

**ILLINOIS
FINANCE
AUTHORITY.**



**ILLINOIS
CLIMATE
BANK**

WORKING DRAFT - April 4, 2024





THE IFA WAS DESIGNATED AS THE CLIMATE BANK BY CEJA



CLIMATE BANK PURPOSE

- (1) the distribution of the benefits of clean energy in an equitable manner;
- (2) making clean energy accessible to all; and
- (3) accelerating the investment of private capital into clean energy projects in a manner reflective of the geographic, racial, ethnic, gender, and income-level diversity of the State.

- Climate & Equitable Jobs Act,
2021 (20 ILCS 3501/850-15)

ILLINOIS CLIMATE BANK
**EXCEPTIONAL
ALIGNMENT:**

**BIL, IRA, and
CEJA**

The Illinois Climate Bank integrates five key elements when pursuing funding and developing new initiatives:



PARTNERSHIPS



QUANTIFIABLE PROGRESS ON CLIMATE



BUILD IT HERE (USA/ILLINOIS)



JUSTICE40 BENEFITS & INVOLVEMENT



LABOR INVOLVEMENT & PARTICIPATION

US EPA GREENHOUSE GAS REDUCTION FUND

National Clean Investment Fund Competition

On April 4, 2024, the US EPA announced the winners of the \$20 billion National Clean Investment Fund and Clean Communities Investment Accelerator competitions.

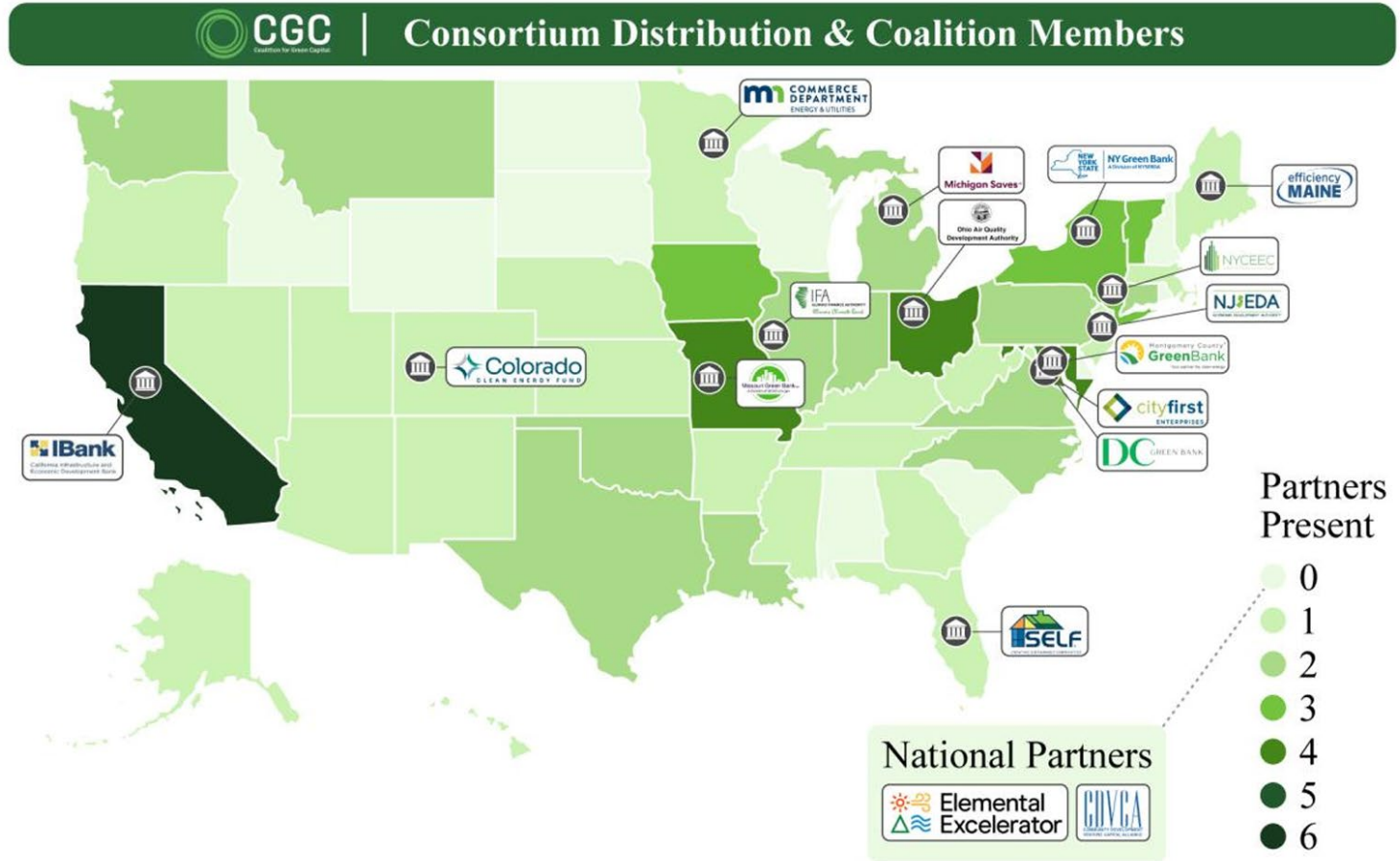
- The State of Illinois partnered with the Coalition for Green Capital (CGC), which was awarded \$5 billion under the NCIF.
- The Illinois Climate Bank is a named subrecipient under the CGC award.



A screenshot of the EPA website's news release page. At the top, the EPA logo is on the left, and the text "United States Environmental Protection Agency" is on the right. A search bar is located to the right of the text. Below the header, there are navigation links: "Environmental Topics", "Laws & Regulations", "Report a Violation", and "About EPA". The main content area features a news release titled "Biden-Harris Administration Announces \$20 Billion in Grants to Mobilize Private Capital and Deliver Clean Energy and Climate Solutions to Communities Across America". The release date is "April 4, 2024". Below the title, there is a "Contact Information" section with the EPA Press Office email address. The main body of the text begins with "WASHINGTON - Today, April 4, the U.S. Environmental Protection Agency announced its selections for \$20 billion in grant awards under two competitions within the historic \$27 billion Greenhouse Gas Reduction Fund (GGRF), which was created under the Inflation Reduction Act as part of President Biden's Investing in America agenda. The three selections under the \$14 billion National Clean Investment Fund and five selections under the \$6 billion Clean Communities Investment Accelerator will create a national clean financing network for clean energy and climate solutions across sectors, ensuring communities have access to the capital they need to participate in and benefit from a cleaner, more sustainable economy. By financing tens of thousands of projects, this national clean financing network will mobilize private capital to reduce climate and air pollution while also reducing energy costs, improving public health, and creating good-paying clean energy jobs in communities across the country, especially in low-income and disadvantaged communities."

US EPA
**GREENHOUSE
 GAS REDUCTION
 FUND**

**National Clean
 Investment Fund
 Competition**



ILLINOIS CLIMATE BANK MORE THAN OUR FAIR SHARE



aligned
with CEJA and IL policy

APPLIED



\$250 million

Solar for All

Illinois Climate Bank submitted a proposal for the maximum amount of funding available under the US Environmental Protection Agency's GGRF Solar for All competition to expand and enhance Illinois Solar for All.

AWARDED



\$100+ million

National Clean Investment Fund

Illinois Climate Bank is pursuing funds million under the US Environmental Protection Agency's GGRF NCIF competition for new climate finance tools to support vehicle and building electrification, clean energy, and more.

AWARDED



\$14 million

Revolving Loan Fund

Illinois Climate Bank will receive about \$14 million to launch a revolving loan fund to support energy efficient buildings and on-site solar.

AWARDED



\$15 million

Charging and Fueling Infrastructure

Illinois Climate Bank was awarded \$15 million from US Department of Transportation to deploy EV charging infrastructure in 200 locations across the State.

AWARDED



\$16 million

Grid Resilience Grants

Illinois Climate Bank was awarded \$16 million from US Department of Energy to support grid resilience initiatives in disadvantaged communities in Illinois.

OUR APPROACH

Illinois Climate Bank's initiatives will address several market gaps identified by stakeholders that are inhibiting effective clean energy deployment or the achievement of equitable outcomes in the State's solar, building, and EV initiatives.

Residential (low-income)



GRANTS

Enabling Upgrades for Solar



Energy Storage



Bright Neighborhoods Pilot



FINANCE

Standard Offer Lease-to-Own



Energy Sovereignty Loan



Public / Non-Profit



GRANTS

Community Resilience Hubs



Grid Resilience



Community Charging



FINANCE

Federal Tax Credit / REC Bridge Loans



Fleet Electrification



Carbon Free Schools



Commercial



FINANCE

C-PACE



Fleet Electrification



Building Electrification



Virtual Power Plants



BIPOC Businesses



FINANCE

Working Capital



Community-Driven Community Solar



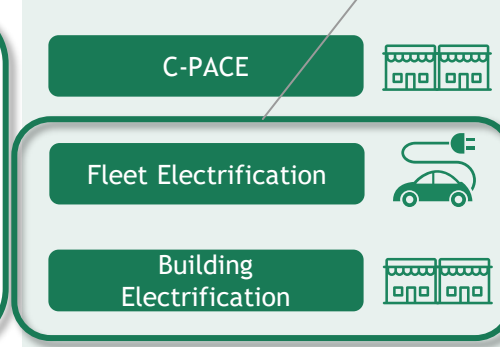
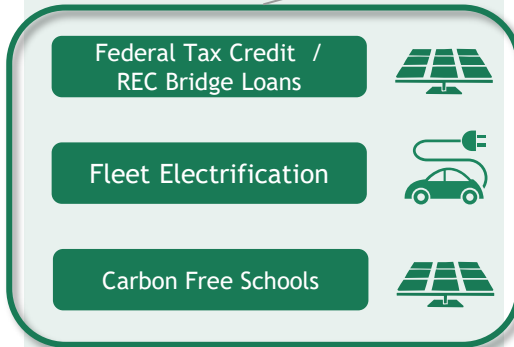
SSBCI



Contractor Portal



GGRF National Clean Investment Fund Initiatives



ANTICIPATED 2024 TIMELINE

NOW

C-PACE



SSBCI



APRIL-MAY

Community Resilience Hubs



Grid Resilience



Community Charging



JULY

Federal Tax Credit / REC Bridge Loans



Working Capital



Fleet Electrification



Community-Driven Community Solar



Enabling Upgrades for Solar



Energy Storage



Bright Neighborhoods Pilot



Standard Offer Lease-to-Own



Energy Sovereignty Loan



Building Electrification



Contractor Portal



ILLINOIS CLIMATE BANK


WHERE TO FIND MORE INFORMATION



- Join Illinois Finance Authority’s monthly board meetings (next meeting Tuesday, April 9, 2024 - 9:00 a.m.: <https://www.il-fa.com/>)
- Find out more about Illinois Finance Authority / Illinois Climate Bank work: <https://www.il-fa.com/programs/cb>
- Vendor? Register in BidBuy: <https://www.bidbuy.illinois.gov/bsa/>
- Vendor that is a business owned by minorities, women, and persons with disabilities? Get certified through the State of Illinois Commission on Equity and Inclusion: <https://cei.illinois.gov/>

ILLINOIS CLIMATE BANK
APPENDIX

WHAT DOES THIS LOOK LIKE FOR PUBLIC/NON-PROFIT SOLAR?

Public / Non-Profit 

GRANTS

IRA ITC – Elective Pay

\$22,500 - \$6,000,000 **IRA**


New availability of elective pay for federal Solar Investment Tax Credit allows public entities and non-profits to qualify for 30-40% cash back on solar investments.


IPA ABP REC CONTRACTS

\$25,000 - \$3,000,000 **CEJA**

Example incentives available today under IL Adjustable Block Program.

FINANCE

Federal Tax Credit / REC Bridge Loans 

Carbon Free Schools 

FINANCE

\$75,000 - \$15,000,000 **GGRF**

New 6 to 18-month low-cost bridge loan program offered by Illinois Climate Bank for public entities and non-profits for federal tax credits and IPA REC payments. Removes the need for capital budgeting.

New 20-year loan program offered by Illinois Climate Bank specifically-designed for Carbon Free Schools.



WHAT DOES THIS LOOK LIKE FOR BIPOC BUSINESSES?

DCEO ENERGY TRANSITION

range **CEJA**

New **grants** for contractor, business, and project investments from DCEO, created under CEJA.

FINANCE

\$50,000 - \$1,000,000 **EERLF**
GGRF

New Working Capital loans provided by Illinois Climate Bank to build capacity of new BIPOC businesses and cover finance gaps.

\$25,000 - \$2,000,000 **SSBCI**

Launched in 2023, the new State Small Business Credit Initiative 2.0 helps socially and economically disadvantaged businesses get better access and lower interest rates for loans to grow.

\$500,000 - \$10,000,000 **GGRF**

The Illinois Climate Bank will collaborate to provide lower-cost and flexible loans for community-driven community solar projects that build solar owned and driven by community members within CEJA's new solar incentives.

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- Working Capital
- SSBCI
- Community-Driven Community Solar

WHAT DOES THIS LOOK LIKE FOR PUBLIC CHARGING?

Public / Non-Profit



GRANTS

Community Charging



GRANTS

250 + sites

CFI

20% cost-share

More than 250 locations across the state will be up for US Department of Transportation grant funding under the charging and fueling infrastructure discretionary grant program.

UTILITY BENEFICIAL ELECTRIFICATION PLANS

TBD

CEJA

Rebates and grid upgrades

FINANCE

Fleet Electrification



FINANCE

~\$30,000 - \$2,000,000

GGRF

New revolving loan fund for charging infrastructure to support:

- Charging equipment + Installation
- Wrap-around infrastructure

WHAT DOES THIS LOOK LIKE FOR FLEET ELECTRIFICATION?

Public /
Non-Profit



GRANTS

IRA Vehicle Tax Credits

\$40,000 - \$80,000

IRA

New IRA tax credits for medium- and heavy-duty fleet vehicles

UTILITY BENEFICIAL
ELECTRIFICATION PLANS

TBD

CEJA

Rebates and grid upgrades

FINANCE

**~\$250,000 -
\$10,000,000**

GGRF

New revolving loan fund for fleet electrification (public and private) to support:

- Vehicle purchase + Operations
- Charging equipment + Installation
- Wrap-around infrastructure

FINANCE

Fleet Electrification



WHAT DOES THIS LOOK LIKE FOR COMMERCIAL BUILDINGS?

Commercial 

FINANCE

< 25% of value of the property

PRIV


The Illinois Finance Authority / Illinois Climate Bank currently offers a Commercial Property Assessed Clean Energy (C-PACE) program, a no-public-subsidy climate finance structure that attracts private lenders to commercial real estate projects, assignable upon transfer of the property.


Up to \$10,000,000

GGRF

The Illinois Climate Bank will develop loan products for commercial building electrification that can work seamlessly with building electrification investment timelines and federal tax credits /rebates.

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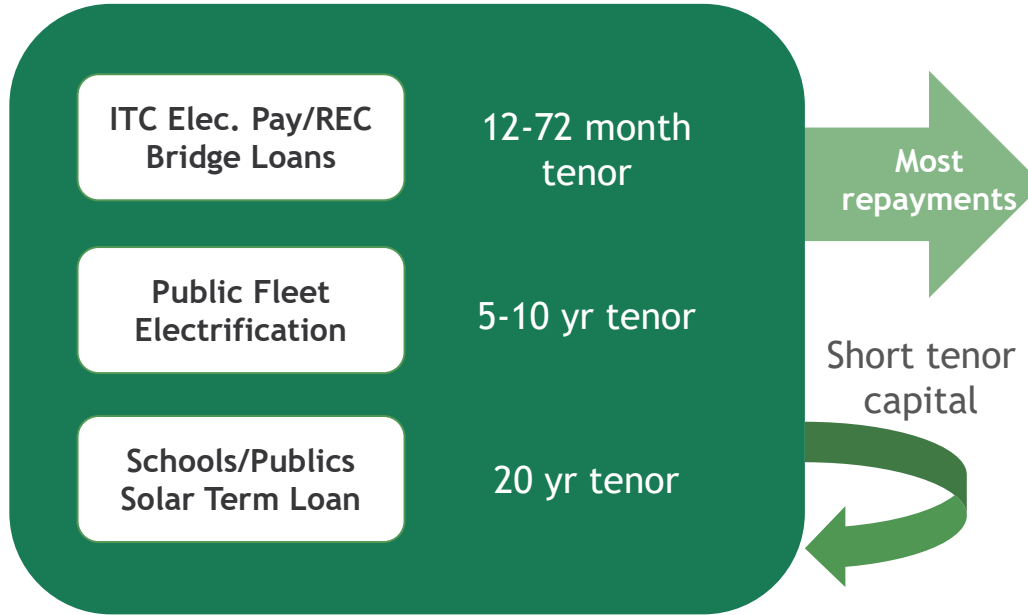
C-PACE 

Building Electrification 

Replicating the State Revolving Fund model to grow and expand

2024-2025

\$100 million - federal capital



- Strong credit quality
- Municipal pledge or backstop OR ample repayments
- Essentiality
- Captive customers
- High incentive for repayment
- Volume, diversity and size

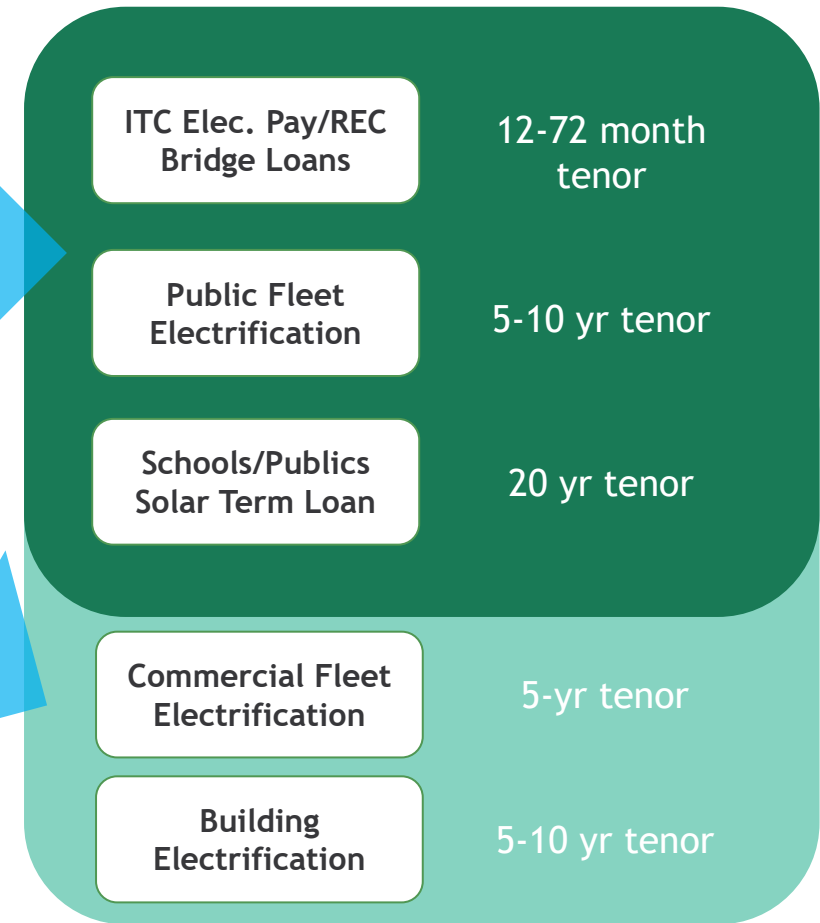
Most repayments

Short tenor capital



2025/26 and beyond

Additional \$\$\$



Expand to new products and increase pool



We want to hear from you!

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