



**BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Friday, June 26, 2020
9:00 a.m. – 11:00 a.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank (the “Green Bank”)** was held on June 26, 2020.

Due to COVID-19, all participants joined via the conference call.

Board Members Present: Eric Brown, Binu Chandry, John Harrity, Michael Li, Steve Meier, Lonnie Reed, Brenda Watson

Board Members Absent: Thomas Flynn, Matt Ranelli, Kevin Walsh

Staff Attending: Brian Farnen, Louise Della Pesca, Mackey Dykes, Bryan Garcia, Bert Hunter, Matt Macunas, Jane Murphy, Selya Price, Cheryl Samuels, Eric Shrago, Ariel Schneider, Michael Yu, Nicholas Zuba

Others present: Bob Lamb, Michael Trahan, Marianna Trief, Bruce Chudwick from Shipman and Goodwin, Alan Quintero and Brad Freedman from Ramirez & Co..

1. Call to Order

- Lonnie Reed called the meeting to order at 9:04 am.

2. Public Comments

- No public comments.

3. Consent Agenda

- Lonnie Reed introduced Steve Meier who is replacing Bettina Bronisz on the Board of Directors.

Resolution #1

Motion to approve the meeting minute of the Board of Directors for April 24, 2020.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of

Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

4. Update on COVID-19 Restructurings and Write-Offs

- Bert Hunter summarized COVID-19's impact on restructuring and write-offs within the Green Bank portfolios. So far requests have been small, with the theory that the full impact hasn't been felt due to stimulus packages and other actions to counter it. So far only 1.1% of active Smart-E loans are in deferral for forbearance, and though some lenders offer up to 90-day deferrals, some borrowers only request 30-days. Bert Hunter reviewed the specifics of how many loans within each other portfolio have requested deferrals, though it is generally 1% or less within each. The Green Bank is focused on helping borrowers manage through the crisis.

5. Committee Recommendations and Updates

a. Audit, Compliance, and Governance and Deployment Committees

i. Proposed Loan Loss Decision Framework and Process – Subsidiaries

- Bryan Garcia reviewed the proposal to apply the Loan Loss Reserve Framework and Process to subsidiaries, though the process and structure has not changed from the current practice as it applies to the Green Bank. The proposal has been presented to the Audit, Compliance, and Governance and Deployment Committees at previous meetings. Based on the type of loss anticipated, it would be brought for review to the respective staff or committee for approval.
 - Brenda Watson commented that the legislature might try to raid energy funds due to the impact of COVID-19 and asked if there are any plans for such a loss. Bryan Garcia answered that the legislature has previously transferred funds from the System Benefit Fund to the General Fund, so that could happen given what the state budget is currently facing. The Green Bank, as a result of prior sweeps, is implementing a sustainability plan to invest in a number of income-producing assets for the organization so it can eventually stand on its own without the reliance on the ratepayer funds. The interest income revenues are increasing from non-ratepayer sources, so the goal is to build that further to cover operating expenses. Lonnie Reed noted the importance of continuing to push the facts that the funds taken were already dedicated to help prevent the sweeps from happening again. John Harranty also added that the Governor has been vocal in his support of the Green Bank and that there should not be any more sweeps. As well, due to the reaction of the last one there is hope that it will not happen again.

Resolution #2

WHEREAS, on October 20, 2017, the Green Bank Board of Directors approved of a recommendation brought forth by both the ACG Committee and Deployment Committee to approve the authorization to amend the Staff Approval Policy to increase program funding requests for Projects Under \$300,000 to \$500,000 with an aggregate amount limit of \$1,000,000 from the date of the last Deployment Committee meeting; and

WHEREAS, based on a recommendation brought forth by the Deployment and ACG Committees, the Board approved and authorized the Green Bank staff to implement the Loan Loss Decision Framework and Process for managing assets requiring restructuring or write-off

from the Green Bank's balance sheet and consistent with the memorandum to the Board dated June 13, 2018 ("Loan Loss Decision Framework and Process") and for a similar framework to be developed at a future date for the Green Bank's special purpose vehicles (i.e., subsidiaries); and

WHEREAS, in response to the COVID-19 pandemic, the staff of the Green Bank proposed a modification to the Loan Loss Decision Framework and Process with regards to restructuring transactions, as well as the Green Bank's provision for loan losses, in order to help families and businesses manage through this public health crisis, which the Board approved on April 24, 2020.

WHEREAS, on May 19, 2020, the Audit, Compliance and Governance Committee, and on May 27, 2020, the Deployment Committee, recommended that the Board of Directors approve of the Staff proposed Loan Loss Decision Framework and Process for Subsidiaries for managing assets requiring restructuring or write-off from the Green Bank's balance sheet and consistent with the memorandums presented to the committees May 12, 2020, and May 20, 2020, respectively.

NOW, therefore be it:

RESOLVED, that the Board of Directors approve of the Staff proposed Loan Loss Decision Framework and Process for Subsidiaries for managing assets requiring restructuring or write-off from the Green Bank's balance sheet and consistent with the memorandum dated June 26, 2020.

Upon a motion made by Brenda Watson and seconded by John Harrity, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

b. Audit, Compliance, and Governance Committee

i. Proposed Revisions to Bylaws

- Brian Farnen presented the changes to the bylaws based on recommendations from the audit of the Connecticut Port Authority in 2019. The changes are intended to improve the best practices of the Green Bank and increase transparency.
 - John Harrity suggested, looking at the description of the Green Bank's functions, it talks about clean energy but the phrase "climate change" does not appear and suggested it be added. Brian Farnen suggested adding in at the end "to mitigate the impact of climate change," which John Harrity agreed would help further define the Green Bank's role. Eric Brown did not support the addition but Binu Chandry did support it.
 - Steve Meier asked if the Board of Directors is confident that adding Compensation to the Budget and Operations Committee (now the BOC Committee) does not have a conflict of interest, and that it will satisfy the auditors. Brian Farnen said yes, that as long as the BOC Committee's existing and new duties are fully explained it should be good. Bryan Garcia said that in general, the BOC Committee recommends a merit pool and promotion pool and there is a process for senior staff to review the rest of staff for the merit pool, and promotions are very transparent as well. The BOC Committee would lay out the framework and the process would handle the details, but all of the Green Bank's

salary information is also publicly available. Brian Farnen also noted there is so much overlap that to not have it as one committee could be even more disjointed.

- Lonnie Reed asked if the Resolution needs to be amended to include the language about climate change. Brian Farnen said he would add “to mitigate the impact of climate change” to the purpose of the Green Bank.

Resolution #3

WHEREAS, pursuant to Section 5.2.1 of the Connecticut Green Bank (“Green Bank”) Bylaws, the Audit, Compliance & Governance (ACG) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (“Board”) regarding, all governance and administrative matters affecting the Green Bank, including but not limited to matters of corporate governance and corporate governance policies;

WHEREAS, the Audit, Compliance and Governance Committee recommends to the Board for approval the proposed draft revisions to the Green Bank Bylaws.

NOW, therefore be it:

RESOLVED, that the Board hereby approves the attached revised Green Bank By-Laws dated April 24, 2020.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 3 with an amendment to include verbiage addressing the mitigation of the impact of climate change within the Green Bank’s purpose. Eric Brown opposed but none abstained. Motion approved.

ii. Proposed Revisions to Employee Handbook

- Eric Shrago reviewed the employee handbook updates for 2020 which includes changes to the Annual Review, noted current technology, ethics, and telecommuting and flexible work schedule policies. Changes are normally done in the fall, but it was decided to do updates now to be more in line with operations due to COVID-19.

Resolution #4

WHEREAS, pursuant to Section 5.2.1 of the Connecticut Green Bank (Green Bank) Bylaws, the Audit, Compliance & Governance (ACG) Committee has recommended that the Board of Directors (Board) approve of certain revisions to the Green Bank Employee Handbook;

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves of the revisions to the Green Bank Employee Handbook presented on June 26, 2020.

Upon a motion made by Brenda Watson and seconded by John Harrity, the Board of Directors voted to approve Resolution 4. None opposed or abstained. Motion approved unanimously.

c. Budget and Operations Committee
i. Proposed FY21 Targets, Budget, and Investments

- Eric Shrago reviewed the FY2021 Targets and Budget:
- Targets for Incentive Programs. RSIP varies based on whether the 350 MW goal is reached or is extended. The Battery Storage program is based on whether the program is implemented or not (i.e., whether the Green Bank's proposal under Docket No. 17-12-03(RE03) is supported, or through other mechanism like the Electric Efficiency Partners Program). Smart-E and Solar For All programs are variant based on the impacts from COVID-19 and consumer uncertainty. The Green Bank will support between \$89.5 million and \$153.8 million in investment for 3094 to 5646 projects that deploy 24 to 42 MW of clean energy and annually avoid 18,737 to 32,425 tons of CO₂.
- Targets for Financing Programs. CPACE has been impacted by COVID-19 but it can be rebuilt. SBEA will continue to grow in addition to BEA loans. The multifamily sector has been the most impacted by COVID-19, and unfortunately its unlikely many projects will be realized in the 2021 fiscal year because of it. The EV Offset Pilot Program is moving along thanks to Matt Macunas and due to being easy for end-users to manage. The Strategic Investments are also subject to not being realized, though some still likely will. The Green Bank will support \$47.8 million to \$58.7 million in investment through Financing Programs for 1273 to 1316 projects that will deploy 11 to 19 MW of clean energy and annually avoid 27,591 to 34,195 tons of CO₂.
- The FY 2021 budget was reviewed. Revenues are increasing and though operating expenses and program incentives and grants are increasing too, there should still be a net revenue increase seen. As well, non-operating expenses are decreasing.
 - Eric Brown asked when reviewing the targets, in terms of developing metrics, are the targets that relate to air emissions the Green Bank targets or is it in the context of a consequence of helping the State reduce emissions. His concern is that the Green Bank is getting into the business of air emission targets. Eric Shrago stated it is the impact of the projects being implemented, as a quantifiable benefit which helps reflect the improvement of technology. Eric Brown clarified they are metrics of impact and not set goals for air emission reduction, which Eric Shrago agreed was correct. It is an estimation of the impact the efforts will have. Bryan Garcia added that the Green Bank staff have been working with automobile developers to create a metric for the EV offset standard. The industry is leaning on the Green Bank to continue the structure to help sell the offsets and benefit the installation of EV chargers. The emissions avoided for the EV Offset Program is more direct compared to the others targets within the proposed plan.
 - Steve Meier asked how realistic the goals are, even with the range, given the impact of COVID-19 and the possibility of a second wave or vaccine developed. He wants to know more about the impact on economic recovery and what the assumptions are that helped develop the forecast. Eric Shrago answered that there is confidence the numbers are accurate, as the lower goals are based on a more worse-case recovery and the higher goals are based on a steadier recovery, though if updates need to be made based on how things progress the Board will be updated and presented with new information to review and approve. Lonnie Reed praised the Green Bank's staff's efforts to keep the Board up to date.

Resolution #5

WHEREAS, the Connecticut Green Bank's (Green Bank) Budget and Operations Committee recommends that the Green Bank Board of Directors approve the Fiscal Year 2021 Targets and Budget;

WHEREAS, the Budget and Operations Committee recommends that the Board of Directors authorizes Green Bank staff to extend the professional services agreements (PSAs) currently in place with the following, contingent upon a competitive bid process having occurred in the last three years (except Alter Domus (formerly Cortland), Sustainable Connecticut, Adnet Technologies, Sustainable Environmental Associates, and Inclusive Prosperity Capital):

- I. Adnet Technologies, LLC
- II. Clean Power Research, LLC
- III. Alter Domus (formerly Cortland)
- IV. CSW, LLC.
- V. Inclusive Prosperity Capital
- VI. Locus Energy LLC
- VII. ReCurve Analytics
- VIII. ERS
- IX. BlumShapiro
- X. Guidehouse (aka Navigant)
- XI. Sustainable CT
- XII. GO, LLC
- XIII. Adams & Knight
- XIV. Environmental Control, Inc., d.b.a ENCON
- XV. Sustainable Environmental Associates

For fiscal year 2021 with the amounts of each PSA not to exceed the applicable approved budget line item;

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves: (1) the FY 2021 Targets and Budget, and (2) the PSAs with the 15 strategic partners listed above.

Upon a motion made by John Harrity and seconded by Binu Chandy, Board of Directors voted to approve Resolution 5. None opposed or abstained. Motion approved unanimously.

ii. Comprehensive Plan – Proposed Revisions

- Bryan Garcia summarized the CGB Comprehensive Plan. The name of the plan is Green Bonds US which reflects the drive to create a more interconnected society based in efforts to deploy green energy to benefit everyone and support the creation of the Green Liberty Bonds issuance which further pushes collective green energy efforts.

Resolution #6

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF

ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

WHEREAS, the Act directs the Green Bank to develop a comprehensive plan to foster the growth, development and commercialization of clean energy sources, related enterprises and stimulate demand clean energy and deployment of clean energy sources that serve end use customers in this state;

WHEREAS, Article V of the Green Bank Operating Procedures requires the Green Bank Board of Directors (the "Board") to adopt an Annual Plan for each forthcoming fiscal year;

WHEREAS, the Board of Directors reviewed and approved the FY 2021 targets and budget on July 18, 2019 and June 26, 2020, which together with the Comprehensive Plan, are effectively the Annual Plan;

NOW, therefore be it:

RESOLVED, that the Board approves of the revised changes to the Comprehensive Plan for FY 2020 and Beyond as presented to the Board on June 26, 2020, and subject to nonmaterial modifications made by the officers.

Upon a motion made by Binu Chandy and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.

6. Financing Programs Recommendations
a. C-PACE Guidelines – Proposed Revisions

- Mackey Dykes summarized the CPACE Guidelines changes, which includes 3 substantive revisions and 3 minor revisions.
 - This includes changes to the guidelines about residential dwellings as some potential properties that staff believes should be eligible are currently disqualified.
 - Makes one-year lookback based on overall project completion rather than individual measure completion
 - Allowing self-certification by capital provider/third party owner that savings to investment ration (SIR) is met for 3rd party PPAs
- The minor revisions are clarifications to phrasing but not substantial changes.
- Lonnie Reed noted the push-back from banks on the residential case-review and wonders if the rework being done will need legislative approval. Mackey Dykes said he thinks it is allowable under the statute. In caution, language is being added that any property with a residential mortgage would not be allowable as the properties still need to be commercially focused.
- Mackey Dykes noted that if approved, the changes would go to a public comment period. If any are noted that need to be worked on, the changes would go back to the Board for review and approval again.

Resolution #7

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the “Authorizing Statute”) authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program (“C-PACE”), the Authorizing Statute designates the Connecticut Green Bank (“CGB”) as the state-wide administrator of the program; and

WHEREAS, the Authorizing Statute charges CGB to develop program guidelines governing the terms and conditions under which state and third-party financing may be made available to C-PACE.

NOW, therefore be it:

RESOLVED, the CGB Board of Directors (the “Board”) approves the updated C-PACE program guidelines (the “Program Guidelines”), substantially in the form of attached to that certain memo to the Board dated June 19, 2020. The Program Guidelines shall then go through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq.

RESOLVED, If, after the expiration of public comment period, CGB staff considers that significant changes are needed to the Program Guidelines as currently drafted, then CGB staff will seek an updated approval from the Board. If no significant changes result from the public comment process, then the final form of the Program Guidelines, as may be edited by CGB staff, shall be deemed approved by the Board and CGB staff will proceed with implementation of such Program Guidelines.

Upon a motion made by Binu Chandy and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 7. None opposed or abstained. Motion approved unanimously.

7. Investment Recommendations

a. Financing Indenture – Green Liberty Bonds: Series 2020

- Bryan Garcia reviewed the process to get the Green Liberty Bonds ready to go to market. It was decided not to use the Master Trust Indenture and the Green Bank received approval of the use of the Special Capital Reserve Fund (SCRF). This also means it is a bond supported by the State and has received an “A” rating. He commented on the excitement felt by the upcoming issuance.
- Bert Hunter discussed the history of approvals, process leading up to now, and the new approvals needed to proceed. Bruce Chudwick from Shipman and Goodwin noted Bert Hunter’s thorough review of the new documentation and structure. Alan Quintero from Ramirez & Co. then summarized the history of the market and its changes from before COVID-19, through it, and now. As well, the efforts being taken to have the issuance succeed as well as possible.
- Brad Friedman from Ramirez & Co. reviewed the expected structure of the Green Liberty Bonds in terms of their components, maturity timeline, rates, and yields.

Resolution #8

WHEREAS, Connecticut Green Bank (“Green Bank”) is authorized pursuant to Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes (the “Act”), to finance and support financing or other expenditures that promote investment in sources of clean

energy, as defined in the Act, by issuing its bonds, notes or other obligations in accordance with the Act; and

WHEREAS, pursuant to the Act, the Green Bank Board of Directors (the “Board”), at its March 25, 2020 meeting (the “Prior Meeting”) approved a resolution authorizing the issuance of Bonds, to be titled Green Liberty Bonds, in an amount not to exceed \$25,000,000 to finance the SHREC Receivables for SHREC Tranche 3 and to fund cost recovery under the RSIP and provide for long-term financing of the SHRECs (the “Prior Resolution”), which Prior Resolution (containing certain capitalized defined terms therein and as further used herein) also provided, in part, that:

- i) Green Bank enter into a Master Trust Indenture to provide the structure and mechanism for financing Green Bank’s programs; and
- ii) Green Bank enter into an Indenture of Trust to finance the SHREC Receivables; and
- iii) the Findings of Self Sufficiency Report presented to the Board at the Prior Meeting be approved and adopted, with Authorized Officers of Green Bank authorized to make certain revisions to said Report; and
- iv) the Preliminary Official Statement dated on or about April 9, 2020 as presented to the Board at the Prior Meeting be approved, with Authorized Officers of Green Bank authorized to make certain revisions to said Preliminary Official Statement.

WHEREAS, Green Bank has determined that, in order to obtain approval of the SCRF for the Bonds, Green Bank shall not enter into the Master Trust Indenture at this time, but shall, in lieu thereof, enter into a Project Support Agreement or other agreement as determined by an Green Bank and acceptable to the State Treasurer’s Office and the Office of Policy and Management to further support the issuance of the Bonds; and

WHEREAS, the Indenture of Trust has been revised and updated to provide for a Project Support Agreement or other agreement in lieu of the Master Trust Indenture; and

WHEREAS, the Findings of Self Sufficiency Report have been revised and updated to provide additional information regarding SHREC Tranche 3 and the Bonds.

NOW, therefore be it:

RESOLVED, that the actions taken and included in the Prior Resolution adopted by the Board at the Prior Meeting are hereby ratified and confirmed in all respects, except as otherwise revised or amended by this Resolution, and

FURTHER RESOLVED, that Green Bank not enter into a Master Trust Indenture at this time as provided in the Prior Resolution, but shall, in lieu thereof, enter into a Project Support Agreement or other agreement with such terms as determined by the President and any Officer of Green Bank (each, an “Authorized Representative”) and acceptable to the State Treasurer’s Office and the Office of Policy and Management to further support the issuance of the Bonds; and

FURTHER RESOLVED, that the revised Indenture of Trust, substantially in the form presented to this meeting, is hereby approved, with such changes to the form, terms and provisions thereof as may be approved by an Authorized Representative, as he or she deems

advisable for the purpose of issuing the Bonds; and

FURTHER RESOLVED, that the revised and updated Findings of Self Sufficiency Report (the “Revised Report”), as presented to the Board at this meeting, including each of the Findings and the Determination included therein, is hereby approved and adopted, and an Authorized Representative is (a) authorized to make any additional revisions to the Report, provided such revisions do not materially change the Findings and Determination contained therein, and such Report as revised shall be and is hereby deemed approved by the Board, and (b) authorized to take appropriate actions to secure the SCRF for the Bonds when and if he or she determines, in his or her discretion, that it is in the best interests of Green Bank to secure the SCRF in connection with the issuance of the Bonds, and provided Green Bank complies with all statutory requirements for the SCRF, which will require among other things (1) State of Connecticut Office of Policy and Management approval, and (2) approval by the Office of the State Treasurer and other documentation required under the Act; and

FURTHER RESOLVED, that the form, terms and provisions of the revised and updated Preliminary Official Statement for the Bonds dated on or about June 29, 2020 as presented to the Board at this meeting be, and is hereby approved; with such changes to the form, terms and provisions thereof as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds; and

FURTHER RESOLVED, that, as provided in the Prior Resolution, in connection with the Bonds, any Authorized Representative be, and each of them acting individually hereby is, authorized and directed in the name and on behalf of Green Bank, to prepare and deliver, or cause to be prepared and delivered, a final Official Statement relating to the Bonds, including any revisions thereof and amendments and supplements thereto, to execute and deliver the Bonds, the Indenture of Trust, the Purchase Contract, the Continuing Disclosure Agreement, and any other documents or instruments, with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the “Financing Documents”) and the execution and delivery of said Financing Documents shall be conclusive evidence of any approval required by this Resolution or the Prior Resolution; and

FURTHER RESOLVED, that, to the extent that any act, action, filing, undertaking, execution or delivery authorized or contemplated by this Resolution or the Prior Resolution has been previously accomplished, all of the same are hereby ratified, confirmed, accepted, approved and adopted by the Board as if such actions had been presented to the Board for its approval before any such action’s being taken, agreement being executed and delivered, or filing being effected.

Upon a motion made by Binu Chandy and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 8. None opposed and Steve Meier abstained. Motion approved.

b. Restructuring of Canton Hydro NVM Project – COVID-19 Impact

- Marianna Trief reviewed the Canton Hydro update on restructuring due to COVID-19. Construction progress is on schedule within reason due to COVID-19 delays. Currently travel restrictions are preventing Austrian engineers from the equipment providers from entering the United States to be on site for supervision and equipment assembly. The

Green Bank is requesting a \$100,000 loan increase with conditions regarding advances, a match contribution, and repayment.

- John Harrity noted the dam is in Townsville which receives a lot of pedestrian traffic and hopes if there is an opportunity to install signage indicating The Green Bank's support of the dam, that it be considered. Lonnie Reed, Brenda Watson, and Binu Chandy agreed that it would be a great idea. Bert Hunter said the Green Bank would work towards including language to make that possible.

Resolution #9

WHEREAS, in accordance with (1) the statutory mandate of the Connecticut Green Bank ("Green Bank") to foster the growth, development, and deployment of clean energy sources that serve end-use customers in the State of Connecticut, (2) the State's Comprehensive Energy Strategy and (3) Green Bank's Comprehensive Plan for Fiscal Years 2015 and 2016 (the "Comprehensive Plan"), Green Bank continuously aims to develop financing tools to further drive private capital investment into clean energy projects;

WHEREAS, Canton Hydro, LLC ("Developers") was awarded exclusivity by the Town of Canton to redevelop a 1 MW hydroelectric facility located at the Upper Collinsville Dam ("Dam"), on the Farmington River, in Canton, Connecticut (the "Project") and the Green Bank Board approved approve subordinate debt financing in an amount to exceed \$1,200,000 (the "Loan") along with an unfunded guaranty, in an amount not to exceed \$500,000 to support the Project;

WHEREAS, Developer has requested a \$100,000 increase in the Loan due to delays associated with COVID, for a total not to exceed amount of \$1,300,000;

WHEREAS, the Green Bank Deployment Committee ("Deployment Committee") and the Audit, Compliance and Governance Committee ("ACG Committee") recommended approval of the Proposed Loan Loss Decision Framework and Process, set forth in that certain memo to the Board of Directors dated June 8, 2018 as modified on April 24, 2020 (the "Loss Process") for their consideration and subsequent approval; and

WHEREAS, in accordance with Loss Process, Green Bank staff seeks the approval to restructure the Loan by providing forbearance of quarterly interest payments during construction (the "Restructured Loan"), as more particularly described in the memorandum submitted to the Board on June 23, 2020.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Restructured Loan with terms and conditions consistent with the memorandum submitted to the Board on June 8, 2020, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of the Board approval of the Loss Process; and

RESOLVED, that the Green Bank Board of Directors hereby authorize staff to execute amend the Loan agreement materially based on the terms and conditions set forth in this board memo dated June 22, 2020 for an increase in Green Bank's financial support in an amount not to exceed \$1,300,000;

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to affect the above-mentioned legal instruments.

Upon a motion made by Brenda Watson and seconded by John Harranty, the Board of Directors voted to approve Resolution 9. None opposed or abstained. Motion approved unanimously.

c. Amalgamated Bank Line of Credit

- Louise Della Pesca summarized the request to renew the Amalgamated Bank line of credit. This is a rolling forward of the line of credit with a few differences. The maximum borrowing limit remains \$5 million but will decrease \$300,000 quarterly. As well the collateral is being increased to include a general repayment obligation. The new interest rate will change as well. The front-end fee is the same and unused fee also remains the same based on whatever has been undrawn.
- Lonnie Reed asked if the interest ends up cheaper, which Bert Hunter clarified it is cheaper in absolute level vs where the Green Bank was initially in terms of the original facility, but that given the change in the interest rate benchmark to “Prime Rate” – the effect is a higher cost than would have been in effect with the prior LIBOR-based pricing, but either way it is fair pricing. He said next year perhaps there will be research into whether there is a better option available but given all the uncertainty now this is the best option.
- Steve Meier asked if the decrease on the outstanding balance of the loan facility results in lien collateral decreases accordingly as well. Bert Hunter said yes.

Resolution #10

WHEREAS, Connecticut Green Bank (“Green Bank”) staff has submitted to the Green Bank Board of Directors (“Board”) a proposal for Green Bank to enter into an agreement with Amalgamated Bank (“Amalgamated”) to amend an existing (“Original Revolving Credit Facility”) \$5,000,000 secured revolving line of credit (“Amended Revolving Credit Facility”) whereby the Amended Revolving Credit Facility would be used in order to meet the Green Bank’s short-term liquidity and working capital needs; and

WHEREAS, the selection of Amalgamated as the provider of the Original Revolving Credit Facility followed the completion of a Request for Proposals (“RFP”) process in accordance with Green Bank operating procedures that closed October 19, 2018 and was approved by the Board at a meeting held December 14, 2018;

WHEREAS, along with a general repayment obligation by the Green Bank, Amalgamated would be secured by a Guaranty of two subsidiaries: CT Solar Lease 1 (the guarantor of the Original Revolving Credit Facility) and CT Solar Loan 1 LLC (the “Guarantees”), as well as first priority security interest in, and an absolute assignment of all cash flows associated with, the CT Solar Lease 1 Notes portfolio as well as additional collateral, being a first priority security interest in, and an absolute assignment of all cash flows associated with, the CT Solar Loan 1 Notes portfolio (the “Collateral”); and

WHEREAS, Green Bank staff recommends that the Board approve the proposed Revolving Credit Facility, generally in accordance with memorandum summarizing the

Revolving Credit Facility and the terms of the summary term sheet, both presented to the Board on June 26, 2020.

NOW, therefore be it:

RESOLVED, that the Board approves Green Bank to enter into the Amended Revolving Credit Facility with Amalgamated, to issue the Guarantees and pledge the Collateral in a manner materially consistent with the memorandum to the Board dated June 19, 2020; and

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Amended Revolving Credit Facility, the Guarantees and the Collateral and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions.

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all any documents as they shall deem necessary and desirable to affect the above-mentioned legal instrument or instruments.

Upon a motion made by Brenda Watson and seconded by John Harrity, the Board of Directors voted to approve Resolution 10. None opposed or abstained. Motion approved unanimously.

8. Executive Sessions – Real Estate Negotiations

- John Harrity motioned to begin the executive session for the purposes of a discussion on real estate negotiations as publicity could cause a price increase and Steve Meier seconded. The executive session began at 10:51 am within a separate conference line. Bryan Garcia muted all participants in the public GoToMeeting conference and paused the recording.
- Binu Chandry motioned to return to the public GoToMeeting and Brenda Watson seconded. Participants were unmuted and the recording of the public GoToMeeting conference was resumed at 11:10 am.
- John Harrity praised Eric Shrago's work and effort to find the great spaces presented.

Resolution #11

WHEREAS, the leases on the Green Bank's offices in Rocky Hill and Stamford expire on December 31, 2020;

WHEREAS, staff having engaged CB Richard Ellis who have guided the organization's search for new office space, have identified office space at:

- 75-85 Charter Oak Avenue, Hartford CT
- 700 Canal Street, Stamford, CT;

WHEREAS, on June 16, 2020, the Budget and Operations Committee recommended that the Board of Directors authorize Green Bank staff to negotiate and enter into leases with the owners of the aforementioned buildings provided they are consistent with the financial terms

presented to this committee today in the memorandum dated June 12, 2020;

NOW, therefore be it:

RESOLVED, the Board of Directors authorizes Green Bank staff to negotiate and enter into leases with the owners of the aforementioned buildings provided that the financial terms of those leases not exceed those presented to the Board today in the memorandum dated June 19, 2020.

Upon a motion made by Brenda Watson and seconded by John Harrity, the Board of Directors voted to approve Resolution 11. None opposed or abstained. Motion approved unanimously.

9. Other Business

- No other business.

10. Adjourn

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors Meeting adjourned at 11:14 am.

Respectfully submitted,

Lonnie Reed, Chairperson