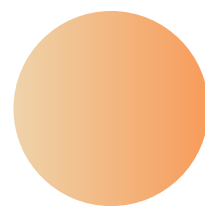


# ANNUAL REPORT FY2021



DC  
GREEN BANK

# DC Green Bank is accelerating a sustainable transition for the District.

We are blazing a trail for other financial institutions to follow so that over time all financing in DC is green financing. We are working with partners across government, the private sector, and alongside community-based organizations to support and deliver a more sustainable, healthier, and inclusive DC for generations to come.

We are excited to share our Fiscal Year 2021 story.

# Table of Contents

## A Year of Growth and Impact 04



## 01 DC Green Bank 06

Our Team	08
Board of Directors	10
A Note from Our Board Chair	11
FY21 Highlights	12
Public Engagement	14
Council Oversight	15
2021 Annual Public Hearing	16
Year in Review	18

## 02 New Projects, Products, and Partnerships 20

Products and Services	22
Green Compass	23
Solar for All 2021	24
Medici Road	26
Navigator Launch	27
Funding for the Future	28
DC PACE Transition	28
BEPS and Construction Loan	29

## 03 Performance Targets Reporting 30

## 04 FY21 Financials 36

Capital Strategy Progress & Update	38
Financial Statements	40
FY22 Budget	42

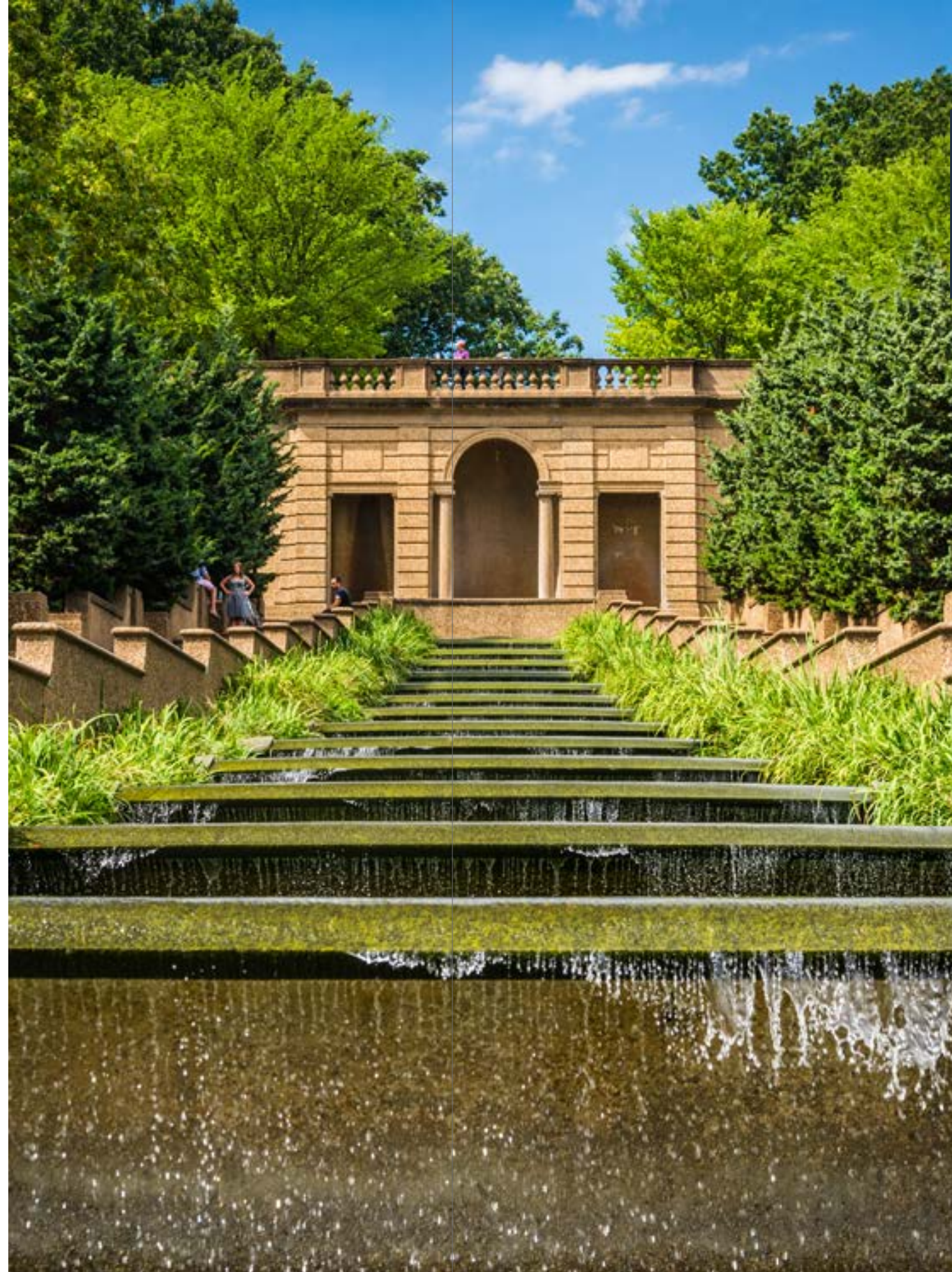
DC Green Bank  
Letter to the Community

# A Year of Growth and Impact

I want to begin by thanking the residents of DC for all of the support we have received over the last year. As we close out our first full fiscal year of operations, we are proud of what we have accomplished and excited for what the future holds. We have firmly established ourselves as the go-to entity for sustainable financing in the District and a catalyst for a city-wide transition to a cleaner, greener, and more inclusive future. In Fiscal Year 2021 (FY21) we worked diligently to build out an impressive team, strong procedures and products, and deliver innovative and impactful investments that demonstrate a pathway to achieve our collective climate and sustainability goals. We are fortunate to operate here in the District under the leadership of Mayor Bowser and the City Council, partners that are committed to these goals and to supporting the mission of DC Green Bank.

Over the course of the year our team grew from five to 12, filling critical roles that accelerated our impact by bringing in outstanding talent and committed individuals in service of the people of DC.

As of the drafting of this report, DC Green Bank has already deployed millions of dollars in investments that touch on all four of our core investment areas – solar energy, green and efficient buildings, stormwater infrastructure, and transportation electrification.



We have firmly established ourselves as the go-to entity for sustainable financing in the District and a catalyst for a city-wide transition to a cleaner, greener, and more inclusive future.

Through these investments, we are blazing a trail for other financial institutions to follow, showing that we can all enjoy the co-benefits of green investment, including: energy efficiency, utility bill savings, job creation, renewable energy, climate mitigation, resiliency, affordable housing, food security, cleaner air and waterways, and much more. Throughout the year, we have continued to elevate our core values – Sustainability, Clean Economy, and Inclusive Prosperity – and center communities that have historically received too little investment. Specifically, the majority of the dollars that we deployed during FY21 were in Wards 7 and 8, and we are excited to continue to work with communities east of the river to show that sustainable is attainable for every resident, business, and organization.

We are excited to share with you what we have accomplished this year and to provide a foundation for even more success in the years to come. Everyone in the District has a role to play to achieve our collective goals, and we can't wait to work with you to make it happen.

Sincerely,

**ELI HOPSON**  
DC Green Bank CEO

# DC Green Bank



DC Green Bank

# Our Team



## Our Team

In FY21 we were fortunate to grow the DC Green Bank team from five to 12 full-time employees. We have also had the pleasure of working with several collegiate-level interns this year. Our team has a wealth of experience working with diverse communities, managing customer relationships, advocacy, and sustainability.

We pride ourselves on finding people who are committed to our values while understanding the importance that DC Green Bank plays in contributing to the District's sustainability goals.



## NEW STAFF FY21

- **Dinora McRae**  
Executive Assistant
- **Gabriela Kluzinski**  
Investment Associate
- **Christina Crosson**  
Staff Accountant
- **Shyrah Kum**  
Equal Access Advocate
- **Gary Decker**  
External Relations Partner
- **Annie Ratanasim**  
Sustainability Director
- **Matthew Hickman**  
Investment Associate

## Leadership

## Board of Directors

## FY21 VOTING MEMBERS

**BRANDI COLANDER**

Board Chair / Attorney, Sustainability and Public Policy Expert

- Financial, Project Management, or Legal Expertise in a Green Field\*

**EDWARD HUBBARD**

Board Secretary / General Counsel for the Renewable Fuels Association (RFA)

- Financial, Project Management, or Legal Expertise in a Green Field\*

**PRIYA JAYACHANDRAN**

Board Member / CEO of National Housing Trust (NHT) and its Subsidiaries National Housing Trust Community Development Fund (NHTCDF)

- Affordable Housing or Community Development\*



FY21

**DEBORAH LOOMIS** ●

Board Member / Environmental Attorney and Senior Advisor for Climate Change to the Secretary of The Navy

- Financial, Project Management, or Legal Expertise in a Green Field\*

**TODD MONASH**

Board Member / Vice President of United Bank

- Financial Institution\*

**RICARDO NOGUEIRA**

Board Member / Expert on Climate Finance, International Development, and Sustainable Investing

- Financial Institution\*

\*Required experience for the Board member in that seat.

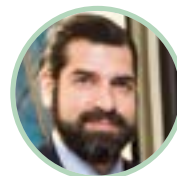
## EX-OFFICIO MEMBERS

**JONATHAN KAYNE**

District Agency Board Member / Interim

Director of the Office of Public-Private

Partnerships and Director of the Special Projects in the Office of the Deputy Mayor for Planning and Economic Development

**SAROSH OLPADWALA**

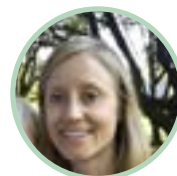
District Agency Board Member / Deputy Mayor's Designee, DMPED



FY21

**CARMEN PIGLER** ●

District Agency Board Member / Deputy CFO and Treasurer in the District's Office of the Chief Financial Officer



FY21

**NICOLE RENTZ** ●

District Agency Board Member / Legislative Director of the Department of Energy & Environment (DOEE)

DC Green Bank

Letter to the Community

## A Note from Our Board Chair

The Board of Directors is proud to support the work of the DC Green Bank staff to deliver real impact for residents and communities across the District. FY21 was a year of immense change and growth for our community, and for our work. The Board supported the staff to deliver innovative projects, launch critical products, and build strong relationships within the District government, the private sector, and across the city.

The entire Board takes the responsibility of governing DC Green Bank seriously, and we are deeply committed to ensuring that the resources invested by the bank are deployed in a way that is fiscally responsible and commensurate with the long-term success of the institution. We take great care to review potential investments to assess for their economic viability and, equally importantly, for their sustainability and equity implications. Our all-volunteer Board is made up of people with tremendous and diverse experiences, and through that experience we are able to support the staff to deliver innovative investments.

In particular, this year we supported DC Green Bank staff to close on a first-of-its-kind stormwater management and mitigation portfolio. Through this deal we were able to demonstrate how to accelerate investment in this critical sector and build resilience in communities across the District. We know that by delivering investments of this nature we can crowd-in additional private sector capital and show private banks how to transition their investments into green sectors and still meet their bottom line. Investing in sustainability and resilience is a win-win for all.

We are proud of what we accomplished this fiscal year, we are excited about the impact we can deliver alongside our partners in 2022, and hopeful that next year allows for more direct, in-person engagement between our Board, our staff, and the community.

Sincerely,

**BRANDI COLANDER**

Chair of the DC Green Bank Board of Directors



# FY21 Highlights

---

PUBLIC  
ENGAGEMENT

---

COUNCIL  
OVERSIGHT

---

2021 ANNUAL  
PUBLIC  
HEARING

---

YEAR IN  
REVIEW

---

Community

# Public Engagement

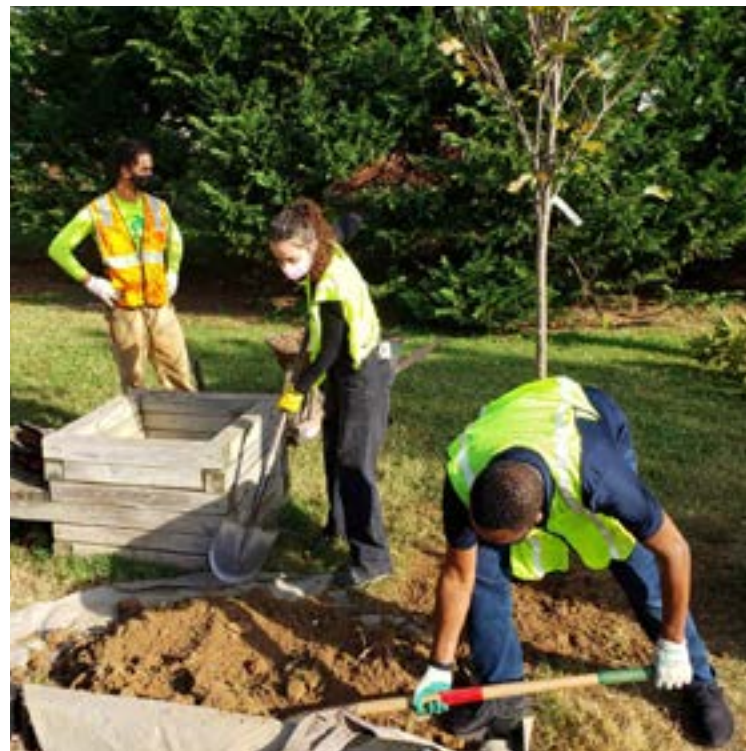
**DC Green Bank aims to create meaningful and long-lasting relationships with District stakeholders and to engage all residents as part of accelerating a sustainable transformation for all DC.**

Despite our operations starting after the onset of the COVID-19 pandemic, our team has worked hard to engage with communities across the District and to meet people where they are. We conducted our own series of *Focus and Feedback* sessions to discuss critical topics like engaging diverse voices in the clean economy, economic recovery and supporting local businesses; measuring DC Green Bank performance and impact; and more. In addition, we participated in countless public virtual events with our colleagues in the District government, community advocates pushing us to invest to the highest possible sustainability standards, community groups, faith leaders and associations, industry groups, small business associations, building owners and operators, contractors, and numerous other interest groups that have a stake in our collective environmental future. Through these community conversations we got the word out about DC Green Bank financing opportunities, our mission, and the impact we want to have for all DC residents. Most importantly, it provided us the opportunity to listen and incorporate feedback into our work, ultimately improving our engagement and understanding how we can make an impact daily. In total, through these virtual public events, we were able to touch thousands of District residents, businesses, and community groups and expand our presence and impact through this engagement.

Importantly, as the city re-opened and residents felt more comfortable attending in-person

events, we attended more community events and began to introduce our team to the District face-to-face. We are extremely excited to bring more public events to every community in the District in FY22. We always welcome an invitation to engage and talk about a sustainable and equitable future for all DC.

If you are interested in learning more about the events from FY21, please visit our [Events page](#). If you are interested in learning more about news stories about DC Green Bank's work and impact, please visit our [Press page](#).



Accountability and Transparency

# Council Oversight Performance and Budget Public Hearings

**In line with DC Green Bank's commitment to transparency, CEO Eli Hopson gave public testimony before the City Council's Committee on Transportation and the Environment as part of the Council's yearly performance and budget oversight process.**

## ACHIEVEMENTS AND PERFORMANCE

We are proud of our achievements during our first full year of operations and what we have delivered as part of our start-up phase, namely, building the institutional capacity needed to achieve DC Green Bank's mission at scale. We have done it by putting together a strong foundation for DC Green Bank centered around three critical aspects: our people, our operations, and our investments.

## OUR PEOPLE, OUR OPERATIONS, OUR INVESTMENTS

Since the initiation of operations in April 2020, the DC Green Bank staff has grown from one employee to 12. Staff growth has delivered an influx of talented and specialized people committed to our mission and this community. As the team has grown, so has our impact. We are looking forward to the opportunity to engage in more public events in the year to come so that the community can get to know everyone here at DC Green Bank. We know that we cannot serve the District well if we do not stand on a strong foundation.

We were pleased to provide the Council with an overview of our efforts to bring our internal operations in line with best practices in the industry and provide our great team with the policies, procedures, and support needed to be successful on the path to creating a sustainable and equitable city for all. Despite the challenges 2021 posed, we

closed multiple deals delivering millions of dollars of investment to the District. These investments showcased our commitment to bringing additional resources to bear to unleash a wave of financing for renewable energy, energy and building efficiency, stormwater and green infrastructure, and transportation electrification.

In addition, we were excited to elevate our work engaging with historically Black churches and other community-based organizations doing outstanding work around the city. As we move forward, our community impact initiative will provide financial support for non-profit institutions, houses of worship, and similar pillars of the community all too often left out of the private financing and clean energy landscape. Lastly, we were pleased to update the Council and public about our progress towards transitioning the administration of the DC PACE program from DOEE to DC Green Bank.

*You can read our CEO's full statements before the Council [here](#).*

## The Importance of Green Investments

The Coalition for Green Capital estimates that it will take over \$2 billion of investment in the coming years to meet the District's climate goals, the vast majority of which must come from private funding. To catalyze that private investment, DC Green Bank has identified a pipeline of over \$900 million of potential financing needs across the city, of which \$80 million are direct financing opportunities for DC Green Bank. We will pursue this pipeline and continue our efforts to advance the District's sustainability goals.

Public Input

# 2021 Annual Public Hearing

DC Green Bank conducted its Annual Public Hearing on Thursday, June 17, 2021.

During the 2021 Annual Public Hearing, DC Green Bank's team had the opportunity to share our mission as an accelerator of the clean economy and its commitment to DC's sustainable future. The Annual Public Hearing allows DC Green Bank to have an open and transparent conversation with our principal stakeholder: DC residents. Our CEO, Eli Hopson, addressed the public to discuss our general strategy and the relevance of the Bank's focus areas for the well-being and prosperity of District residents.

## PERFORMANCE TARGET OVERVIEW

DC Green Bank aims to become the go-to resource for providing access to capital for a more sustainable DC. In order to measure progress towards our goals and how we impact the clean economy, sustainability, inclusive prosperity, and financial stewardship, we created several performance targets, or key performance indicators. Annie Ratanasim, DC Green Bank's Sustainability Director, provided an overview of Phase I of the performance targets and our short- and long-term plans to provide the public insight on the data we collect and how we create clear benchmarks to refine our financing strategy and identify the most efficient and cost-effective technologies and techniques.

## FINANCIAL PERFORMANCE

Jean Nelson-Houpert, DC Green Bank's CFO, presented our FY21 finances. She discussed the key

performance indicators and ratios, emphasizing the liquidity ratio and its importance in measuring DC Green Bank's effectiveness in using its assets to generate income.

## DEAL CLOSING AND PROJECT PIPELINE

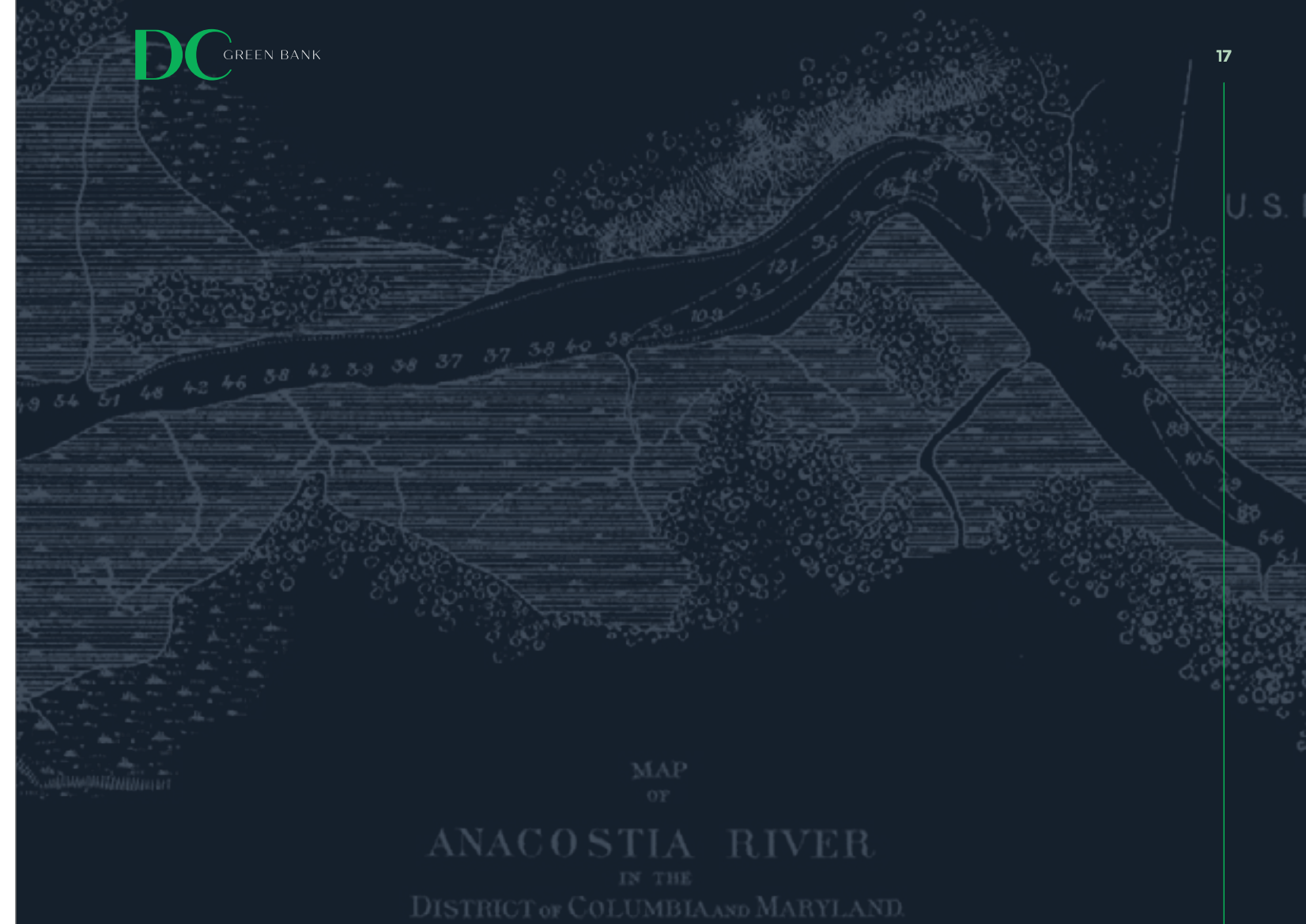
DC Green Bank's mandate to serve as a catalyst for the clean economy is tied to its ability to leverage public investment to attract private capital efficiently. Jay Lurie, DC Green Bank's Chief Investment Officer, offered a review of the deals closed in FY21 and an outline of future projects, deals, and services, including expanding the Solar for All portfolio and the Navigator pre-development loan.

## ROUNDTABLE DISCUSSION: CAPITAL IMPACT PARTNERS AND MEDICI ROAD

As part of the Annual Public Hearing, we invited Kayla Baker from Capital Impact Partners and Thomas Houston, Executive Director of Medici Road, to discuss specific projects directly impacting District residents. The roundtable connected the dots between these organizations' work and the different initiatives and services.

We hope to continue to engage with residents, maintaining transparency on how we put public dollars to work to bridge sustainability gaps in the District.

Recordings of the full Annual Public Hearings are available on our [website](#).



“It’s a moment of pride to be able to say, we are investing in you, East of the River, and making sure that you know that we are absolutely committed to an inclusive, prosperous approach when we’re thinking about climate change, reducing greenhouse gases, and investing in a clean energy future for the District.”

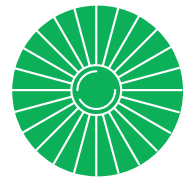
*Brandi Colander  
Chair of the DC Green Bank Board of Directors*

DC Green Bank

# Year in Review

## FY21 DCGB INVESTMENT FOCUS

Investments totaling **\$2.6 million** were committed this year, unlocking an additional **\$15.4 million** of private capital across the District in our four core investments areas:



Solar  
Energy



Green  
Buildings



Stormwater  
Resilience



Clean  
Transport

## FY21 DCGB PROJECTS - \$ COMMITTED

- › Solar for All 2021: **\$1.7 million** committed
- › Medici Road: **\$250,000 million** committed
- › Green Compass: **\$650,000 million** committed

## INVESTMENT PIPELINE FORECAST

25

projects in near-term  
DCGB pipeline

More  
than

**\$900 million**

in potential  
overall financing  
identified

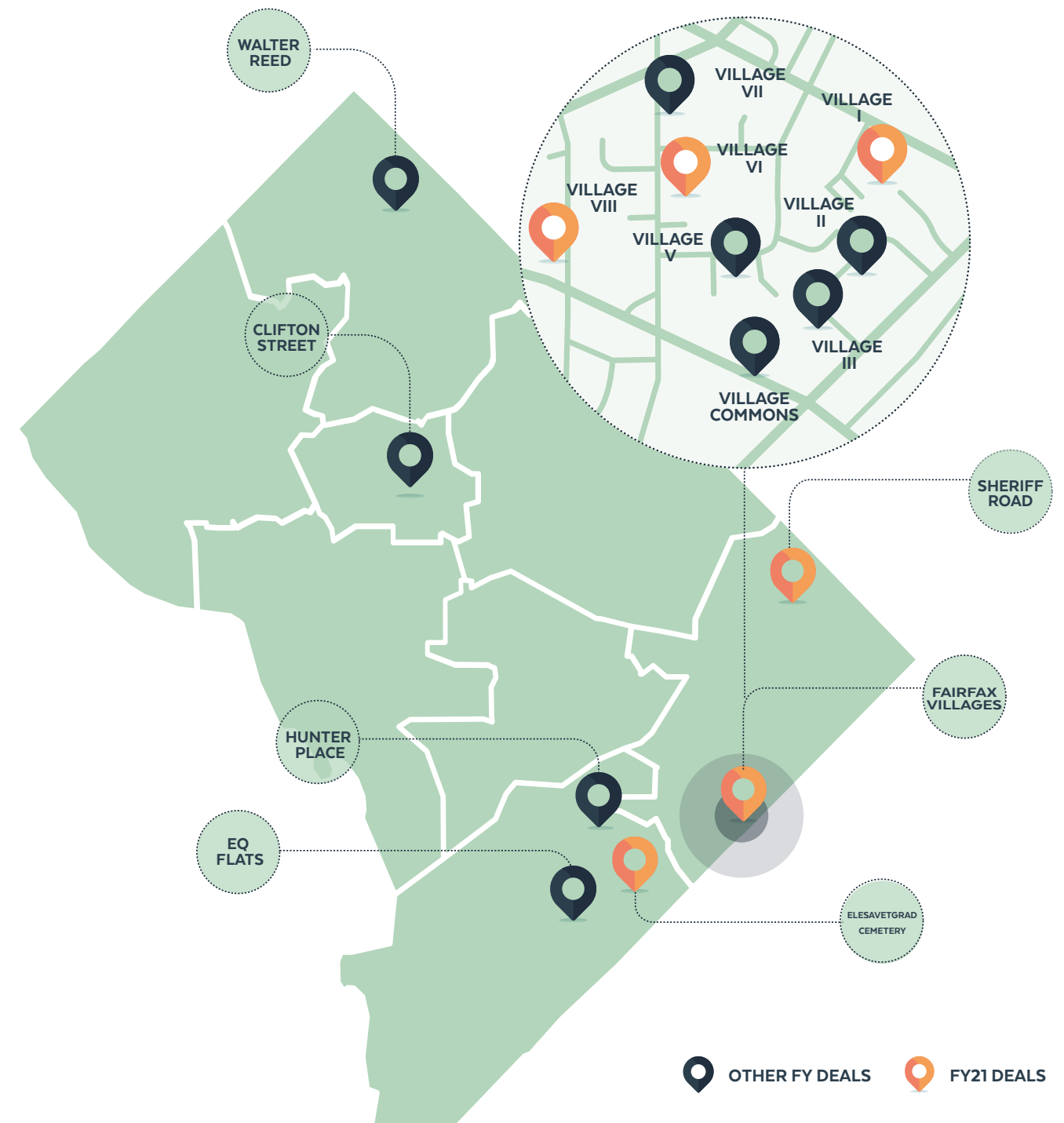
More  
than

**\$80 million**

of that total that  
could be funded  
through DCGB

Through these investments, we are blazing a trail for other financial institutions to follow, showing that we can all enjoy the co-benefits of green investment, including: energy efficiency, utility bill savings, job creation, renewable energy, climate mitigation, resiliency, affordable housing, food security, cleaner air and waterways, and much more.

*Eli Hopson CEO, DC Green Bank*



# New Projects, Products, and Partnerships



PRODUCTS AND SERVICES  
GREEN COMPASS  
SOLAR FOR ALL 2021  
MEDICI ROAD  
NAVIGATOR LAUNCH  
FUNDING FOR THE FUTURE

## Financing Options

# Products and Services

DC Green Bank offers products and services that fill gaps in the District's sustainable financing landscape. Our financing helps to move projects forward that would not typically materialize without our support. We work with private and public sector partners to build a green, clean, and inclusive future for all.

In FY21, we saw an investment expansion in proven and successful products and services. Alongside Flywheel Development, DC Green Bank provided \$1.7 million in financing for the Solar For All program. We launched new initiatives and closed innovative deals. We closed a \$650,000 deal with Green Compass to help finance \$1.2 million in stormwater infrastructure. We also launched our pre-development product, Navigator, which aims to create a culture of sustainable design and efficient buildings. By the end of FY21, DC PACE transitioned from DOEE and Urban Ingenuity to DC Green

Bank, providing more flexibility to advance our mission. We are also committed to increasing our immediate, future impact. In partnership with DOEE, DCSEU, and The Building Innovation Hub, we are supporting an investment of \$25 million over three years for the Affordable Housing Retrofit Accelerator, which assists buildings in DC to meet the new Building Energy Performance Standards (BEPS). We are proud of the solid foundation we have been able to create alongside our partners and look forward to delivering successful outcomes and large-scale growth in our portfolio.

## OPEN SOLICITATION

### CLEER

Commercial Loan for Energy Efficiency and Renewable Energy

### DC PACE

Property Assessed Clean Energy



### PILOTS AND STRUCTURED FINANCE

### NAVIGATOR & PRE-DEVELOPMENT LOANS

## Stormwater Infrastructure Investment

# Green Compass

In September 2021, Green Compass and DC Green Bank closed a \$650,000 loan facility to finance the construction of a portfolio of new green infrastructure to manage and clean stormwater runoff in Wards 5, 7, and 8.

Green Compass LLC aims to rapidly reduce emissions from the built environment through energy and water-saving projects. With this loan facility, DC Green Bank has committed to supporting Green Compass' work to make stormwater runoff and resiliency a priority across the District.

The innovative \$650,000 revolving loan facility will contribute towards the \$1.2 million funding needed to design, build, and operate five new stormwater management and green infrastructure projects over the next 18 months. These five projects are

anticipated to manage up to 250,000 gallons of stormwater runoff per storm event that would otherwise enter the sewer system and waterways unmanaged and unfiltered, endangering the Anacostia River, Rock Creek, and the Potomac River.

Construction of the first facility within the portfolio is already underway in Ward 8 and will capture and filter an estimated 65,000 gallons of polluted runoff per storm event. Additionally, it is essential to note that green investments support local jobs. This first project will create 15 jobs through construction and maintenance.

“We are proud to work with DC Green Bank to create natural climate solutions that put nature to work to combat climate change and improve urban livability in communities most vulnerable to extreme heat and rain events. These green infrastructure investments are made possible through the District's innovative stormwater regulations that allow stormwater retention work to benefit the community both socially and environmentally, and the revenues give the community new financial opportunities as well.”

*Nicole Whalen, Founder and CEO of Green Compass*

## BENEFITS & NUMBERS

**Increased**  
Resilience vs Flooding

**Fishable**  
and Swimmable Rivers

**Green Spaces**  
and Trees

**15**  
Estimated Jobs

## Community Solar Investment

# Solar for All 2021

During 2021, DC Green Bank and Flywheel Development delivered their second portfolio of projects in the historic community of Fairfax Villages, expanding the benefits of clean and sustainable solar power to six more condominiums in Ward 7.

The \$3.5 million investment will cut electric bills in half for nearly 230 low to moderate-income (LMI) households in Ward 7, generating savings of \$2.3 million in electricity bills over the next 15 years and reducing nearly 1,000 tons of CO<sub>2</sub>-equivalent annually.

With this second portfolio, DC Green Bank and Flywheel Development continue their contribution to advancing DOEE's and DCSEU's endeavor of providing affordable and sustainable electricity to 100,000 low to moderate-income (LMI) households in the

District over the next 20 years through the Solar For All program.

City First Enterprises, a DC-based community development financial institution (CDFI), provides loan processing and servicing for the construction loan portfolio, leveraging its expertise and lending platforms to manage complex financial, commercial transactions on behalf of DC Green Bank. The collaboration among Flywheel Development, DC Green Bank, and City First Enterprises makes this financing a true public-private Initiative.

## DC GREEN BANK-FLYWHEEL PORTFOLIO HIGHLIGHTS

**2021: \$2.3 M**

in loans for rooftop solar production

As of Sept 30, 2021

**\$1.56M**

was disbursed

**19**

full-time jobs created during construction

**230**

households across the District impacted

**6**

buildings improved

**\$2.3 M**

in total electricity savings over 15 years

**1,000 tons**

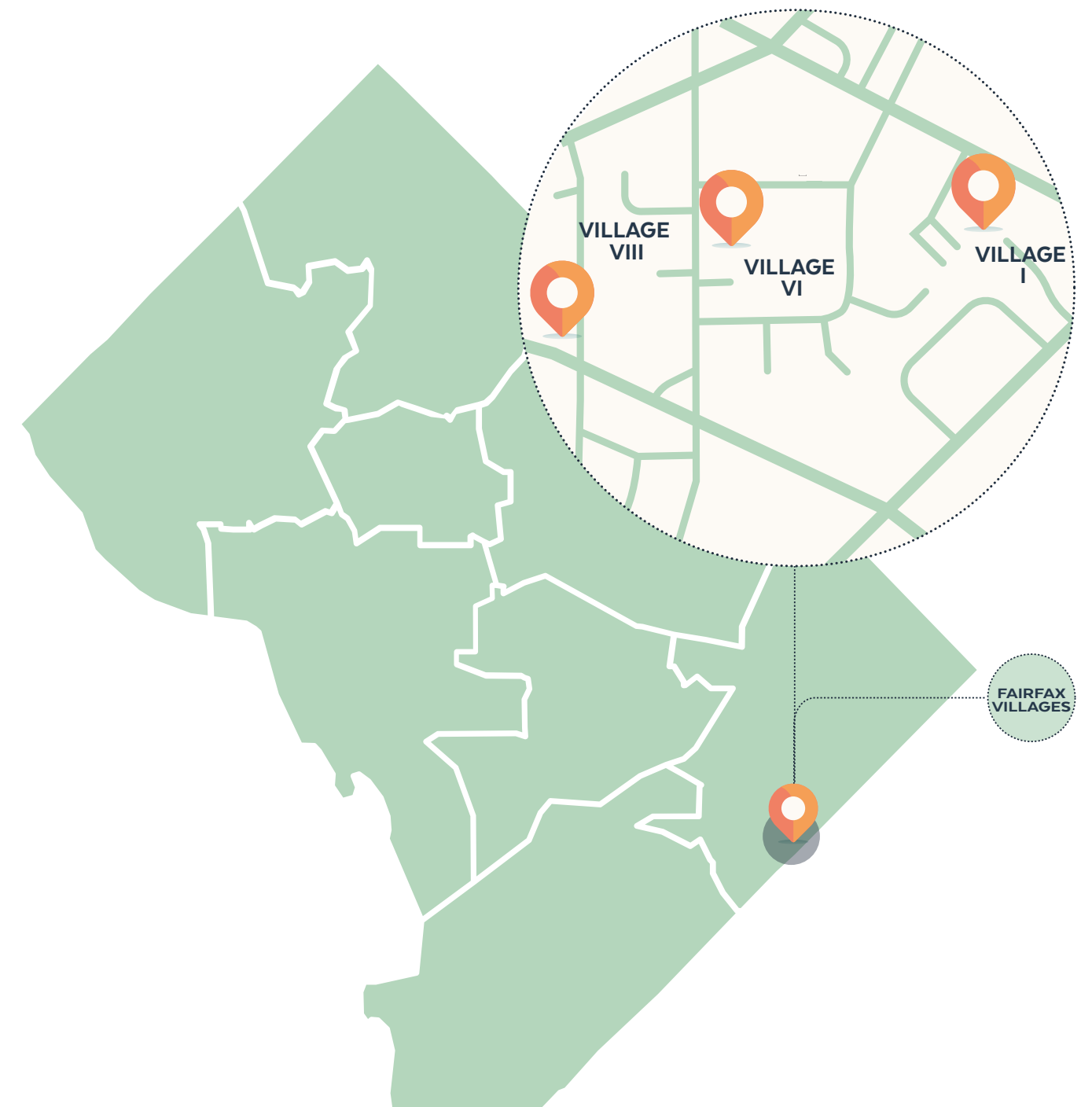
of CO<sub>2</sub>-equivalent emissions reduced annually

kilowatts

**836 kW**

“We are blazing a path for other communities to follow to become clean, green, and remain affordable.”

*Lem Walker, Fairfax Village Community Association President*



Pre-Development Loan

# Medici Road

DC Green Bank and Medici Road closed on a \$250,000 pre-development loan to finance the design and planning stages for an energy efficient and sustainable building in Ward 7 in Northeast Washington, D.C.

The deal is part of DC Green Bank's efforts to provide financing for sustainable design that reduces or offsets the carbon footprint of the built environment in DC. We are proud to collaborate with Medici Road, a DC-based nonprofit community development organization whose mission is to reduce long-term generational poverty.

Medici Road estimates that the building will be 17,000 square feet and include 13 affordable condominium units, space for their corporate headquarters, as well as a grocery store, increasing access to nutrition in Ward 7 where there are currently only 2 grocery stores.

The building's current design also includes rooftop solar panels and a stormwater recycling system. These elements are projected to retain 9,000 gallons of stormwater per storm event and save \$2,400 in electricity costs per resident over the next 10 years as well as reduce onsite soil erosion and local pollution by 2 - 5%. The current design is also anticipated to create 65 jobs in the local community - 55 jobs during the construction phase and an additional 10 permanent jobs to run the grocery store and office space. Medici Road has committed to hiring local Deanwood residents for these positions.



\*Mock up of the Medici Road project

Pre-Development Loan

# Navigator Launch

In March 2021, DC Green Bank and Inclusive Prosperity Capital (IPC) launched the Navigator Pre-Development Energy Loan. Supporting multi-family residential, nonprofit-owned, and commercial buildings, Navigator provides pre-development loans starting at \$10,000 and up to \$250,000.

Navigator is a simple line of credit that funds customized design of energy improvements for new and existing commercial, nonprofit-owned, and multifamily properties. Pre-development loans aim to deliver a more holistic process in the environmental evaluation and design phase of building projects.

The program can be used to fund costs required to design high-quality energy-saving projects, including audits and benchmarking, design, and engineering, bidding work, and other sustainable soft costs.

Thanks to the invaluable collaboration and acumen of IPC, Navigator fills a critical financing gap and

advances the District's sustainability goals by fostering smart and innovative design for new buildings and existing building upgrades. Moreover, DC Green Bank and IPC aim to reduce inequities by streamlining the financing of sustainable design and by benchmarking affordable multi-family residences. We expect to run active outreach campaigns within the developer community to advocate for resilient, sustainable, and green buildings. Navigator offers a highly competitive interest rate of 1.99% for affordable multi-family and nonprofit properties and 3.99% for commercial properties.

“DC has a proven track record of leadership on climate and energy issues, and this collaboration with DC Green Bank has the potential to unlock millions of dollars to accelerate action and climate impact.

*Kerry O'Neill CEO, Inclusive Prosperity Capital*

## FINANCES:

- Energy-Benchmarking
- Early-Stage Audits
- Systems Upgrade
- Sustainable Design Charrettes:
  - Net Zero
  - WELL
  - LEED
- Engineering

## PROJECTIONS AND ACHIEVEMENTS:

- Current pipeline of ~\$1M expected to close in FY22
- Quick and easy application process to jump start project development

## Looking Forward

# Funding for the Future

## DC PACE Transition

**One of the milestones of 2021 was the anticipated transition of DC PACE from DOEE to DC Green Bank. With DC PACE in DC Green Bank's tool belt for FY22, we will continue to enhance DC PACE's growth into the leading Property Assessed Clean Energy program in the country.**

Since it first launched in 2015, DC PACE has provided nearly \$60 million in funding and more than \$4.5 million in energy bills savings. Under the careful stewardship of the Department of Energy and Environment (DOEE) and Urban Ingenuity (UI), DC PACE has led the charge towards a more sustainable District by providing measurable success and opening investment pathways within the Clean Economy.

PACE loans allow building owners to implement energy efficiency enhancements without large

upfront costs. The loans are then paid through property taxes over 15-20 years.

The role Urban Ingenuity has played over the last decade in developing innovative financing solutions for clean energy cannot be highlighted enough. Their continued commitment to a more sustainable, resilient city aligns with the mission of DC Green Bank. We look forward to a long collaboration with UI in this new phase.

“This program continues to fill a critical gap in the financing landscape of the District, ensuring that commercial building owners and operators can access longer-term capital and increase their cash flow all while bringing down energy consumption. We are excited to partner with DC Green Bank to accelerate the impact of the program in meeting Washington DC's ambitious goals for building performance, renewable energy, and climate resilience.”

*Urban Ingenuity CEO Bracken Hendricks said of DC PACE*

## Retrofit Accelerator, BEPS, and Construction Loans

**The Building Energy Performance Standards (BEPS) are energy efficiency thresholds designed to advance DC sustainability goals. Buildings are responsible for 75% of CO2 emissions in DC; improving their energy performance is mission-critical to reduce greenhouse gas emissions and energy consumption.**

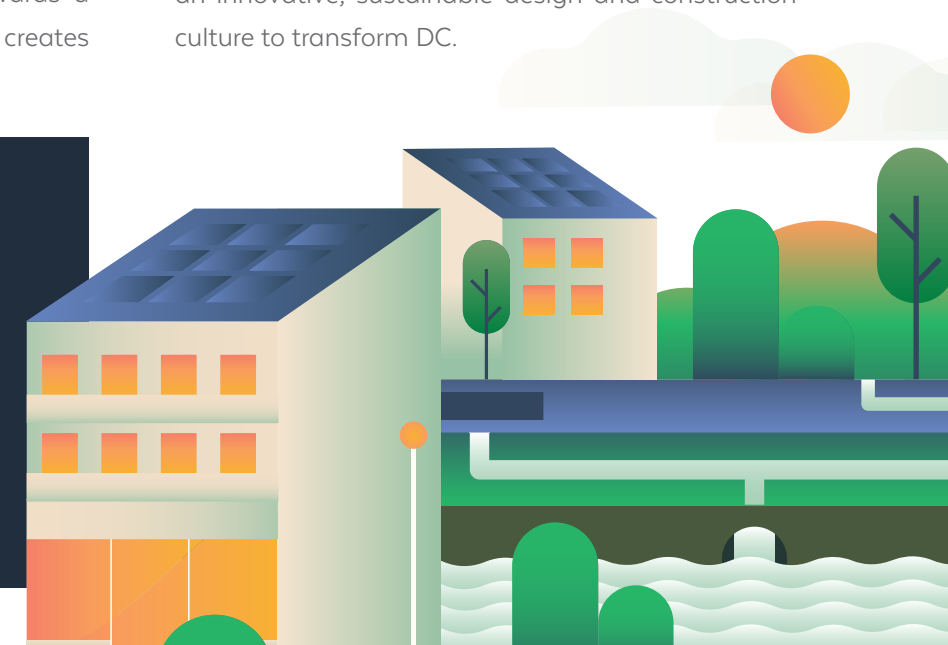
With BEPS, DOEE has introduced a benchmark by property type that will scale every 5 years. Buildings that do not meet the standards are placed in a Compliance Cycle.

DOEE issued an open, transparent disclosure of all buildings covered by BEPS for the present period and beyond. Due to the COVID-19 public health emergency, DOEE provided a moratorium of 1 year for all buildings included in the first period. Therefore, properties on the first period will have to be compliant by April 2023.

With BEPS, DOEE is taking firm action for change. This initiative means a significant step towards a cleaner, more resilient city; however, it also creates

the need for thoughtful financing of the required improvements. DC Green Bank is preparing a series of products and services tailored to fill the financing gap and allow building owners flexible options to achieve the standard. Partnering with DOEE, DCSEU, and The Building Innovation Hub, DC Green Bank is specifically creating a product for the [Affordable Housing Retrofit Accelerator](#), targeting over 100 naturally-occurring affordable housing buildings to meet the BEPS standards. We will also expand this financing to new construction to ensure that new buildings in DC are BEPS compliant. Along with the Navigator, DC Green Bank expects to spur an innovative, sustainable design and construction culture to transform DC.

- BEPS Period 1: Private buildings ≥50,000 sq. ft. and DC-owned ≥10,000 sq. ft.
- BEPS Period 2: Private buildings ≥25,000 sq. ft. and DC-owned ≥10,000 sq. ft.
- BEPS Period 3: Private buildings and DC-owned ≥10,000 sq. ft.





# Performance Targets Reporting

Measuring Impact

Performance Targets

In March 2021, after a robust public comment process, the DC Green Bank Board of Directors adopted DCGB’s Performance Targets.

It is mission critical for DC Green Bank to establish its baseline to evaluate and share its year-over-year progress and overall impact. To ensure transparency and accountability in its work to accelerate a just transition to a clean economy, DC Green Bank’s Performance Targets will use a phased approach to operationalize and implement its Performance Targets.

- In performing its phasing analysis, the DC Green Bank team considered existing resource capacity for data collection and analysis, interdependency (on related activities as well as third parties), activity and planning timeframes, current actionability, measurable outcomes, and viable alternatives.
- Currently, DC Green Bank anticipates prioritizing the Performance Targets in three phases. (The full performance targets can be found on our website: <https://dcgreenbank.com/performance-targets/>)
- In Phase 1, DC Green Bank has identified priority metrics for which it will develop baseline measurements, relevant benchmarks and annual goals during its initial reporting and accountability cycle.



Phasing Structure & Implementation Timeline:

- The timeframe for progressing between phases will be determined based on initial baselining efforts and based on progress achieved. At the conclusion of the first phase, we will be in a better position to create the structure necessary to progress into Phases 2 and 3.
- The DC Green Bank team will produce a separate report detailing the full results from its measurement process at the end of each year of operation.
- Key impact measurements are available on pages 34 and 35 of this report.

Phase 1 Performance Targets  
CLEAN ECONOMY

NO.	PERFORMANCE TARGET	TARGET MEASUREMENTS
CE-1	Fund projects to expand green job opportunities that increase employability and earning potential for District residents.	01. Measure permanent, contingent and contract green jobs across all skill levels created by DCGB investments. 02. Measure new green job/business entrants as well as green job/business expansions and transitions in connection with DCGB investments.
CE-2	Build capacity among stakeholders to participate in the green finance market.	02. Identify green finance gaps and develop strategies that expand access to for private capital. [See also IP-2.03]
CE-3	Expand access of District residents to the clean economy.	04. Maximize access of District residents to electrification and affordable energy. [See also SU-2.03, IP-1.03]

SUSTAINABILITY

NO.	PERFORMANCE TARGET	TARGET MEASUREMENTS
SU-1	Fund sustainable projects and programs that support decarbonization in the District, improve public health, and conserve natural resources.	01. Measure greenhouse gas (GHG) emission reduction through estimated carbon equivalents of annual and cumulative emissions avoided through 2032. 02. Measure quantifiable changes in air, water, and other pollution (e.g., air quality, stormwater retention) in connection with DCGB investments.
SU-2	Accelerate the growth of the clean economy and electrification in the District.	01. Measure clean energy produced and avoided energy use. 02. Measure the deployment and growth of clean energy and sustainability technologies. 03. Maximize access of District residents to electrification and affordable energy. [See also CE-3.04, IP-1.03]
SU-3	Strengthen the climate resiliency of District residents and businesses.	01. Make critical infrastructure investments that support climate resiliency and adaptation.

INCLUSIVE PROSPERITY

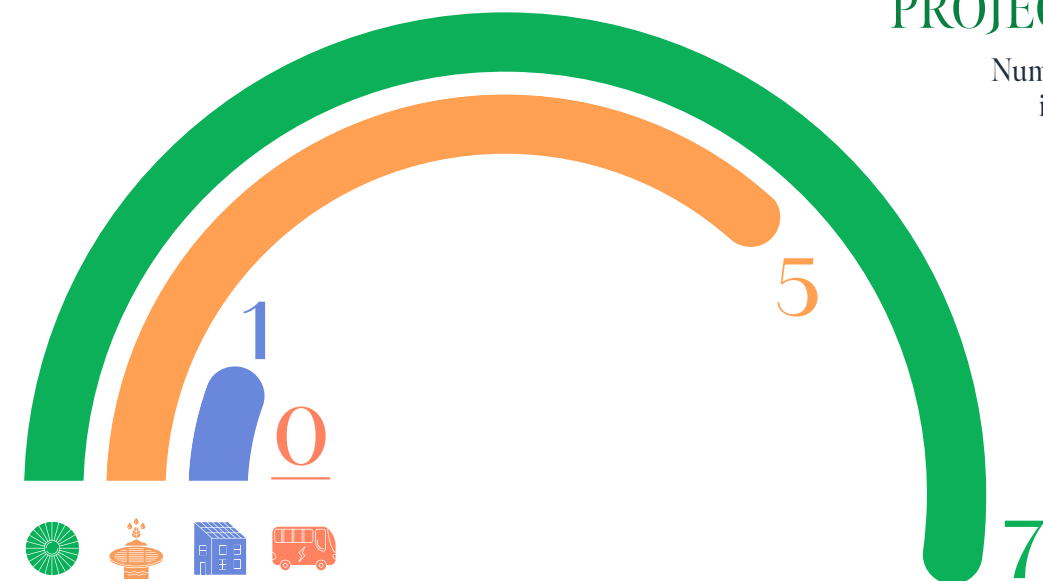
NO.	PERFORMANCE TARGET	TARGET MEASUREMENTS
IP-1	Prioritize inclusive prosperity in DC Green Bank investments.	01. Allocate an equitable distribution of investment resources, including support for equal access in business development, application processing, loan processing and asset management. 02. Identify equity and access gaps for the clean economy by District Ward, Advisory Neighborhood Commission, Business Improvement District, and Census Tract and expand access to green finance where gaps exist. 03. Maximize access of District residents to electrification and affordable energy. [See also CE-3.04, SU-2.03]
IP-2	Empower stakeholders to promote wellness, prosperity, and equal access to sustainable investment and remove barriers to inclusive prosperity.	01. Work with community leaders and stakeholders to share sustainability and clean economy knowledge, practices and resources with District residents that promote green lifestyle choices and energy savings. 03. Identify green finance gaps and develop strategies that expand access to for private capital. [See also CE-2.02]
IP-3	Prioritize a just transition to the clean economy in the supply chain.	01. Include requirements for mission alignment with DCGB core values (Clean Economy, Inclusive Prosperity, and Sustainability) in the supply chain in connection with DCGB’s programmatic investment and use of its operational funds. 03. Develop strategic partnerships to promote inclusive prosperity priorities in green banking.

FINANCIAL STEWARDSHIP

NO.	PERFORMANCE TARGET	TARGET MEASUREMENTS
FI-1	Ensure the long-term financial stability and viability of DC Green Bank.	01. Design, evaluate, and continually improve cash management strategy and capital strategy to advance financial self-sufficiency and resilient operations. 02. Measure operating margin (revenues less expenses as a function of revenues). 03. Measure revenue growth.
FI-2	Optimize social impact and efficiency of investments.	01. Measure return on investment with respect to mission, profitability, and overall market acceleration.
FI-3	Commercialize green finance investment.	01. Pilot and model bankable investment strategies. 02. Accelerate DCGB pilot-to-product conversion, lender adoption of commercial finance products using DCGB funds or credit enhancement, and broader market adoption without DCGB participation.

Measuring Impact

# Making a Difference



Solar  
Energy



Stormwater  
Resilience



Green  
Buildings



Clean  
Transport

## PROJECT FOCUS

Number of projects that  
include sector focus

## RENEWABLE ENERGY DEPLOYMENT

DC Green Bank has accelerated the  
growth of renewable energy



# 959.4 kW

1000kW (1MW) can  
power an average of  
190 homes





# FY21 Financials

CAPITAL STRATEGY  
PROGRESS AND UPDATE  
FINANCIAL STATEMENTS  
FY22 BUDGET

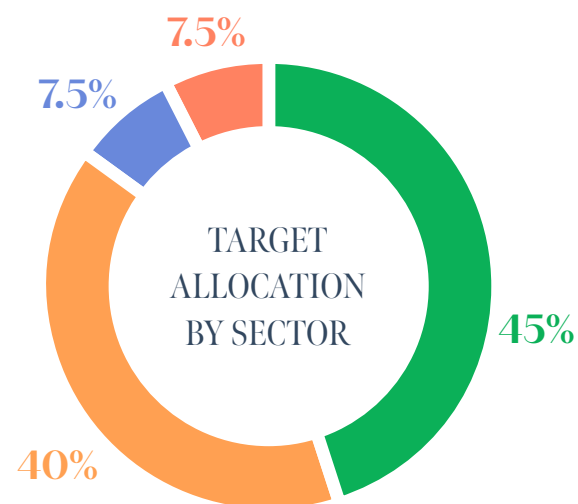
FY21 Financials

# Capital Strategy Progress and Update

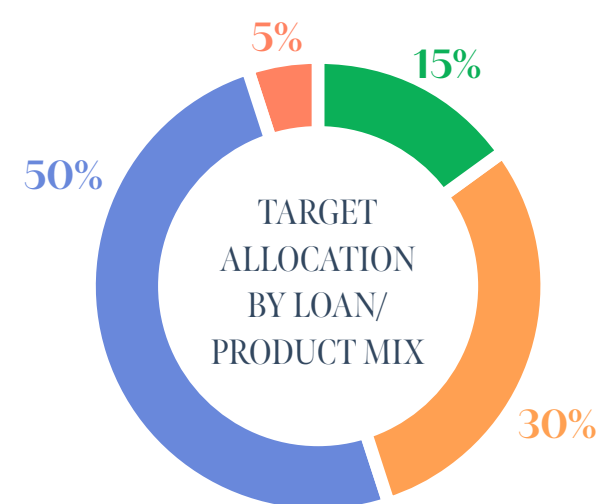
DC Green Bank is in the process of developing a robust Capital Strategy to ensure that we efficiently, effectively, and equitably deploy capital across the District, in line with our values and core investment sectors.

The capital strategy will allow DC Green Bank to not only deploy our existing and committed financing, but also raise additional resources to accelerate the transition to a clean future for all DC. We will engage with the federal government, private institutional investors, not-for-profit investment funds, Community Development Financial Institutions (CDFIs), local banks, and credits unions to augment our existing capital base. In addition, we will fully explore our bonding authority to

ensure that we utilize every lever at our disposal to invest in critical projects that will transform our future. Lastly, we will leverage our existing and developing financial products to target high-need sectors, stakeholders, and communities so that we rapidly scale up our deal pipeline to meet the needs of our community. As we build our capital strategy, we are aiming to put DC Green Bank on track to achieve financial sustainability over the next 5 years.

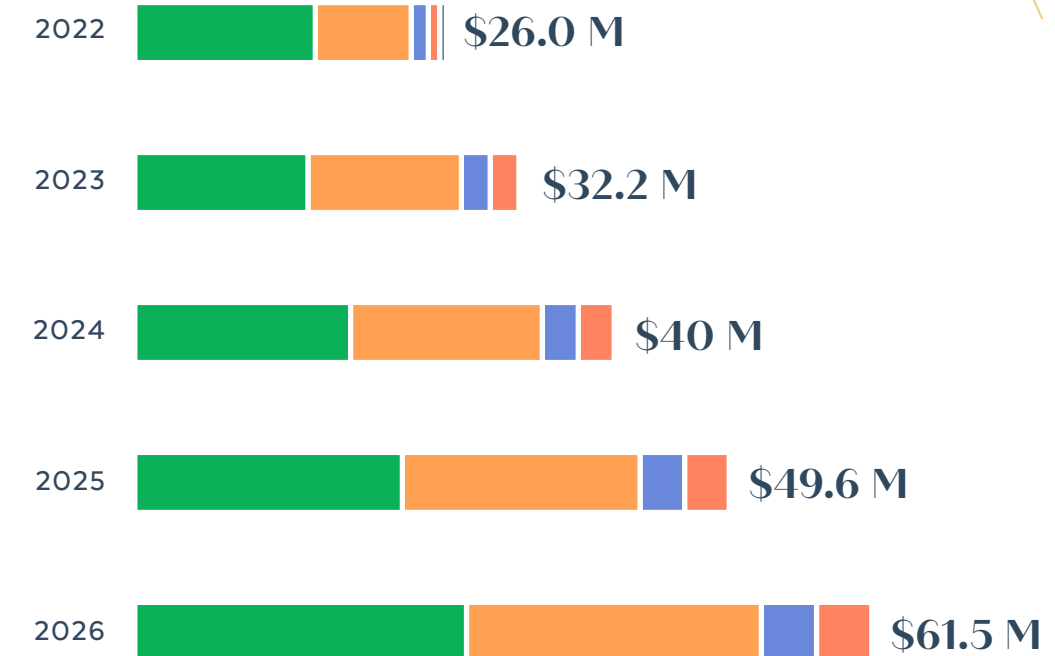


- Solar (Including Energy Storage)
- Green Buildings
- Stormwater
- Transport



- Pre-Construction Loan (1-Year)
- Construction (1-2 Years)
- Permanent Financing (up to 10 Years)
- Credit Enhancement/Loan Loss Reserve

## ANNUAL CAPITAL DEPLOYMENT TARGETS



DC Green Bank

# FY21 Financial Statements

## SUMMARY

- THE TOTAL AMOUNT OF LOANS, LOAN GUARANTEES, CREDIT ENHANCEMENTS, AND BONDS ISSUED OVER THE LIFETIME OF THE AUTHORITY: **\$4.99 MILLION**
- AMOUNT OF CAPITAL COMMITTED IN FY21: **\$2.6 MILLION**
- AMOUNT OF LOAN PAYMENTS DUE TO DCGB IN FY21: **\$1.72 MILLION**
- AMOUNT OF LOAN PAYMENTS PAID TO DCGB IN FY21: **\$1.72 MILLION**
- AMOUNT OF LOAN PAYMENTS DUE TO DCGB IN FY22: **\$1.58 MILLION**
- ADMINISTRATIVE COSTS IN FY21: **\$2.9 MILLION**

## STATEMENT OF NET POSITION FOR THE FISCAL YEAR ENDED AS OF SEPTEMBER 30, 2021

2021	
ASSETS	
Cash and cash equivalents - unrestricted	14,055,606
Cash and cash equivalents - restricted	13,253,832
Investments	4,996,850
Due from District of Columbia	7,000,000
Program loans receivable	1,956,117
Prepaid expenses	12,397
TOTAL ASSETS	\$ 41,274,802
LIABILITIES	
Current Liabilities	526,596
Noncurrent Liabilities	57,564
TOTAL LIABILITIES	\$ 584,160
NET POSITION	
Unrestricted	27,012,783
Restricted	13,677,859
TOTAL NET POSITION	\$ 40,690,642

Note: these are an abbreviated version of DC Green Bank's complete, audited financial statements. The published financial statements can be found on our website, accompanying this annual report.

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED AS OF SEPTEMBER 30, 2021

2021	
REVENUE	
Interest on program loans receivable	82,597
Program fees	17,611
TOTAL OPERATING REVENUE	\$ 100,208
OPERATING EXPENSES	
Salaries and benefits	1,647,911
General and administrative	1,146,118
Other operating expenses	138,447
TOTAL OPERATING EXPENSES	\$ 2,932,476
OPERATING LOSS	\$ (2,832,268)
NON-OPERATING REVENUE (EXPENSE)	
Interest income	37,716
Investment income	460
Unrealized loss on investments	(2,348)
TOTAL NON-OPERATING REVENUE	\$ 35,828
LOSS BEFORE TRANSFERS	\$ (2,796,440)
TRANSFERS FROM THE DISTRICT OF COLUMBIA	
Local funding (REDF) - Renewable Energy Development Fund	3,000,000
Local funding (SETF) - Sustainable Energy Trust Fund	15,000,000
TOTAL TRANSFERS FROM DC	\$ 18,000,000
Change in net position	15,203,560
Net position, beginning of year	25,487,082
NET POSITION, END OF YEAR	\$ 40,690,642

## STATEMENT OF CASH FLOW FOR THE FISCAL YEAR ENDED AS OF SEPTEMBER 30, 2021

2021	
CASH FLOWS USED FOR OPERATING ACTIVITIES	
Payment to employees and benefit providers	(1,567,381)
Payments to suppliers and contractors	(1,163,255)
Loan program disbursement	(412,034)
NET CASH FLOWS USED BY OPERATING ACTIVITIES	\$ (3,142,670)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers from the District of Columbia	18,000,000
NET CASH FLOWS PROVIDED IN NON-CAPITAL FINANCING ACTIVITIES	\$ 18,000,000
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(5,000,743)
Sales of investments	3,893
Interest Income	37,716
Investment Income	460
Unrealized loss on investments	(2,348)
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	\$ (4,961,022)
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 9,896,308
Cash and cash equivalents at October 1	17,413,130
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30	\$ 27,309,438
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Loss from operation	(2,832,268)
Change in assets and liabilities:	
Increase in program loans receivable	(493,657)
Increase in prepaid expenses	(3,928)
Increase in accounts payable	109,251
Increase in accrued payroll	33,207
Increase in retainage	18,240
Increase in unearned revenue	15,987
Increase in interest reserve	(36,825)
Increase in compensated absences	47,323
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (3,142,670)

FY21 Financial Statements

FY22 BUDGET

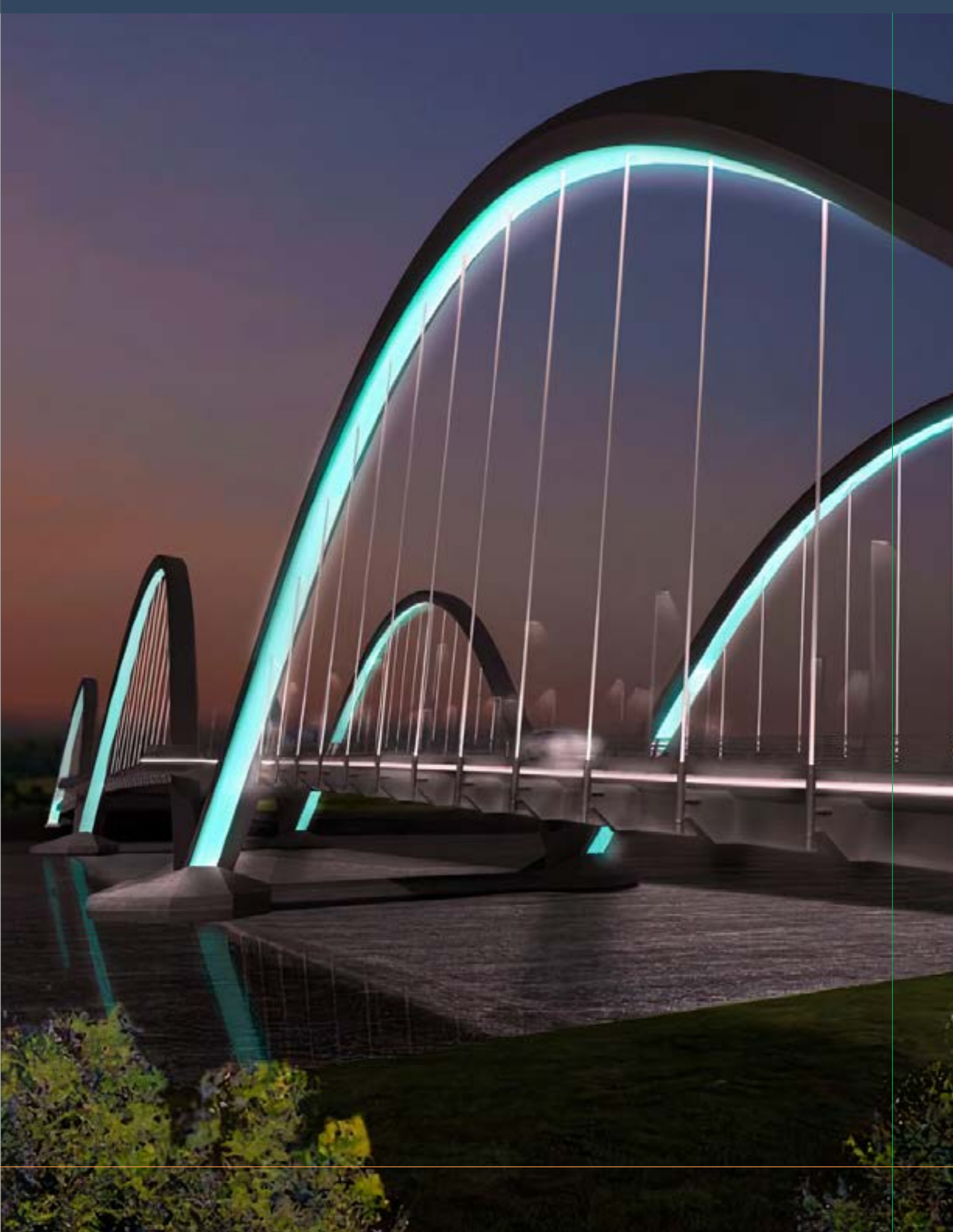
2022	
OPERATING REVENUES	
Prior Year Carry-over (SETF)	25,000,000
Prior Year Carry-over (REDF)	-
Local Funding (REDF)	7,000,000
Local Funding (SETF)	12,000,000
BEPS Retrofit Accelerator	10,794,104
PACE Transfer	-
TOTAL FUNDING	\$ 54,794,104
Program Revenue - Loan interest income - Approved Loans	971,645
Program Revenue - Loan interest income- Projected	205,100
Program Fees - Origination/other fees	247,053
Program Fees - Origination/other fees- Projected	90,000
PROGRAM REVENUE	\$ 1,513,797
Investment Income (Sweep)	7,200
Other income	-
OPERATING REVENUE	\$ 7,200
TOTAL REVENUE	\$ 1,520,997

2022	
OPERATING EXPENSES	
Full-time employee headcount	14
TOTAL PERSONNEL	\$ 3,039,929
Legal Fees (Program development, Funding Partners)	102,000
Financial Advisory	134,000
Technical Consulting	132,000
Loan Processing System/Asset Management	75,000
Business Development Expenses	24,000
Marketing/ Events	30,000
TOTAL PROGRAM EXPENSES	\$ 497,000
Rent & Building Expense	60,000
General Operating & Administrative	112,400
Consulting Services	444,900
Information Technology	618,000
Insurance	31,920
Legal & Accounting Fees	181,000
Employee Training & Development	120,000
Events & Community Outreach	24,000
Miscellaneous Fees	6,000
Board Expense	30,000
TOTAL ADMIN & GENERAL EXPENSES	\$ 1,628,220
OPERATING EXPENSES	\$ 5,165,149
OPERATING BALANCE	(3,644,152)

DC GREEN BANK TEAM

Employee	Position	Annual Base Salary	Ward
Eli Hopson	Chief Executive Officer	\$200,000.00	Ward 4
Donald Walker	Chief Operating Officer	\$190,000.00	Ward 5
Jean Nelson-Houpert	Chief Financial Officer	\$190,000.00	Ashburn, VA
Sandy Paik	General Counsel	\$190,000.00	Falls Church, VA
Jay Lurie	Chief Investment Officer	\$190,000.00	Ward 5
Dinora McRae*	Executive Assistant	\$68,000.00	Ward 5
Gary Decker*	External Relations Partner	\$110,000.00	Ward 6
Shyrah Kum*	Equal Access Advocate	\$110,000.00	Dumfries, VA
Annie Ratanasim*	Sustainability Director	\$110,000.00	Ward 5
Matthew Hickman*	Investment Associate	\$105,000.00	Ward 6
Gabriela Kluzinski*	Investment Associate	\$105,000.00	Ward 1
Christina Crosson*	Staff Accountant	\$62,000.00	Ward 8

\*Onboarded in FY21



ANNUAL  
REPORT  
FY2021

[dcgreenbank.com](http://dcgreenbank.com)

