

**ILLINOIS
FINANCE
AUTHORITY.**



**ILLINOIS
CLIMATE
BANK**

WORKING DRAFT - MARCH 21, 2023





The General Assembly designates the Authority as the Climate Bank to aid in all respects with providing financial assistance, programs, and products to finance and otherwise develop and facilitate opportunities to develop clean energy and provide clean water, drinking water, and wastewater treatment in the State.

**- Climate & Equitable Jobs Act, 2021
(20 ILCS 3501/850-5)**



CLIMATE BANK PURPOSE

- (1) **the distribution of the benefits of clean energy in an equitable manner**, including by evaluating benefits to eligible communities and equity investment eligible persons;
- (2) **making clean energy accessible to all**, especially eligible persons, through financing opportunities and grants for minority-owned businesses, as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and for low-income communities, eligible communities, environmental justice communities, and the businesses that serve these communities; 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)



CLIMATE BANK POWERS

ADMINISTER
PROGRAMS

SUPPORT CLEAN
ENERGY / WATER

JOINT VENTURES
& INVESTMENTS

PROVIDE WORKING
CAPITAL

REFINANCE

SOURCES OF FUNDS

The Illinois Climate Bank is self-sustaining, and does not receive an appropriation from the State General Revenue Fund.

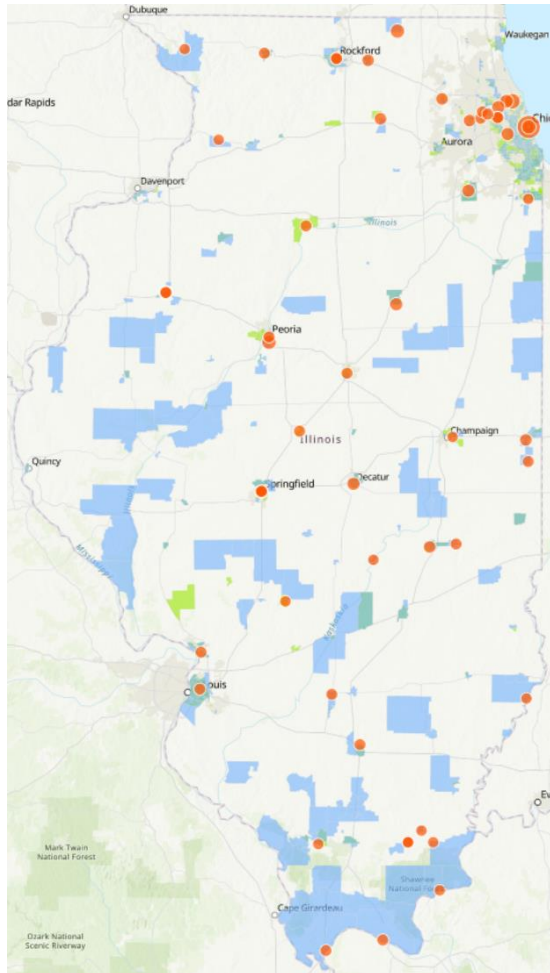
STATE / FED
FUNDS

GIFTS / GRANTS/
LOANS

RAISING PRIVATE
CAPITAL

EARNINGS AND
INTEREST

In 2022 (first 12 months of the IFA's Climate Bank designation):



- **\$256 million*** in private capital mobilized and deployed
 - \$233 million* for public water quality infrastructure through State Revolving Fund in partnership with IL EPA
 - \$23 million* for Commercial Property Assessed Clean Energy Bonds (C-PACE) with no public subsidy
- **65%*** of these investments, funded by private capital, were made in or benefit disadvantaged communities.

(*Preliminary and unaudited)

IFA Climate Bank Transformation Roadmap



ILLINOIS FINANCE AUTHORITY | ILLINOIS CLIMATE BANK

MARCH - AUGUST 2023



Identify:

Deploy current resources / gather partners to apply for federal funds

Mobilize IFA staff to...

- Develop competitive federal grant applications.

Engage potential partners to...

- Develop competitive applications and to have partners to deploy funds when applications are successful.



Apply:

Develop & submit winning applications for federal funding

Secure ~\$1.2 billion in federal funds:

- EPA - GGRF
- DOE - GRIP
- DOE - 40101(d)
- DOE Revolving Fund
- SSBCI
- RECI
- More

Re-design IFA organization to operate Climate Bank as financially sustainable organization consistent with new federal funding sources and objectives.



Implement:

Deploy fed funds in a sustainable manner through leverage

Support CEJA goals through climate finance and program deployment.

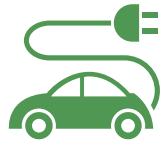
Deploy new standardized financial tools to reduce the cost of de-carbonization for ordinary people and marginalized businesses in a fair & equitable manner.

Significantly expand Illinois climate finance efforts by securing U.S. DOE Federal Loan Guarantee for \$10b - \$20b of investment.

Day-to-Day Core Business Activities: Issue conduit bonds



2023 EFFORTS (SO FAR)



**U.S. DOE
40101(d) GRID
RESILIENCE**

**U.S. DOE
GRIP PROGRAM**

**U.S. EPA
GREENHOUSE
GAS REDUCTION
FUND**

**U.S. DOE
EE REVOLVING
LOAN FUND**

**STATE SMALL
BUSINESS
CLIMATE
INITIATIVE**

**RESILIENT &
EFFICIENT CODES
IMPLEMENTATION**

\$40m

\$138m

\$280m- \$1.08b

\$15.3m

\$20m

\$4m

to improve reliability and resilience, particularly in disadvantaged communities

to accelerate transportation electrification in rural and small-town communities

to seed Illinois Climate Bank and Illinois Jobs & Justice Fund Activities

to finance building retrofits and to provide working capital to minority contractors

to provide financing for the start-up an/or expansion of “green” business ventures/projects

to develop a building performance hub to support small energy efficiency contractors

DOE 40101(d)

DOE EE RLF

EPA GGRF

DOE GRIP

INTERAGENCY COLLABORATION: IFA, ICC, DCEO, IL EPA, IPA, IHDA

- Soon to engage IDOT, DNR

STAKEHOLDER COLLABORATION (More than 100 different organizations)

- Small Group Meetings
- March 7: DOE Grid Resilience - Section 40101(d) Ideas Workshop
- March 14 (10:30 AM, 6 PM): DOE Grid Resilience - Section 40101(d) Public Hearing
- March 17 (10 AM - 12 PM): Energy Efficiency Revolving Loan Fund Ideas Workshop
- April: Grid Resilience Innovation Partnerships Town Hall with Munis and Co-ops
- April: GGRF Ideas Workshop

FEDERAL FUNDING APPLICATIONS

- **40101(d):** Proposal Will Be Filed By March 31
- **EE RLF:** Proposal Due April 21
- **GRIP:** Proposal Due May 19