



Deployment Committee

Meeting Date

September 8, 2021



Deployment Committee

Lonnie Reed

Board Chair

Binu Chandy

Deputy Director

DECD

Michael Li

Connecticut Department of Energy and
Environmental Protection (DEEP)

Shawn Wooden – Designee, Steven

Meier

Treasurer

State of Connecticut

Matthew Ranelli

Partner

Shipman & Goodwin



AGENDA

Deployment Committee of the
Connecticut Green Bank
75 Charter Oak Avenue
Hartford, CT 06106

Wednesday, September 8, 2021
8:30-9:00 a.m.

Dial (786) 535-3211
Access Code: 341-113-549

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, and Eric Shrago

1. Call to order
2. Public Comments – 5 minutes
3. Approval of Meeting Minutes – 5 minutes
4. Financing Programs Updates and Recommendations – 15 minutes
 - a. C-PACE Project (Southington) – 15 minutes
5. Adjourn

Join the meeting online at <https://global.gotomeeting.com/join/341113549>

Or call in using your telephone:
Dial (786) 535-3211
Access Code: 341-113-549

***Next Regular Meeting: Wednesday, September 22, 2021 from 2:00-3:00 p.m.
Colonel Albert Pope Board Room at the
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford***



RESOLUTIONS

Deployment Committee of the
Connecticut Green Bank
75 Charter Oak Avenue
Hartford, CT 06106

Wednesday, September 8, 2021
8:30-9:00 a.m.

Dial (786) 535-3211
Access Code: 341-113-549

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, and Eric Shrago

1. Call to order
2. Public Comments – 5 minutes
3. Approval of Meeting Minutes – 5 minutes

Resolution #1

Motion to approve the meeting minutes of the Deployment Committee for May 26, 2021

4. Financing Programs Updates and Recommendations – 15 minutes
 - a. C-PACE Project (Southington) – 15 minutes

Resolution #2

WHEREAS, pursuant to Section 157 of Public Act No. 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly and as amended (the "Act"), the Connecticut Green Bank ("Green Bank") is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

WHEREAS, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a **\$1,282,184** construction and (potentially) term loan under the C-PACE program to Aqua Turf Club Associates LLC., the building owner of 556 Mulberry Street, Southington, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green

Bank's Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the "Feasibility Study Loan") from a portion of the Loan amount, to finance the feasibility study or energy audit required by the C-PACE authorizing statute, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

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 Loan and, if applicable, a Feasibility Study Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Green Bank Deployment Committee (the "Committee") dated September 3, 2021, 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 authorization by the Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and

RESOLVED, that the proper the 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 effect the above-mentioned legal instruments.

5. Adjourn

Join the meeting online at <https://global.gotomeeting.com/join/341113549>

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***Next Regular Meeting: Wednesday, September 22, 2021 from 2:00-3:00 p.m.
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ANNOUNCEMENTS

- **Mute Microphone** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.
- **Chat Box** – if you aren't being heard, please use the chat box to raise your hand and ask a question.
- **Recording Meeting** – per Executive Order 7B (i.e., suspension of in-person open meeting requirements), we need to record and post this board meeting.
- **State Your Name** – for those talking, please state your name for the record.



CONNECTICUT
GREEN BANK SM

Deployment Committee Meeting

September 8, 2021

Deployment Committee

Agenda Item #1

Call to Order

Deployment Committee

Agenda Item #2

Public Comments

Deployment Committee

Agenda Item #3

Approval of Meeting Minutes

Deployment Committee

Agenda Item #4

Financing Program Recommendations

C-PACE Transaction – Southington (Plantsville)

556 Mulberry St, Southington

Ratepayer Payback



- **\$1,282,184** for a 497.74kW roof mounted solar PV system + roof
 - Projected savings are 36,300 **MMBtu** versus **\$1,282,184** of ratepayer funds at risk.
-
- Ratepayer funds will be paid back in one of the following ways
 - ❑ (a) through a take-out by a private capital provider at the end of construction (project completion);
 - ❑ (b) subsequently, when the loan is sold down to a private capital provider; or
 - ❑ (c) through receipt of funds from the Town of Southington as it collects the C-PACE benefit assessment from the property owner.

556 Mulberry St, Southington

Terms and Conditions



- **\$1,282,184** construction loan at 5% and term loan set at a fixed 5.75% over the 20-year term
- **\$1,282,184** loan against the property
 - Property valued at [REDACTED]
 - Loan-to-value ratio equals [REDACTED] & Lien-to-value ratio equals [REDACTED]
- DSCR > [REDACTED]

556 Mulberry St, Southington



The Five W's

- **What?** Receive approval for a \$1,282,184 construction and (potentially) term loans under the C-PACE program to Aqua Turf Club Associates, LLC to finance the construction of specified energy upgrade
- **When?** Project to commence 2021
- **Why?** Allow Green Bank to finance this C-PACE transaction, continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.
- **Who?** Aqua Turf Club Associates, LLC, the property owner of 556 Mulberry Street, Southington, CT
- **Where?** 556 Mulberry Street, Southington CT

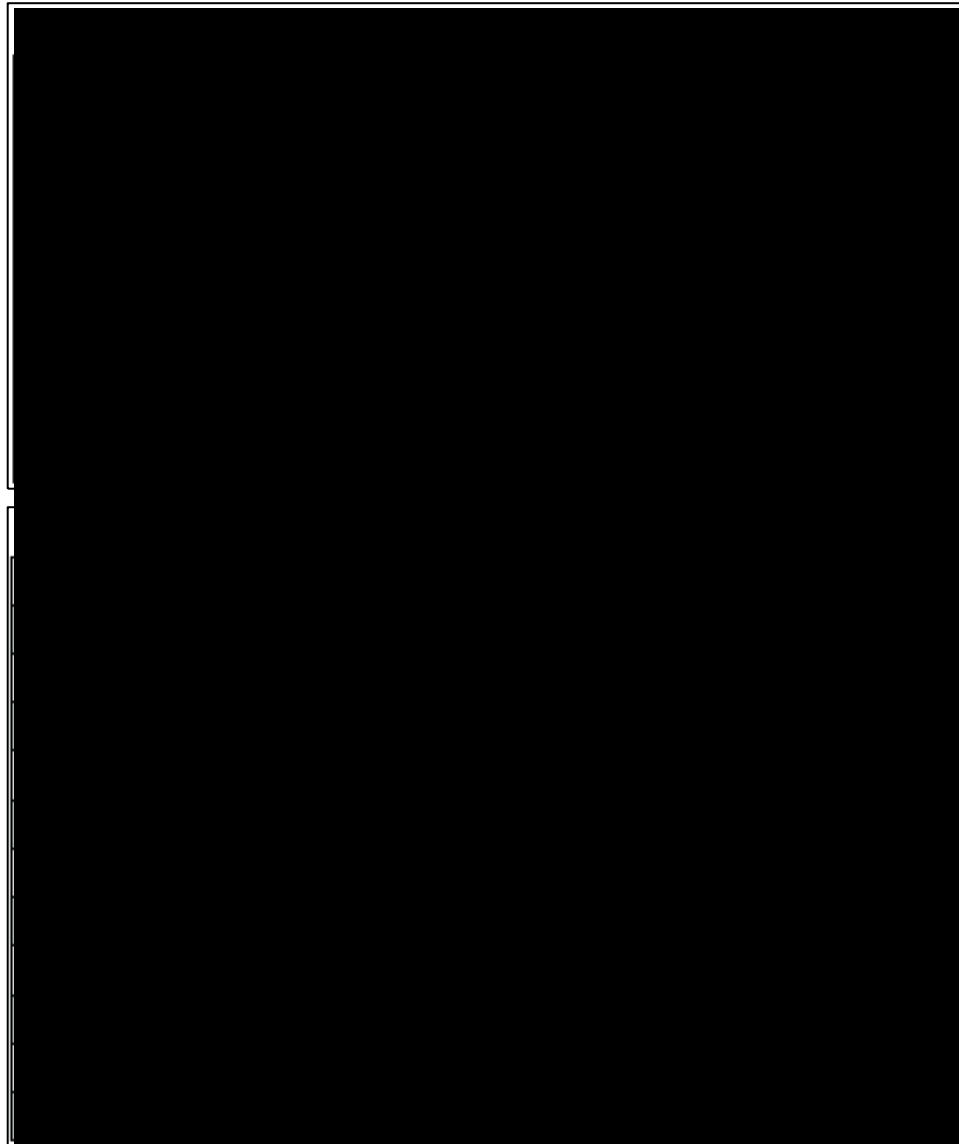
556 Mulberry St, Southington

Project Tear Sheet



556 Mulberry St, Southington

Key Financial Metrics



Resolution #4



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 Loan and, if applicable, a Feasibility Study Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated September 23, 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 authorization by the Board of Directors;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and

RESOLVED, that the proper the 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 effect the above-mentioned legal instruments.

Deployment Committee

Agenda Item #5
Adjourn



**DEPLOYMENT COMMITTEE OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Wednesday, May 26, 2021
2:00 p.m. – 3:00 p.m.

A regular meeting of the Deployment Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on May 26, 2021.

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

Committee Members Present: Binu Chandy (DECD), Michael Li (DEEP), Lonnie Reed

Committee Members Absent: Steven Meier, Matt Ranelli

Staff Attending: Sergio Carrillo, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Selya Price, Cheryl Samuels, Ariel Schneider, Eric Shrago, Dan Smith

Others present: Giulia Bambara

1. Call to Order

- Michael Li called the meeting to order at 2:03 pm.

2. Public Comments

- No public comments.

3. Consent Agenda

Resolution #1

Motion to approve the minutes of the Deployment Committee meeting for February 24, 2021.

Upon a motion made by Binu Chandy and seconded by Lonnie Reed, the Deployment Committee voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

- Bryan Garcia gave a summary of the report out of the projects under \$500,000 and no more in aggregate than \$1,000,000 that staff can approve, of which there was one.

4. Incentive Program Updates and Recommendations

a. Meter Replacement Request for Proposals Update

Subject to Changes and Deletions

- Sergio Carrillo summarized the update to the RGM Upgrade Provider RFP, related to upgrading the solar systems that transmit solar production data via 3G as those networks are being deactivated. There are currently about 38,000 of 45,000 systems that have an RGM register, and of that about 29,000 are owned by third-party owners and 9,000 by homeowners. The assumption is that third party owners will replace their systems themselves, but for the rest, about 5,000 systems are affected by the cellular service change. The RFP is set to be issued on Friday, May 28, 2021 and a decision by the Green Bank should be made by July 7, 2021 with a PSA in place by mid-July.
 - Michael Li asked if there is an estimate about the cost per customer to do the replacements. Sergio Carrillo answered that it could be between \$350 to \$500 per meter, with a total of \$2.2million to \$2.5million. Michael Li asked where the funding source is coming from for this project and Bryan Garcia answered that there was a plan within the SHREC program design for annual upgrades over the 15 years, but it is the 5,000 projects that need the upgrades within the next 6 months due to the cellular network. These expenses are covered by the revenues from the SHRECs, they are just more upfront in this scenario.
 - Michael Li asked if the cost for the other systems potential replacements is also built in and Bryan Garcia said yes, the upgrades should be built into the administrative costs.
 - Lonnie Reed asked, in relation to the deal to merge certain entertainment companies, if that may affect the Green Bank's technological relationship with those providers may be going forward. Bryan Garcia said it was a good question and asked Sergio Carrillo to possibly include verbiage in the RFP which outlines future communications to the signal providers so that as changes are made in the future, the Green Bank is more proactive in its response to changes. Bryan Garcia also noted that at the next BOC Committee, this RFP will be included in the presentation of the Operating Expense Budget for FY22.

5. Investments Updates and Recommendations

a. Skyview Facility

- Bert Hunter summarized the Skyview Facility Amendment background and explained the overview of changes, which is due to debt market changes since 2017 and staff wanting to invigorate the market and ensure the product has a strong appeal to strengthen the Green Bank's sustainability. The amended terms affect projects on a going-forward basis, not the projects already in place. Changes include the increased term length, an Advance Rate increase due to a lower interest rate, and interest rate changes from a blanket rate to a varying rate dependent on the off-taker (State, Municipal, Affordable Housing, or Other). The debt service coverage ratio is not changing.
 - Michael Li asked if the interest rate is being lowered and therefore earning less, as opposed to a buy-down, which Bert Hunter answered yes. There are no buy-downs.

Resolution #2

WHEREAS, the Connecticut Green Bank ("Green Bank") has significant experience in the development and financing of commercial solar power purchase agreement ("PPA") projects in Connecticut;

Subject to Changes and Deletions

WHEREAS, the Green Bank continually seeks new ways to work with private sector partners to meet the demonstrated need for flexible capital to continue expanding access to financing for commercial-scale customers looking to access solar and savings via a PPA;

WHEREAS, the Green Bank has established a working relationship with a private sector Connecticut-based solar developer, Skyview Ventures LLC (“Skyview”), and through that relationship the Green Bank has an opportunity to deploy capital for commercial solar PPA projects developed by Skyview in Connecticut (“Skyview PPA Projects”);

WHEREAS, the Green Bank is implementing a Sustainability Plan that invests in various clean energy projects and products to generate a return to support its sustainability in the coming years;

WHEREAS, based on diligence of Green Bank staff for a senior secured loan facility (“Original Term Loan”) the Green Bank Deployment Committee (the “Deployment Committee”) on February 27, 2020 recommended to the Green Bank Board of Directors (the “Board”) the approval of the Term Loan transaction in an amount not to exceed \$2.3M as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII;

WHEREAS, the Board passed resolutions at its meeting held on March 25, 2020 to approve the Original Term Loan transaction in an amount not to exceed \$2.3M as a Strategic Selection and Award given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of the Original Term Loan transaction;

WHEREAS, the Board authorized the expansion of the Original Term Loan transaction in an amount not to exceed \$3.5M on April 24, 2020 (the “Modified Term Loan”);

WHEREAS, the Board authorized the expansion of the Modified Term Loan transaction to an amount not to exceed \$7M on October 23, 2020 (the “Existing Term Loan”); and

WHEREAS, based on an expanding pipeline of Skyview PPA Projects and diligence of Green Bank staff, Green Bank staff proposes the expanded pipeline be approved for future advances within the limits of the Existing Term Loan.

NOW, therefore be it:

RESOLVED, that the Board hereby amends and restates its approval of the Existing Term Loan transaction as described in the Project Qualification Memo submitted by the staff to the Board and dated April 18, 2021 (the “Memorandum”) to include the expanded project pipeline of Skyview PPA Projects to be qualified for future advances within the \$7,000,000 limit of the Existing Term Loan on terms and conditions substantially consistent with those described in the Memorandum as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of the Existing Term Loan transaction; and

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

Upon a motion made by Lonnie Reed and seconded by Binu Chandy, the Deployment Committee voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

Subject to Changes and Deletions

6. Other Business

- No Other Business to discuss.

7. Adjourn

Upon a motion made by Lonnie Reed and seconded by Binu Chandy, the Deployment Committee Meeting adjourned at 2:35 pm.

Respectfully submitted,

Michael Li, Chairperson

DRAFT



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Rocky Hill, CT 06067

300 Main Street, 4th Floor
Stamford, CT 06901