1.0 PROGRAM PLAN

Capitalized terms not defined herein, shall have the meaning described in the CCIA NOFO.

JCF, as lead applicant, is a purpose-built, not-for-profit and 501(c)(3) corporation created by experienced, Black, Indigenous, and people of color (BIPOC)-led organizations to anchor and empower a diverse coalition of Community Lenders to more quickly, efficiently and successfully deploy affordable, accessible Financial Assistance to CCIA-eligible Priority Qualified Projects (QPs) in LIDACs. JCF is committed to meeting or exceeding GGRF Objectives and to driving responsible, impact-driven finance at scale, nationwide. As detailed in Section 2, JCF was formed in 2023 by the Community Builders of Color Coalition (CBCC), which includes 19 mostly BIPOC-led organizations committed to bring to scale equitable climate solutions in the communities they serve, ensuring a broad, diverse, stable and permanent national network in all EPA Regions. JCF's mission was refined in more than 50 stakeholder meetings, ensuring widespread community input and acceptance.

Of the 28 member JCF-led Coalition, who collectively have a network of over 1,000 Community Lenders (Network), the 18 which will participate in the CCIA Application (Application) as JCF Coalition Members are those identified in bold font on the Cover Page. Each Coalition Member provided certifications of subrecipient eligibility, signed a detailed Memorandum of Agreement and agreed and understands that Award requirements "flow down" to them, including their obligation to comply with the General Term and Condition "Management Fees." The Community Lenders in each Coalition Member's base include African American, Hispanic or Latino, Asian and Native American-enabling organizations, ensuring no BIPOC group or community is left behind. This uniquely qualified Coalition respectfully advances this Application requesting $4.4B to advance JCF's vision (Vision) and Network strategy (Strategy) to achieve NOFO Objectives during the Period of Performance, building a stable and permanent Network that continues afterward.

Importantly and consistent with the CCIA NOFO, the JCF-led Coalition is advancing this Application in an integrated manner with JCF's NCIF application (NCIF Application). As outlined below in Section 1.1. This integration enables Community Lenders to rapidly position CCIA Community Lenders to actively participate in the NCIF initiative, building the national scope, capacity and expertise needed to achieve market transformation and U.S. net zero goals.

1.1 Program Vision

JCF's Vision is to enable every Community Lender in its Network to gain the necessary skills, tools and relationships to successfully deploy affordable, responsible green lending for LIDAC households, businesses and communities. The ultimate vision is that incorporation of affordable and equitable climate solutions that meet the particular community's needs and that community lending becomes routine, based on the objective merits and spectrum of benefits to LIDACs of such solutions.

This Vision aligned with JCF's three core principles: First, our solutions and strategies must be informed and structured to meet the needs of our LIDACs, maximizing benefits to consumers, businesses and organizations. Second, we must utilize the expertise, relationships and infrastructure embedded in our existing networks of CDFIs, Green Banks and other mission-aligned finance organizations. Third, we must work rapidly to meet the national targets for greenhouse gas (GHG) reductions, ensuring that we build not only enduring capacity for Community Lenders, but enduring market transformation in and for LIDACs.

To build a stable and enduring Network of Community Lenders skilled in green lending and LIDACs, JCF has devised a streamlined, centralized program to transform a cadre of new-to-green and new-to-LIDAC Community Lenders into a Network uniquely qualified to scale green lending in LIDACs. Broadly, JCF's Community-Based Green Lender Certification Program (Program) consists of 1) an **assessment** phase, in which JCF assesses both Community Lender needs, e.g., readiness to undertake green lending, as well as Community needs, e.g., where to guide the Community Lender's green lending; 2) a **training** phase, customized to meet the needs of the Community Lender, per the assessment; 3) a **certification** for **capitalization** phase, in which JCF certifies the Community Lender is ready to deploy capital in a manner that advances GGRF Objectives; and 4) an **execution** phase wherein the Community Lender is armed with a tool kit containing templates, guidance, and other resources to facilitate the Community Lender's investments in QPs (Tool Kit), including to advance **market building** and **scaled deployment**, with ongoing **monitoring and maintenance**, through which JCF ensures GGRF Objectives have been met and provides (or requires) supplemental training. A measure of our success will be the degree to which our Program produces Community Lenders who progress from CCIA (which limits funding to $10M per Community Lender) to NCIF (through which much larger sums are available). The Program progression is illustrated below:

Exhibit 1.1-1. CCIA Program

Central to our Program are competition waves (**Waves**). Waves assures prospective Community Lenders that CCIA funding will be there when they are deemed "ready," not allocated on a "first come, first serve" basis only. With Waves, we provide Community Lenders time and resources to develop and deploy a strong track record of underwriting green lending in LIDACs. This approach de-stigmatizes education, encourages inclusive participation and promotes green lending in LIDAC expertise, so that Network-based scaling of QP finance occurs more rapidly, efficiently and effectively. It is key to meeting EPA's goal of enduring green lending capacity in our Network.

To accelerate achievement of NOFO Objectives, we created a methodology to lift up the most burdened communities. Specifically, we established a **Priority Communities Classification System** (System) that allows us to assess the degrees of burden in different communities, depicted below in **Exhibit 1.1-2**. This System allows our Community Lenders to tailor financial products to the unique needs of J40 communities. It also permits us to steer investment into the communities that are hardest to serve and usually overlooked. The System designates each community into 1 of 5 priority levels, determined by the number of J40 burdens and low-income designation. Priority 1 communities are low-income designated census tracts with 5+ J40 burdens. Priority 4 and 5 communities contain some level of burden, but not enough to qualify as LIDACs. See **Exhibit 1.1-3**, below.

This prioritization also helps us determine which categories of financial products achieve community and NOFO objectives. For example, in Priority 1 communities, in which home ownership rates are 40%, community solar projects may be more suitable and impactful than focusing solely on rooftop solar initiatives, e.g., result in more kW per resident being deployed.

Finally, the JCF-led Coalition intends to rely heavily upon extensive involvement of its State Cohorts (i.e., coordinated bodies of community-centered actors comprised of Coalition Members and a diverse range of other stakeholders) and Trade Coordinators. Our Coalition Members, including in their roles as Trade Coordinators, are critical to program delivery, as they will serve as the "bridges" to the Community Lenders and the communities they serve. As explained in depth throughout this Application, Trade Coordinators will be tasked with both ensuring that every aspect of our Program is customized to best meet their Community Lenders' needs, understanding and improving the market in which their Community Lenders will invest, and facilitating the Community Lenders' compliance with GGRF-related rules and regulations. As also described throughout, our State Cohorts will help us customize financial products to meet each state's mix of incentives and constraints, mentor under-resourced participants, and share deal flow, pre-development and community-engagement efforts.

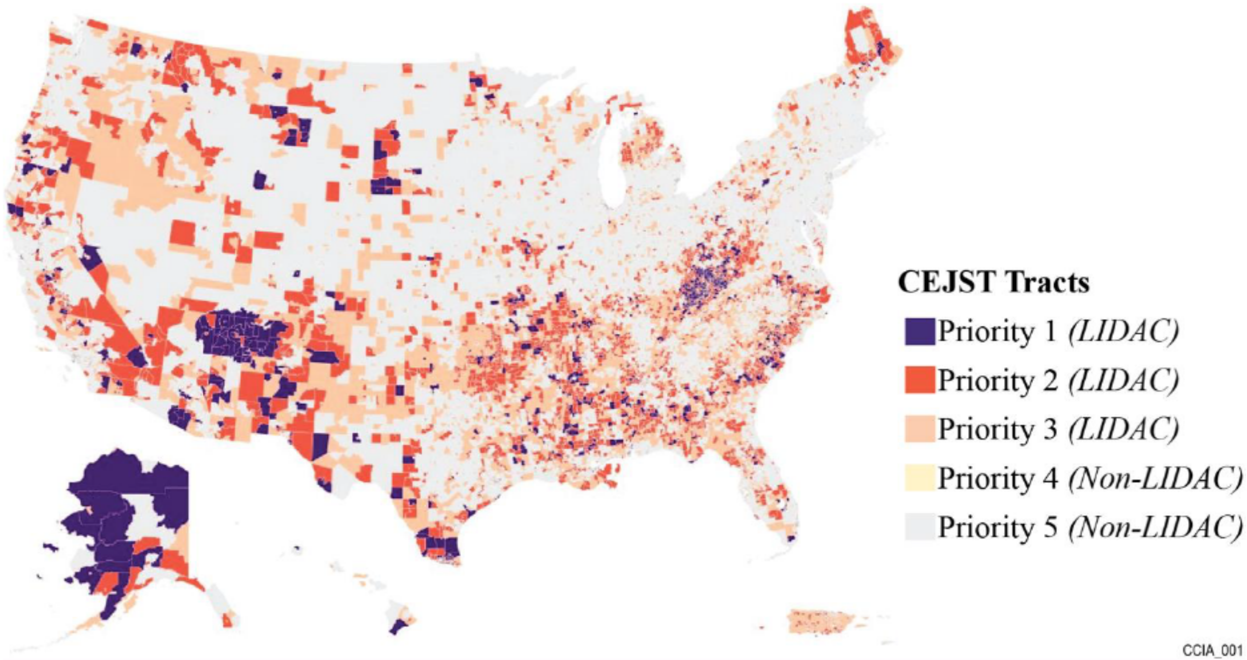


Exhibit 1.1-2. Priority Communities Classification System

Priority Tier	Number of Burdens	Low-Income?	Justice40?	% of U.S. Population	Target Allocation
1	5+	Yes	Yes	6.2%	16.6%
2	3-4	Yes	Yes	10.7%	24.4%
3	0-2*	Yes	Yes	16.4%	25.5%
4	2+	No	No	20.8%	15.4%
5	0-1	No	No	45.9%	18.1%

**This category includes a very small number of tracts that have no burdens but are classified by CEJST as J40 because they are either Tribal or completely surrounded by burdened tracts.*

Exhibit 1.1-3. Priority Communities Classification Breakdown

1.1.1 Community Lender Network Strategy

At its core, the Coalition and its Network embody community self-determination and commitment to equitable energy transition. The Network self-organized to combine the full spectrum of community development financial institutions (CDFIs) with expertise in LIDAC and, to a lesser degree, climate finance, with the sole purpose of expanding green lending capacity. With a current

Network of 395 Community Lenders and supporting organizations, JCF's Application spans the full spectrum of lender models, geographies, affinities and products, marking a paradigm shift in community finance and bringing the critical resources into J40 communities. Specifically, JCF's Network has a number of unique attributes that enable its success in meeting CCIA Objectives:

First, the Network is uniquely suited to achieve LIDAC prioritization, because these Community Lenders live, breathe and work in LIDAC and truly represent the paragon of ground-up community finance. JCF's vision is to help these organizations amplify and extend community benefits through green lending activities. Rooted in and serving the majority of U.S. LIDACs (urban and rural), the Coalition Network currently serves communities representing over 281 million people. With a depth of experience and engagement in 85% of J40 communities, 88% of persistent poverty communities, and 58% of Tribal counties, the JCF network is uniquely positioned to utilize its existing relationships to educate and engage in the deployment of impactful climate solutions.

Second, the Network is uniquely suited to successfully execute the CCIA Program, given the Community Lenders' commitment to collaboration. The Community Lenders that participate in our Program have chosen collaboration and will find that the Network delivers. Green Banks have extensive climate finance experience, while CDFIs have extensive LIDAC lending experience. By bringing Green Banks and CDFIs together under the auspices of our Program, they enable one another. The Network, by serving as a hub, also facilitates peer-to-peer learning, sharing of best practices, and ways to create Communities of Practice. JCF's Program also will arm all participating Community Lenders with the tools they need to scale their green lending programs.

Third, the Network is uniquely situated to deliver results quickly. Our Community Lenders have more green lending experience than a first glance might suggest. **Exhibit 1.1.1-1** below could be read as indicating that CDFIs have opted out of the green finance market. However, our pre-proposal outreach did not validate LIDAC Community Lender disinterest in green lending. Rather, it indicated under-reporting of green activities within our Community Lender network. The ripple effect of underreporting is substantial and negative, since capital allocation decisions are routinely based on past performance. Where Community Lenders have not reported green lending activities, they are perceived as having no relevant track record and therefore do not receive funds from capital allocators for green lending – thereby becoming further excluded from new markets. Participation in our Program remedies that perceived gap by standardizing the assessment of real experience, not the perception of experience. By assessing Community Lender capacities pursuant to its Program, JCF intends to establish more accurate Community Lender records, thereby facilitating green lending allocations more effectively and, we believe, more rapidly.

In our outreach to MDIs, we discovered a significant discrepancy in reporting. While 90% of a sample of MDIs had engaged in green activities, many did not categorize their loans explicitly as energy efficiency or building decarbonization endeavors. If provided with funds, these institutions could build capacity to better track and report their activities, overcoming a significant barrier to their participation.

Community Lender Type	Current Area of Expertise	Self-Assessed Current LIDAC Engagement	Self-Assessed Level of Climate Engagement
Loan Fund	H, C, M	High	Low
Credit Unions	P, C	Med	Medium
MDIs	P, H, C, M	High	Low
CDBs	P, H, C, M	High	Low
Green Banks	M, G	Low	High
Housing	H, M	High	Med
Venture	C	Med	Low

***Key**: H = Housing, P = Consumer, C = Commercial, M = Municipal, G = Climate/Green*

Exhibit 1.1.1-1. Community Lender Involvement and Expertise

Fourth, the Network's experience serving LIDACs with a wide variety of financial products are what is required to rapidly achieve U.S. climate goals, e.g., the U.S. Nationally Determined Contribution and NOFO-identified Executive Order priorities. No one financial product will fit all LIDACs. The Coalition's scope and breadth means that it can bring any number of financial products to the Network, facilitating the scaling of proven financing models. Moreover, JCF is not acting alone. JCF's Program integrates State Cohorts and Trade Coordinators (that are a market channel, outreach "coach" to facilitate effective participation in the CCIA Program and otherwise, some of whom are Coalition Members) to ensure that new incentives and financial models are widely deployed, amplifying the JCF Network effect in ways that advance NOFO Objectives.

Finally, the Network's mission is to serve its communities and meet NOFO Objectives. While JCF's Network is firmly committed to participating in U.S. and global efforts to decarbonize, its foundation is to ensure no LIDAC is left out of or left behind in the energy transition. JCF's Network covers all 10 EPA regions and 85**%** of American families (approximately 281M Americans), but Community Lenders' deepest connections are to underserved communities, covering nearly 9 out of 10 Americans living in J40 communities. As a consequence, JCF's Network of Community Lenders and community-based organizations are trusted by counterparties and other key stakeholders, a critical factor in adoption of climate solutions.

JCF's Program and its Network's unique attributes can be viewed as mechanisms to surmount well-documented **barriers** to green lending. **Exhibit 1.1.1-2** outlines these barriers and the role that JCF plays in supporting **solutions** to them, solutions that are a ready fit for the Network.

Barriers	Solutions
Limited Climate-Specific Financial Products in LIDACs	**Capacity Building:** Assess and train Community Lenders in areas outside of their area of expertise while providing JCF-wide support, e.g., shared tech infrastructure and an operating platform to facilitate originating new financial products.
Challenges in Demand Generation within Communities	**Community Engagement:** Build "Communities of Practice," including Community Lenders and community-based organizations, to share best practices and collectively engage in market building activities. State Cohorts collectively create an accessible platform to ensure decision-makers can easily understand and feel confident to enable climate solutions in their lives/communities.

Barriers	Solutions
Systematic Underreporting of Activities	**Standardized Reporting:** Implement standardized methodologies and robust IT systems across JCF, with best practices shared with bank/CU regulators working toward climate finance standardization. This facilitates future funding allocations in which past performance is a requirement.
Standardized Products Not Tailored for LIDACs: National products often overlook the unique challenges and opportunities within LIDAC.	**Tailored Financial Products**: Design community-centric financial products to meet LIDAC needs. Address barriers to information by refining underwriting systems to recognize and classify community-specific initiatives.

Exhibit 1.1.1-2. Exhibit Comprehensive Barriers and Solutions for Community Lenders

For JCF's Network, the future is now. As explained above in Section 1.1, JCF was designed to create an ecosystem in which green lending is routine in LIDAC lending transactions. The breadth of our Network provides unprecedented opportunities to advance more efficient peer learning and financing. With the variety and multiplicity of LIDACs and QP opportunities, we are poised to attract private investors, leveraging that capital for green lending. Further, sharing information and best practices serves a de-risking function and improves QP quality. Through our common reporting platform, JCF will have significant data not only related to the performance of the financial transactions, but also which QPs yield the broadest array of environmental, health, welfare, cultural and economic benefits to LIDACs. This data may transform our execution capacity for green lending, QPs and LIDACs.

The roadmap to an equitable energy transition is not just about tackling barriers—it is about unlocking the vast potential dormant within our communities and leveraging existing community assets and talent. By enabling a national Network of Community Lenders, like those that JCF has created, we open the door for that future everywhere, starting with LIDACs.

1.1.2 Geographic Coverage and Diversity

JCF's larger Network covers all fifty states, DC, Puerto Rico, U.S Virgin Islands, and hundreds of Tribal Nations, in all 10 EPA Regions. Our Network also includes leading organizations that exemplify community lending affinity and diversity, including African American, Hispanic or Latino, Native American and Asian-focused organizations. We cover rural and urban communities, with substantial engagement with organizations that play an essential role in rural agrarian America for the Hispanic/Latino, e.g., NALCAB, and with Tribal populations, e.g., Oweesta.

In conversations with JCF Coalition Member Oweesta (Oweesta), we discussed numerous instances in which rural communities contribute to greenhouse gas reductions. The Giyah Boat Company, operating under the Native Conservancy's vision, not only renews Indigenous connections to the ocean but also champions environmental sustainability. By providing access to safe boats for Alaskan Native communities, they reduce the need for fossil-fuel-powered transportation, thus contributing to a significant reduction in carbon emissions. This dual mission of cultural revitalization and carbon reduction showcases the power of community-driven initiatives in fostering a more sustainable future.

JCF strengthens existing Community Lenders via integration of each within Communities of Practice based on shared geography or activities, such as those serving tribal, energy, or persistent poverty counties. JCF's centralized system more readily facilitates more ready access to capital, effectively providing a nationwide portfolio opportunity for institutional investors for which a single or even a cluster of LIDACs is below target transaction sizes and risk profiles.

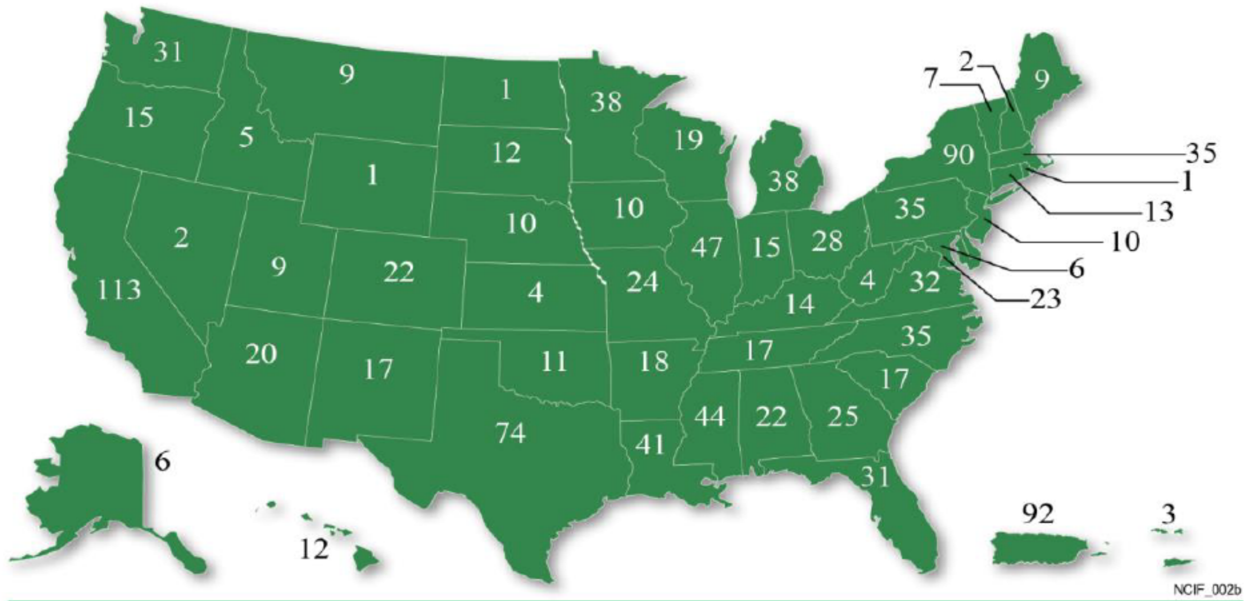


Exhibit 1.1.2-1. Community Lenders by State

JCF supports new Community Lenders with ready access to assessments, tailored training, best practices and a peer cohort to address how training and best practices can be adapted to community needs. This approach ensures that Community Lenders can build enduring capacity to achieve NOFO Objectives. With a Community Lender-designed and focused Program, JCF will serve the broadest possible network.

1.1.3 Demonstrated Interest from Community Lenders

JCF received 175 Community Lender Letters of Interest, covering all 10 EPA regions and Community Lender types. **Exhibit 1.1.3-1** below provides *representative* examples of excerpts, accounting for spacing constraints, of projects and technical assistance needs of our Community Lenders provided in Optional Documents 1.1.3 (Community Lender Letters of Interest).

Supporter	Projects and Technical assistance Needs
Finance New Orleans	Supporting community solar micro-grid projects and electrification of city bus fleets
Chicago Community Loan Fund	Deploying at least $30,000,000 a year across up to 30 energy efficient technology projects in line with EPA emissions reduction targets.
Bank of Vernon	Workforce redevelopment, as well as investments in greener manufacturing and transportation for rural communities of Alabama and Mississippi.

Exhibit 1.1.3-1. Samples of Projects and Technical assistance Needs by JCF Supporters

1.2 Investment Strategy

JCF's investment strategy is to quickly develop and rapidly deploy its centralized collaborative Program to enable its existing Network of Community Lenders to advance green lending in LIDACs, allocating capital in Waves to ensure that certification is rewarded with increased capacity. Our Program consists of educational, capitalization and community-engagement components. Each is summarized below.

With respect to education, in Year 1, we expect to welcome the 175 Community Lenders that have issued Letters of Support to the Program, performing the assessments and training summarized in Section 1.0. We expect to undertake refinement of the Program, based on our first-year experience. In Years 2 and 3, we will focus on optimizing outreach to welcome new Community Lenders into the Network. By Year 4, we expect substantial data to continue to guide Program refinement and capital allocation, including with three years of data on CCIA participants that have moved on to JCF's NCIF Program. Ongoing data analytics will be performed with Coalition Member, Carsey, the leading applied research center for the CDFI industry.

With respect to capitalization, in Years 1-3, we expect to advance facilitated, streamlined systems for deploying small-scale funding (capitalization) to Community Lenders to facilitate QPs in LIDAC.

With respect to community engagement, JCF has developed a community-engagement strategy that aligns with its phased CCIA investment approach. Overall, our engagement plan is designed to directly engage communities to assist in informing investment strategy, as well as enhancing the engagement capabilities of Community Lenders in LIDACs.

1.2.1 Low-Income and Disadvantaged Communities (LIDACs) Engagement and Accountability Strategy.

As detailed in Section 1.1, distrust rooted in systemic injustice is endemic, and lack of financing experience a feature of income-constrained populations. Undercapitalized Community Lenders contribute to a lag in green lending in LIDACs. JCF's strategy approaches community engagement and accountability systemically (via its Coalition) and systematically (technical assistance, and rolling out the Wave strategy for funding), amplified by JCF's clear commitment to collaboration with and accountability to LIDAC stakeholders.

As detailed in Section 1, our Coalition is anchored by organizations whose mission is to serve and engage diverse LIDAC and they have a demonstrated track record of doing so.

For example, our CDFIs meet or exceed robust formal U.S. Treasury mechanisms for maintaining community accountability, e.g., in the form of Board representation or active engagement of community advisory boards that reflect the composition and stakeholders of the markets served. Nonetheless, we intend to do more to optimize LIDAC engagement, and reduce barriers to financing of QPs with demonstrated community benefits, e.g., anemic or erratic QP pipelines, high project costs and variable soft costs.

1.2.1.1 LIDAC Engagement Plan

Organizationally, JCF's LIDAC Engagement Plan has two main parts: 1) facilitating Community Lenders' ability to undertake meaningful green lending at scale, and 2) enhancing JCF's own engagement strategy.

With respect to LIDAC engagement, all Community Lenders in the Program will participate in a baseline assessment designed by Coalition Members, such as the Greenlining Institute, to evaluate the quality and quantity of their LIDAC engagement. For Community Lenders requiring support in deepening community engagement or who are new to community engagement, customized training will be provided. The community engagement module in our training program (see Section 1.2.3.2) will equip participants with best practices, such as aligning projects with community priorities, building and leveraging existing community relationships, and implementing accountability mechanisms, such as feedback sessions. Community Lenders will formulate a community-engagement plan, a prerequisite for capitalization funding. This training will be available digitally for convenience, accessibility, and ability to customize based on Community Lender needs.

During the **training phase,** JCF will also provide Community Lenders with streamlined templates, processes, and technology for faster community engagement and greater alignment with best practices. For example, Community Lenders will have access to a Community Benefit Scorecard, a template developed in partnership with community and environmental justice organizations to evaluate deals for meaningful community benefits. These steps should systematize QP-related community-engagement processes, allowing Community Lenders to focus on community considerations that matter most, reducing delays and improving the success of Priority QP development on a statistical basis. For example, JCF expects Community Lenders to be, or to become competent, in the following:

First, Community Lenders will be expected to identify and seek out individuals and groups impacted by proposed projects, ensuring data is gathered on community priorities, challenges and preferences. Outreach will occur across a variety of communication methods, including in-person meetings, focus groups, digital platforms, community events. The goal will be to raise awareness, reach a broad audience, ensure accessibility, collect feedback and build trust. Our Coalition Members, including those acting as Trade Coordinators, will actively leverage existing relationships and networks to accomplish these goals.

For example, Oweesta, the longest standing Native CDFI intermediary, fosters full and equal partnerships with Native American Nations challenged by longstanding economic, cultural and social distress by building positive, appropriate relationships prior to, through and after project collaboration. These partnerships reflect Native peoples' needs and expectations, including with respect to Native American values, spiritual and cultural well-being, e.g., use of resources and language. Without Oweesta, Native CDFIs might have met with distrust in communities accustomed to being targeted by predatory lenders. Instead, Oweesta has played a pivotal role in expanding the Native CDFI landscape, with over 64 certified Native CDFIs and nearly 25 emerging Native CDFIs currently active in tribal communities, thanks to their technical assistance and capitalization efforts.

Second, JCF's community engagement tools, to be included in the Community Lender's **Tool Kit,** will promote embracing participatory structures, described in more detail in 1.2.1.2. These include Community Ownership Task Forces and Priority 1 community visioning initiatives.

For example, JCF Coalition Member the National Association for Latino Community Asset Builders (NALCAB) offers extensive experience, particularly in rural and agriculture communities, with the degree of cultural competence, premised on language capacity and cultural understanding, as well as the practical implications of meeting the schedules and expectations of farm workers and small businesses. Approximately 35-40% of NALCAB's network of 200+ mission-driven organizations across 46 states, serve low-to-moderate-income Latino communities spanning 46 states, DC and Puerto Rico directly serves rural communities that routinely lack functional access to Community Lenders. NALCAB's programs have played a vital role in advancing entrepreneurship and wealth-building among Latinos, particularly in Texas, Nevada, and Arizona.

Third, enhanced information sharing and reporting on best practices is needed to amplify our Network's capacity. Community Lenders currently share information with their peers, but more formal and comprehensive systems are needed.

For instance, physical presence is more important than it may seem in the digital age. Coalition Member PCG has exclusive access to a sister organization comprising 111 mission-focused banks that operates 973 physical, human-staffed branch locations across all 10 EPA regions, of which with 592 (61%) are situated within J40 census tracts and 40% in Persistent Poverty counties. Existing PCG case studies analyzing geo-coded loan portfolios identify a strong correlation between physical branches and loans originated. In other words, physical branch locations can be effectively deployed to build trust and develop a portfolio of community QPs.

With respect to **JCF's own engagement efforts**, JCF intends to develop a national engagement plan, which includes JCF outreach on a periodic, representative basis with respect to Community Lender awareness, QP benefit awareness and funding experiences. Community Lenders believe that community lending has substantially grown (tripling assets in the last five years), in part because Community Lenders are present in the communities. (New York Federal Reserve, *Sizing the CDFI Market: Understanding Industry Growth* (August 2023)). JCF intends to undertake the full suite of outreach efforts, including in person initiatives for major and initial Priority QPs, contract surveys and neighborhood outreach, digital and electronic outreach, social media tracking and otherwise.

JCF will continually assess and adjust its strategy based on member feedback and emerging best practices. Quarterly and annual evaluations by JCF's research staff will track Community Lenders' community trust-building, stakeholder engagement, and recognition, collecting data through surveys, interviews, and other methods. This information will be made public and guide semi-annual updates to the LIDAC engagement plan, ensuring ongoing comprehensive, frequent, accessible, and community-tailored engagement.

JCF's earliest instances of engagement, including with Coalition Members such as the National Coalition for Asian Pacific American Community Development (National CAPACD), informed JCF's overall approach – that communities would determine JCF's course of action.

JCF's ongoing engagement for the past year has made good on its commitment – that it would center its focus on creating solutions for LIDAC communities. Since the end of last year, JCF continuously has met with Coalition Members, engaging their networks across the country to inform what would become the JCF and its work, and reached out to approximately one thousand community lenders, including those who are positioned to channel financing to eligible greenhouse gas-reducing projects quickly, as well as those who need training to begin financing projects in target communities.

Key partners have also conducted outreach, polled community lenders, and gathered member data across networks, ensuring the Program aligns with needs, capacities, geography, and other key considerations. Independently, JCF's Community Lenders already have a demonstrated track record of actively engaging and serving diverse LIDACs and advancing climate solutions. For example, our CDFIs meet or exceed robust formal U.S. Treasury mechanisms for maintaining community accountability, e.g., in the form of Board representation or active engagement of community advisory boards that reflect the composition and stakeholders of the markets served.

The more than 1,000 aggregate Letters of Support we received confirm the effectiveness of the mechanisms we have used to date to shape the Program and guide our key decisions.

1.2.1.2 LIDAC Accountability Plan

As detailed in Section 2, JCF has deliberately implemented a governance structure designed to advance rigorous LIDAC accountability, with a Board composition reflecting JCF's values, including independent Board members focused on advancing community benefits, the use of advisory committees to advance stakeholder engagement and an independent Administrator.

In addition, JCF has extensively researched and identified key components of leading accountability plans from various sectors, including the public, environmental justice organizations, NGOs addressing community violence, emerging corporate accountability, and the health sector. These plans will include 1) defining JCF's values, Vision, and Program goals, 2) specifying responsibilities through written policies, 3) establishing performance targets in collaboration with communities, 4) actively monitoring and publicly reporting metrics, and 5) implementing mechanisms to recognize success and address underperformance.

Finally, as mentioned above, JCF expects its initial accountability plan to evolve to reflect best practices, including as the Coalition learns from its Coalition Members, community organizations, and other participants. Specifically, JCF expects its research team to identify quarterly and annually the best practices that have advanced community trust-building, stakeholder engagement and recognition.

Transparency Mechanisms

Transparency is the cornerstone of our commitment to community accountability. We will implement the following measures to ensure our Program remains transparent and accessible to all stakeholders:

Community alignment and empowerment: JCF's investment strategy will require Community Lenders receiving dollars to align their investment strategy with existing community plans and community priorities. They must also outline their ongoing community engagement approach. JCF will also integrate with state and local programs and incentives to advance community goals. Capitalization recipients and TA Awards must incorporate these priorities into their due diligence and execution.

Community feedback: JCF will establish responsive feedback channels for community input, including in-person or online events, online portals, email, and hotlines. A digitized community survey will be used in QP approvals to gauge community understanding of funding allocations and climate considerations. Data will be rigorously tracked and reported.

Transparency in financing: Financing criteria will be publicly available, and online platforms will confirm Community Lender compliance with standards, generating reports for Community Lenders and aggregate lending activity.

Regular reporting: JCF will implement quarterly reporting, including financing and project details at the census tract level. Metrics will cover financing amounts, recipients, project types, emissions reductions, job creation, and more, ensuring transparency and community impact tracking.

Participatory Governance Structures

JCF Network has a rich history of involving communities in decision-making processes. To further strengthen participatory governance, we will implement the following strategies:

Community Ownership Task Force: JCF will establish a task force including employees, community leaders, local Community Lenders, organizations, and environmental advocates to explore community ownership options like lease-to-own models, micro-investments, and green bonds issued by local Community Lenders.

State Cohorts: JCF's State Cohorts will comprise community-based organizations, environmental justice groups, government officials, and Community Lenders. They will collaborate on program design and investment priorities, addressing barriers, identifying projects, and aligning with community efforts. Cohort members may receive compensation for their expertise.

Enhanced accessibility and efficiency: JCF will simplify processes, share templates, and provide accessible education and training to reduce transaction costs.

Conflict resolution practices: JCF will implement conflict resolution practices to fairly resolve disputes among stakeholders, possibly involving reporting mechanisms, open dialogues, and mediation.

Community Benefits Agreement (CBA): JCF will train Community Lenders in negotiating and implementing CBAs, with commitments like local hiring and economic trust funds. Criteria for recommended or required CBAs will be developed. Also, as mentioned above, most Community Lenders in the JCF Network are CDFIs and are required to report annually on their community accountability and engagement mechanisms to the U.S. Treasury's CDFI Fund. These Community Lenders continue to prioritize people over profits and are eager to increase their green lending capacity.

1.2.2 Investment Objectives

JCF's Network has created a clear, enduring strategy to amplify green lending in LIDACs. Our Scoring System uses census-tract level data, quantifies geographic and project category allocations based on levels of burden and funding needs to reach net-zero. The model specifically accounts for and provides increased funding to LIDACs. All GGRF Program Objectives will be implemented in an impact matrix, included in the loan packet and presented to the JCF loan committee to ensure Community Lenders are committed to advancing the overall aims of JCF and the NOFO Objectives. Our top-level targets, on a per-dollar and portfolio-wide basis, are summarized in **Exhibit 1.2.2-1** below.

Climate and Air Pollution Benefits Total	Equity and Community Benefits Total	Market Transformation Benefits
25.7M metric tons of CO_2e reduced and avoided.	**450,000** direct and indirect jobs supported. Financing to over **672,000** households and **48,900** businesses.	**$7.32B** of private capital mobilized, an estimated 3x leverage ratio.

Exhibit 1.2.2-1. JCF Objective Targets Summary

1.2.2.1 Climate and Air Pollution Benefits – Program Objective 1

JCF has developed a robust strategy to meet Objective 1 and support U.S. progress towards international climate commitments outlined in the Nationally Determined Contributions (NDCs) and outlined Executive Orders. JCF's focus on QPs aligns with these goals, advancing net zero targets in 2030 through 2050.

With GGRF funding of $4.4B and JCF's target private capital leverage of 3x, JCF's Network intends to finance approximately **780,000 QPs** over the Period of Performance, reducing emissions by over **25.7 million metric tons** of CO2e. Across the JCF Network portfolio, this equates to **5.63 kgs** of CO2e reduced per GGRF dollar spent. Certain specific targets are listed below in **Exhibit 1.2.2.1-2**.

Priority Project Category	Project	Total Projects Funded
Distributed Energy Generation & Storage	Solar PV capacity installed	1,710 MW
Distributed Energy Generation & Storage	New battery storage capacity	229 MW
Net-Zero Emissions Buildings	Heat pumps and heat pump water heaters financed	364,000
Net-Zero Emissions Buildings	Buildings weatherized, electrified, and made energy efficient	89,600
Net-Zero Emissions Buildings	New net-zero single family homes	573
Zero-Emissions Transportation	Light-duty EVs financed	163,000
Zero-Emissions Transportation	Medium-and heavy-duty EVs financed	1,771
Zero-Emissions Transportation	Charging stations installed	40,200

Exhibit 1.2.2.1-2. Climate and Air Pollution Benefits Targets

Our targets are based on projected QP deployment across project categories; Distributed Energy Generation and Storage, Net-Zero Emissions Buildings, and Zero-Emissions Transportation. We employ JCF proprietary modeling, using data and sub-modeling derived from trusted governmental or peer-reviewed studies, e.g., the National Renewable Energy Laboratory, the Rocky Mountain Institute and the International Council on Clean Transportation. JCF's emissions reduction model takes dollar inputs into each QP category and converts these amounts into number of QPs financed, with anticipated emissions reduced estimated using QP-specific data, again from trusted sources. State-level deployment targets are incorporated into the analysis where feasible, providing additional granularity, accounting for generation composition and consumer usage patterns.

As detailed in **Section 1.3.1,** JCF will track, measure and report on the targets listed above (among other targets). This reporting plan aligns with both the United Nations' SDG Impact Standards, evolving U.S. reporting systems and EPA guidance. Baseline and ongoing greenhouse gas (GHG) assessments will employ the guidance provided by the Partnership for Carbon Accounting Financials. JCF Community Lenders will also follow the CDFI-specific guidance.

1.2.2.2 Equity and Community Benefits – Program Objective 2

The JCF strategy ensures that the most burdened LIDACs (as defined by the J40 Burden calculator) are prioritized in funding allocation decisions. This targeted strategy ensures that historically underserved are at the forefront, not left behind. **Exhibit 1.2.2.2-1** below outlines JCF's specific program targets related to EPA Program Objective 2.

Community Type	Total Projects Funded	Households Receiving Financing	Businesses Receiving Financing	Annual Family Cost Savings	Total Jobs Supported (Direct and Indirect)
Portfolio-wide	780,000	673,000	48,900	$447M	447,000
Persistent Poverty	244,000	211,000	15,300	$139M	140,000
Rural	171,000	147,000	10,700	$97.9M	97,800

Community Type	Total Projects Funded	Households Receiving Financing	Businesses Receiving Financing	Annual Family Cost Savings	Total Jobs Supported (Direct and Indirect)
Tribal	20,300	17,500	1,270	$11.6M	11,600
Energy (48C)	59,300	51,100	3,720	$34.0M	34,000

Exhibit 1.2.2.2-1. Equity and Community Benefits Targets

Total funding amounts by community type are calculated using JCF's geographic allocation strategy, rooted in our Priority Communities Classification System described in Section 1.2.

Total QPs are estimated using those funding amounts and reported QP-specific costs. The number of businesses and households reached is calculated by totaling the QP number across the commercial and consumer/residential market sectors, respectively, and assumes that each project is delivered to a separate household or business. Job impacts are calculated based on dollar investments into specific project types, using the methodology developed by McKinsey to quantify green lending benefits. (K. Buehler, et al., *Delivering transformative impact from U.S. green bank financing;* April 2023; McKinsey Sustainability.)

Another key priority for equity and community benefits within the JCF's strategy is to create continued circulation of dollars within the community to amplify QP-related community benefits. These QPs will spur job creation benefits, along with much-needed capital for Minority, Women, and Disadvantaged Business Enterprises (MWBE). JCF is committed to addressing these inequities and will develop financing targets for MWBE. Furthermore, healthy homes intervention benefits to LIDAC individuals and families include lower energy costs, lower health risks from improved indoor air quality and jobs (via associated workforce training/placement programs). Community-led workforce development expansions within target communities will allow JCF to maximize the number of small businesses and entrepreneurs executing the projects created by CCIA capitalization through TA awards and through the collaborative Trade Coordinator strategy. By ensuring that the dollars used in QPs employ community members and build businesses within the communities being served, this process builds a local ecosystem for financing projects that have local environmental improvements along with community benefits. Furthermore, JCF will work with regional housing authorities to ensure affordable housing and construction is a key component of JCF strategy and allocation.

Community Type*	Deployment Target, incl Private Capital	Target Percent of JCF Allocation	Percent of U.S. Population
Persistent Poverty	$3.44 billion	31.3%	9.2%
Tribal	$287 million	2.6%	0.9%
Energy	$834 million	7.6%	5.7%
Rural	$2.40 billion	21.9%	13.9%

**Note that these classifications are not mutually exclusive.*

State	% Total Funding	State	% Total Funding	State	% Total Funding
CA	**13.67%**	SC	**1.81%**	NE	**0.55%**
TX	**8.86%**	IN	**1.78%**	ID	**0.47%**
FL	**6.51%**	MO	**1.74%**	ME	**0.45%**
NY	**4.95%**	OR	**1.70%**	MT	**0.35%**
PA	**3.45%**	MS	**1.63%**	DE	**0.32%**

State	% Total Funding	State	% Total Funding	State	% Total Funding
IL	**3.36%**	PR	**1.38%**	SD	**0.29%**
NC	**3.29%**	MI	**1.31%**	NH	**0.28%**
OH	**3.23%**	CO	**1.26%**	HI	**0.26%**
GA	**2.98%**	MA	**1.25%**	Guam	**0.25%**
AZ	**2.83%**	AR	**1.23%**	RI	**0.25%**
MD	**2.36%**	CT	**1.19%**	ND	**0.25%**
OK	**2.34%**	MN	**1.07%**	AK	**0.25%**
NJ	**2.02%**	NM	**0.90%**	American Samoa	**0.25%**
KY	**2.01%**	WI	**0.90%**	DC	**0.25%**
WA	**1.98%**	WV	**0.83%**	VT	**0.25%**
LA	**1.96%**	IA	**0.79%**	Northern Mariana Islands	**0.25%**
TN	**1.95%**	KS	**0.78%**	WY	**0.25%**
VA	**1.93%**	NV	**0.78%**	USVI	**0.25%**
AL	**1.90%**	UT	**0.63%**		

Exhibit 1.2.2.2-2. CCIA Allocation Percentages

In addition, the JCF strategy elevates and addresses the root causes of limited access to climate solutions. These include home ownership rates and awareness of incentive programs. Furthermore, the burden prioritization methodology was developed with structural disadvantages in mind.

1.2.2.3 Market Transformation Benefits – Program Objective 3

JCF's principal indicator of market transformation will be the rates of progression of CCIA participants to NCIF and CCIA participants' subsequent performance in that Program. High rates of advancement and successful green lending outcomes will indicate that the Program, including the certification process, is working to enable Community Lenders to actively undertake new green lending, including with private capital leverage. We may assess whether CCIA participants outperform their peers who have not had the benefit of access to the Program. If so, that will allow us to adjust training for existing active lending institutions.

JCF also will design systems to track leverage rates, e.g., how much private capital is being allocated to QPs by CCIA graduates. Leading analysts have concluded that well-designed leverage optimization programs *can* play a critical role in facilitating progress toward achieving U.S. climate goals, including in LIDACs. (McKinsey, *Principles to Catalyze Impact from U.S. Green Bank Financing*, December 4, 2022.) Through decades of LIDAC experience, the JFC-led Coalition has experienced first-hand the challenges and opportunities of seeking private capital leverage. Private capital providers may be reluctant to invest in LIDACs because they (a) strongly prefer to invest in geographies with which they are familiar and lack experience with the nuances of investing in LIDACs; and (b) are confounded by ancillary QP requirements necessary for project viability (e.g., lead abatement costs for a residential retrofit project), but not readily integrated into existing underwriting. JCF intends to approach these barriers as experiential, meaning that positive co-funding experience is expected to increase the appetite for LIDAC QPs.

In the CCIA Program, JCF essentially serves as an important source of high-quality QP-related data, allows JCF to develop information, e.g., de-risking strategies, that a single Community Lender lacks the ability to develop and implement. For instance, JCF will be well-positioned to assist Community Lenders in creating portfolios of QPs that reduce single-project risk. This may also allow Community Lenders to more efficiently access state and local funds and incentives. Well-constructed portfolios, and other incentives, can be determinative as to whether projects "pencil out," improving the prospects of private capital arrangements. (Scott Sowers, "*Making Affordable Pencil Ou*t," National Apartment Association, September 30, 2022, naahq.org.)

Certainly, CDFI data indicates the CDFI Fund's matching requirements have leveraged billions of dollars of private investment. (CDFI Fund, "*How Do the CDFI Fund's Programs Work*," available at: www.cdfund.gov.) Additionally, as discussed in Section 1.2.3.1 and with the benefit of the information discussed here, JCF intends to implement, perhaps on a pilot basis, matching and co-funding track records and correlations, with the goal of ultimately defining optimized public/private partnerships that lead to more rapid scaling. JCF's goal is to allocate **$3.7B**+ to finance QPs, mobilizing a target **$7.32B** in non-GGRF capital during the Period of Performance, with the expectation that a 3x leverage (which represents a lower expectation than in JCF's NCIF Application) is achievable.

1.2.3 Pass-Through Strategy

The JCF Coalition represents hundreds of years of community-lending experience. Most of the Coalition has worked with its respective members and the networks they serve to manage and deploy federal funds to some of the most underinvested U.S. communities. Drawing from those deep experiences, JCF has crafted a streamlined, equity-centered and unified pass-through strategy that delivers the greatest benefits to the most burdened communities. By leveraging its Network, which covers 85.8% of the U.S. population, JCF and its Coalition bring forth a proven capacity to pass through CCIA funds to diverse Community Lenders across all 10 EPA Regions, while achieving targets of 82% of funds for capitalization funding and 98% for both capitalization funding and TA Awards.

1.2.3.1 Capitalization Funding and TA Subaward Design

JCF estimates CCIA funding demand will far exceed the $6B in CCIA award funds available. Given this reality and as detailed in Section 1.0, JCF's passthrough strategy focuses on optimally and equitably allocating to Community Lenders utilizing separate competitions Waves enabling Community Lenders that participate in the Program to reserve CCIA funds. This approach encourages the fair and equitable distribution of resources to Community Lenders which we believe will bring more Lenders into the program, facilitating better training across the Lender pool. It also allows a more lenient time horizon in which Community Lenders can identify QPs and develop a stronger track record – the lack thereof which has hindered LIDAC lenders hitherto.

Funding Instrument Design

Conceptually, JCF's funding instrument design: 1) encourages deployment of CCIA funding to well-performing, high-impact loans and investments; 2) incentivizes a Community Lender's transition to NCIF; and 3) contemplates Community Lender matches and leveraging of private capital, if practicable. Specific allocations are as detailed below:

Small-sized, medium-sized, and new Community Lenders. An initial amount of $1.5-5M will be available to reserve immediately following the assessment phase of the Program (see Section 1.1). Because these institutions have smaller balance sheets, no match is required for the first $5M. For small-sized and new Community Lenders, Priority 1, 2, or 3 community QPs are required for loans and investments. Priority 1 and 2 community QPs will be required for medium-sized Community Lenders. Once the first up to $5M has been successfully deployed, an additional up to $5M (for a total of up to $10M) will be available to reserve. Small-sized or new Community

Lenders will be required to raise a 1:1 match with private capital and deploy QPs in Priority 1 or 2 communities. Medium-sized Community Lenders will be required to raise a 3:1 match with private capital and deploy QPs exclusively in Priority 1 communities. These JCF requirements, as a part of JCF's CCIA investment objectives, ensure enduring capacity and market building for small-sized, medium-sized, and new Community Lenders.

Large Community Lenders. The full maximum of up to $10M will be available to reserve immediately following the assessment phase of the Program (see Section 1.1). Because these institutions have larger balance sheets, matches are required. For an experienced, large-sized Community Lender, a 4:1 match with private capital is required and only Priority 1 community QPs are allowed.

All Community Lenders. A percentage of capitalization funding will be allowed for capital reserves, participant support costs, rebates and other subsidies: up to 20% for Priority 1, up to 15% for Priority 2, and up to 10% for Priority 3 community QPs. JCF will review subsidy allocations during the first 2 years; after year 2, JCF will conduct an annual review (e.g., looking at market needs, adoption costs and other relevant data across CCIA and other GGRF funded projects, information shared by Community Lenders across GGRF) of the subsidy allocations and will adjust the subsidy allocation policy based on market needs and EPA input. JCF anticipates higher subsidy allocations in the early years of the Program, and lower subsidy allocations as the markets develop causing related costs to decrease. All Community Lenders who deploy the maximum $10M to CCIA-eligible QPs will be encouraged to seek additional deployment capital from our sister JCF NCIF Application.

Technical Assistance Subaward Instrument Design

The range of technical assistance subaward amounts (TA Awards) and term options are proportional to the amount of capitalization funding. JCF's equity-driven and streamlined approach to matching capacity, premised on anticipated high demand relative to the available funds, consists of a TA Award cap of up to $500,000 for large Community Lenders, many of whom already have some staff capacity to perform this work (and thereby achieve investment objectives); the full $1M will be available for small-sized, medium-sized, and new Community Lenders, many of which do not have any staff capacity. JCF will allow all Community Lenders to utilize TA Awards as soon as capitalization funding is reserved, beginning as early as post-assessment. This approach maximizes the overall GGRF funding pool and promotes optimal market building and scaled deployment by incentivizing transition to NCIF, a key factor in ensuring enduring capacity beyond the Period of Performance. The time horizon to use funds will be 18 – 24 months and will be detailed in the next section (see Section 1.2.3.2).

Because JCF anticipates CCIA funding demand will far exceed the $6B in CCIA award funds available and the subsequent parameters outlined, JCF will not make exceptions during the first 3 years. All TA Award exception requests, for years 4 through 6, must be submitted in writing to JCF, demonstrating why an exception is needed.

1.2.3.2 Distribution Process Design

The JCF distribution process is designed to quickly deploy capitalization funding and TA awards as needed for all Community Lenders who meet CCIA requirements and JCF guidelines. The overall structure, as outlined in Section 1.2.3.1 and below, consists of Wave competitions for Community Lenders to reserve funds. Wave 1 will primarily deploy to large-sized Community Lenders, many of whom have capacity to quickly transition to NCIF, subject to their meeting the match and Priority 1 mandates (above). Wave 2 will primarily deploy to Community Lenders who have established infrastructure and capacity (e.g., added staff, utilized training) resulting from the Program. Wave 3 will primarily deploy to new Community Lenders and those Community Lenders working in underdeveloped markets. Wave 4 will primarily deploy to mostly undeveloped, Priority 1 communities. CCIA funds will be reserved after assessment but deployed on a transaction-by-transaction basis for capitalization funding, with complementary TA Awards becoming "unlocked" as capitalization funding is deployed (consistent with Section 1.2.3.1).

Assessment Phase: After passing through an assessment, Community Lenders may receive 1) the initial TA Award of $150,000, and 2) a reservation of $1.5M to $10M in CCIA capitalization, to be deployed in accordance with the Program criteria, but not to exceed 2 years from the earlier of the reservation date or completion of training. Reservations are subject to the outcome of the assessment and may have additional training or gating requirements.

Training Phase: Community Lenders will move to the **training phase**, where they will receive a combination of hands-on, core training and topic-specific training, customized to their needs, based on the assessment results. The training phase operates as the initial JCF capacity building process that will ready all eligible Community Lenders for NCIF funding. The training phase has three objectives: to i) complete the core-training; ii) complete the individualized or topic-specific training; and iii) utilize the hands-on training approach to build a robust QP pipeline and to initiate key partnership building.

Individualized training is bespoke and not subject to definition here. Across all modules, JCF Community Lenders will have assigned deliverables intended to accelerate their organizational capacities. During the training phase, Community Lender staff will grow knowledge and skills and building pipeline, resulting in additional capitalization funding reservations, and thus "unlocking" additional TA Award subawards. Examples of training assigned deliverables may include utilizing the priority level framework, developed by a JCF partner, alongside the project category opportunities tool, a resource developed by a JCF partner to quickly assess the market opportunities at the census tract level and identify new and existing QP project deals in the pipeline. Once training is successfully completed, all Community Lenders will receive JCF CCIA compliance certification. This certification unlocks the ability to reserve the CCIA funds available to them based on JCF parameters outlined in Section 1.2.3.1.

Green Financing Fundamentals Course	Covers key components of Green Financing and related information on the Energy sector.
Development of Financial Products Course	Covers development of financial products.
Labor and Equitable Workforce Development Plan Course	Covers community labor and workforce considerations, best practices and compliance.
Community Engagement and Market Development Course	Covers effective and respectful community engagement practices. Covers responsible consumer education, effective demand generation and pipeline cultivation.
Compliance	Covers the full suite of financial and project-related compliance considerations, including reporting, monitoring and verification (federal, state and local).
Business Planning Course	Covers effective capital raising and leveraging practices, as well as their strategy and business planning for launching and executing their green lending program.

Exhibit 1.2.3.2-1. Training Phase Core Modules

As detailed above in Section 1.2.2.3 the Wave approach to capitalization encourages Community Lenders to engage in training to unlock TA award and capitalization reservation. Small, medium and new Community Lenders, as outlined in Section 1.2.3.1 are expected to have multiple capitalization tranches.

Capitalization Tranche #1: Through the evaluation process described below, JCF will consider the Community Lender's experience in determining allocation amounts over time. Due to the nascence of Community Lenders within LIDACs and the underreporting of green lending by experienced LIDAC lenders, JCF does not intend to rely exclusively on historic lending patterns (see Section 1.1.1). Nor does JCF intend to rely exclusively on the volume of financing transactions, given the asset size disadvantages faced by small Community Lenders, many of whom support Priority 1 communities. Rather, JCF will undertake a more holistic evaluation approach to identify comparable relevant experience, considering any lookback analysis conducted to address underreporting of green lending.

Capitalization Tranche #2: For the second tranche of up to $5M of capitalization funding reserved by small, medium, and new Community Lenders, JCF will leverage deployment history from the first tranche of up to $5M, more broadly to the extent available. Additionally, all Community Lenders are required to catalyze additional private capital to demonstrate and build enduring clean financing capacity among the Network.

Completion of the Program: Community Lenders will have access to JCF Coalition shared pipeline of CCIA-eligible QPs to underwrite and deploy resources. Additionally, Community Lenders will have ongoing access to JCF's **Tool Kit** which will include, among other things, templates, guidance, lending policies, community engagement and accountability best practices, ongoing personnel training and bespoke offerings designed to bolster existing lending ecosystems in LIDACs.

1.2.3.3 Eligibility Review Process

Eligibility Evaluation: At minimum, Community Lenders must: 1) be either a public, quasi-public, not-for-profit, or nonprofit entity; have the legal authority to provide financial assistance to QPs at the state, local, territorial, or Tribal level, or in the District of Columbia; and 2) be eligible to receive a subaward under the EPA Subaward Policy. Supporting documentation including articles of incorporation or similar documents filed with a governmental authority; tax filings; financial statements; investment records; and/or any other information will be collected and validated by JCF at the assessment phase, to ensure compliance with eligibility requirements per the CCIA NOFO.

1.2.3.4 Evaluation Process

JCF is committed to ensuring all capitalization to QPs (for Community Lenders) are compliant with the Program and risks are mitigated. The JCF Evaluation Process has several core elements:

- ***Uniform Due Diligence Process and Policy Compliance**:* JCF and its Coalition Members will team up to conduct financial and operational due diligence on Community Lenders, leveraging the training certification. Coalition Members will use a common JCF Due Diligence Checklist (discussed below) to evaluate Community Lenders and validate their QP pipeline. Any gaps identified in a Coalition Member's investment policies or procedures will be addressed before a Community Lender will be eligible for seeking capitalization.

- ***Central QP Approval**:* JCF is staffed with a team dedicated to reviewing all QPs seeking capitalization. When Community Lenders have identified QPs for funding, they will prepare a packet and submit it via a portal that automates much of the approval process. On a weekly basis, the QP Approval Team will review submissions using the Qualified Projects Checklist and other JCF checklists modeled after an efficient IA process that reviews 285-300 investments per year.
- ***Centralized, Transparent Accounting**:* Community Lenders will be required to receive JCF funds in a segregated account that is automatically linked to JCF's central accounting system. This system will automatically record all transactions in the account, enabling JCF to track and account for all money movement related to the subaward. JCF's investment management and accounting system enables JCF to tag and report on the Program's impact and outcomes metrics.

Further, JCF's compliance training module covers investment policies, governance and documents compliance, culminating in a certification that these documents and practices are in place.

Evaluation Committee: The CCIA Evaluation Committee (EC) will be the central decision-making body responsible for overseeing the capitalization subaward process, making decisions on whether and how much will be awarded and updating the evaluation process as the Program evolves. The EC will be comprised of both internal and external members with expertise in finance, investment analysis, climate solutions and supporting LIDACs. The Evaluation Charter (EC Charter) and the Investment Policy Statement (IPS) are the two main documents that will govern the activities of the EC.

The EC Charter, which will outline the purpose, responsibilities, composition, and operating procedures of the EC, serve as a foundational framework for the EC's activities thereby ensuring transparent, effective and equitable decision-making in the management of capitalization subawards.

Community Lender Evaluation Criteria: This living document will serve as a roadmap for guiding EC decisions and managing the overall Evaluation and Allocation Assignment process, including the extent and quality of a Community Lender's QP checklist, risk tolerance, investment policies, organizational capacity to deploy and manage, investment reporting capacity, performance measurement and monitoring and impact reporting.

QP Pipeline and Track Record Evaluation Process. Prior to receiving capitalization, Community Lenders must submit a specific QP or multi-QP pipeline for validation by JCF. JCF will assess the appropriate traditional financial diligence factors that reflect best practices for the different QP financial products and assets classes.

In addition to these traditional financial factors, JCF will integrate Program-specific factors to ensure compliance with EPA QP criteria. These will include the: 1) QP Checklist applied pre-investment to ensure QP compliance before releasing funds, 2) QP due diligence package (QPDD) to ensure environmental and community benefits, financial feasibility and compliance with flow down terms and conditions set by JCF to subawards, and 3) QP Committee, which is responsible for overseeing the application of all criteria and restrictions governed by a QP Charter. JCF's QP Checklist will cover the extent to which the prospective project, activity or technology is not otherwise financed and:

- Benefits LIDAC
- Reduces or avoids GHGs consistent with U.S. climate goals.

- Reduces or avoids emissions of other air pollutants.
- Delivers additional community benefits within one or more of the following categories:
    - Climate change,
    - Clean energy and energy efficiency,
    - Clean transportation,
    - Affordable and sustainable housing,
    - Training and workforce development,
    - Remediation and reduction of legacy pollution, and
    - Development of critical clean water infrastructure.
- May not otherwise have been financed.
- Mobilizes private capital.
- Supports only commercial technologies.

QPDD Evaluation Packet Submission. JCF will use a QPDD, modelled off a proven, robust and institutional due diligence template. The QPDD Package will include the QP Checklist, key financial information, QP-specific outputs and outcomes, along with any environmental and community benefit projections. The QPDD will also include the acknowledgement of "flow down" compliance. Finally, in every instance, the approved QPDD will be submitted for EC review and approval prior to the disbursement of funds. The EC will meet weekly for review to ensure agile turnaround on decisions. In addition, JCF will maintain a Risk and Audit Committee that will carry out a comprehensive oversight process and have a pre-determined meeting cadence.

1.2.3.5 Amount Determination Approach

JCF Scoring Evaluation: JCF will score each Community Lender based on the outcomes of the Evaluation Process, and this score will be the basis for determining an organization's capitalization amount.

Scoring Rubric:

Category	Weight	Points
Catalytic Factor of Capitalization Grant	25%	1-10
Confidence Rating based on Organizational Due Diligence	20%	1-10
Confidence Rating based on Track Record & Financial Condition	20%	1-10
Alignment of Pipeline with Priority Communities	10%	1-10
Deployment Impact Potential	25%	1-10

Catalytic Factor of Capitalization Grant: JCF will make a determination on how catalytic the CCIA Capitalization Grant will be in *transitioning the organization* into a bigger, better, self-sustaining and growing Green Lender in LIDAC communities.

Confidence Rating based on Organizational Due Diligence: Based on the quality and thoroughness of the organizational policies and procedures and the experience and competence of its staff.

Confidence Rating based on Track Record: Based on the organization's current portfolio under management (of any type), how well it has been managed including the rate and handling of successes and failures.

Alignment of Pipeline with Priority Communities: The extent and quality of the organization's QP pipeline in Priority 1, 2, and 3 communities as illustrated in Section 1.1.

Deployment Impact Potential: Based on the organization's potential to deliver on the Program's GHG reductions and community benefits as detailed in Section 1.2.2.

1.2.3.6 Management and Oversight Plan

Governance, process and procedures are discussed elsewhere herein (see Sections 1.2.3.4 and 2.2). As detailed in Section 1.2.3.5 (describing tranches and milestones), to achieve investment objectives, JCF's will manage and oversee capitalization funding and TA Awards to ensure compliance, eligibility, timely and efficient use of funds. The reservation and tranche approach improves the probability that successful participants of the training program are tracked (including via our in-place system discussed below), while reducing the risk of significant capitalization loss. The JCF team will employ JCF's software portal to ensure effective management and efficient oversight of both capitalization funding and TA Awards.

Management and Oversight Plan for Capitalization Funding

The user-friendly JCF suite of technologies possesses dynamic management tools, including team-specific functionalities and controls. The systems can support application programming interface (API) capabilities, aligning with widely available loan management software, such as Moodys and LoanPro, enabling Community Lenders to seamlessly integrate their existing loan management systems, while efficiently transmitting vital loan details and data to JCF. In addition, JCF has technology to streamline the user experience from checklists, allocation requests, and reservation deployments, to key deadlines, bi-annual audits of JCF CCIA-funded the tracking of crucial impact metrics.

To ensure funding is only allocated by JCF and expended by an organization for eligible purposes, JCF's program completes the organization's eligibility due diligence at the onset in the assessment phase. While capitalization funding is available for reservation on a post-assessment basis, actual issuance of financial assistance requires completion of training and the full, internal evaluation process. JCF CCIA capitalization funds will be deployed in the closing phase of a transaction for each Community Lender. Because funds are only deployed at closing, the reallocation of unused funds occurs by "unmarking" previously reserved funds, making them available again to other Community Lenders during the next Wave opening. Consistent with CFR 200.208 and 200.339, JCF may impose additional conditions on awards to Community Lenders who fall out of compliance with federal requirements after grant allocation, including withholding approval to continue lending activity pending cure of the noncompliant activities within a prescribed period. Continued failure to remedy the noncompliant actions could result JCF taking additional actions, including but not limited to wholly or partly suspending the award, withholding future awards, terminating the Community Lender from the Program and/or legal action by JCF, utilizing its capital reserves and other resources.

Management And Oversight Plan for Technical Assistance Awards

The TA Awards will be effectively managed and overseen in the same way as the capitalization funds, as outlined above. The mechanics will work similarly as well, with funds initially being available post-assessment to all eligible Community Lenders. Because the capitalization funding to TA Award ratio is proportional, additional TA Awards will become available at loan/investment closing. Like capitalization funding, TA Awards deployment requires compliance checks, namely a detailed summary of the use of funds and how it will enhance the Community Lender's capacity to deploy more CCIA funds and/or transform the local market for green lending in their respective community.

To control and ensure funding is only expended on eligible purposes, JCF's Program completes eligibility due diligence at the onset in the assessment phase. While a portion of the TA Awards are available for deployment immediately following post-assessment (up to $150,000), additional availability and deployment of TA Awards requires completion of training and additional prospects that lead to capitalization funding reservations. The reallocation of unused funds occurs only when the use of funds changes, requiring a change update by the Community Lender or returning them, where they will become available again to other Community Lenders during the next Wave opening. Consistent with CFR 200.208 and 200.339, JCF may impose additional conditions on awards to Community Lenders who fall out of compliance with federal requirements after grant allocation, including but not limited to withholding approval to continue lending activity pending cure of the non-compliant activities within a prescribed time period. Continued failure to remedy the noncompliant actions could result JCF taking additional actions, including but not limited to wholly or partly suspending the award, withholding future awards, terminating the Community Lender from the Program and/or legal action by JCF, utilizing its capital reserves and other resources.

1.2.4 Technical Assistance Services Strategy

For LIDAC green lending, achieving our investment objectives hinges on more than the provision of funds (capitalization). The Program is thus structured as a comprehensive support ecosystem tailored to the needs of Community Lenders with far-reaching ties in the communities they serve.

Much of the TA Awards will be developed and administered by Coalition Members, led by Carsey and Inclusiv (both of which specialize in education and training). For instance, training modules will be developed in partnership with multiple Coalition Members, including Greenlining, RMI and Elevate.

In addition, external contractors or consultants engaged for the provision of technical assistance services will be sourced following the competitive procurement requirements stipulated in 2 CFR Parts 200 and 1500, and in full adherence to EPA's 40 CFR Part 33 Disadvantaged Business Enterprise participation rule. We are guided by, and will rigorously implement, the practices outlined in the Best Practice Guide for Procuring Services, Supplies and Equipment Under EPA Assistance Agreements.

1.2.4.1 Targeted Community Lender Support Plan

JCF's standardized program makes technical assistance services available to all Community Lenders, regardless of size, experience, geographic location, or market capacity, following the assessment phase. The Program leverages a suite of tools, resources, and subject matter experts in the JCF Network to ensure all Community Lenders receive exceptional technical assistance services needed to understand green lending in LIDACs, deploy capital in these communities, and ensure enduring capacity within currently under- and un-developed markets.

The JCF strategy ensures that Community Lenders receive appropriate support through a constant feedback loop of monitoring progress and providing support as needed. From eligible Community Lenders struggling with building their prospect pipeline to eligible Community Lenders who have deployed their first tranche (up to $5M) and are struggling with the new requirements (e.g., private capital, Priority 1 or 2 community) for capitalization funding, the JCF team will leverage the broad Network to identify opportunities, challenges, and solutions for all Community Lenders. By tracking the CCIA pipeline across all phases for all Community Lenders, the JCF will better understand opportunities, limitations, and trends to better support efficient capital deployment across the network. The targeted support to Community Lenders will remain consistent over the Period of Performance and beyond.

In addition to the iterative support, after receiving capitalization funding and TA Awards, Community Lenders will receive access to customized training modules, market-wide analysis, technical support, and JCF structuring expertise. The JCF training modules are created by JCF Coalition Members (including insomuch as they are acting as Trade Coordinators) to address Community Lender knowledge gaps as identified in the assessment stage. Through the training process, Community Lenders will access key templates, toolkits and technology to better align with industry best practices and evaluate both climate and community impact. Though technically prior to capitalization, it is a pivotal component to ensure Community Lenders that will be receiving funding are prepared to do so in an effective way.

In addition to the Network-wide knowledge building done through training, the JCF staff will support market analysis in order for Community Lenders to most effectively deploy capital. As described in Section 1.1, the JCF team has created the Priority Communities Classification System, which allows the team to have a better understanding of the market and the various opportunities in those areas. This analysis tool will ensure Community Lenders across the country have an understanding of the likely opportunities available to them in their geography or priority classification. With this deep market understanding, JCF staff will be better able to provide technical support.

Lastly, JCF staff will be able to support Community Lenders through structuring expertise. Across the Network, JCF staff will support Community Lenders on measurement and community engagement in order to calculate the strength of various projects. This broader analysis will better inform Community Lenders on how to incentivize projects based on their climate and air pollution benefits and/or equity and community benefits using JCF provided measures.

1.2.4.2 Financial Market Building Plan

Through our approach and strategy, the JCF team plans to build a more supportive financial market for Community Lenders to provide financial assistance to CCIA-eligible projects and, in turn, achieve our investment objectives.

Waves: As described above, the development of Waves drives equitable access to CCIA funds for all Community Lenders, allowing Community Lenders the opportunity to increase capacity without losing the ability to reserve CCIA funds for projects and TA Awards. Without the Waves, the capital could be reserved by the largest and most developed markets and experienced Community Lenders in the climate space, leaving no CCIA funds for less developed markets and less experienced Community Lenders in the climate space. This is a core component of the JCF strategy, ensures adequate time and resources go toward market-building activities and avoids perpetuating existing inequalities that have historically limited a Community Lender's access to capital. This foundational market-building work and the Wave strategy will be carried out in Year 1 with those in the JCF Network to refine best practices, before expanding past the initial Network in Year 2 and beyond.

Communities of Practice: As detailed in Section 1.2.1.2, these State Cohorts will bring together Community Lenders working in similar environments to maximize shared learning across the network and collectively address market-wide barriers faced by those working in similar contexts.

Underwriting requirements: JCF requires that all Community Lenders meet general underwriting requirements, as noted in Section 1.2.3.6. The first step of the JCF workflow will require all Community Lenders to complete a compliance and eligibility intake form, which will include the requirement of lending and investment policy guidelines that must meet the JCF basic underwriting guidelines.

1.2.5 Implementation Plan

To achieve Program and GGRF objectives, JCF will launch a coordinated **Implementation Plan** focused on LIDAC Community Lenders as detailed in the following sections (the Implementation Plan). JCF welcomes EPA's input on the initial and subsequent iterations of the JCF Implementation Plan.

1.2.5.1 Community Lender Outreach and Accessibility Plan

The Program will be most successful if we can mobilize a broad base of LIDAC Community Lenders to join and graduate from the Program with a Tool Kit, capital and resources to deploy to QPs in Priority 1, 2, and 3 communities. Under the guidance of JCF, the Coalition Members, particularly Trade Coordinators, will be responsible for ensuring that Community Lenders are fully aware of the program and its associated benefits.

Outreach Plan

Trust-based outreach is a core component of the JCF strategy. The larger JCF Coalition Network boasts 1,019 CDFIs, active in all EPA Regions, representing nearly 85% of Americans in J40. The JCF Coalition is already deeply established and trusted in LIDACs and other underserved populations. The Network allows the ready and effective dissemination of Program information, including participation expectations, eligibility, timelines and deliberate and direct outcomes for LIDACs. This Program information will be available virtually and in person (where effective) via multilingual content that increases accessibility of the training resources available through the Program.

JCF will, through Trade Coordinators, prioritize outreach in Priority 1, 2, and 3 communities and conduct geographic analysis of priority communities to identify areas that lack community lending sources. Trade Coordinators will work with community-based organizations to establish new or bolster existing quality Community Lender networks to engage with and deploy resources and capital to these burdened and underbanked regions.

JCF will leverage existing Coalition Members' deep trust and ties within their communities and combine that with targeted outreach regions that remain underbanked and underserved resulting in widespread dissemination of the financial training, resources and capital that CCIA funding has to offer.

Accessibility Plan

To ensure JCF's CCIA Program is accessible to the Coalition, the Network and beyond, JCF will make multilingual materials available virtually via the JCF website, targeted newsletters and virtual and in-person webinars.

The Program Application will be accepted via an online portal and may include a multilingual chat tool to assist applicants. Trade Coordinators will hold virtual and live information sessions on the Program. For Community Lender staff who are impacted by the digital divide and have limited access to the internet, the JCF Coalition and Trade Coordinators will conduct regional in-person events, provide physical materials, and will also pursue phone-based engagement.

JCF will require that all content created to inform Community Lenders about available CCIA funding opportunities addresses the needs of those with visual/or hearing impairments, as well as non-English speakers. JCF anticipates that a subset of informational materials it produces and distributes will incorporate subtitles in all video formats to enable content accessibility for hearing-impaired recipients who are able to engage with content visually. Website content will also include descriptions of all graphics and text-to-voice so that visually impaired readers can engage with the information provided. Similarly, during in-person informational events, Community Lenders will be surveyed in advance regarding accommodation needs for staff, such as wheelchair accessibility, sign-language interpreter, translation services, and audio options for visual materials. JCF will work with partners, such as NALCAB, that are deeply rooted in Spanish-and other non-English speaking communities and who regularly communicate with businesses in those communities to ensure that JCF funding availability information is accessible to Community Lender staff with limited-English proficiency. In addition, JCF will procure translation services where applicable to ensure that all Community Lenders receive the information and materials they need to understand and access CCIA resources.

1.2.5.2 Labor and Equitable Workforce Development Plan

JCF will ensure that QPs generated as a result of JCF's pass-through strategy and technical assistance services strategy create high-quality jobs in compliance with EO 14082, as outlined below.

With nearly 1,000 Letters of Support, including those specifically focused on labor and workforce development, JCF is uniquely positioned with existing and localized boots on the ground to ensure that the Coalition's work both complements and bolsters equitable practices for Labor and Workforce Development.

High-quality Jobs

JCF is firmly committed to ensuring that our projects drive environmental progress while also generating high-quality jobs with a diverse, skilled workforce that is embedded in and plans long-term service to LIDACs. By simultaneously addressing climate change, promoting "high road" employment, and fostering inclusive and sustainable workforce development, we can achieve a future of shared and resilient prosperity. We have devised a comprehensive set of strategies to support this vision that include the following:

First, JCF, through State Cohorts, will hone-in-on each region's current and future labor and workforce profile and engage with local workforce development programs and initiatives, including work-based training cohorts, certificate courses, public and private college recruiting, apprenticeship offerings and other existing localized community-based workforce groups. State Cohorts and the JCF Coalition support Community Lender networks to understand and anticipate workforce requirements for various project types, including certification, licensure, language and other skills requirements. Trade Coordinators will also facilitate education and awareness of resources and programs that are relevant to their member organizations, including unions.

Second, as part of the Program, Community Lenders be trained on and integrate a high-quality jobs analysis into their project due diligence and will also evaluate projects against their ability to meet DOL's and Department of Commerce's Good Jobs Principles. JCF will work with Trade Coordinators and its Coalition to develop tools and processes to help Community Lenders evaluate a project's likelihood of contributing to a diverse, skilled workforce, promoting stable employment and monitoring subcontractors; and ensuring safe and healthy working conditions.

Third, JCF has dedicated staff focused on Workforce and Labor who will be responsible for establishing collaborative partnerships with leading workforce developers, workforce development boards, employers, labor groups, and educational institutions. These partnerships aim to strengthen the capacity for inclusive workforce development, share best practices with respect to benefits, wages and basic cost of living standards. These efforts will serve to inform training programs, highlight industries and positions in most demand, and facilitate demand-based workforce development.

Fourth, *a*s detailed in Section 1.2.1.2, JCF will offer training to Community Lenders on negotiating and implementing Community Benefits Agreements (CBAs) and project-labor agreements that include commitments to hire directly from a community and local workforce training guarantees, among other commitments. JCF will also provide Community Lenders with training and templates to enact project-labor agreements (i.e., pre-hire collective bargaining agreements between unions and contractors) for appropriate projects.

Comply With Build-America and Davis-Bacon Acts:
JCF will support Community Lenders in complying with Build-America, Buy-America Act and the Davis-Bacon and Related Acts. We believe these provisions will strengthen U.S. industries and supply chains, attract greater investment, promote American workers and businesses, and create quality jobs in LIDAC. Below are the activities and resources we will employ to ensure compliance:

Dedicated Staffing, Funds, and Processes Dedicated to Compliance: JCF will ensure compliance at multiple levels, 1) through the training and certification process outlined in Section 1.1, which will be informed by legal experts and/or consultants with expertise in federal procurement regulations and 2) through dedicated staff whose role is to ensure JCF projects follow applicable law and mandates, including the Build-America, Buy-America Act and the Davis-Bacon and Related Acts (Acts), as well as to monitor and ensure ongoing compliance with the Acts. As an example, contractor and subcontractor payroll records will be regularly audited to ensure compliance with wage determinations per the Davis-Bacon and Related Acts. Additionally, the Compliance Department will work closely with the Program Teams to develop and implement training and tools to help Community Lenders, developers, and other partners understand and comply with the requirements of the Build-America, Buy-America Act and Davis-Bacon and Related Acts. This work will be facilitated through the Trade Coordinators. JCF will also ensure program and project budgets allocate resources for complying with the Acts, such as increased labor costs for compliance staff. Where projects have been found to be non-compliant (based upon information including Community Lenders' periodic self-reporting), JCF will suspend further disbursements until the project proponent and Community Lender have developed a plan for returning to compliance

Technical Assistance: In addition to tools, JCF will also make technical assistance available to projects that need help developing procurement plans, assessing vendors and suppliers, monitoring and auditing activities, and other tasks related to the Acts.

1.2.5.3 Consumer Protection Plan

JCF and the Coalition are acutely aware that unfair, deceptive, and discriminatory practices are pervasive in vulnerable communities, including LIDACs, and that such practices have a negative impact on these communities. (Consumer Financial Protection Bureau, *Consumer complaints throughout the credit life cycle.* Sept. 2021.) Green lending is not immune from these abuses. (Consumer Financial Protection Bureau's May 1, 2023 Press Release, explaining its reason for amending Regulation Z to “guard against unscrupulous practices” by private PACE administrators that were “bait[ing] homeowners into unaffordable loans with exaggerated promises of energy bill savings” and causing them to “fall behind on their mortgage payments, along with other negative credit outcomes.”) JCF and the Coalition are therefore keenly aware that CCIA and NCIF programs must ensure consumers are fully protected, including from any entity that interacts, transacts or contracts with these Programs. JCF’s Program is designed to ensure consumer protection is paramount at multiple steps in the process.

First, Community Lenders’ successful completion of training modules will ensure they thoroughly understand the full range of consumer protection regimes to which they are subject. Additionally, JCF will design training modules to ensure an informed consumer. There are allegations that some solar financiers deceived borrowers by failing to provide the terms of financing arrangements in the languages borrowers could understand. JCF’s training modules will emphasize the need for Community Lenders to meet their constituents where they are and provide terms in multiple languages.

Second, JCF will require that Community Lenders complete certain checklists, designed to demonstrate that the Community Lender is aware of, and is committing to comply with, e.g., consumer protection laws and policies in order to receive disbursements of initial or later tranches of capitalization funds, JCF will require that Community Lenders satisfactorily complete such checklists. JCF may model a checklist after, for example, the National Credit Union Administration’s Unfair, Deceptive or Abusive Acts or Practices (UDAAP) Checklist, which is a helpful tool for identifying those practices and products that carry UDAAP risk. JCF will require that the Community Lender periodically complete additional checklists, designed to show that the Community Lender remains aware of its obligations and remains in compliance.

Third, JCF will establish mechanisms through which individuals, businesses and communities may report issues related to JCF-funded QPs or disputes with Community Lenders themselves. JCF expects remedies will range from assessing a penalty, disqualifying the Community Lender from participation in the Program, or for intentional, flagrant, repeat violations or criminal conduct, referring the grievance to appropriate law enforcement or governmental entities.

Truth in Lending: JCF intends to use multiple tools to ensure Community Lenders’ compliance with the Truth in Lending Act (TILA). First, JCF will devise templates for inclusion in a **Tool Kit** for Community Lenders. JCF intends that these templates, such as the Clean Energy States Alliance Low- and Moderate-Income Solar Lease Consumer Disclosure Form Template, advance the clarity and transparency that JCF will require its Community Lenders to employ to ensure the terms of any Financial Assistance contract are able to be readily understood. Additionally, as a condition of receiving certification of eligibility to receive capitalization, JCF will require that Community Lenders concurrently provide information to borrowers that is directly relevant to TILA requirements, such as loan amounts, annual percentage rates (APR), finance charges and fees, prepayment penalties, payment schedules and the total amounts the borrower will pay.

Service Provider Management: JCF has a several-pronged approach to ensuring that service providers utilized in the provision of a financial product do not present unwarranted risk. First, JCF will require that the Community Lenders themselves provide to borrowers, or require that their service providers give to borrowers, plain language materials on their rights, such as IREC’s #BeSolarSmart Consumer Checklist. Informing borrowers of their rights is a critical component in curbing deceptive practices. Second, with the help of its Trade Coordinators, JCF will regularly track consumer complaints. Third, JCF will proactively seek to limit the potential for service providers operating with GGRF dollars to cause harm. For example, JCF will require that Community Lenders periodically attest to their provision of training to, and oversight of, the service providers serving as their salesforces, such as home-improvement contractors authorized to sell financing products, e.g., PACE. Finally, JCF will periodically update and share best practices.

1.2.5.4 Housing Affordability Plan

JCF's **Housing Affordability Plan** puts the preservation and construction of affordable housing at its core. CCIA funds will be leveraged to deliver healthier and more resilient homes while simultaneously maintaining and expanding access to affordable housing, resulting in multiple benefits for residents with low incomes and communities. Consistent with JCF's approach, community-based, practitioner-informed solutions will ensure that qualified affordable housing investments respond to local needs and markets, which Community Lenders and mission-based housing organizations, included in this JCF Coalition, have been doing for decades.

Housing affordability is traditionally defined as a household paying no more than 30% of its gross income for housing costs, including utilities. Those that are paying more than this are described as rent over-burdened or housing over-burdened. Housing is typically affordable in two ways: a) naturally in the market, with no government policy intervention, or b) intentionally with government policy intervention. JCF's strategy will support QPs in both types of housing. These investments will help to improve the quality of life of these residents while restraining costs which are driving more and more of our citizens into being rent overburdened.

JFC's strategy will continue to support existing affordability by creating flexible, low-cost financial products that won't require significant rent increases (if any) to finance improvements, but we will require commitments to continued affordability as a condition of the below-market financing. As designed and marketed, we expect that the vast majority of QPs in the affordable housing market segment will have income restrictions that ensure long-term affordability. We will enlist the support of Coalition Member the Housing Partnership Network (HPN), which has developed, rehabilitated or preserved over 490,000 affordable homes, bringing decades of experience and significant assets to the process.

1.2.5.5 Coordination Plan

JCF's Coordination Plan is particularly strong and well-structured to leverage its complimentary JCF NCIF and CCIA Applications.

First, JCF will use the Program to train Community Lenders across organizational, community engagement and green lending best practices, with a singular focus on deploying CCIA-eligible projects in LIDACs. Community Lenders who progress within CCIA will begin to finance QPs. For the reasons discussed in Section 1.2.3.2 (which note JCF's intent that Community Lenders with capacity either transition from funding smaller projects under CCIA to funding larger projects under NCIF, or proceed directly to NCIF for funding), the Program will operate in close coordination with the JCF NCIF program. JCF will also coordinate with grantees in the Solar for All (SFA) program.

Second, JCF's use of State Cohorts, which are uniquely positioned to centralize regional information, reports, resources, and best practices, e.g., EPA's Climate Pollution Reduction Grants (CPRG), amplifies these synergies.

For example, JCF's Coalition Member Inclusive Prosperity Capital (IPC) is leading a $400M national SFA for the Community Power Coalition, comprising nine organizations spanning *mission-oriented community solar developers, national affordable housing CDFIs and providers of project-level technical assistance and community outreach (among other factors). IPC's SFA integrates the United States Department of Energy's (DOE) National Community Solar Partnership to support community solar developers serving LIDACs by scaling innovative models, e.g., those featuring community and cooperative ownership. The initial 11-developer cohort includes a $1B, two-year community solar pipeline. JCF intends to collaborate with both recipients and non-recipients of SFA awards.*

Third, JCF will closely coordinate with CCIA programs being developed by Coalition Members OFN and Inclusiv, which are submitting separate CCIA applications.

Finally, JCF has received nearly 1000 Letters of Support from a broad array of Community Lenders, community-based organizations, municipalities and others. This demonstrated support, coupled with JCF's State Cohort and Trade Coordinator approach, is a sound basis for JCF's Coordination Plan to maximization of federal, state, government, and non-governmental programs.

1.3 Program Reporting

1.3.1 Reporting Plan

JCF's Reporting Plan is designed to meet or exceed Program Reporting requirements, as laid out in VI.E Reporting Requirements in the NOFO. The Plan systematically tracks and reports on JCF's outputs and outcomes at the QP, Community Lender and Coalition level, emphasizing transparency and accountability. JCF will address Climate and Air Benefits, as well as Equity and Community Benefits, including: QPs funded by geography, community type and J40 designated. Climate and Air Benefit along with Equity and Community Benefit outcomes will be generated at the QP level and reported up through either the Community Lender or directly to JCF and will be specific to the Priority Project Category, but may include reductions of energy burdens, access to charging stations, reduced housing burdens and jobs created. Market transformation benefits will be reported at the JCF level and include total GGRF dollars deployed, broken down by geography and LIDAC, and non-GGRF sources of capital mobilized, if any, and if non-GGRF sources of capital were mobilized, then the private capital mobilization ratio. JCF will show the effectiveness of the CCIA Program by also reporting Market Transformation outcomes, such as market-wide deployment of capital, new-to-green Community Lenders engaged in the Program.

JCF has relied on various methodologies and inputs into its investment strategy, including CEJST, the Princeton Net Zero America Report, CPI's GGRF Implementation Report and EPA's Inventory of U.S. GHG Emission Sinks by State (see Sections 1.2.2 and 1.2.3 for more details.) Starting in Year 2, JCF will engage third party organizations to conduct annual formative evaluations, providing third-party validation and identifying actional insights to improve Program performance. In Year 7, JCF will engage a third party to perform an outcome evaluation to assess Program outcomes and inform JCF's continued work. The annual formative and outcome evaluations will be published within one year, adhering to EPA Order 1000.33 principles.

In addition, Community Lenders will have access to templates, tools and training on relevant standards and methodologies, including the UN SDG Impact Standards and IMP 5 Dimension. Organizations will also be trained and use standards relevant to their industry, e.g., CDFIs will use PCAF Standards to measure and report on Scope 1, 2, and 3 GHG emissions of loans and investment portfolios, where data is available. JCF anticipates third-party verifications for organizations that receive major funding.

Finally, QPs will report on the relevant outputs, such as geography and QP size, along with Priority Project-specific outputs. QPs will use established methodologies like GIIN IRIS+ to generate relevant metrics and use industry standards and established, credible open-sourced tools like EPA calculators (including AVERT and COBRA) and the CRANE tool to build assumptions and model anticipated outcomes most relevant to their category. To convert output data to outcome data, JCF will incorporate relevant place-based assumptions such as eGrid emissions factors, climate zones, electricity prices, and regional fuel mixes to improve reporting accuracy. All reporting assumptions will be peer-reviewed and validated by a third-party source. Any QP-related CBA will incorporate those equity and community targets into their reporting.

JCF's impact management system, investment management and accounting systems will allow JCF to track outputs, outcomes, and meet all EPA reporting requirements. JCF commits to disclosing these details in quarterly reports and, if necessary, subjecting them to third-party validation beyond what is already proposed above. Again, JCF welcomes further EPA guidance to refine outputs, outcomes, methodologies, inputs, and assumptions for ongoing reporting.

1.3.2 Reporting Capacity

To ensure the organizational capacity to effectively execute against EPA's reporting requirements, including Program performance, financial, and administrative reporting, JCF Coalition has developed a comprehensive plan that encompasses the following key elements:

Centralized, Transparent Accounting: JCF Subrecipients will be required to receive JCF funds in a segregated account that is automatically linked to JCF's central accounting system. This system will automatically record all transactions in the account, enabling JCF to track and account for all money movement related to the subaward. The Program accounting team will track, monitor and tag transactions in the central accounting system, including impact metrics, and utilize the system's powerful and robust reporting capabilities to provide oversight and reporting on the JCF Coalition's aggregated portfolio.

Third Party Validation: Starting in Year 2, JCF will engage third-party organizations to conduct annual formative evaluations – identifying actionable insights to improve program performance and acting as a third-party validation for our work. JCF will leverage the expertise of RMI, a Coalition Member, in both direct evaluation and assistance in choosing additional third parties for this work. In Year 7, JCF will perform an outcome evaluation to assess whether the Program has achieved its outcomes and to help inform the subsequent work of JCF.

Chief Reporting Officer (CRO) to provide rigorous review and oversight of all reports: As detailed in Section 2.2, the CRO is supported by key JCF executives who will own various inputs to reporting across program, administrative and financial categories. The CRO and affiliated key executives will leverage IA's existing systems and infrastructure to centralize data collection and reporting. These include IA's investment management system, accounting system and subrecipient portal, the last of which will aggregate Coalition Member and Community Lender qualitative and quantitative reporting. Internal reports will be produced and circulated daily, weekly and monthly, with EPA-submitted reports produced quarterly, annually and at the end of Year 6.

As a learning organization, the JCF Coalition places great emphasis on training and resources to enhance reporting. JCF, with its Coalition Members and Trade Coordinators, will utilize training, templates and tools to standardize metrics and methodologies across the Program. These will align with the SDG Impact Standards, EPA methodologies, PCAF Standards, and IMP five dimensions (as detailed in Section 1.3.1). These resources will guide integration of environmental output and outcomes assessments at every stage of the investment process, from strategy development to exit.

1.3.3 Past Performance and Reporting History; Lobbying

As a newly established organization, JCF has no material performance history. However, as discussed in other sections, JCF does have the operational integration with IA to support grant reporting processes effectively. JCF also carries the impressive track record and exceptional experience of its Coalition, in effectively executing and meeting reporting obligations for both federally and non-federally funded assistance agreements. Over the past five years, the JCF Coalition Members have successfully managed assistance agreements exceeding hundreds of millions of dollars (cumulatively), consistently delivering timely and complete reports, progress towards targeted or expected outputs and outcomes, as well as explanations for any deviations from expected progress. As described in the MOA, each member of the JCF Coalition has provided a history of its successful past performance and reporting of prior federal awards and treasury grants.

Oweesta	African American Alliance	NALCAB	PCG/CDBA	Total
$20,424,298	$125,000	$2,948,968	$17,200,000	$ 40, 698, 266

Exhibit 1.3.3-1. CDFI Fund Awards since 2000

Over the organization's 24-year history, Oweesta's team has secured and successfully managed and reported on CDFI awards annually since inception (23 years successful reporting). Oweesta also contracted directly with the CDFI Fund to provide training and technical assistance to Native CDFIs across the country, including assisting many communities in developing a Native CDFI from the ground up. Later, in 2019, Oweesta partnered with ICF to secure a contract with the CDFI Fund to administer their Building Native CDFIs' Sustainability and Impact II (BNCSI II) cohort, serving the Native CDFI industry with direct TA, several trainings, a webinar series, and learning cadres. This federal grant-management experience extends to the USDA, HUD, SBA, and the Administration for Native Americans (HHS). Oweesta is the first HUD certified intermediary comprised entirely of Native CDFIs and Native nonprofits and maintains the organization's compliance to HUD guidelines as well as compliance of network organizations over the last five years. Oweesta also manages multiple contracts, which have historically been renewed annually, with both Freddie Mac and Fannie Mae, requiring programming, reporting, and compliance. Finally, starting in 2023, Oweesta is managing the USDA Indigenous Animals Harvesting and Meat Processing Grant Program. This will include significant reporting and compliance, not only from Oweesta, but also from the grantees of the Program. This is a $45 million, 5-year initiative.

JCF has not authorized lobbying with respect to the GGRF Applications and Awards (Lobbying), and JCF has asked Coalition Members not to Lobby, requesting and receiving certifications to that effect (available on request). While JCF has retained McGuireWoods to undertake educational outreach, JCF has included clear, contract-based prohibitions on Lobbying. JCF's lobbying form reflects this approach. Despite JCF's measures, JCF's Coalition and Network are large, and it is possible that background, inadvertent or incidental discussions by or on behalf of Network members with respect to JCF or GGRF process may have occurred.

1.4 Program Budget

JCF's budget emphasizes the organization's dedication to support the enduring capacity of Community Lenders to financing solutions for green lending initiatives, focused within LIDACs. The budget's foundation lies in bottom-up construction, integrating information from IA, Coalition

Members and specific market research. Personnel costs ensure the team possesses the right blend of experience and expertise. Fringe benefits, travel expenses, equipment, supplies, and contractual expenses are other key elements of the budget. JCF's budget also incorporates software tools for project management, application handling and impact reporting. As is permitted under 2 CFR 200.414(f), JCF has opted for a de minimis indirect cost rate of 10% of Modified Total Direct Costs (MTDC). JCF intends to use GGRF funds exclusively for the purpose of supporting the CCIA-eligible program.

1.4.1 Expenditure and Disbursement of Awarded Funds

JCF is primed to disburse a high volume of award dollars annually, utilizing a proven, effective and efficient system of internal controls to prevent, detect, and reduce risk of error, fraud, waste and abuse. JCF's approach uses the established expertise and systems of IA, which has distributed over $1B in grants and deployed over $5.5B in investments across a broad range of climate asset classes and types for over a decade. This deep expertise is complemented by the culture of accountability and transparency that the JCF Board and management team set through practices, procedures and oversight.

JCF will ensure capitalization funding and TA Awards are disbursed in a timely and effective manner. JCF's determinations as to the reasonable amounts to be provided to Community Lenders and the timing for disbursement will begin with the assessment and training components of our CCIA program (detailed in Section 1.2.3.4). JCF intends to prioritize Community Lender proposed portfolios that ensure QP delivery meets the requirements outlined in the NOFO (i.e., that proposed projects build in decarbonization and environmental measures). As detailed in Section 1.0, Community Lenders that are admitted into and progress through our assessment and training program will be able to apply for capitalization funding and TA Awards. These amounts will generally be reserved for their later spending, except to the extent that they will receive amounts to permit them to participate in training. Upon receipt of JCF's QP approval, Community Lenders will notify JCF when capital will be needed. JCF will aggregate all Community Lender funding requests and submit same to EPA. On receipt from EPA, JCF will disburse these to Community Lenders in the time frames identified in the Community Lenders' requests. JCF will require that the Community Lenders spend the disbursed monies, and provide proof of expenditure, by uploading receipts and supporting information into JCF's reporting system. Community Lenders will submit additional requests over time when seeking further disbursements.

JCF's Investment Accounting and Operations Department, with supervisory oversight from the CFO and the COO, will distribute capitalization funding and TA Awards, and maintain the books of record and reporting data. JCF's **Finance Department** will ultimately wire the money to the appropriate parties electronically, where practicable. Following industry best practices, duties will be segregated appropriately, ensuring authorization, custody and recordkeeping are sufficiently separated such that no one individual can complete a transaction. These proven and effective procedures are complemented by appropriate **internal control methodologies**, including those referenced in the *Standards for Internal Control in the Federal Government*, utilized by JCF staff and monitored by management and the Board. Select key controls include a dual approval process required for qualifying disbursements, disbursements approved by Managing Director-level or above, requests double-checked for mathematical accuracy and reasonableness prior to payment, staff subject to annual credit checks and disbursement limits monitored and controlled by Managing Director or above. Importantly, bank reconciliations will be completed in a timely manner by JCF staff outside of the disbursement processes. This list of controls is by no means all-inclusive. Cash disbursement techniques and methods continuously evolve. Consequently, processes and procedures will be reviewed annually by JCF to ensure compliance and best practice integration.

1.4.2 Budget Description and Table

Costs are Reasonable to accomplish the Program Plan

Overall Program Expenses: JCF's budget was built from the bottom up, with estimated costs informed by benchmarking third parties as well as IA's current operations of comparable functions as those required to deliver JCF's CCIA Programs, augmented by spot research into reasonably representative expenses. As detailed in **Attachment 1.4.2 Budget Table**, JCF's expected use of the Award for capitalization funding is approximately 82% and expected use of the Award for capitalization funding and TA Awards is approximately 98%. JCF intends to use GGRF funds exclusively for the purpose of supporting CCIA-eligible projects.

Capitalization Funding: As described in Section 1.2, JCF has created a pass-through strategy, focused on building enduring capacity within our Community Lenders while working to contribute to the aggressive GHG reduction and environmental targets established by the Biden Administration. By creating equitable access to funding for all Community Lenders and providing key market supports, deep positive impacts can be realized in Justice 40 communities. Over the next 6 years, JCF anticipates over 48% of capitalization funding to be deployed into QPs in our most burdened communities (communities JCF has designated as Priority 1, per its prioritization system, described above in Section 1.1). Further, JCF proposes capitalization funding of 82% to provide direct funding for Community Lenders to deploy capital into QP's located in LIDACs. To support this funding, our Strategy/Program achieves a 3:1 private sector leverage resulting from a combination of match requirements and other leverage activities, as explained further in Section 1.2.2.3.

Technical Assistance Awards: To support the deployment of the capitalization funding, Community Lenders may receive TA Awards. Our network has identified these awards as incredibly important to providing resources (systems, personnel, and data) that will not only build the enduring capacity of Community Lenders' robust market activity and capacity, but on average, to represent an ample amount to cover Community Lenders' needs. JCF reviewed the median size of loan funds and the needs of smaller Community Lenders and found the proportion to be reflective. JCF also determined that applying a flat ratio would be the most equitable way to ensure the flow of resources to the smaller organizations. Medium and large Community Lenders will have restrictions on the maximum amounts of TA Awards available pursuant to this program (e.g., a $500,000 maximum), based upon our finding that such organizations already have more resources from which they can draw. Our goal is to right-size the amount of TA Awards provided to as many organizations as possible.

Technical Assistance Services: As described in Section 1.2.4, JCF will support Community Lenders through strategic use of 1) Coalition Members (including as Trade Coordinators), and 2) JCF staff. The following JCF Coalition Members who are subawardees under this grant are both Trade Coordinators and technical assistance providers: African American Alliance of CDFI CEOs, National Association of Latino Community Asset Builders, National Coalition for Asian Pacific American Community Development, Oweesta Corporation, Partners for the Common Good and National Community Bankers Alliance. The following JCF Coalition Members who are subawardees under this grant are technical assistance providers: Greenlining Institute, Elevate

Energy, Institute for Market Transformation, New Ecology, Rocky Mountain Institute (RMI), Vermont Energy Investment Corporation (VEIC), University of New Hampshire – Carsey Center, Inclusiv, Inclusive Prosperity Capital, Housing Partnership Network and Accelerator for America. Collectively, these Members provide critical sectoral expertise (in community development, and green, housing and economic development finance), as well as the specific understanding of the needs of the Community Lenders in their respective networks, and the needs of the communities in which they serve. They will be contributing to, *inter alia*, increased LIDAC engagement, performance of deep market research and analysis, and facilitating community outreach and education.

This robust bench of expert partners will partner with JCF in implementing each phase of the CCIA program – assisting during the *Assessment* phase (determining whether a Community Lender will be admitted into the Program); in the *Training* phase (determining capacity building modules that will be customized to prepare Community Lenders to access and deploy capitalization funding); in the *Certification* phase (determining the Community Lender's readiness to deploy capital); and in the *Monitoring* phase (in confirming that the Community Lender is complying with regulatory requirements and CCIA objectives). Throughout, our partners will be assisting us in performing *Market Development* – identifying and working to clear bottlenecks for Community Lenders to deploy capital, centralizing and amplifying purchasing power, and ensuring that Community Lenders are operationalizing JCF's commitment to workforce development, etc. The assessment, training and market development will be re-evaluated on an annual basis to ensure that the programming is supportive of Community Lenders and directly attributed to accelerated capital deployment.

Operating Expenses: Two key Program attributes inform the **JCF Staffing Plan**, and ultimately, budgeted **Personnel** costs, including: 1) the community-centric nature of the Program, which requires a depth of staffing to build, engage, and sustain community trust and the collaborative partnerships integral to Program success; and 2) the compliance/reporting -centric nature of the Program that requires seasoned, impact -specific expertise. Many roles will require advanced degrees and significant prior experience in comparable sectors, such as investment management, finance, market development, impact reporting, and more. To ensure competitive hiring and retention of key employees, salaries are budgeted at the 75th percentile for base salary for Financial Organizations with annual revenue exceeding $20M (data provided by Payscale). Years 2-6 of the personnel budget also include a 3% increase, in line with recent amounts as listed by the Consumer Price Index (CPI). JCF respectfully submits that this approach will allow the organization to recruit and maintain talent in the competitive financial services and impact-investing sectors, where total cash compensation, as opposed to base salary, is the more relevant comparable. As discussed further in Section 2.2.2.3, JCF is operationally integrated with its parent, IA and, as such, $30,803,855 of the total 6-year operating expense budget is attributable to IA personnel with costs modeled as recovered via secondment. Alternatively, these costs may be structured as a subaward (Program Administration) or by any other means as EPA may specify. To be transparent about this choice, these costs are listed on the Cover Page as if they were a subaward in the Subaward column, but again we remain open to feedback and guidance on EPAs preferences. We also note that **Coalition Memorandum of Agreement Attachment** reflects the personnel with costs modeled as recovered via secondment, pending EPA's determination of its preference.

Fringe Benefits are comprised of Social Security; Medicare; State unemployment and disability insurance; 401k match; and Employer portion of medical insurance, for a total of 25.35%.

Travel costs are budgeted for Programmatic staff to visit each EPA region, specifically Priority Communities, twice a year. We budget Program staff to visit select Coalition Members in each EPA region on a quarterly basis, sharing information, best practices, training, and support. Having "boots on the ground" supports JCF's bottom-up approach to ensure that public funds are spent efficiently and for the maximum benefit of American communities. All costs were estimated using existing GSA airfares, per diem and lodging costs currently published.

Equipment. JCF will not be including equipment costs as part of this application.

The **Supplies** budget is largely comprised of computer hardware for JCF staff whose roles are directly related and budgeted to the CCIA award.

JCF's **Contractual** budget includes the costs of various software and support services necessary to accomplish the Program goals. Specifically, project management software is budgeted to coordinate the various CCIA functions so that all JCF staff and Coalition members are aligned toward the same strategic objectives. The budget also includes JCF's portion of cloud-based application-management software, which will streamline how JCF collects and reviews applications for CCIA funding. Given the importance of accumulating both accurate and timely data, the budget provides for accounting software that will easily and continually aggregate all financial accounts and investments, enhancing them with relevant market and third-party data. Impact reporting software will augment JCF's ability to integrate, analyze and feature stakeholder voices, empowering JCF to raise capital through enhanced evidence and compelling storytelling.

Indirect costs: In accordance with 2 CFR 200.414(f), JCF does not yet have a current negotiated (including provisional) indirect cost rate and has elected to charge a de minimis rate of 10% of MTDC. Indirect costs will cover expenses such as administrative services, general accounting, marketing, human resources, utilities, etc.

Efficient effective deployment of grant funds

Upon determining that a Community Lender will enter the CCIA program, Community Lenders will be invited to submit their applications for capitalization funding and TA Awards. A significant number of the Community Lenders have provided letters of support. JCF intends to disburse the amounts over time to the Community Lenders or at a rate that is commensurate with their readiness to do so. As explained in Section 1.2.3.2, our unique reservation system should allow the Community Lenders the time within which to develop their optimal portfolios, and thereby assist them in bolstering their underwriting records, I.e., the basis for their being eligible for funding from other sources during and after the lifetime of this program. Amounts will be held in a master account until the Community Lenders pose a request for dollars, then moved into an account from which JCF will make disbursements in accordance with the timing identified.

Budget table

The attached **budget table** visually depicts the budget categories, providing clarity, accuracy and granularity on planned use of funds.

2.0 DESCRIPTION OF PROGRAMMATIC CAPABILITIES

2.1 Organizational Background and Track Record Policies

The JCF-led Coalition was founded on the premise that *We Are Stronger Together*. While the Coalition may appear large, it is actually a microcosm of what is already in practice but underutilized in the lending ecosystem. JCF is simply the formal manifestation and organization of the actors and capital flows that have been established and working for more than a decade together. Our Coalition members already work together, co-invest together, and collaborate together, each bringing a different set of skills or network to complete the whole. With GGRF funding, this informal ecosystem gets the technology, staffing, processes and shared purpose to realize its full potential to activate meaningful change.

The breadth and scope of the Coalition's experience underpins our confidence in our ability to establish a stable, modern, centralized institution with a robust, national community-finance Network so that no U.S. community, and particularly no LIDAC, lacks access to affordable, responsible capital. Trade Coordinators know their member Community Lenders best as well as the communities in which their Community Lenders transact, would provide invaluable assistance in admitting, assessing, and beginning the training of their Community Lenders.

Importantly, the JCF Coalition is an organization with a Management Team (in place and planned) and the JCF Board with demonstrated public servants ranging from retired veterans to the leaders of nationally lauded NGOs. (See **Attachment 2.2.1 Resumes of Board Members** for more details.) JCF and the Coalition bring a commitment to community, a culture of excellence, a will to execute and the integrity that our experiences have required. While we are proud of this Application, we nonetheless consider it a proposal and welcome EPA's insight on recommended measures to further fortify our approach.

2.1.1 Organizational and Governing Documents

JCF was formed as a Delaware non-profit corporation and has been granted its IRC Section 501(c)(3) exemption status. JCF's Articles of Incorporation and Bylaws provide the legal authority for this Application and the Program, as well as aligning with GGRF Objectives. As described in Section 2.2.1, the JCF Board has requisite qualifications, expertise and skills in climate solutions, LIDAC investment and financial institutions. JCF is a wholly owned subsidiary of IA, a corporation organized solely for charitable purposes as a Maryland nonstock corporation and granted IRC Section 501(c)(3) exemption status.

2.1.2 Organizational Experience

JCF is primed to meet or exceed NOFO Objectives, itself, via its parent, IA, and via its Coalition.

Capacity to manage a large Pass-Through Program

JCF and IA are operationally integrated, with IA providing investment, operational, legal, compliance, accounting and investment reporting. IA has deep expertise in investment due diligence, allocations, monitoring and transactions across investment types and asset classes, disbursing 14,000 grants each year, executing nearly 300 private investments annually and managing $3 billion across more than 1,900 accounts. This experience of IA, as JCF's parent company, enables JCF to be ready at scale operationally on Day One.

As detailed in Section 2.1, JCF's **Operations and Back Office** also will leverage IA's established infrastructure, technologies, policies and personnel to manage JCF's CCIA pass-through programs.

JCF is committed to adhering to requirements for financial management, internal controls and regulatory requirements for pass-through entities. In accordance with Title 2 - Title 2 Grants and Agreements, Subtitle A - Office of Management and Budget Guidance for Grants and Agreements, Chapter II - Office of Management and Budget Guidance, Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D - Post Federal Award Requirements. As detailed in Section 1.2.3.4 and not repeated here, IA will incrementally expand existing infrastructure, systems and processes to conduct due diligence on the financial and programmatic readiness of any Subawardee, including such entity's capacity to properly manage a subaward and to monitor each Subawardee to ensure that the subaward is used for authorized purposes.

For example: Since 2002, Oweesta, has closed $75.5 million in total loans and revolved more than 80 million dollars in Indian Country. This direct financing to Native CDFIs has made an incredible impact within tribal communities with over 16,652 jobs created or retained, 3,835 small businesses financed within tribal communities and 217 affordable housing units built. Oweesta's loan portfolio is comprised of 42 Native CDFIs and Native banking institutions of different sizes, ages, and lending specializations; the portfolio remains current and all accounts are in good standing. Loan clients reinvest capital into the most vulnerable communities in the nation. Oweesta clients deployed $579MM in the past year—$349M for small business lending, $109M in housing lending, $76M in consumer lending, and 45M in agricultural lending. Oweesta has also created two unique capital pools for Native Communities. Starting in 2018, the 10MM Native CDFI Capital Pool has given Native CDFIs had the opportunity to access larger amounts or capital (1MM dollar loans) for a ten year period. 13 Native CDFIs participated in this effort.

Capacity to manage a large Technical Assistance Services Program

JCF will be providing subawards to its Coalition Members in order to obtain their provision of technical assistance services to build an industry-revolutionizing training program with three key components in implementation: Curricula, Certification and Delivery Platform.

Curricula: JCF's Coalition is comprised of a number of membership organizations that currently deliver technical assistance and training to their members. While JCF will be built first-of-its-kind content, the content providers in the Coalition have the experience and knowledge to create courses that are tailored to the specific needs of their organizations. As detailed in Section 1.2.4. Coalition Members Inclusiv, among others, have leading training and business-building platforms, accelerator and hubs.

Certification: Importantly, the modules will result in Capstone projects, actual business plans and documents (or document revisions) with the intention of creating and implementing an industry standard for business operations, QP due diligence and investment management, community engagement and capital raising. The Certifications offered by Carsey will provide a "seal of approval" that can be relied upon by the JCF Evaluation Committee and other funders of Community Lenders. Today, Carsey not only provides Certification, but also they offer graduate level credit for many of their courses.

Delivery Platform: Carsey's existing and robust training program offers course delivery in person and asynchronously (online and self-paced).

In 2022 NALCAB, a JCF Coalition Member, launched a CDFI Certification Program (CCP) to help lenders become certified CDFIs. The CCP provides strategic guidance and individualized technical assistance regarding the certification application processes. NALCAB is supporting 30 community lenders in applying to become a CDFI through tailored culturally relevant technical assistance. This CDFI certification will greatly enhance a community lender's opportunity for attracting lending capital, scaling existing lending operations or expanding products focused on green lending and clean energy technology.

2.1.3 Equity Policies and Practices

JCF is committed to advancing equity and inclusion for all, including those who have historically been denied such benefits. This commitment is reflected in the policies and practices that systemically guide JCF's governance, operations and investment activities. As a critical starting place, JCF maintains an organizational commitment to diversity, equity, and inclusion (DEIA) with guiding tenets that apply to JCF's team, investment activities, governance and engagement with the Coalition and Network ecosystem. JCF's DEIA commitment is intended to fully encompass and inform every aspect of its work.

JCF's written statement outlining its DEIA commitment, which is publicly available and distributed to all JCF team members: 1) aims for racial representation across all levels of the organization; 2) prioritizes retaining and attracting the best talent through equitable compensation, hiring and promotion practices; 3) offers training, facilitated conversation and coaching to improve awareness, celebrate differences and increase DEIA within our culture; 4) ensures our investment selection process includes a race/ethnicity lens; and 5) uses our brand and voice to uplift and showcase all participants from underrepresented groups. Adherence to the commitments above is operationalized through the policies and practices described below:

Integrating Equity into Operations: Within its operations, JCF incorporates equity across the employee life cycle and in the team's engagement with partners. As it relates to employees, JCF maintains strict practices that standardize talent acquisition, interviewing and hiring and the incorporation of best practices to reduce the impacts of implicit bias, and development, and retention for all roles and employees. This standardized and written approach ensures increased fairness for all in that JCF recruits broadly for all roles, aiming to reach as many qualified candidates as possible and to develop a diverse candidate pool and offers all candidates and employees that same processes and experience.

JCF's new hire onboarding process is both comprehensive and customized for each person and role. This templated process allows for equity in its approach and templates, while acknowledging the various needs of individuals and roles. Key elements include; written job description, review of JCF's policies and procedures, onboarding plan with transparent expectation and learning objectives paired with a 90-day check in. JCF's policies, including the JCF Employee Handbook which includes all policies related to workplace and employee safety and compliance is accessible and updated annually. Subsequently, all employees are supported through a standardized framework for professional development, including access to external resources to support professional development and career development framework action plans that empower every employee and supervisor to identify, track, and make progress in supporting an employee's development in areas like decision-making, leadership, accountability, and communication.

Further, every employee participates in a standard annual performance assessment process, facilitated objectively by the Human Resources team, which involves peer and supervisor feedback and a transparent promotion review process. To further build on JCF's operational commitment, JCF also intends to further develop policies, procedures and practices to guide how the JCF team engages with partners across the Program.

Integrating Equity into Investment Activities: The professionals that lead investment strategy for JCF use equity as a lens through which to understand their work and the overall process of investment selection. The investments team uses a *DEI Inclusion Framework*, a written evaluative tool, to evaluate the DEI practices and policies of every potential investee firm and product. The framework includes sections probing potential partners' public commitment to DEI and corresponding internal strategy, the diversity of the partners' workforce, measures of the diversity of the company's portfolio companies, and community impacts of the firm's business practices, among other areas. JCF's Investment Committee provides oversight of JCF's investment activities and engages the *DEI Inclusion Framework* when considering new business. This process, shared between management and governance, ensures a thorough review of equitable practices within JCF's investments work.

Integrating Equity into Governance: JCF ensures that members of the JCF Board of Directors are in alignment with its commitment to diversity in all forms, such that the Board reflects the diversity of the broader Community Builders of Color Coalition (CBCC). JCF's Board of Directors includes leaders of organizations within the CBCC, ensuring CBCC organizations have regular channels for both input and influence as it relates to JCF's decision-making and policy. JCF has also incorporated leaders from the CBCC, who aren't necessarily members of the Board, to be part of the Committees of the JCF Board (e.g., Investment and Audit Committee).

Importantly, JCF maintains a series of advisory committees, with advisors from organizations that represent diverse communities nationwide. These committees have been specifically developed to ensure lines of communication remain open between JCF leadership and the communities being served by JCF and to ensure JCF remains accountable for its work and its work impact on communities. The advisory committees focus on the following areas: community engagement and accountability, inclusive policy and practice, and risk management. Additionally, JCF maintains an internal committee that includes JCF team members, from senior leadership to more junior staff, which meets regularly to assess and create JCF's diversity, equity, and inclusion policies and facilitate learning programming for JCF staff designed to encourage a knowledge of equitable practices that extend to staff, board, and clients.

2.2 Governance and Management

JCF's Governance Plan is based on corporate governance and organizational best practices from across the industry to ensure compliance, transparency and legitimate representation in furtherance of the GGRF Program.

2.2.1 Governance Structure

Board Constitution: JCF's Board includes 9-15 Directors, three of which will be Independent Directors as described below. The Board convenes individuals with traditional bona fides such as fiduciary, public service and non-profit board experience and combines these with the often-overlooked board competencies such as multiculturalism, multilingual capabilities, environmental justice experience, green lending expertise, a focus on GHG reduction and experiences with credit unions, MDI and CDFI banks, CDFI loan funds, Green Banks, and housing developers. In support of the Board's competencies, the JCF Board also expects to engage advisors as needed for various aspects of the business, including the technical aspects of green finance and the management of the revolving loan fund model.

Independent Directors: A JCF Independent Director is defined as an individual who is not 1) a JCF officer or director, 2) an IA officer or director, nor 3) an officer or director of an entity receiving GGRF funding through JCF. While the selection of the Independent Directors is underway, the JCF Board is pursuing individuals with the following profiles: 1) an environmental justice expert, 2) an individual with the relevant audit or financial experience needed to chair the Audit Committee, and 3) another seasoned executive from a large, multi-billion-dollar financial institution like the one JCF plans to become with GGRF funding.

Board Roles and Responsibilities: Per the JCF Bylaws, the Board meets no less than quarterly and on an as needed basis. Each JCF Director is expected to: 1) serve as a thought partner to management, 2) review, contribute to and approve annual and strategy plans, 3) evaluate CEO performance and hold management accountable for achieving strategic, financial and GGRF objectives, 4) recommend, review and approve policies, bylaws and corporate governance document as applicable, 5) ensure a strong management team is in place, including succession planning, 6) prepare for and regularly attend board and committee meetings, 7) serve on 1-2 board committees or working groups, 8) provide honest feedback of board and peers to ensure a high performing and effective board, 9) support with fundraising or capital raising as appropriate, and 10) oversee GGRF compliance via the Compliance Committee.

Board Relevant Skills and Experience: JCF's Board is deliberately comprised of a diverse group of individuals with broad-based expertise and competencies critical to GGRF's goals, including representation from low-income and disadvantaged communities, financial institutions, community lending, green lending, sustainable and affordable housing and those from large and small institutions. The majority of the JCF Board hail from LIDACs and other communities with environmental challenges spanning rural, Tribal, and persistent poverty communities, as shown in **Exhibit 2.2.1-1**. Each JCF Board Member is deeply committed and actively engaged with LIDACs and is committed to the JCF mission. The unique expertise and tapestry of the JCF Board members informs their leadership and amplifies their commitment to executing the goals of GGRF.

Board Committees Structure: The JCF Board has established 4 Committees within its structure to oversee and monitor JCF management as described below:

- ***Executive Committee:*** Convenes frequently to provide oversight and guidance to JCF management and leadership.
- ***Governance and Nominating Committee:*** Manages Board governance best practices including policies, procedures, recruiting, Board composition, plans for Director succession, board reviews and board member peer reviews.
- ***Investment Committee:*** Oversees investment activities undertaken under the JCF Program, including but not limited to, financial assistance subawards structured as loans and other investment types in accordance with JCF investment policies and criteria.
- ***Risk, Compliance and Audit Committee:*** Sets guidelines for and monitoring compliance with ethics, conflicts, risk and audit, among other compliance requirements.

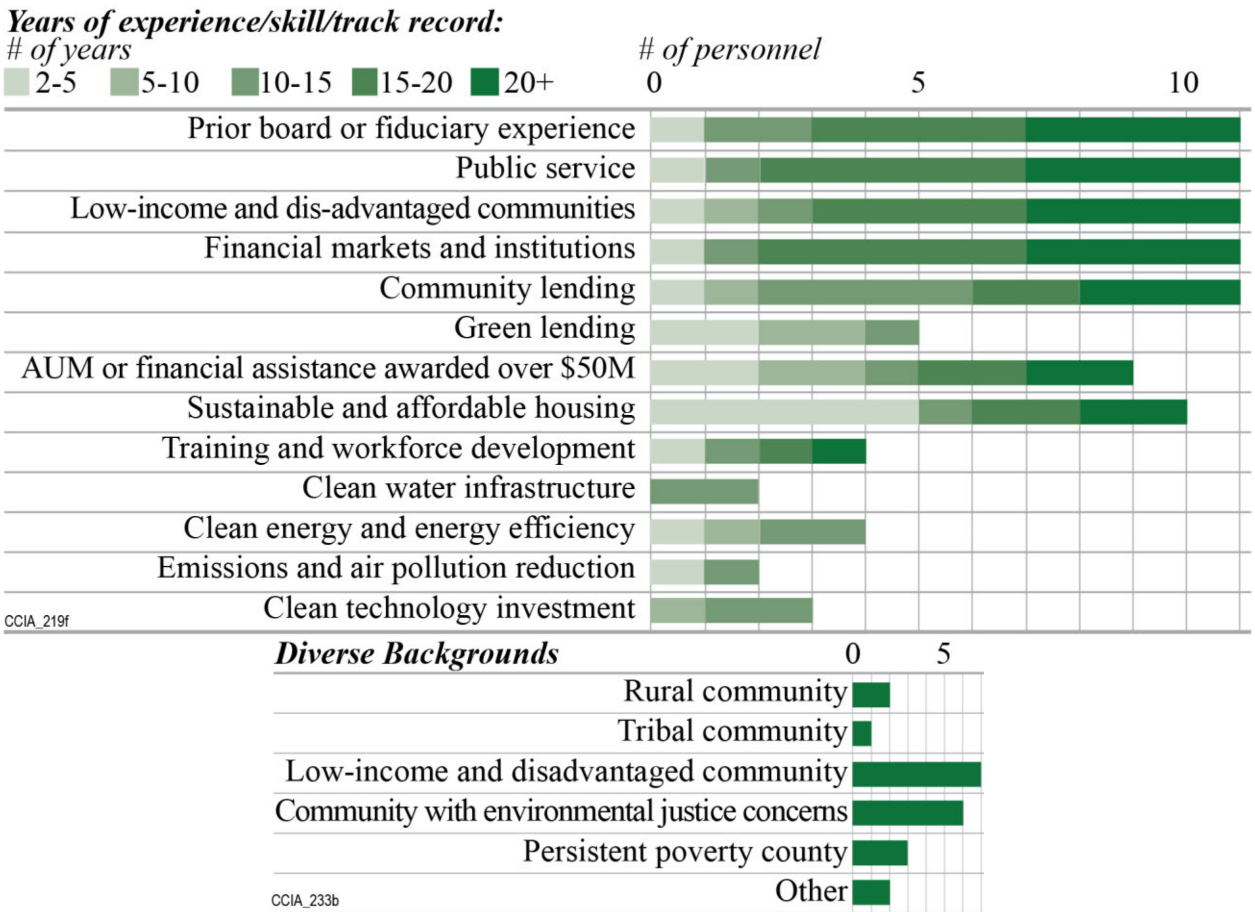


Exhibit 2.2.1.-1. JCF Board Member Experience, Skill, Track Record and Diversity.

Board Protocols: In addition to the respective oversight roles undertaken by Committees, the Board has a robust set of policies and procedures that govern its activities including the Conflict-of-Interest Policy, the GGRF Financial Assistance Conflict of Interest Policy, Regulatory Compliance Policy and others.

In short, JCF's Board boasts unprecedented diversity, expertise and community orientation with robust policies and practices establishing strong governance body uniquely positioned to execute on the GGRF vision to achieve an equitable clean future for all.

2.2.2 Senior Management and Staff Capabilities

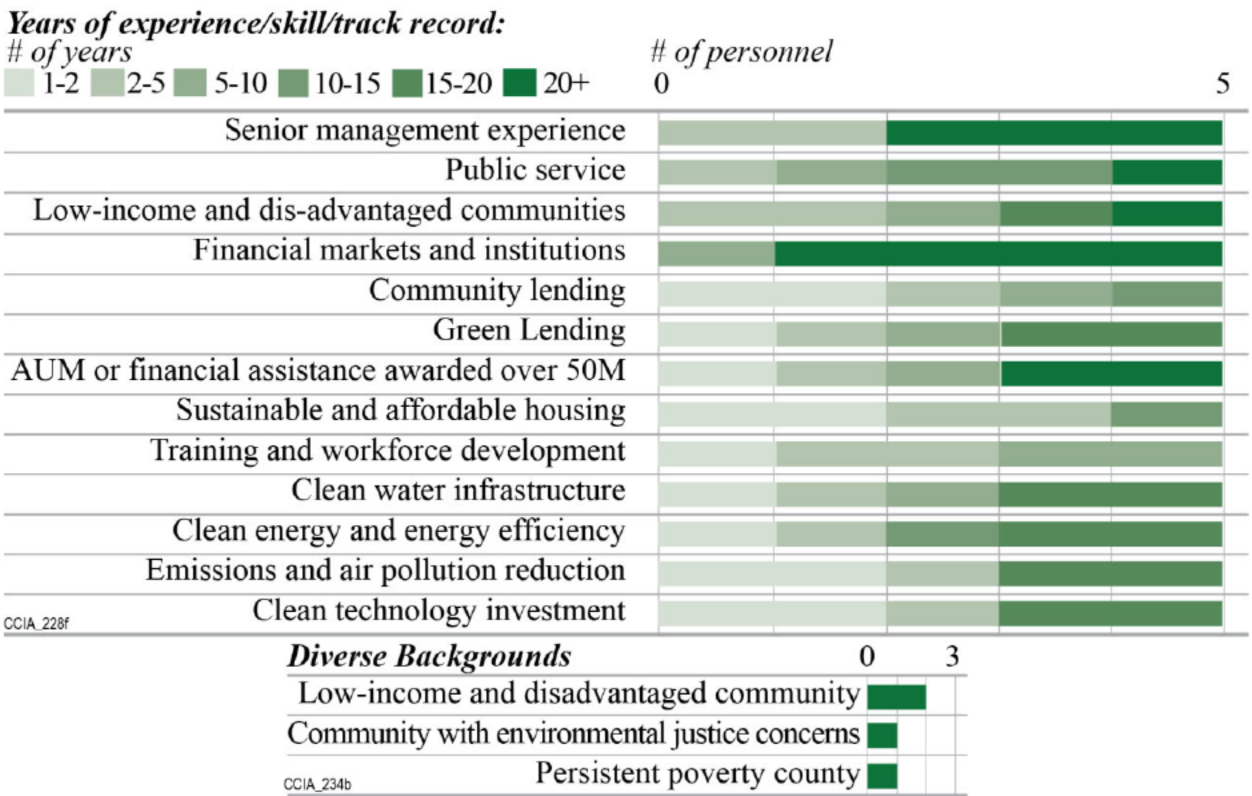
JCF has systematically designed an organizational structure that includes the requisite teams and functions to successfully plan, design, develop, implement, and evaluate the GGRF Programs described, within a sustainable operating business that executes with excellence for the communities and organization it serves, its employees and collaborators, and its ongoing financial health. The organizational chart **Attachment 2.1.1 Organizational and Governing Documents** illustrates JCF's functions and teams.

2.2.2.1 List of Key Existing or Proposed Senior Management and Staff

JCF's current and proposed Key Senior Management Team (see **Exhibit 2.2.2.1-1** for a list of the current Management Team) is directly responsible for executing the JCF mission and the GGRF Program goals. This team represents decades of leadership and hands-on experience in the topic areas that are directly in alignment with GGRF's commitments and goals, as noted in **Exhibit 2.2.2.1-2**.

Name	Title	Organizational Affiliaton
[redacted]	Interim CEO	[redacted]
[redacted]	Chief of Staff	[redacted]
[redacted]	Chief Partnerships Officer	[redacted]
[redacted]	Chief Programming Officer	[redacted]
[redacted]	Chief Reporting Officer	[redacted]
[redacted]	Co-CIO	[redacted]
[redacted]	Co-CIO	[redacted]
[redacted]	CFO	[redacted]
[redacted]	Chief Risk Officer & General Counsel	[redacted]
[redacted]	COO	[redacted]

Exhibit 2.2.2.1-1. Current and Proposed Senior Management Team.



Exhibits 2.2.2.1-2. Diversity, Expertise, Skills and Track Record of Senior Management.

As demonstrated in the above, the majority of JCFs Senior Management Team have more than 15 years of cumulative experience in the areas of executive leadership, financial markets and institutions, public service, clean energy and energy efficiency, and clean technology investment as shown in **Attachment 2.2.2 Resumes of Senior Management**. Core to the JCF mission, most of the JCF Senior Management Team were born and raised in low-income and disadvantaged communities, persistent poverty counties, and communities with environmental challenges. Their backgrounds inform their leadership and their deep and abiding commitment to access and environmental justice for all.

JCF's Senior Management Team encompasses all critical spheres of responsibility, including CEO, General Counsel and Chief Risk Officer, Chief Financial Officer (including accounting), Chief Reporting and Award Compliance Officer, Co-Chief Investment Officers, and Chief Operating Officer.

2.2.2.2 Actual or Projected Number of Employees and Staffing Plan

JCF is a purpose-built entity, specifically established to execute the Program described in this Application, and the organization is rapidly staffing up. As discussed elsewhere, JCF and its parent, IA, are operationally integrated with human resources, finance, accounting, investment operations, investment management, impact management and reporting, and operations provided through secondment or other means by IA. When fully staffed, we anticipate JCF will employ 89 Managers and staff for CCIA functions.

Staffing Plan: JCF will be ready on Day One. JCF is committed to building a team that includes and respects a variety of voices, identities, backgrounds, experiences, and perspectives. JCF utilizes an inclusive talent acquisition process to select candidates with specific skills, knowledge, and competencies that meet the short- and long-term goals of the specific open positions and JCF. A structured and consistent process of candidate screening ensures implicit biases are challenged through this process and that all qualified candidates are considered thoughtfully and objectively. We focus screening and ranking candidates based specifically on the skills, knowledge and competencies required for success in the role as defined in the job description.

We have prioritized several roles for hire which include 1) the **Head of Subawardee Relations,** because trust-building through participatory design and implementation is foundational to JCF's values and the Program vision 2) the **Director of Government Affairs,** as the central point of contact and coordination for robust collaboration with EPA during the important first year of the Award, putting in place a process that will endure through the full Award period 3) the **Chief Reporting & Award Compliance Officer** and 4) the **Chief Financial Officer** to establish critical controls and compliance processes from prior to commencement of the Award period.

As needed, JCF can leverage its parent entity's existing management, staffing, systems, and processes We illustrate in **Attachment 2.1.1 Organization and Governing Documents** where IA's existing team possesses leverageable expertise, including in Legal, Compliance and Risk Management, Corporate Finance, Investments, Technology, and Cybersecurity as well as Investment Operations, Data and Reporting. IA will make available to JCF existing systems including an industry-leading investment management system, its grant management system and its tech-enabled application management tools. JCF's relationship with IA enables it to strategically deploy these resources for Day One readiness.

JCF has adopted critical policies and practices to govern and inform management and employee codes of conduct; examples of such policies are provided as optional exhibits. Key among these are the following, as well as those described in Section 2.4 Risk Management.

2.3 Risk Management and Financials

JCF considers strong, organizational risk assessment, management and mitigation to be critical to Program success and long-term stability. JCF believes it is essential to 1) take a holistic approach to risk management, 2) design processes and controls responsive to identified risk, and 3) timely and transparently communicate risks, including through the Coalition and Network. **Exhibit 2.3-1** shows a model risk assessment and mitigation table.

Category	Exemplary Risk (Rating)	Mitigation Plan
Structural Risk	Regional or macroeconomic downturn (Low)	Portfolio diversification; macroeconomic downturn may drive longer timelines to meet private capital leverage expectations
Compliance / Regulatory Risk	Coalition Member insolvency unrelated to JCF (Low) (also applies to Fraud, Waste and Abuse)	JCF's due diligence process is designed to identify, to the extent possible, and avoid risky counterparties. Coalition design is unincorporated consortium; scope and breadth of Coalition should serve mitigating function
Market Risk	Widespread QP Project component failures or QP Project category disruption, e.g., micro-district ground source heating (Low)	Portfolio approach should support reasonable re-allocation; insurance should mitigate
Operational Risk	Cybersecurity (Moderate)	Tracking and updating best practices
Execution Risk	Coalition or Network partners misunderstand the Program Criteria and inadvertently misspend program dollars (also applies to Fraud, Waste and Abuse) (Moderate)	As described in Section 2.0 and 2.1, JCF's QP evaluation process, Centralized & Transparent Accounting plan, Coalition-wide Practices, Policies and Procedures and more all serve to preempt and prevent misuse of NCIF funding.

Exhibit 2.3-1. Model Risk Assessment and Mitigation.

2.3.1 Legal and Compliance Risk Management Plan

JCF, with IA, has developed internal processes to address and manage the legal and compliance demands and associated risks of its day-to-day operations, including as a 501(c)(3) non-profit organization. JCF has adopted a robust set of policies and procedures (collectively, a **Legal and Compliance Risk Management Program**) that guide internal operations in line with the respective law, regulations and best practices for both the financial services and non-profit sectors. These principles have been carried into JCF's design.

JCF's full Legal and Compliance Risk Management Program will include a risk assessment of expected activities under the GGRF program, with particular focus on the terms and conditions that will govern the Award and Subaward agreements, e.g., GGRF Program reporting requirements. A preliminary review in support of this Application indicates that IA's established administrative and financial management systems will provide strong internal controls to support JCF's activities under the GGRF Program. Established controls include confidential reporting of potential ethics and fraud incidents (with whistleblower anti-retaliation protections), third-party vendor due diligence and oversight, and the maintenance and auditing of correct, accurate, complete and current books and records.

A few select examples of risk management efforts are as follows:

- Cybersecurity risk policies aimed at protecting client data, such as its IT Security Infrastructure and Business Continuity Plan (attached in 2.3.1 Legal and Compliance Risk Management Policies and Procedures), which includes cybersecurity protections and an awareness training program.

- Operational risk management governing investment functions includes day-to-day receipt, distribution and oversight of assets (Back Office Administration), including process documentation, regular review, and ongoing updates; "doers" and "approvers" for all transactional entry; procedure checklists; data integrity audits and reconciliations; consistent involvement and monitoring by team leaders; systematic process of reporting, reviewing, and escalating operating errors; regular practice of inviting, evaluating and implementing process and system improvements; and cross-training for business continuity.
- Financial statements are audited annually by independent auditors overseen by the Audit Committee of the Board.

To supplement the existing Legal and Compliance Risk Management Program, and the plan to expand upon those existing controls in furtherance of the GGRF Program, JCF is committed to adhere to requirements for financial management, internal controls and regulatory requirements for pass-through entities. In accordance with Title 2 - Title 2 Grants and Agreements, Subtitle A - Office of Management and Budget Guidance for Grants and Agreements, Chapter II - Office of Management and Budget Guidance, Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart D - Post Federal Award Requirements:

- JCF will expand existing infrastructure, systems and processes to provide oversight, due diligence, monitoring and reporting capabilities to encompass evaluating and monitoring the financial and programmatic performance of any subawardee, including such entity's capacity to properly manage a subaward and to monitor each subawardee to ensure that the subaward is used for authorized purposes.
- JCF will develop an audit function with respect to subawardees which will include financial reviews, performance reviews, on-site reviews, or other monitoring. JCF acknowledges that, in certain circumstances, it may need to impose specific controls for a subawardee based on relevant risk factors for particular subawardee behavior, including taking enforcement action against a noncompliant subawardee.

JCF's Legal and Compliance Risk Management program, supported by existing IA infrastructure, will be further developed to govern the specific operations and risks associated with carrying out the activities under the GGRF Program.

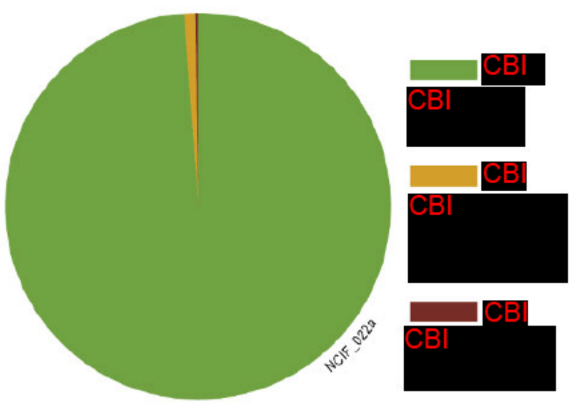
2.3.2 Financial Statements

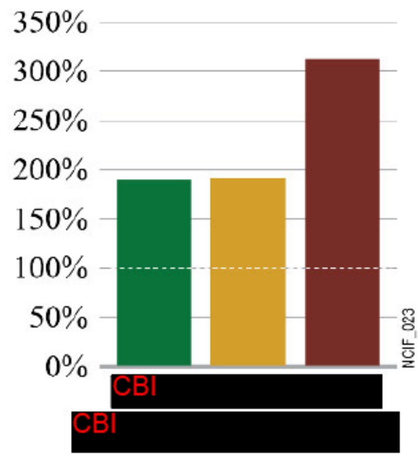
JCF was established specifically to achieve GGRF objectives in May of 2023. CBI [redacted]

[redacted]

CBI [redacted]

[redacted]





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