

# Small Business Energy Saving Support

## Small Business Guide



***Have a stalled capital improvement project that is necessary to reopen?*** Many energy systems and other capital projects have stalled due to the pandemic, the economy, and the inability fully access utility incentives. To restart projects and help you reopen, the Montgomery County Green Bank and City First Enterprises are offering financing to respond to the new requirements of the recovery.

The Small Business Energy Savings Support product will cover the upfront costs of energy efficiency retrofits **AND** a portion can be used for non-energy systems necessary to keep people safe. The Green Bank can help you improve indoor air quality, prioritize health and safety, and lower operating costs, reducing the impact from future economic volatility.

### A Financing Solution for Small Businesses

The Green Bank is offering a low-cost financing solution tailored for small businesses pursuing energy efficiency and clean energy projects.

- Project loans of \$10,000-\$150,000 (greater amounts by special approval)
- Up to a 5-year term
- Secured and unsecured loans
- Interest rates between 3%-5%<sup>1</sup>
- Flexible repayment options available, such as interest-only payments for 6 months or payment deferral for 3 months.

***This financing is available for a period of economic recovery through January 2021, after which terms may change.***

### Eligible Clean Energy Systems and More

The Small Business Energy Savings Support covers two types of measures:

- Energy systems: Projects must include a clean energy or energy efficiency component that generates energy savings or cost savings benefits, and constitutes 70% or more of the borrowed principal.
- Non-energy systems: Projects may include up to 30% of non-energy improvements, such as health and safety upgrades and other measures critical to restart business operations.<sup>2</sup>

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<sup>1</sup> Each loan will have a closing fee of \$250 for loans up to \$25,000, \$500 for larger transactions up to \$50,000, \$750 for larger transactions up to \$75,000, and \$1,000 for transactions greater than \$75,000.

<sup>2</sup> The Green Bank supports a wide range of needs. Example eligible projects could include upgrading to a more effective and efficient air ventilation system or technologies to improve indoor air quality, efficient HVAC, hot water, cooking/kitchen installations, infrastructure to enhance public health, or other investments critical to operations.

## Eligible Businesses

Entities are eligible to participate if they are:

- Small businesses, defined as businesses with less than 65 kW demand, fewer than 500 employees, or based on a definition of the U.S. Small Business Administration. Other business types may be approved on a case-by-case basis.
- Based within Montgomery County, Maryland
- A Pepco customer<sup>3</sup>

Borrowers will be underwritten on a streamlined basis using their capacity for undertaking the loan and the energy savings from the energy systems.

## Begin Your Energy Savings Project Today

If you have a project idea, start by reaching out to Green Bank at (240) 453-9000 or [info@mcgreenbank.org](mailto:info@mcgreenbank.org). We will help you scope an eligible project and connect you to a trusted network of contractors if you need one.

Here's what you need to apply for financing:

1. Property address and contact information
2. Project scope of energy efficiency or clean energy work and projected energy savings
3. Scope of any non-energy savings work
4. A properly licensed and Pepco-approved contractor

Once your project is determined to be eligible for the program, The Green Bank will connect you to City First Enterprises to initiate underwriting and facilitate a Small Business Energy Savings Support loan.

## Program Sponsors

**City First Enterprises** (CFE) is a financial institution working at the intersection of financial innovation and impact investment, in the quest for a more equitable economy. We are risk entrepreneurs investing in underserved communities and focusing on the people and places historically overlooked by mainstream finance.

**Montgomery County Green Bank** is an independent nonprofit dedicated to catalyzing clean energy and energy efficiency investment in Montgomery County. The Green Bank works with businesses seeking to become more energy efficient or implement clean energy measures with efficient financing structures that bring long term economic benefits to those businesses and support the County's climate goals.

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<sup>3</sup> Customers in other utility territories may be considered on a case by case basis.