

**Montgomery County Green Bank**  
**Request for Proposals for Eligible Seller/Purchaser Pool and Ancillary Services**  
**Issued: November 22, 2024**  
**Open Solicitation**

**Section 1 – Summary and Instructions**

**1.1 Purpose & Overview**

The Montgomery County Green Bank (“Green Bank”) is seeking to create pools of pre-approved sellers and purchasers that will be eligible to place bids for purchasing Green Bank originated loans and investments or for selling portions or the entirety of loans and investments to the Green Bank, and the ancillary services in support of those activities thereof (the “Eligible Purchaser Pool,” “Eligible Buyer Pool,” or “Participant Pools”). Through this RFP, the Green Bank seeks proposals from investors that meet the “Eligibility Criteria” set forth below. The Green Bank will score proposals on a rolling basis and inform applicants of its decision about whether the applicant is admitted to the Participant Pools within six (6) weeks of receipt of a completed proposal.

The goal of this solicitation is to streamline the process by which the Green Bank increases participation opportunities through the sale/purchase of loans, investments, or portfolios thereof (“Investments”). From time to time, the Green Bank seeks to buy/sell Investments to parties with a demonstrated track record of competent origination or portfolio management of such Investments. Furthermore, the Green Bank seeks demonstrated competence with respect to the usage of Greenhouse Gas Reduction Fund (“GGRF”) or other federal sources of grant funding and the associated compliance requirements of 200 CFR, if used by Eligible Participants.

**1.2 Designated RFP Contact**

All correspondence for this RFP should be directed to:

Tim Zhang  
Chief Investment Officer  
Montgomery County Green Bank  
155 Gibbs Street, Suite 407  
Rockville, MD 20850  
Email: [tzhang@mcgreenbank.org](mailto:tzhang@mcgreenbank.org)

### **1.3 Schedule**

- RFP Issued: November 22, 2024
- Questions may be submitted on an ongoing basis, with FAQ's posted on a rolling basis to MCGB's website, as needed.
- Due Date: Rolling Approvals

The Green Bank reserves the right to modify this schedule at its discretion. Any changes or additional information regarding the RFP schedule will be posted on the MCGB website.

### **1.4 Proposal Submissions**

Applicants must submit their proposal for being considered an Eligible Participant via email. Applicants may submit Word, Excel, and/or PDF files in individual files of no more than 10 MB. Proposal PDFs should be searchable and should be created by direct conversion from Microsoft Word, or other conversion utility. Do not submit scanned files. For ease of identification, all electronic files must be named using the applicant's entity name in the title of the document

No communication intended to influence this procurement is permitted. An attempt to influence the procurement: (1) may result in an applicant being deemed a non-responsible offeror, and (2) may result in the applicant not being selected to join the Participant Pools. Faxed proposals will not be accepted. Incomplete proposals may be subject to disqualification. If changes are made to this solicitation, notification will be posted on the RFP section of the Green Bank's website.

### **1.5 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. The subject line of the email should be: "Eligible Seller/Purchaser Pool Proposal-Bidder Name". Responses to questions will be posted on the Green Bank's website as will all clarifications and amendments released regarding the RFP. It is the responsibility of all interested parties to check this website periodically to obtain clarifications and amendments.

### **1.6 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.

### **1.7 Bidder Notification**

The Green Bank will notify all bidders via email of their decision to include such bidder in the Green Bank's pre-approved Participant Pool. The Green Bank reserves the right to negotiate the final terms and conditions of an award.

### **1.8 Reservation of Rights**

The Green Bank reserves the right to cancel or extend the RFP and submission requirements at any time, and to issue clarifications and amendments to the RFP, as needed. 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 to the applicant. 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.

## **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 National Clean Investment Fund (NCIF) competition and the Clean Communities Investment Accelerator (CCIA) competition.

## **Section 3 – Pool Eligibility Criteria**

### **3.1 Eligibility Criteria**

Eligibility under this solicitation will be determined by the applicant's financial position, operating performance, experience in lending to or investing in clean energy projects such as the Investments made by the Green Bank, and compliance with applicable laws and regulations. At a minimum, applicant must meet the following criteria:

- a) **Classification.** Select and describe how one or more of the following Pool Participation classifications would be met:
  - i. **Accredited Investor.** Pool Participant may be an institutional Accredited Investor per the definition provided by the Securities and Exchange Commission ("SEC"); or
  - ii. **Qualified Institutional Buyer.** Pool Participant may meet the SEC's definition of a Qualified Institutional Buyer; or
  - iii. **Regulated Entity.** Pool Participant may be regulated under Federal law, State law, the SEC, the Office of the Comptroller of the Currency, or similar regulating body that, in the Green Bank's sole discretion, appropriately governs the purchase and sale of Investments; or
  - iv. **Nonprofit Financial Entity.** Pool Participant be a not-for-profit entity that, in the Green Bank's sole discretion, has adequate capital and operating experience in the purchase and sale of Investments to be an Eligible Participant.
- b) **Operating History.** Pool Participants must have an operating history of successfully managing its core business without financial distress, as determined by MCGB in its sole discretion.
- c) **Policies and Procedures.** Pool Participants must have appropriate policies and procedures in place for making loans to and/or investments in clean energy projects such as those made by the Green Bank and have policies and procedures in place for portfolio management for such loans or investments, including processing amendments and waivers. If the applicant does not meet this criterion, it may request that the Green Bank provide certain services with respect to the lifecycle of loans and investments, such as underwriting and servicing, and in such a case must agree to adhere to the Green Bank's respective policies and procedures for those services.
- d) **Debarred Entity.** Pool Participants must not be (i) an entity owned by, controlled by, or subject to the direction of a government of a covered nation under 10 U.S.C. 4872(d); (ii) an entity headquartered in a covered nation under 10 U.S.C. 4872(d); or (iii) a subsidiary of such an entity. Furthermore, Pool Participants may not be debarred from working with

any U.S. Government or State of Maryland agency. At any time that an applicant or participant that has already been accepted into the Pool does not comply with this requirement, that entity will be rendered ineligible.

- e) **Policy Compliance.** Pool Participants must comply with GGRF program Terms and Conditions or other federal source of funding's terms and conditions.

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

### **4.1 Proposal Process and Requirements**

Proposals must be submitted as described on page 1 of this solicitation. Proposal packages must include:

- a. A narrative of the qualifications, staffing and management proposed.
- b. Overview, areas of expertise, relevant financial information, administrative capabilities, and description of clients served
- c. Organizational chart and disclosures, if relevant.
- d. Evidence/description of the applicant's experience originating or purchasing loans to and/or investments in clean energy projects such as those loans and investments that are made by the Green Bank, and, experience with portfolio management for such loans or investments, including processing amendments and waivers. Evidence should include but does not need to be limited to the number of loans and/or investments made to such projects, amount of capital provided to such projects, history of servicing and administering such loans and/or investments;
- e. Contact information for primary contact at applicant's company; and
- f. Disclosure of any debarment or suspension by any agency of the U.S. Government or the State of Maryland Department of Labor.

## **Section 5 – Evaluation**

### **5.1 Pool Proposal Evaluation**

Proposals will be reviewed in the order received. The Green Bank will evaluate proposals based on the following:

- Demonstrated experience.
- Understanding of and ability to perform under the RFP.
- Demonstrated assignment of sufficient, qualified, and experienced professional personnel, with preference given to personnel experienced in providing services such as those contemplated by this RFP.

The Green Bank will confirm receipt of all proposals. In the Green Bank's sole discretion, it may request further information from an applicant and use a response to evaluate the suitability of an applicant.

## **Section 6 – Eligible Participants**

### **6.1 Bidding Process**

Once accepted into the Participant Pool, eligible sellers/purchasers will from time to time be invited by the Green Bank to participate in an abbreviated bid process ("Bid Process") for the Investment identified at such time. The Bid Process for each Investment shall include the following steps:

- a. Participant will hold confidential all information about the proposed Investment and may not share outside its organization except as required by law and with notification to the Green Bank.
- b. The Green Bank will share or request an Investment "teaser" that at a minimum provides sufficient high-level information about the transaction, including relevant participants and proposed terms. This may include information such as the size of the Investment, the relevant counterparties involved in the project, the terms of the underlying documentation for such Investment (including tenor, economics, and covenants), and the recent performance of the Investment.
- c. Eligible sellers/purchasers will express interest along with a certification that the entity does not meet any of the Bid Process Disqualifying Criteria (as described 6.2).
- d. All Eligible seller/purchasers who have expressed interest and who are not deemed to be disqualified will be deemed "Qualified Bidders." Qualified Bidders will be provided access to due diligence information for such Investment.
- e. Qualified Bidders will also enter negotiations with the Green Bank for the purposes of an intercreditor arrangement, which may, as informed by the specific transaction, be a participation agreement drafted by the Green Bank or one drafted by the Qualified Bidder. In either instance, the parties agree in good faith to agree on intercreditor terms and conditions that are appropriate for the underwriting of the transaction and are in compliance with funding source terms and conditions.

### **6.2 Bid Process Disqualifying Criteria**

The Green Bank reserves the right in its sole discretion to disqualify Pool Participant who expressed interest in the Bid Process for any Investment if any of the following are met:

- a. Does not currently qualify as an Eligible Seller/Purchaser.
- b. Fails to meet the eligibility criteria or terms and conditions in the Investment's legal

documentation and participants' intercreditor terms.

- c. Has an economic interest in a borrower, sponsor, or project for such Investment, or any other conflict of interest such as interest in a competing company or asset.
- d. Lacks relevant prior experience in administering loan or investment in such an Investment.
- e. Otherwise presents a financial, reputational, or legal risk to the borrower, sponsor, or project for such Investment.
- f. Otherwise, is no longer compliant with all terms and conditions of the RFP.
- g. Otherwise, is not in compliance with any applicable laws or regulations in effect as of the date of the bid.

## **Section 7 – General Conditions**

### **7.1 Proprietary Information**

Careful consideration should be given before confidential information is submitted to the Green Bank as part of your proposal. Review should include whether it is critical for evaluating a proposal, and whether general, non-confidential information, may be adequate for review purposes. Information submitted to the Green Bank that the applicant wishes to have treated as proprietary, and confidential trade secret information, should be identified and labeled "Confidential" or "Proprietary" on each page at the time of disclosure.

### **7.2 Limitation**

This solicitation does not commit the Green Bank to pay any costs incurred in preparing a proposal, admit any applicant to the Pools, or sell any Investment to any Eligible Purchaser. The Green Bank reserves the right to accept or reject any or all proposals received, to negotiate with all applicants, or to cancel in part or in its entirety this RFP when it is in the Green Bank's best interest. The Green Bank reserves the right to disqualify applicants based upon the results of a background check into publicly available information and the presence of a material possibility of any reputational or legal risk in admitting an applicant to the Pools.

### **7.3 Due Diligence**

The Green Bank, at its discretion, may conduct broad due diligence to validate any or all elements of a proposal and to assess applicants' prospects of success, including gathering information to assess a proposal relative to any of the topics listed in evaluation criteria, whether such topic is explicitly addressed in a proposal. The Green Bank may conduct due diligence on some or all proposals based on MCGB's current guidelines at the time of a review. The Green Bank staff may follow up with applicants to request additional information or clarification regarding a proposal, whether those questions are specifically related to the elements of the proposal.

Additionally, customized due diligence may be conducted by internal or external staff or contractors based on questions on any proposal raised by the Green Bank staff. Any information obtained during due diligence may be used by the Green Bank to score or re-score a proposal.

## **Section 8 – Terminating Membership in the Pools**

### **8.1 Terminating Membership in the Eligible Purchase Pool**

Eligible sellers/purchasers may terminate their membership in the Participant Pool by communicating such request in writing to the Green Bank at any time.