needs." The Green Bank will review and contact responders as proposals are received.

FULL PROPOSAL FORMAT³

Use Exhibit A to submit a proposal in order to allow the Green Bank to more fairly and expeditiously evaluate proposals. Please submit one form per property you wish the Green Bank to review. A responder may offer additions to Exhibit A where necessary for purposes of clarification or amplification. Please limit your proposals, not including attachments, to no more than four (4) pages.

The Green Bank will do an initial evaluation using the information provided in Exhibit A. If the Green Bank determines that the Proposal meets its initial requirements, the Green Bank will contact the Building Owner and may seek additional information, which can include that listed in the Appendix.

The Green Bank may choose more than one proposal to evaluate and to fund. The Green Bank reserves the right to accept or reject any or all of the proposals received in response to the RFP.

Exhibit A application includes information for the following elements:

- 1) **PROPOSER BUILDING OWNER AND PROJECT CONTACT INFORMATION**
- 2) **PROPERTY INFORMATION**
- 3) **PROJECT SUMMARY**
- 4) **PROJECT DESCRIPTION**
- 5) **FINANCING PROPOSAL**

³ Each potential Building Owner responder should carefully examine this RFP. Potential Building Owners responders should familiarize themselves with all proposal requirements prior to submitting their proposal. Should a potential Building Owner responder note any discrepancies, require clarifications, wish to request interpretations, or have any other questions, the potential Building Owner responder should submit a written request to RFP@mcgreenbank.org. The Green Bank will respond to such written requests in kind and may, if it so determines, disseminate such written responses to other prospective proposers or publicly on the website.

VIII. INITIAL RFP EVALUATION

Proposals will be evaluated on the following criteria:

Meeting Green Bank Energy Improvement Financing Goals – Will the potential activity achieve a level of energy efficiency improvement, renewable energy deployment, or resiliency goals above what would normally have occurred at the project? (Minimum 5% energy performance improvement required; higher percentages will have preference.)

Project Feasibility – How feasible is the project to achieve its stated energy performance goals?

Project timetable – Is the project ready to be undertaken within the next 6 months? What is the likelihood of completion within the proposed timeline?

Project Leverage – What is the level of financing requested from the Green Bank compared to the level of equity (cash down payment) and/or other financing committed to the project?

Requested Green Bank Financing Terms – How do the proposed financing terms help the project? How is the Green Bank financing essential to the project moving forward? Are the proposed financing terms within the capabilities of the Green Bank?

Relevant Experience – Does the Building Owner OR contractor have the relevant experience for the type of project being proposed?

IX. DISCLAIMER

Submission of your proposal constitutes acknowledgement of the acceptance of the following terms, conditions and understandings:

The Green Bank reserves the right to accept or reject any or all of the proposals received in response to the RFP.

The Green Bank reserves the right to seek clarification from any proposer regarding its submission.

The Green Bank reserves the right, at its own cost and expense and with concurrence of proposer, to perform a complete financial review and on-site investigation of any proposer's project and / or plans prior to any final determination.

Proposals must be signed by an authorized party of the potential Building Owner. Proposals must identify the individuals that will have authority to negotiate and contractually bind potential Building Owner. Proposals shall also include those who may be contacted for the purpose of clarifying or supporting the information provided in the proposal.

The Green Bank will not be responsible for any expenses incurred in conjunction with the preparation or presentation of any proposal with respect to this RFP, and no proposal materials will be returned.

The Green Bank's selection of one or more Building Owners through this RFP is not an offer and the Green Bank reserves the right to discontinue negotiations with the selected Building Owners or continue discussion with selected Building Owner until the parties reach a mutual agreement.

X. [CONTACT INFORMATION](#)

Email: RFP@mcgreenbank.org

Phone: 240-453-9000

Website: www.mcgreenbank.org

Exhibit A

**Request For Proposals for Financing of Clean Energy Improvements
Application – Maximum 4 pages (not including attachments)
Word version of proposal found [here](#).**

Proposer Authorized Party Name	
Authorized Party Address	
Authorized Party Email	
Authorized Party Phone (Mobile preferred)	
Project Contact Name	
Project Contact Email	
Project Contact Phone (Mobile preferred)	
Name of Person with Authority to Negotiate / Bind a Contract	

Property Name	
Property Address	
Property Type(s) consistent with Portfolio Manager submission	
Property square footage	
Property Occupancy (describe if single or multi-tenant and main use)	
Lease structure and terms (e.g. triple net)	
Most current ENERGY STAR benchmarking score	

Project Summary (maximum 200 words)
Answer:

Project Description
<i>Describe the proposed Project energy improvement(s)/Scope of Work to be financed. Include if/how they will impact Common Areas and/or Tenant Areas.</i>
Answer:
<i>How was the project scope of work developed?</i>
1) Was the scope developed in-house or by an outside expert? Who developed the scope?
Answer:
2) Did the project scope have a detailed scope of work and budget? Please provide high-level details on scope and budget.
Answer:
<i>Describe how the proposed improvement(s) will:</i>
<ul style="list-style-type: none"> i) introduce energy efficiency upgrades/retrofits that are at or above code and will reduce the energy consumption for the property by at least 5%; AND / OR ii) add renewable energy improvements onto the property
Answer:

What are the expected annual energy savings or annual energy generation and energy cost impacts from the project? Please provide any projections developed for the project.
Answer:
What is the timeframe for project start and project completion?
Answer:
What is the current status of the project? Have you procured bids and/or estimates? If procured bids, provide a list of proposed vendors/suppliers
Answer:
What is the name of the contractor you are expecting to use to manage/perform the work?
Answer:

Financing Proposal
What is the estimated total capital cost of the project?
Answer:
i) What portion is for direct energy improvements? (\$)
Answer:
ii) What portion supports those energy improvements (i.e., non-energy related costs, such as the cost of a new roof on which to place solar PV)? (\$)
Answer:
iii) What portion is non-energy related?
Answer:
What type of Green Bank financing support are you seeking (e.g. structure)?
Answer:
i) What is the amount of Green Bank financing you seek?
Answer:
ii) What terms are you seeking for the financing? (type, rate, term, security, etc.)
Answer:
Do you have a preferred lender? If so, which lender(s)?
Answer:
Have you explored/Are you actively exploring other financing options with these or other lenders?
Answer:

Authorized Party Submitting for Proposer: (Print)
Authorized Party Submitting for Proposer: (Signature)

APPENDIX A - POTENTIAL ADDITIONAL INFORMATION

Additional information could be requested of a Building Owner after the initial evaluation of the proposal to better understand the project and financing needed, including:

1) PROPOSAL DOCUMENTATION

- a. Provide any energy estimation models or analysis prepared for the Building Owner related to the expected energy and cost impacts. Provide any models in an Excel format.
- b. Provide any financial models, pro formas, or quantitative analyses related both to the overall project and to the energy improvement activities noted above. Clearly state all material assumptions. Provide any models in an Excel format.

2) ORGANIZATION AND EXECUTION

- a. Describe your organization's project management capability, including any record or demonstration of successfully executing a similar type and/or scale project.
- b. Describe the project team, individuals, their roles and relevant expertise and background. Bios and CVs may be included in Attachments.
- c. Provide a summary project work plan with milestones, timelines, and anticipated go/no-go junctures.

3) ADDITIONAL DOCUMENTATION

Selected proposers will be asked to provide additional documentation to support the agreement and contracting process with the Green Bank, such as:

- a. Organizational and ownership documentation, confirming ability of applicant to sign such financing agreements and execute projects on the above-named property. This may include incorporation documentation, ownership or deed copies, or other authorizing documents.
- b. 2 years financial statements (audited statements preferred) – include Profit & Loss statements and Balance Sheets. Statements of Cash Flows preferred.
- c. A conflict of interest statement outlining any actual or perceived conflicts of interest that might arise with your organization's involvement with the Green Bank. The organization may also be asked to sign a conflict of interest statement confirming that the organization will report any new potential conflicts as they arise during the duration of the project and financing agreement.
- d. A statement affirming that contractors and partnering firms involved in the execution of the project are compliant with all local, state, and federal laws, and are properly licensed and insured for the scope and duration of the project.