



# CDFA-Bricker Webinar Series: Financing Green and Sustainable Assets

**THE BROADCAST WILL  
BEGIN AT 2PM EASTERN**

Submit your questions in  
advance using the chat box

## PACE and Traditional Lending Institutions

Tuesday, November 22, 2022

# PACE and Traditional Lending Institutions



## Ariel Miller

Senior Director, Research & Technical Assistance  
Council of Development Finance Agencies  
Columbus, OH





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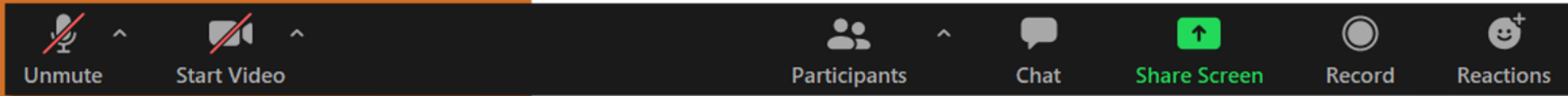
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# Join the Conversation



**Submit your questions by  
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## Panelists



**Colin Kalvas**

Partner  
Bricker & Eckler LLP



**Colin Bishopp**

CEO  
Allectrify



**Mike Lemyre**

Director, CPACE Lending  
Forbright Bank

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**CDFA Bricker Energy Efficiency Webinar Series:  
Traditional Lenders in PACE**

**Colin J. Kalvas**  
*Bricker & Eckler*



# PACE

## PACE

- Property, meaning that the financing mechanism improves real property and is secured with an interest in real property
- Assessed, meaning that the financing mechanism is paid for with special assessments
- Clean Energy, meaning energy efficiency and alternative energy improvements are eligible for financing



# What is PACE Financing?

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- Special assessment financing for energy efficient and renewable energy building improvements that are repaid via a special assessment added to the property's tax bill.
- Private financing available to commercial property owners to finance up to 100% of energy and water saving improvements.
- Public-Private Partnership + Local Job Creator  
(15 jobs per \$1m of PACE financing – PACE Nation)



# What is PACE Financing?

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- Long-term loans (10 – 30 years)
- Fixed-interest rates/ Fixed payment
- 100% financing, no down payment
- Non-recourse loans (no personal guarantee)
- Payments can be passed through to tenants
- Loan transfers with the property

## Who is PACE for?

- **Commercial Property Owners**
  - Both existing properties and new construction
  - Includes hotels, hospitals, restaurants, office buildings, etc.
  - Includes multi-family housing, with 4+ units
- **Industrial Property Owners**
- **Agricultural Property Owners**
  - Farms, wineries, etc.
- **Nonprofits**
  - Churches, childcare facilities, private schools, etc.
- **Local Governments**
- Does not include single-family residential property (except CA, FL and MO)

# How Can PACE Be Used

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1. Existing buildings for retrofits and upgrades
2. New construction and “gut rehabs”
3. “Retroactive PACE”: refinancing eligible improvements

# Layering Incentives



PACE can be combined with other types of financing and incentives

## Abatements

- Community reinvestment area (CRA) abatements
- Sales tax abatements
- Ohio Air Quality Development Authority (OAQDA) program

## Credit enhanced financing

- Bond fund credit enhancement
- State loan loss reserve
- State energy loan program

## Other

- Tax increment financing (TIF)
- Historic tax credits (HTC)
- New market tax credits (NMTC)
- Alternative energy tax credits
- Utility rebate programs

# Eligible Improvements

Varies per state

Energy efficiency  
Renewable energy  
Water efficiency  
Resiliency  
Indoor Air Quality

Some states broadening to include other non-ECMs





# Case Study

## Delco Lofts Project – Dayton, Ohio

- Urban redevelopment project in Dayton
- Historic industrial manufacturing building
- Redeveloped by Crawford Hoying Development Partners
- 134 market rate apartments, parking, amenities, and first-floor retail



# Case Study

## Delco Lofts Project – Dayton, Ohio



- \$17.6M Senior/Bridge Financing
  - Federal Historic Tax Credits (+/- 90% face value)
  - State Historic Tax Credits (+/-75% face value)
- \$3.8M Dayton Port Bonds
  - BBB+ rated
  - 4.05% (July 26, 2016)
  - 17-year term
  - 0.56% annual port authority credit enhancement, servicing, and trustee fee
- \$650,000 Dayton Port Sales Tax Savings

# Delco Lofts PACE Improvements

LED Lighting

Windows

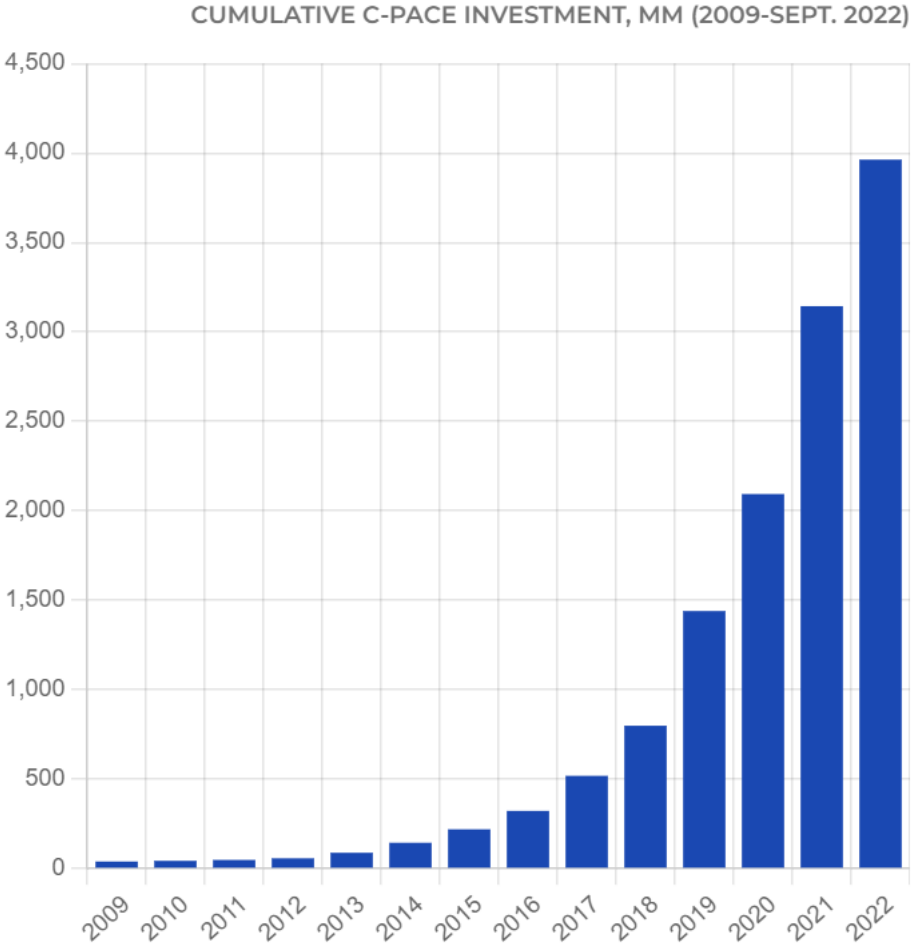
HVAC

Insulation

Thermostats/controls



# National PACE now > \$4B



Source: PACENation

# Leading PACE States



C-PACE INVESTMENT BY STATE (STATES >\$50MM, TO SEPT. 2022)

<input type="checkbox"/>	State ▾	Investment (\$, MM) ▾
1	CA	\$998
2	OH	\$631
3	CT	\$227
4	TX	\$227
5	MI	\$226
6	CO	\$225
7	MN	\$211
8	NY	\$209
9	MO	\$157
10	WI	\$149

Source: PACENation



# Notable 2022 PACE activity

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## “Billions and Billions”

- California first state to surpass the \$1B closing threshold
- Ohio is projected to be the 2<sup>nd</sup> in 2023 (just under \$140M to-date in 2022)
- Petros & Nuveen GC become the first PACE lenders to exceed \$1B
- \$153M PACE closing for Utah mixed use development becomes largest

# Notable 2022 PACE activity

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## New States and Cities

- New York City now “reactivated”
- Atlanta closes first deal (\$9M entertainment venue)
- “Activated” States: HI, WA, OR, TN, ME
- More to come....stay tuned

# Notable 2022 PACE activity

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## Notable PACE closings (many to choose from)

- OH: \$38M; Canton Pro Football Hall of Fame development
- KY: \$9M; downtown Louisville development projects
- PA: \$8M; solar carport canopy at office complex
- MI: \$1M; 1927 apartment building gut-rehab redevelopment

# Notable 2022 PACE activity

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- “Small Balance” platform entity Allectrify entering market
- More traditional lenders likely to enter market in 2023 and beyond
- Larger minimums for existing PACE lenders: \$1-2M
- PACE continues to penetrate new and redevelopment projects
- Inflation Reduction Act will spur EE/RE activity

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Insights & Resources

## PACE Financing Resource Center





# PACE Resources

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## Colin J. Kalvas



ckalvas@bricker.com



614-227-4998

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www.bricker.com





**C-PACE and Community Lenders: A Love Story**  
**CDFA Webinar – November 22, 2022**

**Colin Bishopp**

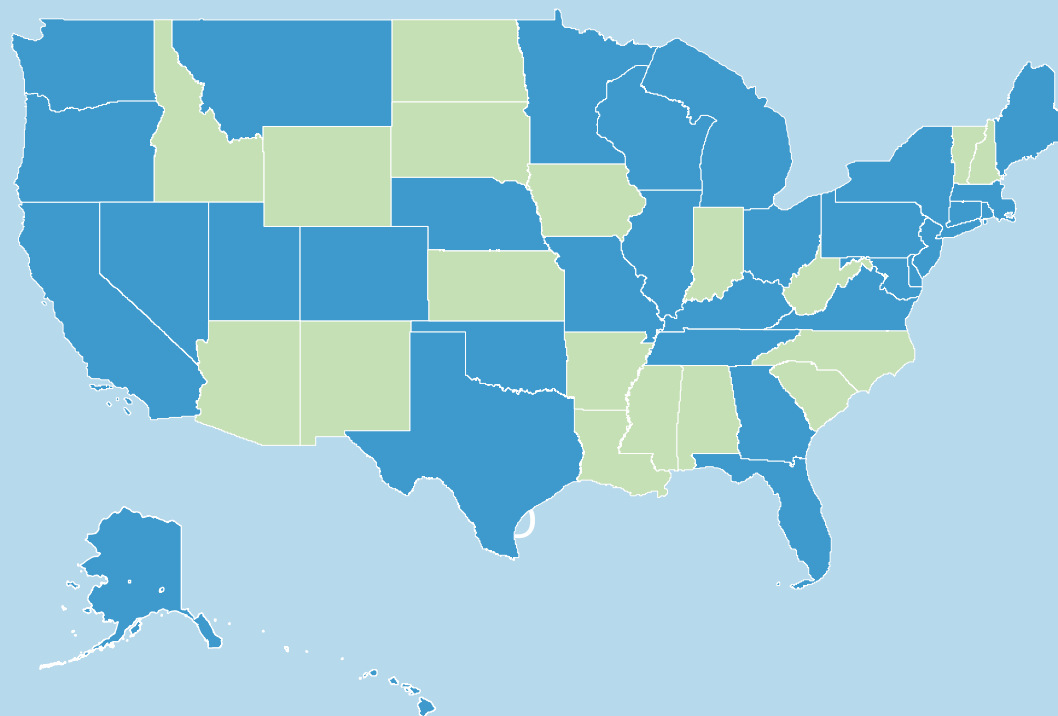
colin@allectrify.com | (202) 550-7570

# Overview


Allectrify was founded to make it easier for banks, credit unions and CDFIs (“Community Lenders”) to offer comprehensive financing solutions for full building electrification and resilience at scale.

Our FASTPACE platform enables community lenders to offer Commercial PACE (C-PACE) alongside their existing financial products – quickly and easily – even if they have never completed a C-PACE transaction before.

While we can support C-PACE financings of virtually any size, we are particularly adept at supporting C-PACE financings under \$2M.



**FASTPACE**   
by allectrify

 Denotes states with active C-PACE programs

# WHY BANKS, CREDIT UNIONS & CDFIS LOVE C-PACE



Upfront Fees & Superior Risk-Adjusted Return



Extremely Low Credit Risk



Low Capital Requirement; C-PACE can be booked as a muni, a loan or an investment.



100% ESG Investment; Potential CRA Credit



C-PACE serves the same customer demand as CRE exposures without CRE concentration risk

Banks & Credit Unions already active in C-PACE



Northpointe Bank



ARLINGTON COMMUNITY FEDERAL CREDIT UNION





WHAT IS C-PACE?

# ASSESSMENT-BASED FINANCING

## DATES TO OUR NATION'S FOUNDING



**1736** – First assessment district in Philadelphia

**2022** – 37,000 assessment districts nationwide

- Water & Sewer Service
- Parks
- Sidewalks
- Lighting
- Downtown Renewal
- Energy, Water & Resilience (C-PACE)

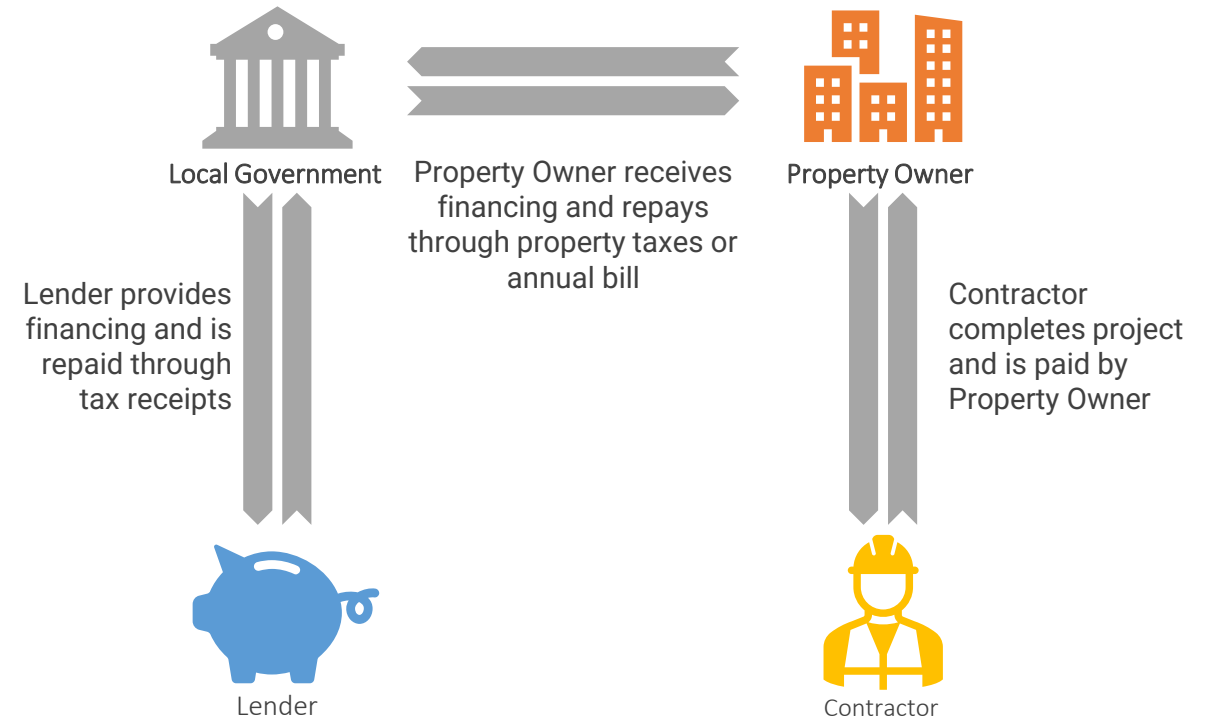
**C-PACE** – Voluntary assessment district of one property



# C-PACE 101

- C-PACE **provides low-cost, long-term financing** for building improvements that serve a public purpose (e.g., clean energy, water, resilience, public health)
- As much as **25% of new construction costs** and **100% of retrofit costs** may be eligible
- Financing is **secured** by a voluntary tax assessment and is usually repaid through an annual bill or the properties' regular tax bills
- Typically, administrative functions of originating and servicing C-PACE transactions is outsourced to **private C-PACE administrators** (e.g., FASTPACE by Allectrify)
- As a component of the capital stack, **C-PACE lowers a property's cost of capital** and increases cash on cash returns, IRRs, and equity multiples.
- C-PACE **does not accelerate in the event of default**, the way a mortgage does.

## How C-PACE works





WHY WE ARE HERE

# Municipalities (and Building Owners) Have a Problem

- **State and local mandates**, some of which include financial penalties, are forcing developers and property owners to upgrade new and existing buildings
- **Traditional financing** is incapable of meeting the need; at least 33% of the capital required must come from Commercial PACE <sup>1</sup>
- **No easy way exists** for owners of small and medium sized commercial properties to access C-PACE financing; banks and credit unions already serve this market segment and, if they had a C-PACE product, could offer the most competitive rates due to their lower cost of funds.

National Building Performance Standards Coalition  
May 3, 2022



<sup>1</sup> According to an independent analysis performed by the National Association of Energy Service Companies (NAESCO)

# Community Lenders Have a Problem Too

- **Banks are under significant pressure** to a) find yield in less risky assets, b) meet Community Reinvestment Act & ESG objectives, and c) win new business.
- **C-PACE financing addresses all of these challenges.** C-PACE assets are extremely low credit risk; they meet ESG & CRA objectives; they reduce the weighted cost of capital in CRE deals; and they can be booked as a muni, a loan or an investment. C-PACE serves the same customer demand as CRE exposures without CRE concentration risk.
- **No easy way exists** for community banks and credit unions to offer C-PACE financing, even though they are best positioned to serve 75% of the market.

## US banks exceeding CRE regulatory guidance hit multiyear high in Q2

The number of U.S. banks that went beyond regulatory guidance on commercial real estate loan concentration rose for the fifth straight period in the second quarter and reached its highest level in five years.

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### About this analysis

*Regulators define commercial real estate loans as construction and land development loans + multifamily loans + nonowner-occupied nonresidential property loans + commercial real estate loans secured by collateral other than real estate.*



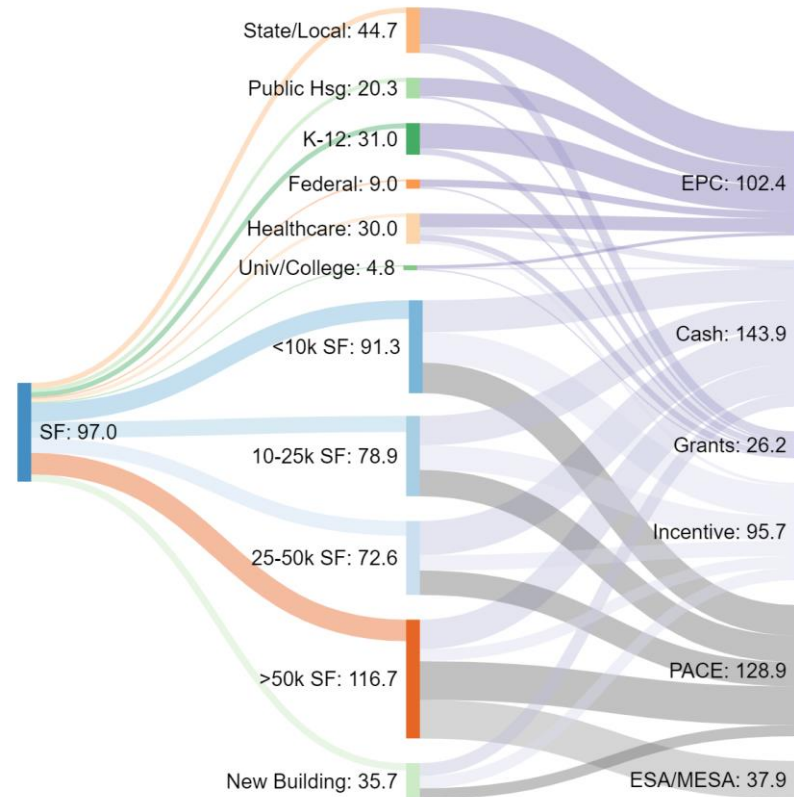
YES, BUT WHY C-PACE?

# The Capital Required to Achieve Scale

Ex: NAESCO Analysis of Federal Goal to Upgrade 4M Buildings

## Sources of Capital

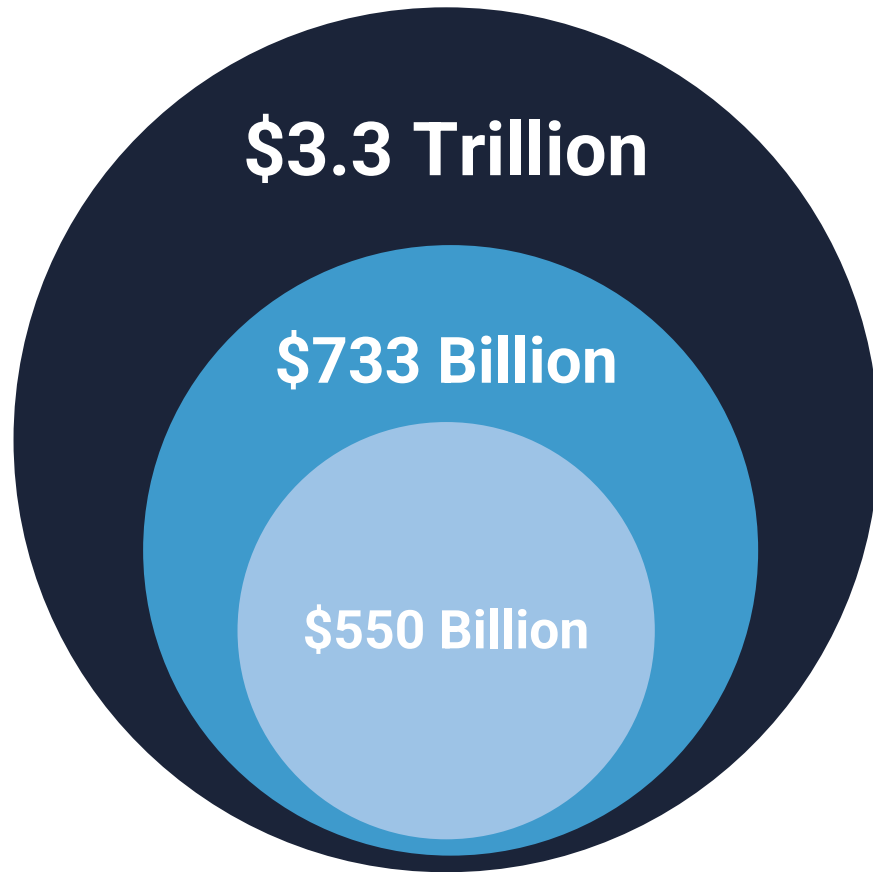
- EPC/UESC Public Buildings – \$103 B
- Cash, Bank Loans – \$144 B
- Grants (Federal) – \$26 B
- Utility Incentives – \$96 B
- **Commercial PACE – \$129 B**
- ESA/MESA – \$38 B
- **Total: \$536 B**



According to NAESCO, 24% of the funding required to upgrade commercial buildings at scale needs to come from C-PACE. If we consider only privately owned commercial properties, the number climbs to 33%!

Key: Total CRE footprint: 97B sqft    Millions of \$ required by property type for 4M buildings    Millions of \$ by funding source for 4M buildings

# Market Size



Capital required to a) retrofit existing commercial buildings and b) fund C-PACE eligible measures in new commercial construction over the next 10 years.

To achieve scale (and comply with mandates), this is the portion of the market that must be served by Commercial PACE.<sup>1</sup>

Portion of the market that Community Lenders are best-positioned to serve



# Why Now

In addition to new state and local regulations, Congress has invested more than **\$40 Billion** that will be deployed over the next 24 months into the buildings sector.





OUR PLATFORM

# FASTPACE

by allectrify

Lender signs up, gets market access and a toolkit



Lender offers C-PACE to new and existing customers



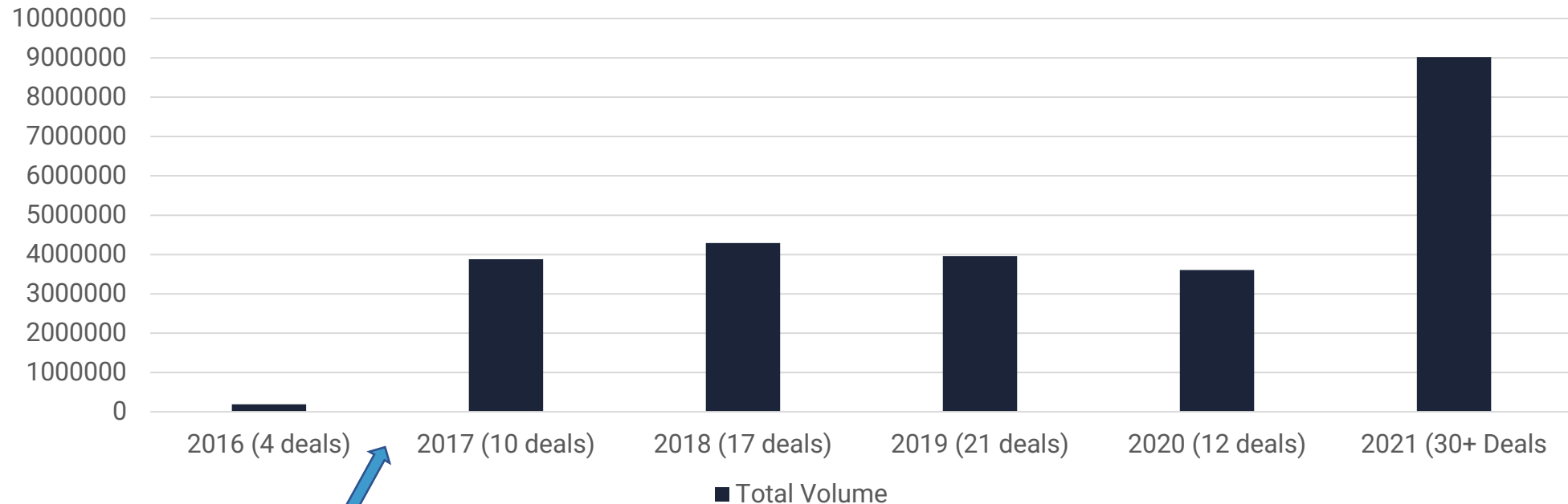
Allectrify originates C-PACE for Lender; Customizable structure on deals >\$2M

## We offer our bank, credit union & CDFI partners the following services:

- Market access & C-PACE Program Approval
- Ongoing Program Relationship Management
- Access to Standardized Documents and Credit Underwriting
- Streamlined Process for Deals <\$2M (in development)
- Funding Options
- Full Lifecycle, From Origination Through Payoff
- Liquidity
- Lookback Assistance to Identify Refi Opportunities
- Loan Participation & Syndication
- Marketing Support (coming soon)
- In-Depth Portfolio Analysis (coming soon)
- ESG Metrics & Reporting (coming soon)

# OUR INSPIRATION: MINNESOTA

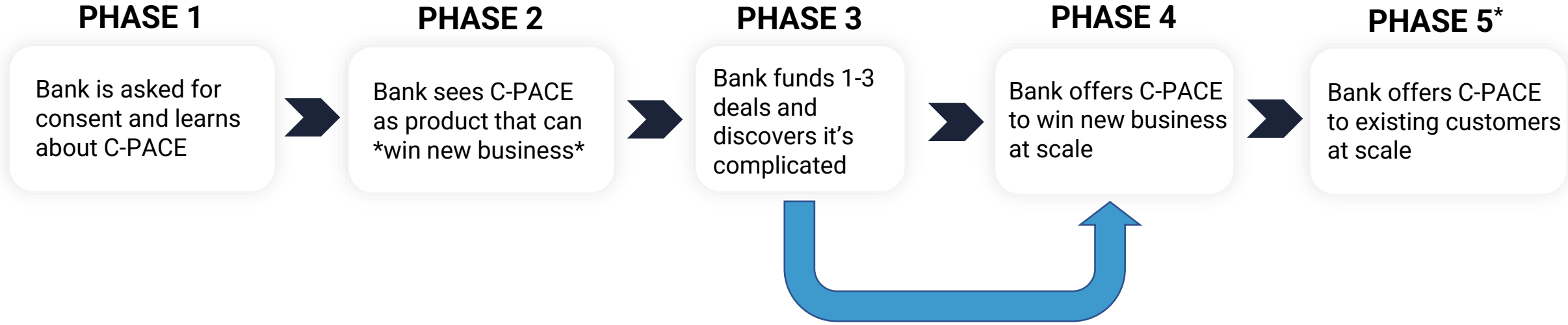
A motivated community lender can source 30+ deals per year\*



\*St. Paul Port Authority used a \$10M loan fund and substantial in-house capacity to provide the necessary platform that made this jump possible (from 2016 to 2017). Allectrify has developed a scalable platform that can be implemented anywhere in the country. Our platform is based on Minnesota's successful model.

# FASTPACE ACCELERATES MARKET ADOPTION

BY BANKS, CREDIT UNIONS & CDFIS

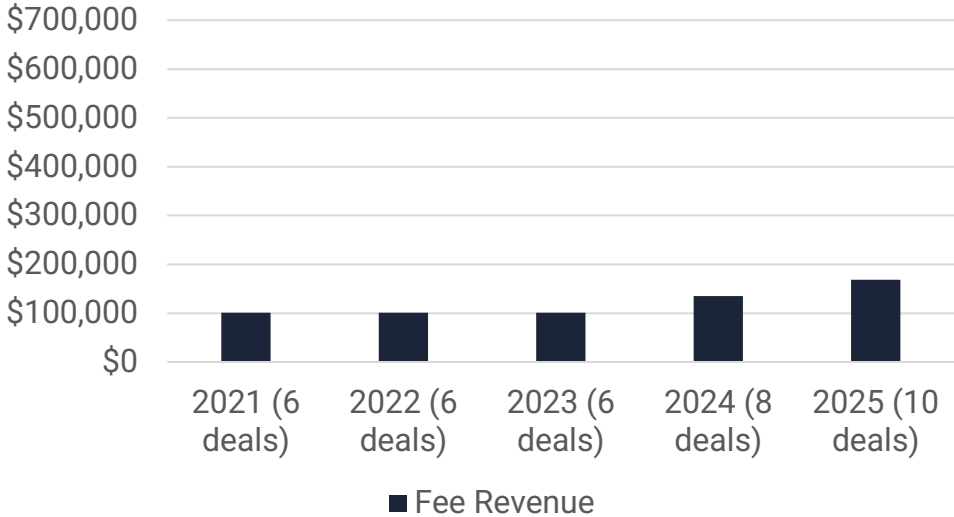


Banks & Credit Unions need more internal capacity than they have—or a platform—to get from Phase 3 to Phase 4, and then to Phase 5.  
FASTPACE is the platform.

\* When I was at PACENation, we tried to convince banks to skip straight to Phase 5. It doesn't work.

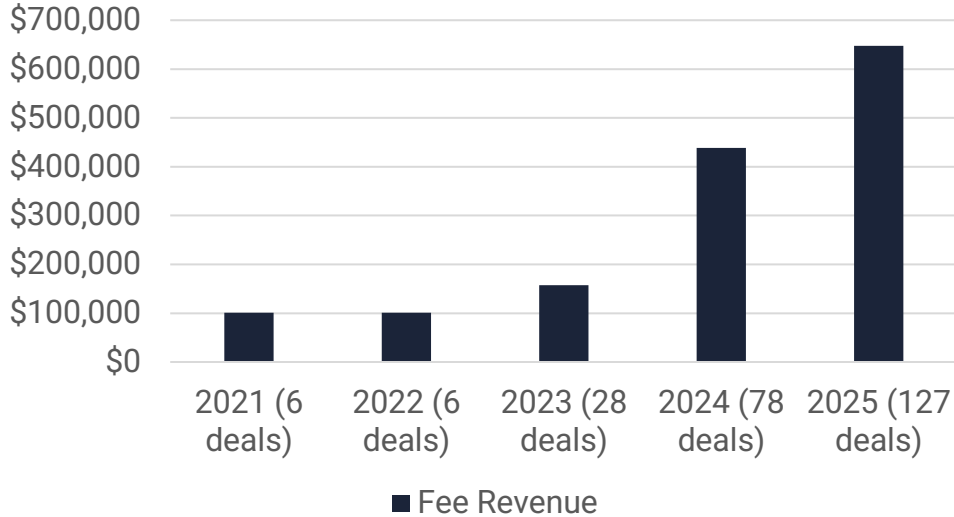
# FASTPACE INCREASES PROGRAM FEE REVENUE

**Scenario 1: Status Quo  
for deals under \$750K**



- Assumptions**
- 6 deals per year with small ramp (based on 2021 data)
  - \$750K project size
  - 2.25% fee per project
  - Outcome: \$405,000 in fees (2023-2025)**

**Scenario 2: Program adopts  
FASTPACE for deals under \$750K**

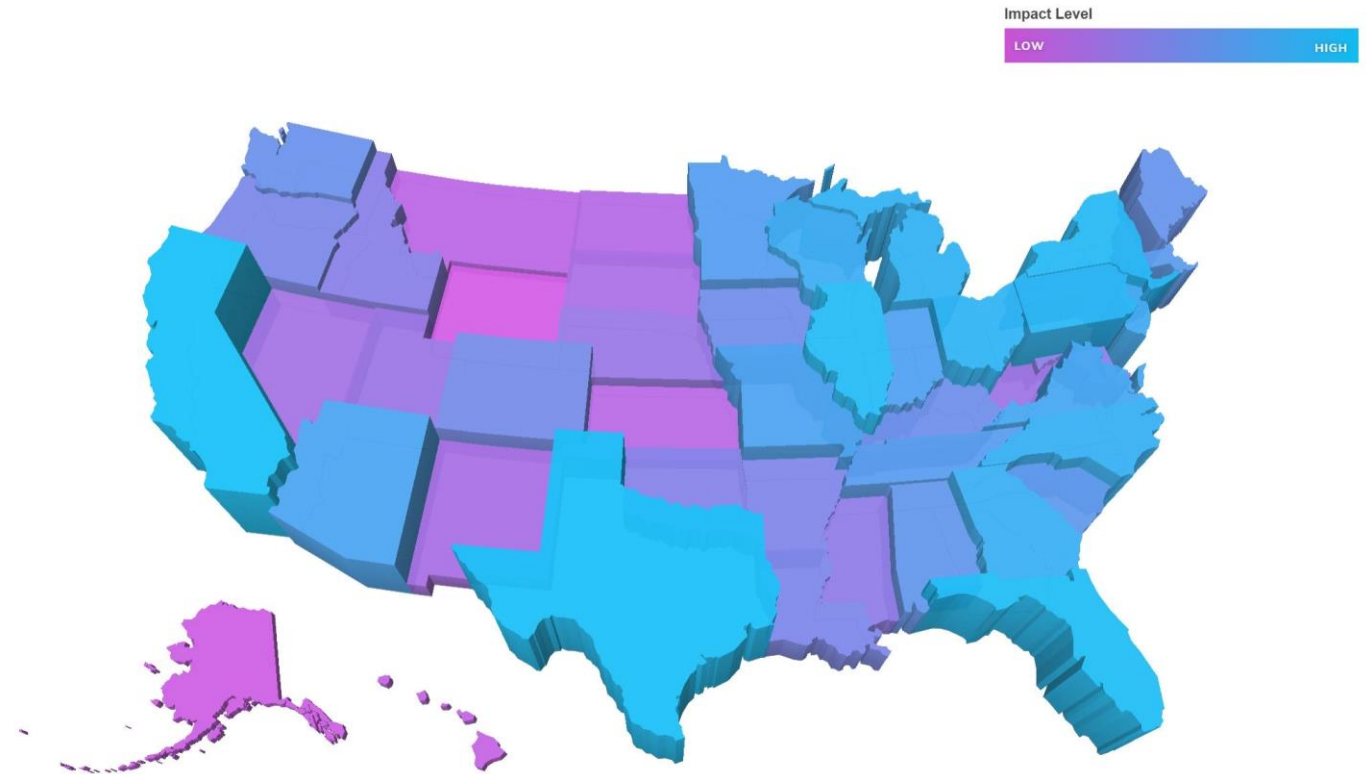


- Assumptions**
- 7 banks & CUs on platform, with 2 more joining each year
  - \$750K project size
  - 75% fee per project (based on FASTPACE model)
  - Outcome: \$1,243,688 in fees (2023-2025)**

# Projected Impacts

If C-PACE achieves just 15% market penetration for existing buildings (less than half the market penetration that new regulations make possible), we will achieve these significant impacts:

- **1.05 Trillion kWh** Lifetime Energy Savings
- **372 Million Metric Tons** Carbon Abated
- **\$220 Billion** Utility Bill Savings
- **3.4 Million Job Years** Created







# TEAM

# Our team has unmatched experience and a proven ability to execute



**Colin Bishopp**  
**CEO**

Fmr head of the PACE industry trade association; active in PACE for 13 years



**Paul Makowski**  
**Head of FASTPACE**

Mortgage, credit, and banking executive with 30 years of experience



**Renee Pifer**  
**Portfolio Mgmt & Servicing**

Fmr head of C-PACE transactions at CleanFund; 17 years CRE experience



CLEANFUND

**Bridger**  
Commercial Funding



**Simón Bryce**  
**Transaction Counsel**

CRE finance professional and attorney; Fmr head of C-PACE at Renew Financial



Quest Capital



**Dylan O'Carroll**  
**Lead Engineer**

Fmr lead engineer at Wisp and also Neighborly, a muni bond brokerage



# ADVISORS



**Cecilia Estolano**  
CEO, Better World Group



**David Sykes**  
Partner, Chapman and Cutler LLP



**Devin Hampton**  
CEO, Utility API



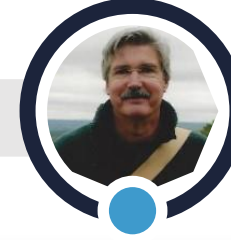
**Kara Saul Rinaldi**  
President, Anndyl Policy Group



**Daniel Passage**  
Sr Counsel, Winston & Strawn



**Mitch Houff**  
Partnerships at Truework



**John Harris**  
Missouri Clean Energy  
Funding



**Keith Mestrich**  
Fmr CEO, Amalgamated Bank



**Joanna Karger**  
Fmr Head of US Capital  
Markets, Funding Circle



**Leslie Short**  
CEO, The Cavu Group



**Brandi Colander**  
Chair, DC Green Bank



**Christopher Chafe**  
President, Growth Squared



**Peter Gage**  
Sr Dir, Financial Product  
Sunrun



**Warren Friend**  
Pemaquid Advisors

# allectrify

YOUR COMMUNITY

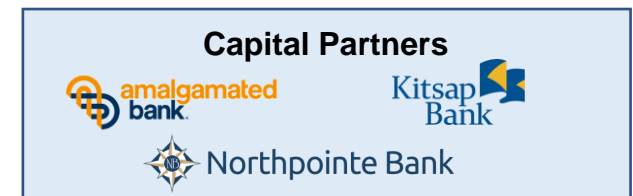
Energy Upgrade Assistance Program and Community Lender Accelerator

Our turnkey concierge service for building owners and community lenders creates a sustainable pipeline of projects to reduce carbon emissions, spur local job creation, mobilize private capital, and facilitate wealth creation opportunities for MWBEs

**A collaboration among:**



In formation



# Key Features

- Energy upgrade assistance for owners & managers of multifamily and commercial buildings
- Benchmarking assistance
- Data transparency for municipalities
- Virtual energy assessments
- Subsidized energy and origination fees
- Concierge services for community lenders
- Standardized reports on program impacts to comply with federal reporting requirements



# COMMUNITY ADVISORS

In formation



**Panama Bartholomy**  
Building Decarbonization  
Coalition



**Mark Wolfe**  
National Energy Assistance  
Directors Association



**Bettina Bergoo**  
Virginia Dept of Energy



**Peter Muhoro**  
Rappahannock Electric  
Cooperative



**Sammy Chu**  
Edgewise Energy



**Ashok Gupta**  
Natural Resources  
Defense Council



**Kristy Manning**  
Missouri Public Service  
Commission



**Deborah Burke**  
Rockefeller Brothers Fund



**Brandi Colander**  
DC Green Bank



**Carolyn Berndt**  
National League of  
Cities



# JOIN US!

**Colin Bishopp**

Allectrify, PBC

colin@allectrify.com | (202) 550-7570





Forbri<sup>g</sup>ht™

Forbri<sup>g</sup>ht

# **ACCELERATING THE CHANGE WE NEED TO DECARBONIZE AND DRIVE PROSPERITY AND PROGRESS THROUGH FINANCING**

Climate change is a fundamental risk to individuals, business, and our world, and the need to build a more equitable and resilient economic system is clear. Forbright will be the indispensable financial partner to help finance a brighter, greener, and more sustainable future.

# Redefining how a bank should operate in a changing world.



**Forbright Bank** ([www.forbrightbank.com](http://www.forbrightbank.com)), rebranded from Congressional Bank, Member FDIC, is a full-service bank, commercial lender, and asset manager headquartered in Chevy Chase, Maryland, that is committed to accelerating the transition to a sustainable, clean energy economy by financing the companies, investors, and innovators driving that change. With over \$4.5Bn of owned and managed assets, the Bank provides specialty lending and banking services to clients across the United States. Its Sustainable Finance, Healthcare, and Specialty Lending divisions provide nationwide lending products, including customized real estate loans, working capital, warehouse lines of credit, and forward loan purchase agreements. The Bank provides real estate loans, mortgage loans, and other business loans, as well as sophisticated and competitive deposit products, which will include deposits linked to decarbonization- and sustainability-oriented loans, to businesses and individuals through its Community Bank division.

# Forbright™ by the numbers



- **\$5Bn+** in owned & managed assets
- **\$345MM** of new equity raised in 2021
- **\$10Bn** of funding capacity with the ability to underwrite up to **\$200MM** in individual credit
- **150+** private equity & lending partners
- **50%** of assets committed to Sustainable Finance
- **\$125MM** inaugural green bond issuance
- **7<sup>th</sup>** U.S. bank to join the Principles of Responsible Banking

# BANKING DONE RIGHT IS GOOD FOR BOTH BUSINESS AND SOCIETY

Our business is guided by a commitment to Environmental, Social and Governance (“ESG”) thoughtfulness and embedded practices that serve our customers, community, employees, shareholders, and society.

## ESG engagement is expanding across financial services, including lending, and Forbright is at the forefront of the ESG integration movement.

- Historically, competitive forces and limited governance has deterred non-control financial parties, such as lenders, from focusing on integrating ESG factors throughout its underwriting and credit process.
- However, it is Forbright’s belief that ESG thoughtfulness can support value enhancement, and negative ESG factors can trigger significant downside consequences.

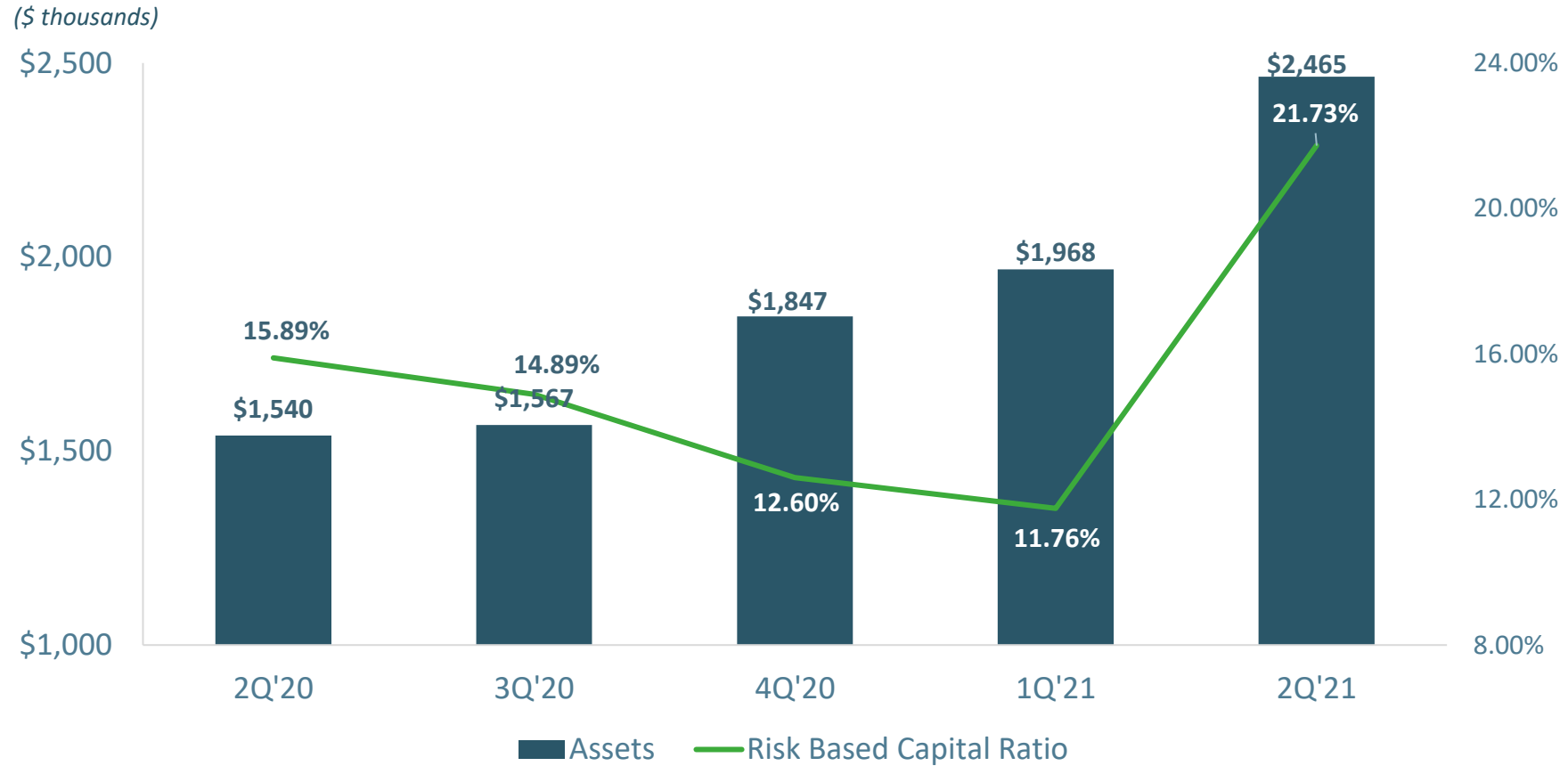
## Forbright has implemented company-wide Responsible Investment and ESG policies.

- We have embraced ESG principles as part of our corporate culture and invested significant time and resources to incorporate ESG considerations throughout the full loan life cycle: from loan underwriting to ongoing portfolio management.
- **Forbright launched its Sustainable Finance division in April 2021 and became the 7<sup>th</sup> U.S. bank to sign the Principles of Responsible Banking in September 2021.**

## Forbright as ESG “Partner”

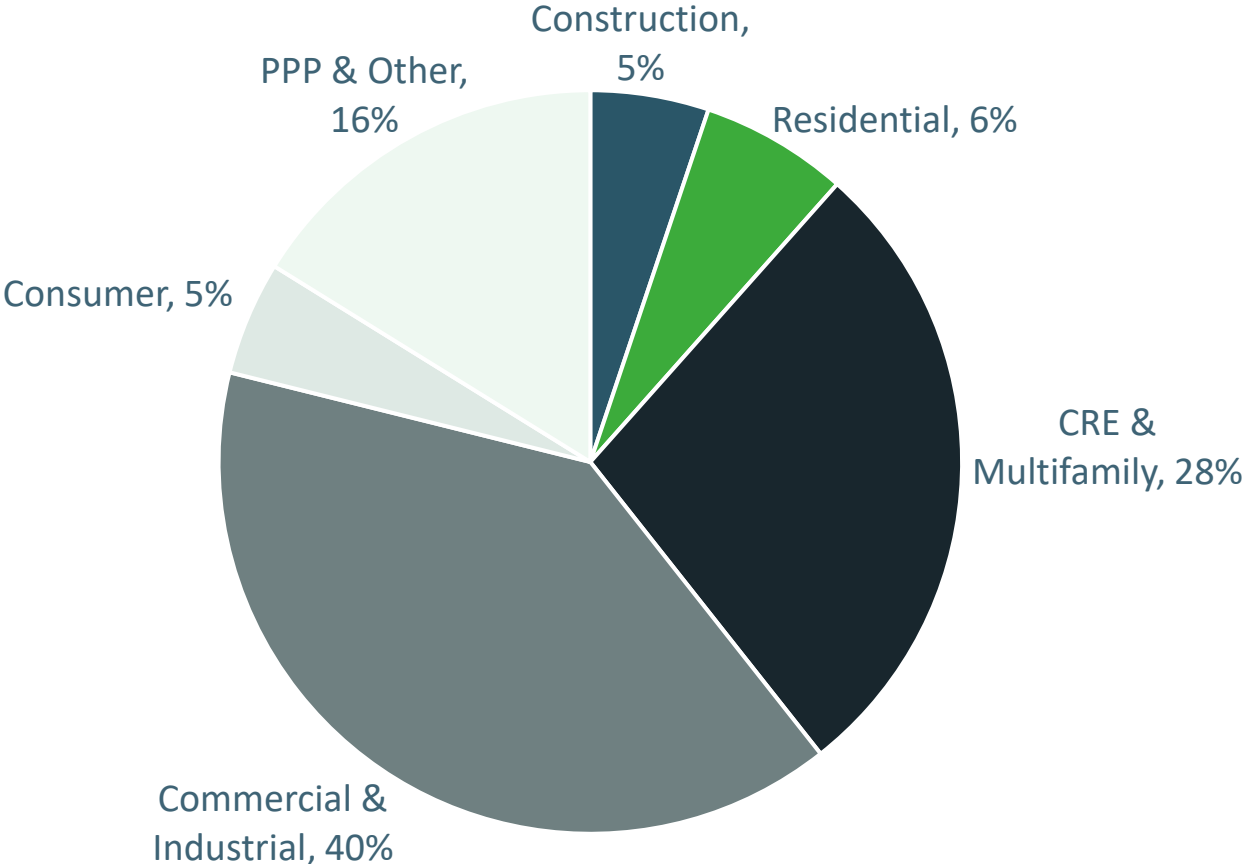
- As ESG factors vary significantly by company, industry and geography, Forbright has trained and empowered their investment teams to assess the material ESG factors that apply within the established standards, conduct more thorough credit analyses and make better-informed investment decisions.
- With the support of Forbright as a lender, the advancement of ESG practices can be a source of potential value creation and a tool to mitigate business risk.

# Bank Assets and Capital Growth



Source: S&P Capital IQ. See footnote 1.

# Bank Loan Portfolio



Source: S&P Capital IQ as of June 30, 2021. See footnote 1.

**Forbright** has established a **Sustainable Finance division**, committed **50% of its assets** to Sustainable Finance, and is actively seeking opportunities across the following **Sustainability Themes**:

<b>ENVIRONMENTAL SUSTAINABILITY</b>				
<b>AFFORDABLE HOUSING</b>				
<b>HEALTHCARE ACCESS</b>				
<b>FINANCIAL INCLUSION</b>				

Our sustainability efforts are guided by:





# Representative Transactions



## Loan Purchase Commitment

In April 2021, Forbright entered into a solar loan purchase agreement with **Solar Mosaic, Inc.**, the leading financing platform for U.S. residential solar and energy-efficient home improvement projects.



## First Lien Term Loan Lender

Participation in a First Lien Credit Facility. **Denali Water Solutions** is a specialty waste and environmental services company that repurposes recurring organic waste from municipal water and wastewater systems, food processing, food service and delivery, large industrial facilities, and pulp and paper end markets.



## Unitranche Credit Facility First Out Lender

Participation in a Unitranche Credit Facility. **Diversified Search, LLC** is a retained executive search firm with a focus on recruiting executives with gender and cultural diversity.



## First Lien Asset-Based Revolving Lender

In October 2021, Forbright entered into a lending relationship with **PosiGen, Inc.**, a leading residential solar leasing and energy efficiency provider to low-to-moderate income communities and communities of color. This partnership will significantly expand PosiGen's ability to bring clean energy, as well as substantial cost savings, to families in historically underserved areas.

# Green Bond Issuance



**Forbright is the first U.S. bank holding company with under \$150 billion in consolidated total assets, and only the eighth financial institution overall, to issue a Green Bond.**

In December 2021, Forbright completed the private placement of its inaugural Green Bond, offering \$125 million in fixed-to-floating rate subordinated notes due January 1, 2031, with proceeds to be used to finance or refinance projects aimed at driving decarbonization and accelerating the shift to a more sustainable economy. Forbright’s [Green Financing Framework](#) will guide the selection and management of projects funded by net proceeds from the Green Bond offering. Sustainalytics, an experienced global leader in high-quality environmental, social, and governance research, ratings, and data, has [independently verified](#) that Forbright’s Green Financing Framework “is credible and impactful and aligns to the four core components” of the International Capital Market Association’s (ICMA) Green Bond Principles 2021 (GBP). Financed projects will focus on the Eligible Project Categories of Renewable Energy and Energy Efficiency, seeking to reduce greenhouse gas emissions and the consumption of fossil fuels, in furtherance of [United Nations Sustainable Development Goal 7](#) (Affordable and Clean Energy).

Second-Party Opinion  
**Forbright Green Financing Framework**



**Forbright™**

Green Bond Principle <sup>1</sup> - Eligible Project Category	Eligibility Criteria and Example Projects	UN SDG <sup>2</sup> Alignment
Renewable Energy	Project(s) seek to reduce GHG emissions and reduce consumption of fossil fuels by increasing renewable energy production and consumption through the financing of residential and commercial solar PV and associated infrastructure.	SDG 7 
Energy Efficiency	Project(s) seek to reduce GHG emissions and reduce consumption of fossil fuels through the installation of non-fossil fuel based motorized and non-motorized energy-efficient building components such as:	SDG 7 

Across our specialty businesses, we bring deep industry expertise and teams that have worked together for decades to provide highly customized lending solutions. Our industry expertise, technology focus and research driven credit approach – **coupled with our focus on sustainability** – result in tailored, reliable lending solutions that enable our customers to grow and succeed.

## OUR FOCUS

While our team of over 240 lending and associated professionals focuses on all sectors that meet our ESG standards, we have deep industry expertise in the following areas:

- > Companies pursuing clean energy, low-carbon, and sustainability strategies
- > Healthcare services, including senior housing, home healthcare, behavioral healthcare, and outpatient care
- > Renewable energy, including residential, community, and corporate solar and efficiency, wind and hydro, energy storage and efficiency, and clean energy infrastructure
- > Financial services, including commercial and consumer lenders and asset owners, financial technology and transaction services companies, and real estate investors
- > Technology, enterprise software, and communications companies
- > Business and government services
- > Building products and advanced manufacturing

## OUR SOLUTIONS

We offer the following financial solutions to meet the needs of our clients:

- > Secured term and revolving loans used to finance buyouts, acquisitions, growth, and recapitalizations
- > Revolving lines of credit and back leverage secured by receivables, notes, inventory, and other assets
- > Real estate loans, including construction, bridge, transitional, "A" notes, and permanent loans, secured by commercial, senior housing, multifamily, and residential real estate
- > Loan purchase programs on consumer and commercial assets
- > Investments in rated and unrated bonds and structured credit
- > Equity investments, particularly in early-stage companies pursuing sustainability and financial technology
- > Commercial Property Assessed Clean Energy ("C-PACE") loan programs
- > Commercial banking services

# Forbright Senior Leadership



## **John Delaney** Founder & Executive Chairman

John Delaney is the founder and Executive Chairman of Forbright Bank. Previously he founded and led as CEO two publicly traded companies before the age of 40 – CapitalSource, Inc. and HealthCare Financial Partners, Inc. John Served in Congress for six years representing Maryland in the U.S. House of Representatives and pursued an unsuccessful run for the Democratic nomination for President. Delaney is a past winner of Ernst & Young's Entrepreneur of the Year, received the Bank Enterprise Award from the Obama Administration for lending to disadvantaged communities, and in 2017 was named one of the World's 50 Greatest Leaders by Fortune Magazine. He is a graduate of Columbia University and Georgetown University law Center.



## **Don Cole** Chief Executive Officer

Don Cole is the Chief Executive Officer of Forbright Bank. Previously Don was the Chief Executive Officer of Congressional Bank. From 2012 to 2018, Don served as Chief Financial Officer of Alliance Partners. From 2009 to 2011, Don served as Chief Financial Officer of CapitalSource. From 2003 to 2009, Don served in various senior management positions at CapitalSource including Chief Operations Officer, Chief Accounting Officer, and Chief Information Officer. Don received his BS and MBA from the State University of New York at Buffalo and his law degree from the University of Virginia.

# CPACE Leadership



**Mike Cary**

## Managing Director, CPACE Lending

As leader of Forbright's Commercial PACE team, which will sit within the Sustainable Finance division, Cary will be responsible for sourcing, underwriting, and managing Commercial PACE lending opportunities in qualified jurisdictions across the United States. Prior to joining Forbright, he helped build and lead the Commercial PACE effort at Poppy Bank as its Senior Vice President, National PACE Lending. Cary has more than 30 years of commercial lending experience, including numerous senior leadership positions at Citibank, First Nationwide Mortgage Corporation, and CIT Group.



**Mike Lemyre**

## Director, CPACE Lending

As a Director on Forbright's Commercial PACE team, Lemyre will be responsible for government relations at federal, state and local levels, territory and market development, and representing the organization in the Commercial PACE industry. Prior to joining Forbright, he was a founding executive at Ygrene Energy Fund where he built and lead the national market development, government relations, policy and regular functions. Lemyre also led Ygrene's Commercial PACE business as its Senior Vice President and Executive Team member. Lemyre has more than 25 years of corporate development, government relations and regulatory experience, including numerous leadership positions at Chartis (formerly AIG), Arch Insurance Group, and McKinsey & Company.



**Brian Deering**

## Sales Operations Director, CPACE Lending

Brian Deering is the Sales Operations Director, CPACE Lending, reporting to Mike Cary. Brian will be responsible for establishing policy and guidelines while optimizing efficiencies throughout the CPACE Business Division. Prior to joining Forbright, he managed Sales and Operation CPACE Business units for the last six years with Ygrene Energy Fund and Poppy Bank. Brian has more than 30 years in the Financial Services industry splitting his time between Managing both Sales and Operations at Security Pacific Financial, CIT and Wilmington Financial (An AIG affiliate).

# Forbright's CPACE Strategy

## Capital

Deploy our low-cost capital in a variety of ways, supporting our internal banking divisions, commercial property owners and developers and our Partner network

## Team

Experienced CPACE executive management that have experience operating a national CPACE platform

## Execution

Best in class service delivery and response times supported by outstanding team and technology platform

## Quality and Compliance

We pride ourselves on our best-in-class compliance process ensuring all assets are produced in accordance with CPACE lending requirements

## Sustainable Finance Commitment

Forbright has committed to growing its asset base by providing capital to sustainable and renewable energy projects in a variety of asset classes on a national scale

# Forbright's CPACE Approach

## Summary

- > Enter into contractual agreements with experienced commercial PACE professionals to identify opportunities directly with and for property owners
  - > CPACE originators/providers will refer projects to Forbright for consideration with Forbright fulfilling the underwriting, financing, compliance and reporting requirements of the Bank, CSCDA and applicable regulatory agencies
- > Bring value add to our internal lending divisions by offering CPACE solutions to existing property owners, for example our Healthcare lending division has many California facilities that will have access to a customizable CPACE solution for both Senior and CPACE needs
- > Build an external/internal Sales Team specifically directed to support our internal banking divisions and specific property types and owners that complements our expertise
- > Build a CPACE portal to provide access to program guidelines, products, pricing, and transaction status
- > Build statewide Partnerships (e.g., architects, engineers, state/local agencies) that can act as referral sources for property types that we target for energy efficiency, water conservation and seismic upgrades

## Property Type Focus

- > Multi-family
- > Non-Profit
- > Industrial Buildings
- > Educational Facilities
- > Healthcare Facilities



Please direct any questions to

**Mike Lemyre**

**Director, CPACE Lending**

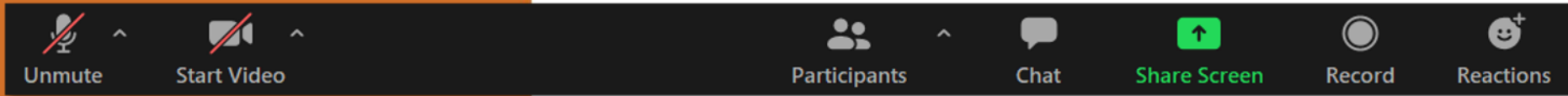
**(415) 816-4966**

**[mlemyre@forbrightbank.com](mailto:mlemyre@forbrightbank.com)**





# Audience Questions



**Submit your questions by  
using the chat function!**



# Upcoming Events at CDFA

## CDFA TRAINING INSTITUTE

We offer 17 courses in development finance designed for all skill levels. Learn more and register today at [www.cdfa.net](http://www.cdfa.net)

### **CDFA Infrastructure Finance Learning Series: How Different Communities Can Benefit From IIJA**

Tuesday, December 6, 2022 / 1:00 PM - 4:00 PM Eastern

### **CDFA-Bricker Webinar Series: Democratization of Power**

Wednesday, December 7, 2022 / 2:00 PM - 4:00 PM Eastern

### **Intro Brownfields Finance Course**

December 7-8, 2022 / Daily: 12:00 - 5:00 PM Eastern

### **CDFA Federal Financing Webinar Series: Tools for Economic Growth with Treasury and SBA**

Tuesday, December 13, 2022 / 2:00 PM - 3:30 PM Eastern

# Contact Us



**Ariel Miller**

**Council of Development Finance Agencies**

Senior Director, Research & Technical Assistance

614-705-1319

amiller@cdfa.net