1.0 PROGRAM PLAN

This revised Program Plan reflects JCF's prioritization of its Community Lenders (defined above) on a partially funded basis. 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.

JCF will work with its Coalition Members to execute on the CCIA program (e.g., the goals and activities set out in the NOFO), each of which are identified 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." This uniquely qualified Coalition is committed 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.

JCF will advance EPA's basis for selecting JCF for an award and EPA's prioritization expectations. Specifically, JCF will place greater prioritization on MDIs and community development banks, which community lenders are not covered in any material manner by any other awardee. To achieve this, JCF will not cover non-bank community lenders covered by other awardees. However, JCF will cover the uncovered members of its Coalition (that are not community development banks or MDIs and otherwise meet the requirements of the JCF Program (the prioritized and other uncovered community lenders, collectively, Community Lenders)), performing annual reviews to inform its understanding of the community lenders that remain uncovered. JCF will also seek to collaborate with other awardees to foster an inclusive CCIA program without duplication.

1.1 Program Vision

JCF's Vision is to enable Community Lenders 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 is 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 mission-aligned finance organizations. Third, we must work rapidly to meet the national targets for greenhouse gas (GHG) reductions, mobilizing private capital to ensure 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** and selection 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 customary funding to up to $10M or more on an exception basis per Community Lender, as specified by EPA) to an NCIF program (through which much larger sums may be made available from other awardees). The Program progression is illustrated below:

Exhibit 1.1-1. CCIA Program

Central to our Program are competition waves (**Waves**) in which JCF will open the application process for Community Lenders to submit their information and apply to the Program. For each Wave, JCF will review all submitted applications and make Community Lender selections using the Evaluation Committee (Section 1.2.3.4) and evaluation criteria. Waves provide Community Lenders multiple opportunities to apply for CCIA funding instead of allocating on a "first come, first serve" basis only. If a Community Lender is not selected in a certain Wave, they are able to re-apply in a subsequent competition Wave for consideration. With Waves, we provide Community Lenders reasonable time and resources to develop and deploy a strong track record of underwriting green loans in LIDACs. This approach de-stigmatizes education, encourages inclusive participation and supports 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 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 appropriately 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 Cohort approach (i.e., coordinated bodies of community-centered actors comprised of Coalition Members and a diverse range of other stakeholders) 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.

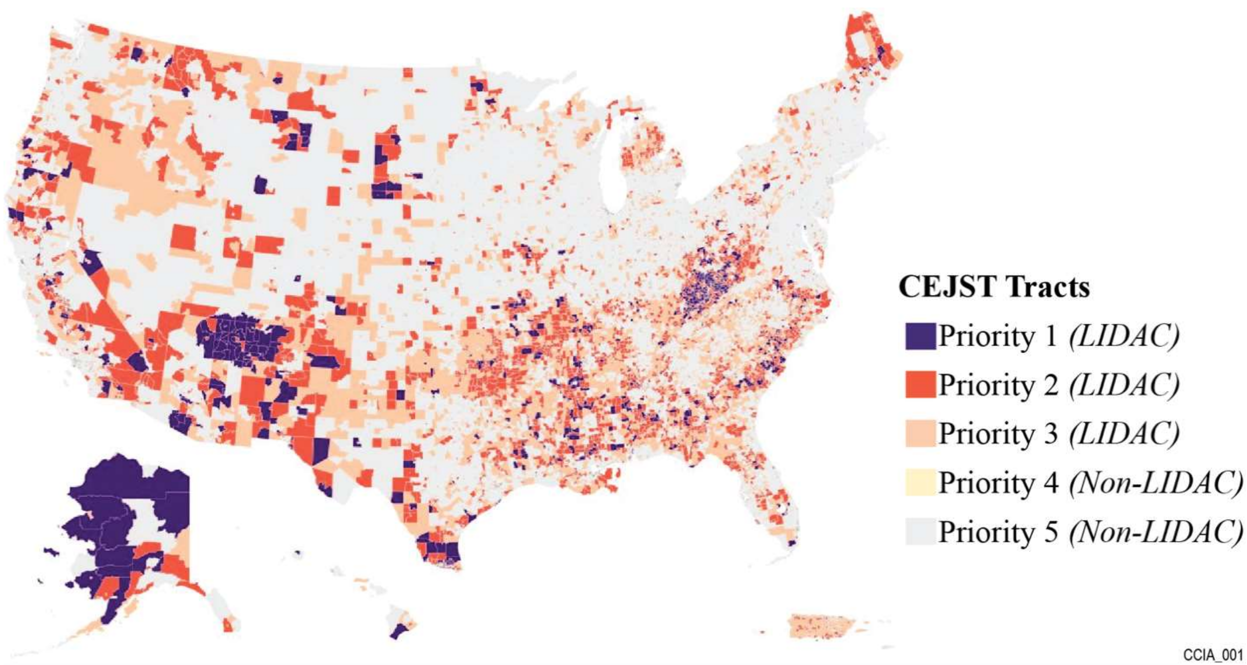

Exhibit 1.1-2. Priority Communities Classification System

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

**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 embodies community self-determination and commitment to an 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 Program, advances covering community lenders consisting of Minority Deposit Institutions (MDIs), Community Development Banks, and other community lenders not covered by other awardees, located across the country. JCF's approach will focus on the geographies, affinities and products that JCF determines are integrated with this Community Lender group, enabling a paradigm shift in community finance and bringing the critical resources into J40 communities. Specifically, JCF's Program has a number of unique attributes that enable its success in meeting CCIA objectives:

First, the JCF is uniquely suited to achieve LIDAC prioritization, because the 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), JCF's larger 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 Community Lender group in JCF Network is uniquely positioned to lead this process, ultimately poised to utilize its existing relationships to educate and engage in the deployment of impactful climate solutions.

Second, the JCF Program is uniquely suited to successfully execute, given the Community Lenders' commitment to collaboration. The Community Lenders that participate in our Program have chosen collaboration and have extensive LIDAC lending experience. 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. Given the deep relationships JCF has fostered with other CCIA awardees, JCF is poised to effectively explore streamlined training, technical assistance, standards development and shared infrastructure to enable efficiencies, ensure against duplication and advance EPA's vision for nationwide program delivery. We look forward to collaborating with the different awardees each focused on a specific type of community lender, e.g., for the JCF its Community Lender group of CDFI banks and MDIs.

Third, the Program 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 of capacity, capability and success, 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 (with bold reflecting JCF prioritization)

Fourth, the Network's experience serving LIDACs with a wide variety of financial products is 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. JCF's Program leverages 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. Trade Coordinators, paired with training and sector experts serving as Technical Assistance service providers, will ensure the JCF Network has the expertise to customize financial products across sectors, financial products and engage effectively in communities.

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 broader Network covers all 10 EPA regions and 85**%** of American families (approximately 281M Americans), with its prioritized Community Lenders' present in 29 states and 10 EPA regions, each reflecting its deep connections to underserved communities. As a consequence, JCF's Community Lenders and community-based organizations are trusted by counterparties and other key stakeholders, a critical factor in adoption of financed climate solutions.

JCF's Program, its Community Lenders and its broader 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. A State Cohort approach will collectively create an accessible way to ensure decision-makers can easily understand and feel confident to enable climate solutions in their lives/communities.
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

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 JCF Program is built on a principle of collaboration and will provide unprecedented opportunities to advance more efficient peer learning and financing. With the variety and multiplicity of LIDACs and QP opportunities, we are poised to facilitate depository leverage and attract private investors (particularly at the QP level), leveraging that capital for green lending. Further, sharing information and best practices with JCF's Community Lender group serves a de-risking function and improves QP quality. Through our common reporting platform, JCF will have significant data not only related to the use of the GGRF funds, the performance of the financed 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 Program will focus on the areas where we have existing Community Lenders who are ready to engage in this work. Our Network 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. Our Trade Coordinators cover 29 states, and hundreds of Tribal Nationals working with Community Lenders in each of the 10 EPA Regions.

In conversations with JCF Coalition Member 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 Program 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.

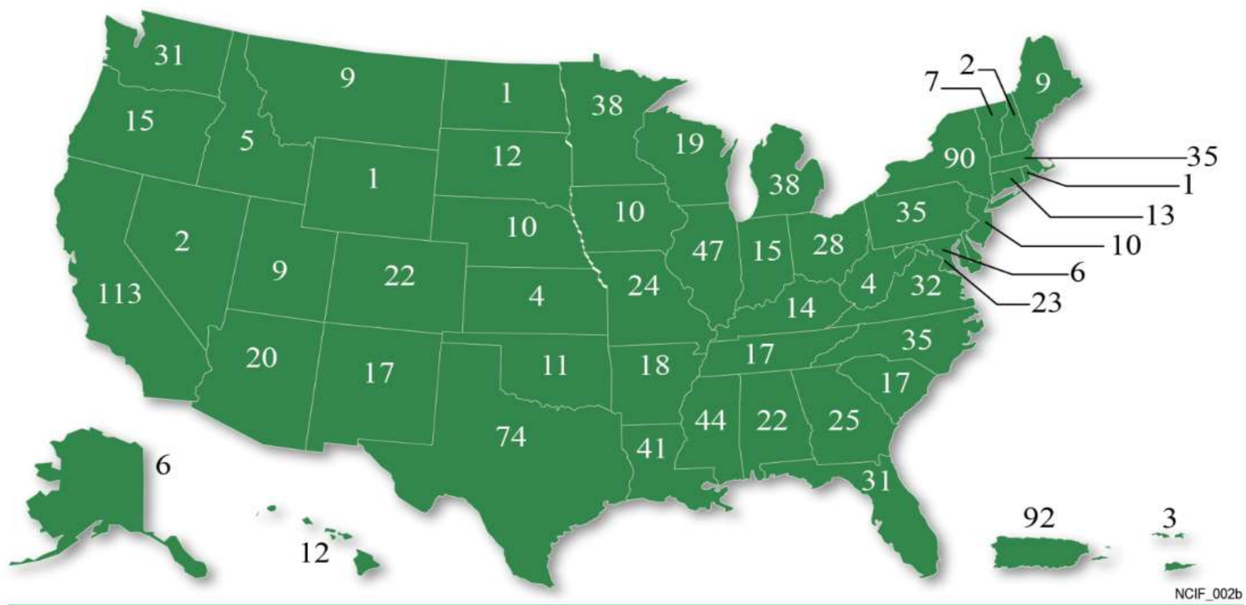

Exhibit 1.1.2-1. JCF Larger Network of Community Lenders by State

JCF supports 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 cover the broadest possible network.

1.1.3 Demonstrated Interest from Community Lenders

During the application process, JCF received 175 Community Lender Letters of Interest, covering all 10 EPA regions and Community Lender types. **Exhibit 1.1.3-1** below provides illustrative 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 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 a subset of the initial cohort of Community Lenders that issued Letters of Support to the Program. These Community Lenders will be assessed, selected, and trained as summarized in Section 1.0. We expect to undertake refinement of the Program, optimizing outreach, training, and technical assistance services provided to Community Lenders. By Year 4, we expect substantial data to continue to guide Program refinement and capital allocation. 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, training will be provided. The community engagement module in our training (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 could 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 Community Lenders' 's capacity. Community Lenders currently share information with their peers, but more formal and comprehensive systems are needed. Per our conversations with EPA and other CCIA-selectees, there is an industry-wide focus on standardization and shared infrastructure. We are committed to working with other awardees to advance this work.

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 a programmatic approach to outreach efforts, which may include in person initiatives for major and initial Priority QPs, neighborhood outreach, digital and electronic outreach, social media campaigns and other efforts.

JCF will continually assess and adjust its strategy based on member feedback and emerging best practices. Quarterly and annual evaluations by JCF staff will analyze 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.

During the application period, JCF received 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

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 Community Lenders, community organizations, and other participants. Specifically, JCF expects its 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. For example, a digitized community survey could be used in QP approvals to gauge community understanding of funding allocations and climate considerations. Data on community feedback and engagement 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 reporting in alignment with EPA standards, including financing and project details, to the maximum extent practicable. Metrics are expected to include 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 work with Coalition Members who specialize in Community Ownership to educate Community Lenders on models, such as lease-to-own models, micro-investments, and green bonds.

State Cohort Approach: Where Community Lenders are present, JCF will take a State Cohort approach, facilitating engagements with community-based organizations, environmental justice groups, state government officials, and Community Lenders. The approach will focus on cross-sector learning, e.g., incentives, labor, community priorities, addressing barriers, identifying projects, and aligning with community efforts. State Cohort participants 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): Where appropriate, 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.

1.2.2 Investment Objectives

JCF's Bank Network has created a clear, enduring strategy to amplify green lending in LIDACs. Our Priority Communities Classification 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 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
5.32M metric tons of CO2e reduced and avoided.	**61,700** direct and indirect jobs supported. Financing to over **155,000** households and **10,900** businesses.	**$1.56B** of private capital mobilized, an estimated 2x leverage.

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 $940,000,000 and JCF's target private capital leverage of 2x, JCF's Bank Network is anticipated to directly finance approximately **180,000 QPs** over the Period of Performance, reducing emissions by over **5.32 million metric tons** of CO2e over the lifetime of the QPs. This equates to **5.66 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	281 MW
Distributed Energy Generation & Storage	New battery storage capacity	38 MW
Net-Zero Emissions Buildings	Heat pumps and heat pump water heaters financed	93,600
Net-Zero Emissions Buildings	Buildings weatherized, electrified, and made energy efficient	23,500
Net-Zero Emissions Buildings	New net-zero single family homes	143
Zero-Emissions Transportation	Light-duty EVs financed	36,400
Zero-Emissions Transportation	Medium-and heavy-duty EVs financed	420
Zero-Emissions Transportation	Charging stations installed	8,890

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, McKinsey & Co., 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 as relevant.

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. Given EPA's partial funding and prioritization request, JCF has updated the allocation model, and expects to evolve and refine this model over time as the Community Lenders are trained and begin deploying capitalization funding. **Exhibit 1.2.2.2-1** below outlines JCF's Program initial modeled targets related to EPA program Objective 2 across the portfolio. These estimations include persistent poverty, energy communities, rural, and tribal communities.

Community Type	Total Projects Funded	Households Receiving Financing	Businesses Receiving Financing	Annual Family Cost Savings	Total Jobs Supported (Direct and Indirect)
Portfolio-wide	180,000	155,000	10,900	$97.9M	61,700

Exhibit 1.2.2.2-1. Equity and Community Benefits Targets

Total funding amounts by community type are initially calculated using JCF's geographic prioritization model within our Community Lender regions, rooted in our Priority Communities Classification System described in Section 1.2. As JCF's Program evolves, we plan to refine this model based on where Community Lenders are present and actively deploying QPs.

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.

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 in this 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 depository-based and private capital leverage. We may assess whether CCIA participants outperform their peers who have not had the benefit of access to the Program.

JCF also will design systems to track leverage rates, e.g., how much depository-based and 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 JCF-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 our 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.)

As an example, 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 **$.77B**+ to directly finance QPs, mobilizing a target of **$1.56B** in non-GGRF capital during the Period of Performance, with the expectation that a 2x leverage is achievable. JCF is also evaluating a depository-based strategy where Community Lenders receiving JCF funds on a custodial basis allocate aligned funds (resulting from treatment of custodial funds as deposits) within the Program.

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 larger Network, which covers 85.8% of the U.S. population, JCF hopes that it may via partnership, e.g., via MOUs with other CCIA awardees, be able to track the synergistic allocation of CCIA funds to diverse Community Lenders within JCF's larger Network across all 10 EPA Regions. Within its Community Lenders, JCF expects to achieve annual average targets of 82% of funds for capitalization funding and 90% 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 be accepted at different times, get a reservation of CCIA funds and then go through training before being certified to draw down on 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 mature green lending business lines, and 3) contemplates Community Lender depository-based and other leveraging of private capital, where practicable. Per our conversations with other CCIA awardees, there is a desire for standardization across various aspects of the CCIA program. JCF is ready and willing to work with other awardees on such standardization. As per our Application, our current approach and 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 and selection phase of the Program (see Section 1.1). Because these institutions have smaller balance sheets, JCF will have lower capital matching requirements on the first $5M. Once the first tranche has been successfully deployed, an additional tranche (for a customary total of up to $10M or more on an exception basis) will be available for an organization to reserve. This second tranche will have higher capital matching requirements. Reservation and capital matching requirements will be based on factors such as the organization's size, readiness, QP pipeline, access to matching capital, geographic focus, access to Priority Communities, experience with similar lending products, green lending products offered, taxation considerations and more. 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. For established and CCIA-ready organizations with larger balance sheets, the full maximum of up to $10M or more on an exception basis may be available to reserve immediately following the assessment and selection phase of the Program (see Section 1.1). Because these institutions have larger balance sheets and capital raising capacity, higher matches are expected to be required. For example, an experienced, large-sized Community Lender with a strong track record of deployment and raising private capital, a requirement of at least a 4:1

leverage could be required. Reservations and capital matching requirements will be based on factors such as the organization's size, readiness, QP pipeline, access to matching capital, geographic focus, access to Priority Communities, experience with similar lending products, green lending products offered, taxation considerations and more.

All Community Lenders. Subject to EPA authorization, a percentage of capitalization funding will be allocated to capital reserves, participant support costs, rebates and other subsidies as follows: 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 customary maximum $10M to CCIA-eligible QPs will be encouraged to seek additional deployment capital from NCIF programs.

As noted, JCF may, on an exception basis increase the total capitalization reservation amount for Community Lenders above the $10M threshold. JCF anticipates various reasons that JCF may propose, or a Community Lender would request for an exception to the $10M capitalization limit. These include: 1) if the QP types the Community Lender is investing in through the capitalization funding require more capital in order to create a viable or optimal demonstration portfolio of QPs; 2) if a Community Lender has already completed its initial training and has deployed a demonstration portfolio of QPs and is requesting to go through an additional training program to add another green lending line to its business; 3) if a Community Lender has prior successful deployment of CCIA or other funds to QPs or similar projects; 4) if a Community Lender has differentiated access to Priority Communities; 5) if a Community Lender has differentiated ability to catalyze other Community Lenders' deployment; or 6) if a Community Lender has demonstrated success in deploying capital to QPs in furtherance of a portfolio target that is lagging with respect to a geography, QP type or priority community and has additional pipeline. In such cases, JCF would seek balance achieving such impacts with any tradeoffs presented. Any Community Lender that is requesting an exception must be in good standing with JCF and in full compliance with all reporting and other program requirements. Exception requests will be submitted and reviewed through existing processes outlined in Section 1.2.3.4. At this time, JCF does not anticipate additional capitalization funding requests for exceptions to be awarded in the early years of the Program.

Technical Assistance Subaward Instrument Design

The range of technical assistance subaward amounts (TA Awards) and term options are customarily 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 full $1M to be available for Community Lenders over the course of the Program. JCF will allow all Community Lenders to utilize an initial $150,000 of TA Awards as soon as capitalization funding is reserved, beginning as early as post-assessment and selection into the JCF Program. This approach promotes optimal market building, capacity building and readiness for CCIA capitalization funding, a key factor in ensuring enduring capacity beyond the Period of Performance. The time horizon to use funds is expected to be 18 – 24 months and will be detailed in the next section (see Section 1.2.3.2). Community lenders must submit any TA Award request, including the use of funds, to the Evaluation Committee for review and approval. After the initial $150,000 TA Award is spent down, Community Lenders may submit additional TA Award requests separately or in conjunction with capitalization requests to the Evaluation Committee. Details on Evaluation Committee and processes are in Section 1.2.3.4. Community Lenders may be awarded TA Subawards in excess of $1 million. This is mostly likely to occur at organizations with extraordinary needs for additional capacity or that have the potential to generate significant program impacts or to fill out the JCF portfolio.

Because JCF anticipates CCIA funding demand will far exceed the $6B in CCIA award funds available and the subsequent parameters outlined, JCF does not expect to 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, Waves are built on organizational readiness to take on a new green lending program or deployment approach. As such, Wave 1 is expected to 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 is expected to primarily deploy to Community Lenders who have established infrastructure and capacity (e.g., added staff, utilized training) resulting from the Program. Wave 3 is expected to primarily deploy to new Community Lenders and those Community Lenders working in underdeveloped markets. Wave 4 is expected to deploy to mostly undeveloped, Priority 1 communities. That said, all competition/application Waves are built around assessing an organization's readiness and ability to take on new green lending activities, and as such the makeup of Community Lenders in each way will vary as readiness levels change and market conditions evolve over the program period. 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 and Selection Phase: After passing through an assessment and being accepted into the JCF Program, Community Lenders may receive 1) the initial TA Award of $150,000, and 2) a reservation of approximately $1.5M to $10M in CCIA capitalization, to be deployed in accordance with the program criteria, but not to exceed an approximate 2 years from the earlier of the reservation date or completion of training. JCF may seek to award over $10M to a community lender on an exception basis outlined above. Reservations are subject to the outcome of the assessment and selection 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 green lending. The training phase has three objectives: to i) complete the core-training; ii) complete any 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 Awards. Examples of training assigned deliverables may include utilizing the Priority Community Classification System, 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. Core trainings are expected to be delivered by Coalition partner, University of New Hampshire, Carsey School of Public Policy, which has a successful track record of developing and delivering green financing training to various types of community lenders.

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 Concepts

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 size, experience, and other factors listed in Section 1.2.3.1 in determining reservation amounts at the point of assessment and selection. 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 capitalization funding reserved by small, medium, and new Community Lenders, JCF will leverage deployment history from the first tranche, 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. JCF respectfully notes that all JCF committees mentioned below are management-based execution committees (and not subject to EPA request regarding Board committee requirements identified in the T&Cs which JCF will implement no later than July 1, 2025.)

- ***Uniform Due Diligence Process and Policy Compliance**:* JCF may leverage Coalition Members to conduct financial and operational due diligence on Community Lenders submitting a request to draw down on their capitalization reservation Reviewers 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 will be staffed with a Program and Compliance team which will work together to review 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 regular basis, the QP Approval Team will review submissions using the Qualified Projects Checklist.
- ***Centralized, Transparent Accounting**:* To the extent feasible and practical, 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 reservation and 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), Evaluation Criteria 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 Evaluation Process. Prior to receiving capitalization, Community Lenders must submit a specific QP or multi-QP "program" pipeline for review 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 Approval 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, and

- 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 review and approval prior to the disbursement of funds. The QP Approval Committee is expected to meet weekly for review to ensure agile turnaround on decisions. In addition, JCF will maintain a Board-level 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 Assessment Process, and this score will be the basis for determining an organization's capitalization amount. On top of the scoring rubric, JCF expects to use industry best practices to assess and calculate capitalization reservations, e.g. JCF may allocate total capitalization based on the entity's current assets under management (AUM), ability to reach LIDAC, or similar mechanisms.

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 platforms to ensure effective management and efficient oversight of both capitalization funding and TA Awards.

Management and Oversight Plan for Capitalization Funding

JCF anticipates being a tech-enabled program, leveraging technologies and platforms that enable scale, reduce manual processes, and to the extent feasible, allow for standardization across the various CCIA-selectees. As mentioned in our Application, JCF anticipates the use of several technologies to ensure efficient and effective oversight of funds. 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 and selection basis, actual issuance of financial assistance requires completion of training and the full, internal evaluation process. In alignment with EPA's Terms and Conditions, 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 a subsequent 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 and selected Community Lenders, but only drawn down with a submitted request on use of funds. Because the capitalization funding to TA Award ratio is expected to be proportional, additional TA Awards will become available at loan/investment closing, unless there is an exception request submitted and approved by JCF. 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 and selection (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 a subsequent 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 funding). 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 Technical Assistance Services will be developed and administered by Community Lenders, supported by Coalition Members, led by Carsey (which specializes 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 its 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 across industries 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. The targeted support to Community Lenders will remain consistent over the Period of Performance and beyond.

In addition to the iterative support, Community Lenders that complete their JCF training are eligible to submit requests for advisory engagement with our sector or other technical experts that may include market-wide analysis, sectoral technical support, and underwriting or financial structuring expertise. The JCF training modules are created by JCF Coalition Member Carsey, and customized to meet specific lender needs through Coalition members acting as Trade Coordinators (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. JCF and Coalition Members 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.

Communities of Practice: As detailed in Section 1.2.1.2, JCF will use a State Cohort approach to 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 with a Tool Kit, capital and a demonstration portfolio of QPs deployed 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 JCF Coalition already deeply established and trusted in LIDACs and other underserved populations. The Network allows the ready and effective dissemination information, including participation expectations, eligibility, timelines and deliberate and direct outcomes for LIDACs. This 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 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 during the Application period, 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 regional analysis work, 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. JCF will 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, training partners, 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 anticipates having dedicated staff or contracting partners focused on Workforce and Labor. They 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 may as relevant, 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 monitoring 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 ensure ongoing compliance with the Acts. As an example, JCF will ask that its Community Lenders' contractor and subcontractor payroll records be regularly audited to ensure compliance with wage determinations per the Davis-Bacon and Related Acts. Additionally, the Compliance team, or related contractors, will work closely with the Program team 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 may be facilitated through the Trade Coordinators or other training partners. 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 also plans to 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 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 Compliance training will ensure they thoroughly understand the full range of consumer protection regimes to which they are subject. Additionally, JCF will design training modules that include content on how 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 may 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 seeks to devise templates over time, 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 and Community Lenders, JCF will regularly check on any consumer complaints. Third, JCF will proactively seek to limit the potential for service providers operating with GGRF dollars to cause harm. For example, JCF may 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 CCIA Program is open to supporting 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.

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 the Program will operate in close coordination with the NCIF programs. JCF will also aim to coordinate with grantees in the Solar for All (SFA) program.

Second, JCF's use of a State Cohort approach, 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 other CCIA selectees and programs to minimize duplication and maximize complementarity across programs, including through shared services. Areas of coordination and collaboration may include pass-through strategy and logistics, technical assistance services, market building efforts, reporting, compliance and other. JCF anticipates having a staff member who is focused on ensure collaboration and coordination with all other GGRF-related awardees or selectees.

Finally**,** JCF has received nearly 1000 Letters of Support during the application period from a broad array of Community Lenders, community-based organizations, municipalities and others. This demonstrated support, coupled with JCF's State Cohort approach and dedicated Trade Coordinator engagement, 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 CCIA 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 6, 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 may request 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. Any QP-related CBA will incorporate those equity and community targets into their reporting.

JCF's anticipated impact management system, grant 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: Consistent with the expected Terms & Conditions, JCF Subrecipients will be required to receive JCF funds in a segregated account and, to the extent feasible and practical, 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 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, to assist in the scope and selection of third parties for this work. In Year 6, 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 existing systems and infrastructure to centralize data collection and reporting. Internal reports will be produced and circulated regularly with EPA-submitted reports produced as defined by the Terms and Conditions.

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.

1.4 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 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). In future program years, JCF may pursue an indirect cost rate approval. 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 includes the use of established expertise and systems of Coalition Members like ImpactAssets, 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, which could include uploading receipts and supporting information into JCF's reporting system. Community Lenders will submit additional requests over time when seeking further disbursements.

JCF's Reporting and Compliance Department, with supervisory oversight from the Chief Reporting and Compliance Officer and CFO, 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 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 90%. JCF intends to use GGRF funds exclusively for the purpose of supporting CCIA-eligible projects. In alignment with discussions with EPA, JCF intends to submit pre-award costs to cover allowable expenses under the program incurred after the notice of award.

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. 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 an approximately 2x leverage resulting from a combination of match requirements and other leverage activities, as explained further in Section 1.2.2.3.

JCF plans to use a 'Wave' competition and application approach as referenced in Section 1.1 and initially anticipates approximately four competition Waves. This approach allows for multiple application openings where Community Lenders can apply for the Program. JCF anticipates that Community Lenders will progress through their training and QP deployment at different rates, and for each Wave anticipated capitalization funding to be expended over an approximate 2-year time horizon. JCF anticipates that in the first Wave, JCF will select a smaller number of Community Lenders to allow for the Program to ramp up and incorporate early lessons learned, with larger numbers of Community Lenders in each subsequent Wave. JCF will re-evaluate the number of selected Community Lenders and timing of application Wave each year. JCF may offer more application Waves if demand is high and JCF has confidence in the Program's ability to train and capitalize more community lenders. The Wave concept will be administered by JCF to reduce stranding of capitalization funding.

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.

A portion (up to $150,000) of Technical Assistance Awards will be available to Community Lenders after assessment and selection into the JCF Program, any additional TA Awards will be drawn down alongside capitalization funding, up to a customary $1M per Community Lender. Since most of the TA Awards will be drawn down in relationship with capitalization the TA Award, projections are based on the expected capitalization flows.

Technical Assistance Services: As described in Section 1.2.4, JCF will support Community Lenders through strategic use of Trade Coordinators, Training, Product Platform, and Expert Bench of Sectoral/Community TA Service Providers as well as JCF Staff.

1) **Trade Coordinators:** Coalition Members who will be acting as Trade Coordinators are expected to be, but not limited to: African American Alliance of CDFI CEOs, National Association of Latino Community Asset Builders, Oweesta Corporation, Partners for the Common Good and National Community Bankers Alliance.
2) **Training:** University of New Hampshire – Carsey Center will act as the primary JCF training partner and platform, working with other Coalition members and sectoral experts as needed to deliver existing training and develop new content.
3) **Product Platforms:** JCF will work with organizations to build and deploy new product platforms aimed at increasing efficiency of green lending products for community lenders. Partners are expected to be, but not limited to; Housing Partnership Network and Inclusive Prosperity Capital.
4) **Expert Bench: Sectoral/Community TA Service Providers.** The following JCF Coalition Members who are subawardees under this grant may also serve as technical assistance providers: Greenlining Institute, Elevate Energy, Institute for Market Transformation, New Ecology, Rocky Mountain Institute (RMI), Vermont Energy Investment Corporation (VEIC), Inclusive Prosperity Capital, Housing Partnership Network, National Coalition for Asian Pacific American Community Development 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. JCF may add or change the Expert Bench over time as the Program and Community Lender needs evolve. Community Lenders going through the JCF Program will have an "Expert Bench" budget that they can use to request access to the services of the various sectoral or community engagement TA experts. Requests will be submitted to JCF, reviewed, approved and paid centrally for tracking and efficiency purposes. Sectoral/Community TA Service Providers will submit aggregated invoices to JCF for the services rendered across various Community Lenders in alignment with the scopes of work approved by JCF for each engagement.

This expert bench may 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.

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 finance, market development, impact reporting, and more. To ensure competitive hiring and retention of key employees, salaries are budgeted based on competitive market data for Financial Organizations with annual revenue exceeding $20M and include a 10% performance-based bonus pool. Years 2-6 of the personnel budget also include a 2.5% increase, in line with median Consumer Price Index (CPI) forecasts over 5 years. 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 the program enters into the later years, we anticipate Program and Compliance staffing to focus increasingly on closeout agreements, shifting responsibilities or roles as necessary to meet the program delivery and compliance needs. As a purpose-built organization, JCF will need to hire most of its staff in the first year of the program. To begin executing now, JCF is utilizing a "Launch Team" of consultants to help with program design, process design, and Coalition engagement. The Launch Team is expected to roll off over time as full-time employees get hired, onboarded and trained. If there are delays in hiring JCF may need to have a higher consultant budget to supplement capacity until full time staff are in place (with some overlap reflected in the budget to ensure effective transitions). The total program administration estimates in the budget have been revised consistent with the revised CCIA scope.

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 conduct Market Building activities each year. We budget Program staff to convene Coalition Members on an annual 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 and workstation hardware for JCF staff whose roles are directly related and budgeted to the CCIA award. Per standard practices, computers and workstations are expected to be updated every 2-3 years.

JCF’s **Contractual** budget includes a few categories: Technology, Program-Related Contractors, Consultants & Advisors, and Professional Services. Contractual relationships will be selected following all procurement regulations and requirements.

Technology - 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.

Program-Related Contractors, Consultants & Advisors - JCF has included a range of technical and expert consultants.

Independent Board Directors	Compensation for Board Members who are not Subawardees, particularly Climate Justice experts.
Independent Evaluation Committee Members	Evaluation Committee Members will assess applicants and help with selection, capitalization reservation and training plans.
Launch Team Consultants	Consultants used in the beginning phase of program design, development and onboarding/training of full time JCF staff.
Technology Implementation Consultants	Various consultants who lead the projects to design and implement JCF's various technology systems including accounting, impact measurement and reporting, grant management, etc.
Recruiting Consultants	Since JCF is a purpose-build entity, there is a line for recruiting firm compensation to acknowledge the staffing and onboarding needs that JCF will have in Y1 and Y2 of the program. This consultant will develop and post Job Descriptions, source and screen candidates, ensure an equitable hiring process is conducted.
Evaluation Consultants	Consultants used for both formative and outcome evaluations.
LIDAC Outreach, Communications and Education Consultants/Contractors	Program marketing collateral, targeted campaigns, community outreach and engagement efforts focused on LIDAC.

Professional Services include:

Legal Counsel	Various Counsel for EPA Negotiations, Coalition Agreements, Corporate Documents and Filings, Employment Contracts, Contract Agreements, etc.
Accounting and Audit	Performs third-party Audit and accounting advice.
Professional Employment Organization or Outsourced Human Resources Services	JCF will either use a PEO or individually outsource various HR functions, such as Payroll Processing, Benefits Provider, etc.
Procurement/RFP Consultant	Leads periodic RPF processes on behalf of JCF, ensuring compliant competitions are conducted for all necessary contracts.
Compliance Consultant	Advises on JCF's policies and procedures, ensuring compliance with government standards, regulations and requirements.

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. JCF may request an indirect cost rate above the de minimis in the future, but is not planning to do so at this time. Indirect costs will cover expenses such as administrative services, general accounting, marketing, human resources, utilities, etc.

Other Direct Costs: JCF will use other direct costs like office space, annual gatherings, and participant support costs to drive forward the Program's commitment to community engagement and involvement. Additionally, JCF has included a GGRF Shared Services line item that is intended to be used in alignment with other GGRF awardees for shared services, coordination, and approaches to program delivery. We look forward to discussing more with EPA and other selectees on how to reduce duplication and streamline an effective understanding and execution of the CCIA program.

Efficient effective deployment of grant funds

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.

JCF understands that EPA's custodial accounts management of GGRF funds continues to evolve. As such, JCF respectfully requests an opportunity to discuss whether and how prioritized, qualified JCF depository Community Lenders with track records of managing public entity custodial accounts may be engaged to perform custodial accounts functions for GGRF funds held on behalf of JCF. This request for additional discussion would detail how custodial management of such funds by qualified JCF Community Lenders may enable such depository institutions to perform additional Program-related activities, subject to all Program Income obligations.

Budget table

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