



# Board of Directors

REGULAR MEETING OF THE BOARD

9.18.2024

**DC**  
GREEN BANK

# Agenda

- I. Board Committee Reports
- II. Public Comments
- III. Review and Vote on DCGB FY25 Budget
- IV. Pipeline Updates
- V. Reporting and Updates



# BOARD COMMITTEE REPORTS

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REGULAR MEETING OF THE BOARD

01

# PUBLIC COMMENTS

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REGULAR MEETING OF THE BOARD

02

# REVIEW AND VOTE ON FY25 BUDGET

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REGULAR MEETING OF THE BOARD

# Statement of Net Position

## June 30, 2024

| Statement of Net Position               | June 30, 2024        |
|---|----------------------|
| <b>Assets</b>                           |                      |
| Cash and Cash Equivalents <sup>1</sup>  | \$ 36,668,740        |
| Other Current Assets                    | 5,670,004            |
| Net Loans Receivable                    | 33,426,628           |
| Other Long-term Assets                  | 124,300              |
| <b>Total Assets</b>                     | <b>\$ 75,889,672</b> |
| <b>Liabilities</b>                      |                      |
| Deferred Revenue                        | \$1,020,195          |
| Other Current Liabilities               | 103,882              |
| Long-term Liabilities                   | 258,145              |
| <b>Total Liabilities</b>                | <b>\$1,382,222</b>   |
|   |                      |
| <b>Total Net Assets</b>                 | <b>\$74,507,450</b>  |
|   |                      |
| <b>Total Liabilities and Net Assets</b> | <b>\$ 75,889,672</b> |

<sup>1</sup> Of the \$36.7 MM total cash balance, \$24.9 MM has been reserved for pending loan funding as of June 30, 2024.

# Statement of Activities Fiscal YTD

| Statement of Activities            | Fiscal Year To Date<br>10/01/23 - 6/1/2024 |
|------------------------------------|--|
| <b>Revenues</b>                    |  |
| Operating Revenue                  | \$ 2,386,369                               |
| Non-Operating Revenue              | 396,126                                    |
| <b>Total Revenue</b>               | <b>2,782,495</b>                           |
| <b>Expenditures</b>                |  |
| Salaries and Benefits <sup>1</sup> | 2,108,875                                  |
| Program Expenses <sup>2</sup>      | 603,232                                    |
| Other Operating Expenses           | 922,234                                    |
| <b>Total Expenditures</b>          | <b>\$ 3,634,342</b>                        |
| <b>Net Income/(Loss)</b>           | <b>(\$851,847)</b>                         |

<sup>1</sup> Cost savings are derived from the timing of new hires and cost savings from DCGB's new IT Contract.

<sup>2</sup> Program expenses include \$477k in loan loss reserves, as required by US GAAP.

# FY25 Proposed Budget

## FY25 – Year of Stabilization & Steady Growth

- Loan interest income estimated to grow 61.05%, **\$3,139,421 Total Operating Revenue**
- Program implementation and new loan deployment with GGRF – NCIF and SFA subawards.
- Stabilized cost structure of \$5.5 MM, 15.3% reduction to approved FY4 budget.
  - *Including rent abatement through July '25, **total costs are estimated to be \$5.18 MM***
- Proposed net operating loss of \$1.14 MM before noncash expenses of \$1.01 MM.
  - *Non-cash expenses include loan loss reserves and fixed asset depreciation. To date, DCGB has not written-off any loans.*



# FY26 Forecast

## FY26 – Year of Economies of Scale

- Three categories of significant revenue growth:
  - Newly closed loans funded by the F24 – FY26 DC and SETF transfers.
  - 12-months of loan interest income from new federal awards, STORM Act (HSEMA) resilience funding and the Energy Efficiency Revolving Loan Fund (EERLF).
  - Newly earned revenue from obligating Greenhouse Gas Reduction Fund (GGRF) awards, NCIF and Solar for All.
  - **Total forecasted revenue of \$4,926,056.**
- Second year of stabilized **operating costs of \$5.55 MM.**
  - Inflation and/or cost-of-living adjustments to budget costs are included.
- **Projected cash flow from operations, + \$328,812** before non-cash loan loss reserves (LLR) and fixed asset depreciation of \$2 MM.
  - *LLR are an estimate of uncollectable loans and is required by US GAAP. LLR will decrease as loans mature.*
  - *Since its inception, DCGB has not experienced any loan defaults.*

# FY25 Budget Proposed & FY26 Forecast

|  | <b>FY25<br/>Budget</b> | <b>%<br/>Change</b> | <b>FY26<br/>Forecast</b> | <b>%<br/>Change</b> |
|--|------------------------|---------------------|--------------------------|---------------------|
| Program Revenue - Loan interest income | 2,868,412              | 61.05%              | 4,772,199                | 66.37%              |
| Program Revenue - Pace                 | 109,036                | 73.87%              | 112,440                  | 3.12%               |
| Program Fees - Origination/other fees  |                        |                     |                          |                     |
| BEPS Loan Fees                         | 113,750                |                     | -                        |                     |
| Direct Loan Fees                       | 48,223                 |                     | 41,417                   |                     |
| <b>Operating Revenue</b>               | <u>3,139,421</u>       |                     | <u>4,926,056</u>         |                     |
| Short-Term Investments                 | 264,709                |                     | 264,709                  |                     |
| Deposit income                         | 337,168                |                     | 337,168                  |                     |
| Grants / PRI                           | 300,000                |                     | 350,000                  |                     |
| <b>Non-Operating Revenue</b>           | <u>901,876</u>         | 49.84%              | <u>951,876</u>           | 5.54%               |
| <b>Total Revenue</b>                   | <u>4,041,298</u>       |                     | <u>5,877,933</u>         |                     |
| <b>Operations</b>                      |                        |                     |                          |                     |
| Salaries & Benefits                    | 4,152,696              | 36.91%              | 4,319,898                | 4.03%               |
| Program                                | 204,532                | 31.22%              | 211,832                  | 3.57%               |
| General & Administrative               | 821,533                | -27.64%             | 1,017,391                | 23.84%              |
| <b>Total Operating Expenses</b>        | <u>5,178,761</u>       | 19.76%              | <u>5,549,120</u>         | 7.15%               |
| <b>Operating Income/loss</b>           | <u>(1,137,463)</u>     |                     | <u>328,812</u>           |                     |
| <b>Non-Cash Expenses</b>               |                        |                     |                          |                     |
| Loan Loss Provision                    | 1,000,000              |                     | 2,000,000                |                     |
| Depreciation Expense                   | 7,143                  |                     | 7,143                    |                     |
| <b>Total Non-Cash Expenses</b>         | <u>1,007,143</u>       |                     | <u>2,007,143</u>         |                     |
| <b>Net Income/Loss</b>                 | <u>(2,144,606)</u>     |                     | <u>(1,678,331)</u>       |                     |

# PIPELINE UPDATES

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REGULAR MEETING OF THE BOARD

# First National Baptist Church

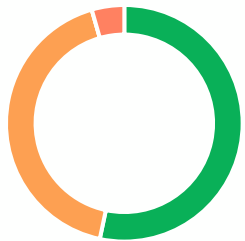
We are pleased to announce the closing of a \$115,000 loan facility to ROI Construction to finance the equipment purchase and installation of a 32-kW rooftop solar system at the First National Baptist Church. This loan is part of the small business loan pool with City First Enterprises (CFE). DC Green Bank will provide \$69,000 toward the total loan amount while CFE will provide \$46,000. In addition, ROI construction will contribute \$59,688 in sponsor equity.

- **Total Project Size:** \$174,688
- **Projected Project Impacts:**
  - Free solar energy for the church
  - Energy bill savings of \$10,700/year
  - GHG emissions reduction of 30 metric tons of CO<sub>2</sub> equivalent/year
- **Wards Impacted:** Ward 7





# Pipeline Overview


## Investment Sectors



- Green Buildings
- Solar
- Stormwater
- Clean Transport

- 

LIDAC Investment: \$50+ Million in direct lending, \$600+ Million in leveraged capital
- 

7.4x Leverage Ratio
- 

More than 4,000 green jobs

## DC Green Bank is in the Market

45

Active Leads Across Our  
Priority Sectors

\$861 MILLION

Potential Overall  
Financing Identified

\$102 MILLION

Potential DCGB  
Financing  
Identified

# REPORTING AND UPDATES

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REGULAR MEETING OF THE BOARD

05

# Human Resources and Operations Update

- New Hires Onboarded:
  - Design and Communications Intern
    - Bridgette Barbosa
- Recruitment:
  - Hiring ongoing for Executive Assistant/Office Manager position
  - Hiring ongoing for Senior Manager position to support compliance and procurement
- Completely moved into our new office space – 1140 19<sup>th</sup> Street NW, Suite 800
- Contracting completed with IT and cybersecurity vendor to support DCGB operations - MainSpring



# Stakeholder Outreach and Connections

DCGB staff have been active in July, August, and September, engaging with communities across the District. Below is a brief overview of events and engagement:

## Past Events

- Project site visits with Council Chairman Mendelson and Councilmembers Nadeau (Ward 1), Frumin (Ward 3), Parker (Ward 5), and Allen (Ward 6)
- Metropolitan Washington Council of Governments Awards
- 36,000 Homes by 2025 Celebration Event with Mayor Bowser
- DC Dept. of Small and Local Business Development Greenovation Summit
- DC Chamber of Commerce Meet and Greet w/ Deputy Mayor of Real Estate
- AEG DMV Building Electrification Task Force

- Emerald Cities Incentives Workshop
- Equitable Water Financing Committee with Quantified Ventures and Pre Collective

## Upcoming

- 301 Florida Ave. Groundbreaking (Sept. 24)
- NRDC NY Climate Week Panel (Sept. 25)
- National Clean Energy Week Event w/ DOEE, DCSEU at Children's National (Sept. 26)
- A-Peace Ribbon Cutting (Oct. 3)

## Press Coverage

- Multifamily Biz
- Yahoo News









# Thank You

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