

# Montgomery County Green Bank Request for Proposals (RFP) for Greenhouse Gas Reduction Fund (GGRF) Program Administration

**Issued: April 17, 2024**

## Section 1 – Summary and Instructions

### 1.1 Purpose

The Montgomery County Green Bank (Green Bank) seeks a qualified contractor or team of contractors to provide program administration support to the Green Bank for activities associated with implementation of programming under the GGRF. Contractors are welcome to submit proposals as individuals or firms, and for the entirety of the scope or work or individual parts.

### 1.2 Designated RFP Contact

All correspondence for this RFP should be directed to:

Stephen Morel  
Chief Executive Officer  
Montgomery County Green Bank  
155 Gibbs Street, Suite 407  
Rockville, MD 20850  
Email: [smorel@mcgreenbank.org](mailto:smorel@mcgreenbank.org)

### 1.3 Schedule

The following is the anticipated schedule for award:

- RFP issued: April 17, 2024.
- Questions due: April 26, 2024.
- Responses to questions posted: April 30, 2024.
- Expression of interest due by April 30, 2024.
- Proposals may be submitted between May 1 and June 30, 2024.
- Awards will be made on a rolling basis between May 13, 2024, and July 31, 2024.
- Contract start date(s) will be on the 1<sup>st</sup> or 15<sup>th</sup> of June and July 2024.

The Green Bank reserves the right to modify this schedule at its discretion. Any changes or additional information regarding the RFP schedule and pre-bid activities, including responses to questions, will be posted on the MCGB website.

#### **1.4 Period of Performance**

The Green Bank will award a contract or contracts for a duration of one year with up to six option years.

#### **1.5 Anticipated Contract Budget**

The contract or contracts are anticipated to be fulfilled on a time-and-material basis. Each proposal should clearly indicate which sections of the scope of work to which it applies, and the level of effort needed to fulfil such work. Contractors will be expected to provide both remote and onsite services.

#### **1.6 Proposal Submission Deadline**

Proposals will be considered on a rolling basis commencing May 1, 2024. Proposals must be submitted by mail at 155 Gibbs Street, Suite 407, Rockville, MD 20850 or by email at [smorel@mcgreenbank.org](mailto:smorel@mcgreenbank.org). Proposals will not be accepted after June 30, 2024. Any revisions to submission requirements or deadlines will be posted on the Green Bank website.

#### **1.7 Submitting Questions**

It is the responsibility of all bidders and other interested parties to examine the entire RFP and to request any clarifications in writing. Questions regarding this RFP must be submitted by email to the Designated RFP Contact listed in section 1.2 prior to the due date for questions noted above in section 1.3. The subject line of the email should be: "GGRF Program Administration RFP". Responses to questions will be posted on the Green Bank website as will all clarifications and amendments released in regard to the RFP. It is the responsibility of all interested parties to check this website periodically to obtain clarifications and amendments.

#### **1.8 Proposal Confidentiality**

Proposals will be treated as confidential except as required by law and provided that any information submitted will be shared with the Green Bank's Board of Directors and outside counsel.

#### **1.9 Contract Award**

The Green Bank will notify all bidders of the contract award decision by email. The Green Bank reserves the right to negotiate the final terms and conditions of the contract award with a winning bidder whose proposal is selected, and to reject any winning bidder with whom the Green Bank, in MCGB's sole judgment, cannot agree to terms and conditions.

#### **1.10 RFP Process – Reservation of Rights**

The Green Bank reserves the right to cancel or extend the RFP process at any time, and to issue clarifications and amendments to the RFP. The Green Bank also reserves the right to reject any submissions in response to this RFP. The Green Bank, in its sole discretion, reserves the right to recognize and waive minor informalities and irregularities found in proposals received in response to this RFP. Issuance of this RFP does not commit the Green Bank to make an award. The Green Bank will not pay any costs or expenses incurred by a bidder in connection with the preparation of any proposal or response to this RFP.

### **1.11 Contract Agreement**

A copy of the Green Bank's Standard Agreement is attached. This is the template that will serve as the basis for the services agreement between the winning bidder(s) and the Green Bank. The Green Bank and the awardee(s) may negotiate further terms and conditions as might be appropriate, subject in all events to approval by the Green Bank in its sole discretion. Any contract will include a nondisclosure agreement in form and substance satisfactory to the Green Bank. Certain information regarding Green Bank customers that have participated or that may participate in a Green Bank program shall be deemed confidential and subject to such agreement.

Funding for the contract may derive in whole or in part from federal sources and carry with it certain federally prescribed terms and conditions that must be included in contracts using such funds (such as Appendix II to 2 CFR Part 200 "Contract Provisions for Non-Federal Entity Contracts Under Federal Awards" and additional requirements). Any contract award will be subject to the required federal contract flow-down provisions. The Standard Agreement may be revised prior to execution and may be amended from time to time with mutual consent of the parties, to reflect any federal funding requirements associated with the capital funding for the contract.

## Section 2 – Background Information

### 2.1 Montgomery County Green Bank

The Montgomery County Green Bank is a publicly chartered 501(c)3 nonprofit corporation dedicated to accelerating energy efficiency, renewable energy, and clean energy investment in Montgomery County, MD. We partner with the private sector to provide more affordable and flexible financing options for County residents and businesses for clean energy and climate-resilient projects. These projects save energy, lower greenhouse gas emissions, create healthy living and working environments, foster a more resilient economy and environment, and help the County achieve its environmental goals.

### 2.2 Greenhouse Gas Reduction Fund

In late 2022, Congress passed the Inflation Reduction Act. An important provision of the IRA authorized the U.S. Environmental Protection Agency to implement the Greenhouse Gas Reduction Fund, a historic \$27 billion investment that will be used to capitalize green banks to facilitate development of energy efficiency and clean energy projects. On April 4, 2024, Vice-President Kamala Harris announced the GGRF awardees under the \$14 billion National Clean Investment Fund (NCIF) competition and the \$6 billion Clean Communities Investment Accelerator (CCIA) competition.

The Coalition for Green Capital (CGC) was awarded \$5 billion under the NCIF competition, under which the Montgomery County Green Bank is a sub-awardee for the State of Maryland. This RFP relates to the Green Bank's role with respect to the NCIF.

The NCIF focuses on the program objectives of reducing emissions of greenhouse gases and other air pollutants; delivering benefits to American communities, particularly low-income and disadvantaged communities; and mobilizing financing and private capital as briefly described below.

- Program Objective 1: Reduce emissions of greenhouse gases and other air pollutants. Grantees will invest in projects, activities, and technologies that reduce emissions of greenhouse gases and other air pollutants that harm communities and contribute to climate change. Grantees will accelerate progress toward the climate goals of the United States, including reducing greenhouse gas emissions 50-52 percent below 2005 levels in 2030, reaching 50 percent zero-emission vehicles share of all new passenger cars and light trucks sold in 2030, achieving a carbon pollution-free electricity sector by 2035, and achieving net-zero emissions by no later than 2050.
- Program Objective 2: Deliver benefits of greenhouse gas- and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities.<sup>1</sup> Grantees will ensure that the projects they invest in directly benefit Americans by improving health outcomes, lowering energy costs, creating high-quality jobs, and more. At least 40% of funds awarded under this competition must be used for the purposes of providing financial assistance in low-income and disadvantaged communities.

- Program Objective 3: Mobilize financing and private capital to stimulate additional deployment of greenhouse gas- and air pollution-reducing projects. Grantees will mobilize financing and private capital for underinvested projects and underinvested communities, which will demonstrate the market-wide opportunity for financial markets and institutions to finance clean technology projects. As a result, grantees will spur market transformation, supporting market-wide accessibility of affordable financing for clean technology projects to multiply the impact of grant funds.

EPA Terms and Conditions (which may be provided upon request) define the tools available to the Montgomery County Green Bank for fulfillment of these objectives as:

1. Financial Assistance. Section 134(b)(1) of the Clean Air Act directs that the recipient use funds for “financial assistance.” Consistent with the definition of Federal financial assistance in 2 CFR 200.1, financial assistance means financial products, including debt (such as loans, partially forgivable loans, forgivable loans, zero-interest and below-market interest loans, loans paired with interest rate buydowns, secured and unsecured loans, lines of credit, subordinated debt, warehouse lending, loan purchasing programs, and other debt instruments), equity investments (such as equity project finance investments, private equity investments, and other equity instruments), hybrids (such as mezzanine debt, preferred equity, and other hybrid instruments), and credit enhancements (such as loan guarantees, loan guarantee funds, loan loss reserves, and other credit enhancement instruments). Subgrants are not financial assistance. Expenditures for financial assistance are in the form of subawards, participant support costs, acquisitions of intangible property, or cash reserves, as defined in this award agreement.
2. Market Building Activities. “Market-building activities” means activities that meet all three of the following criteria: (1) build the market for financeable qualified projects, (2) are not tied directly to qualified projects the recipient intends to finance, and (3) are necessary and reasonable for the deployment of financial assistance to qualified projects.
3. Predevelopment Activities. “Predevelopment activities” means activities that meet all three of the following criteria: (1) improve the likelihood of the recipient financing qualified projects, (2) are tied directly to qualified projects the recipient intends to finance, and (3) are necessary and reasonable for the recipient to deploy financial assistance to qualified projects.

### 2.3 Priority Areas and Qualified Projects

The NCIF includes three priority areas under which activities should focus. These are:

- **Distributed Energy Generation and Storage:** Projects, activities, and technologies that deploy small-scale power generation and/or storage technologies (typically from 1 kW to 10,000 kW), plus enabling infrastructure necessary for deployment of such generation and/or storage technologies. Projects, activities, and technologies within this category must support carbon pollution-free electricity, which is electrical energy produced from resources that generate no carbon emissions, consistent with the definition specified in Executive Order 14057 (Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability).
- **Net-Zero Emissions Buildings:** Projects, activities, and technologies that either (1) retrofit an existing building, making a substantial contribution to that building being a net-zero emissions building and as part of a plan for that building achieving net-zero emissions over- time, or (2) construct a new net-zero emissions building in a low-income and disadvantaged community. Net-zero emissions buildings are buildings that have been verified to be highly energy efficient, free of on-site emissions from energy use, and powered solely from clean energy, in accordance with the National Definition for a Zero Emissions Building. “Highly energy efficient” means: (i) an existing building that achieves an ENERGY STAR certified score of 75 or higher or performs 35% better than median EUI for buildings ineligible for the score or (ii) a new building that has energy use at least 10% lower than the energy use according to the latest IECC or ASHRAE 90.1 model code and is designed to achieve an ENERGY STAR certified score of 90 or higher. “Free of on-site emissions” means that the building’s direct greenhouse gas emissions equal zero. “Powered solely from clean energy sources” means that 100% of the building’s energy is from carbon-free sources.). A building can meet the requirement to be powered solely by clean energy through any combination of on and off-site clean energy, as long as its emissions equal zero (noting, however, that carbon offsets are not permitted to meet this definition).
- **Zero-Emissions Transportation:** Projects, activities, and technologies that deploy zero-emissions transportation modes, plus enabling infrastructure necessary for zero-emissions transportation modes—especially in communities that are overburdened by existing diesel pollution, particulate matter concentration, and degraded air quality. Projects, activities, and technologies within this category must be consistent with the zero-emissions transportation decarbonization strategies in The U.S. National Blueprint for Transportation Decarbonization.

In addition to these three priority areas, the Green Bank will focus on integrating climate resilience into its projects. The Green Bank is currently implementing climate resilience pilot programs that address climate vulnerabilities within Montgomery County.

Across all priority areas and business segments, the NCIF has specific criteria for a “qualified project.” Any project, activity, or technology must meet all six of the following criteria:

- The project, activity, or technology would reduce or avoid greenhouse gas emissions, consistent with the climate goals of the United States to reduce greenhouse gas emissions 50-52 percent below 2005 levels in 2030, reach 50 percent zero-emission vehicles share of all new passenger cars and light trucks sold in 2030, achieve a carbon pollution-free electricity sector by 2035, and achieve net-zero emissions by no later than 2050. The project, activity, or technology may reduce or avoid such emissions through its own performance or through assisting communities in their efforts to deploy projects, activities, or technologies that reduce or avoid such emissions.
- The project, activity, or technology would reduce or avoid emissions of other air pollutants. The project, activity, or technology may reduce or avoid such emissions through its own performance or through assisting communities in their efforts to deploy projects, activities, or technologies that reduce or avoid such emissions.
- The project, activity, or technology would deliver additional benefits (i.e., in addition to primarily reducing or avoiding emissions of greenhouse gases and other air pollutants) to communities within one or more of the following seven categories: climate change; clean energy and energy efficiency; clean transportation; affordable and sustainable housing; training and workforce development; remediation and reduction of legacy pollution; and development of critical clean water infrastructure.
- The project, activity, or technology may not have otherwise been financed.
- The project, activity, or technology would mobilize private capital.
- The project, activity, or technology would support only commercial technologies, defined as technologies that have been deployed for commercial purposes at least three times for a period of at least five years each in the United States for the same general purpose as the project, activity, or technology.

### 2.3 Maryland Coalition Partnership

The Montgomery County Green Bank has been awarded a subaward under the CGC award for the State of Maryland. This award is the product of a partnership between the Montgomery County Green Bank, the Maryland Clean Energy Center (MCEC), and the Climate Access Fund (CAF).

The Green Bank anticipates providing Financial Assistance instruments to MCEC, CAF, and their respective eligible recipients as appropriate. Contractors are expected to fulfil certain compliance and reporting requirements for all beneficiaries, including in collaboration with MCEC and CAF.

## Section 3 – Scope of Work

Green Bank staff are engaged in the entire lifecycle of management for activities described in Section 2. Successful bidders will be expected to coordinate with respective staff departments as detailed in each of the following sections.



### **3.1 Program Coordinator(s)**

The Program Coordinator is expected to be a central point of contact for all Green Bank contract compliance. EPA Terms and Conditions define Program Administration responsibilities as activities that support administration of the grant program, to the extent such activities meet the requirements for allowability under 2 CFR Part 200, Subpart E as well as applicable provisions of 2 CFR Part 1500. Program administration activities include but are not limited to establishing and convening advisory councils, as described in Item 2 of EPA's Guidance on Selected Items of Cost for Recipients, and fund raising, as described in Item 4 of EPA's Guidance on Selected Items of Cost for Recipients.

The Program Coordinator is expected to coordinate among Green Bank staff and the roles as laid out in the subsequent sections of this Scope of Work, including but not limited to compliance with:

- Recipient draw downs and disbursements.
- EPA Project Officer requests.
- Eligibility and tracking of Financial Assistance, Technical Assistance, Eligible Recipients, and Qualified Projects.
- Confirmation of Financial Assistance and Technical Assistance in Low-Income and Disadvantaged Communities (LIDAC).
- Coordination on budget activities and financial accounting.
- Coordination with staff on policies and procedures such as those relating to cybersecurity, competency, signage and logos, events, and other policies.
- Quality Management Plan and Quality Assurance Project Plan

### **3.2 Impact and Reporting Coordinator(s)**

The Impact and Reporting Coordinator is expected to be a central point of contact for all Green Bank impact analysis and reporting of GGRF activities. The EPA Terms and Conditions define reporting requirements as certain performance requirements including: (1) quarterly, annual, and final reports; (2) transaction level and project level data; (3) organizational disclosures; and (4) ongoing disclosures.

Impact reporting will include, among other things:

- Climate benefits.
- Air pollution benefits.
- Equity benefits.
- Community benefits.
- Market transformation benefits.
- Workforce development.



The Impact and Reporting Coordinator is also expected to assist in quantifying and ensuring compliance with recipients of Financial Assistance and Project Support. This activity will include the collection of data necessary for disbursements as well as ongoing reporting. The Green Bank anticipates using Financial Assistance agreements for several larger and long-term community lending entities, such as those in the Maryland Coalition, who will require ongoing support in these activities.

### **3.3 Market Building and Predevelopment Coordinator(s)**

The Market Building and Predevelopment Coordinator is expected to facilitate coordination between local communities and the Green Bank's Community Engagement and Investment Teams. The EPA Terms and Conditions define market-building activities as those that meet all three of the following criteria: (1) build the market for financeable qualified projects, (2) are not tied directly to qualified projects the recipient intends to finance, and (3) are necessary and reasonable for the deployment of financial assistance to qualified projects.

Market building and predevelopment activities include but are not limited to:

- Community outreach.
- Marketing.
- Workforce development.
- Development of new financial products.
- Site and building assessments.
- Technical and financial feasibility studies.
- Design and engineering support.

The Market Building and Predevelopment Coordinator will be responsible for working with staff to grow programs, connect such programs with Financial Assistance deployment, and deepen community engagement and benefits. This will include the identification of community partners that will produce important community impacts using funding in these respective support areas.

### **3.4 Financial Assistance Coordinator(s)**

The Financial Assistance Coordinator is expected to coordinate with the Green Bank Investment team to deploy Financial Assistance instruments. The EPA Terms and Conditions define Financial Assistance as instruments that are consistent with the definition of Federal financial assistance in 2 CFR 200.1.

Instruments include but are not limited to:

- Debt (such as loans, partially forgivable loans, forgivable loans, zero-interest and below-market interest loans, loans paired with interest rate buydowns, secured and unsecured loans, lines of credit, subordinated debt, warehouse lending, loan purchasing programs, and other debt instruments).
- Equity investments (such as equity project finance investments, private equity investments, and other equity instruments).
- Hybrids (such as mezzanine debt, preferred equity, and other hybrid instruments).
- Credit enhancements (such as loan guarantees, loan guarantee funds, loan loss reserves, and other credit enhancement instruments).

The Financial Assistance Coordinator will work most closely with the Green Bank's Chief Investment Officer and Chief Credit Officer to provide support for

1. Originations.
2. Credit Underwriting.
3. Portfolio Servicing.

Bidders may propose a level of effort for such a Financial Assistance Coordinator that includes all three areas of support or single areas. The Green Bank anticipates the need with most urgency in area 2 (Credit Underwriting).

### **3.5 Other Coordinator(s)**

The Green Bank will consider the inclusion of other coordinators that bidders believe are necessary for GGRF program administration. Bidders should clearly identify the type of coordinator and purpose.

## **Section 4 – Proposal Requirements and Submission**

Proposals must be submitted by mail or email to the Designated RFP Contact listed above. Proposals should contain the following:

1. A narrative of the qualifications, staffing and management proposed for the identified sections of the Scope of Work.
2. Organization chart and disclosures, if relevant.
3. The resumes/CVs of relevant individuals who will be engaged in the contract.
4. Time and materials cost proposal – narrative and costs.

If submitting over email, bidders may provide the requirements in a single document or multiple attachments. PDF and Word documents are acceptable.

## **Section 5 – Evaluation**

The Green Bank will evaluate proposals based on the following criteria:

- Experience of individuals proposed, or team of individuals proposed.
- Demonstrated subject matter knowledge.
- Cost.
- Relevant examples of like work.

The most important of the evaluation criteria is the experience of individuals. The following provides minimum education/experience requirements and the preferred qualities of Coordinators.

- A minimum of a bachelor's degree in finance, Accounting, Business, Real Estate, or another related field. Five or more years of experience in commercial banking, financial intermediaries, energy related analysis, and/or community development.

Preferred qualities:

- Extensive knowledge of finance, budgeting, and general accounting principles; understanding of real estate finance and loan processing a plus.
- Experience in program management, including stakeholder engagement and reporting.
- Experience managing 501(c)(3), grant-making, or financial management institutions and corresponding organizational planning and development.
- Proven collaboration skills, developing strategic partnerships to leverage resources and embracing an entrepreneurial environment.
- Track record of being highly organized and self-motivated.
- Experience with responsibility for the financial management of an entity or a large program.
- Proven communication skills, both oral and written. Demonstrated ability and effectiveness in communicating ideas and information, both quantitative and qualitative.
- Knowledge of non-profit tax laws, reporting requirements, and regulations related to charitable gifts, trusts, estates and grants, and the operation of a public charity a plus.
- Knowledge of Federal grants and compliance requirements.
- Credit training or demonstrated experience in credit and underwriting roles is a plus.
- Experience in clean energy and/or energy efficiency is desired.
- Ability to review financial documents for due diligence and transaction execution purposes.
- Willingness to develop standards, products, and provide innovative support.
- Strong written and verbal communication skills.
- An understanding of renewable energy analysis, including the impact on assessments, cash flow, operations, and other drivers and strategies.
- Experience in direct outreach and engagement with property owners, managers, contractors, and developers.
- Demonstrated experience in building transaction pipelines, managing relationships, and achieving positive outcomes for customer and employer.
- Experience working in a metric driven production goals environment for financing.
- Ability to review financial and other documents for due diligence and transaction execution purposes. Strong qualitative and quantitative skills are a must.
- Excellent organizational, interpersonal quantitative, writing, and communication skills; able to interface with top level executives.
- Capability to work independently while supportive of a team environment.