



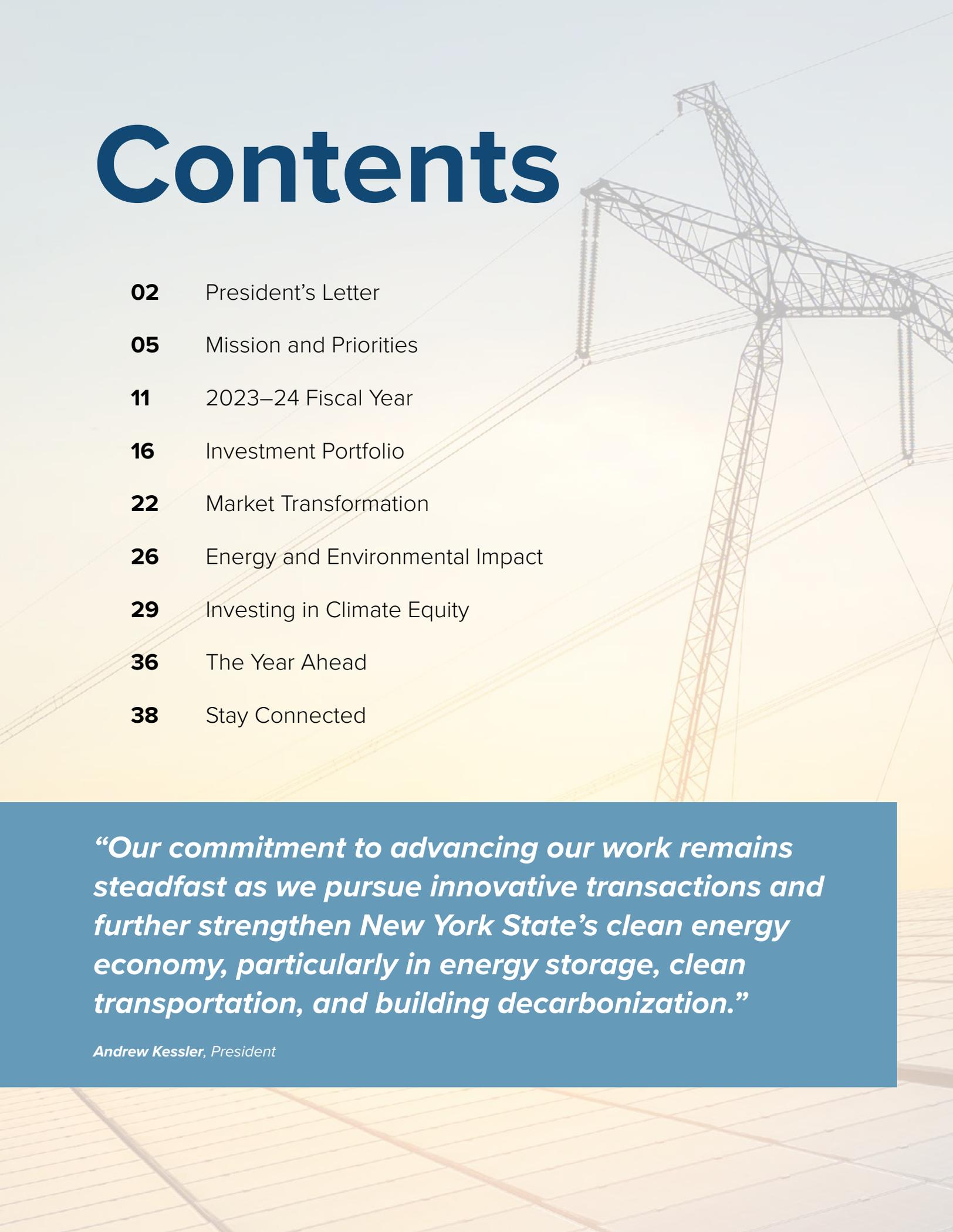
NY Green Bank
A Division of NYSERDA

NY Green Bank Impact Report

For the fiscal year ended March 31, 2024

OCTOBER 2024

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“Our commitment to advancing our work remains steadfast as we pursue innovative transactions and further strengthen New York State’s clean energy economy, particularly in energy storage, clean transportation, and building decarbonization.”

Andrew Kessler, President



President's Letter



On behalf of NY Green Bank, I am pleased to share our annual Impact Report which highlights our accomplishments during the year ended March 31, 2024, and outlines our strategic focus for the year ahead.

In the 2023–24 fiscal year, NY Green Bank supported projects projected to reduce 5.7 million metric tons of lifetime CO₂e and deliver 7.1 million MMBTU in lifetime energy savings from building decarbonization. These outcomes were driven by NY Green Bank's capital commitments of \$336.6 million across 16 transactions — our third-highest year in commitments since inception. With this, NY Green Bank exceeded \$2.3 billion in total investments since its founding, reflecting robust and sustained demand for financing across a broad spectrum of products and technology types.

With the historic Inflation Reduction Act (IRA) fueling unprecedented investment in sustainable infrastructure, the past fiscal year has been a momentous one for green banks. National, state, and local green banks are poised — along with similar mission-oriented community development financial institutions — to receive significant federal funding. IRA legislation is also expected to catalyze fundamentally transformative amounts of private sector capital to finance the national transition to a clean, equitable, and just energy infrastructure. We are thrilled to be a sub-awardee of the Coalition for Green Capital's application for the IRA's Greenhouse Gas Reduction Fund, and we are well-positioned to put more capital to work in support of New York State's climate goals.

This year also brought new opportunities to deliver clean energy benefits to disadvantaged communities in New York State, most notably through the launch of our \$250 million Community Decarbonization Fund (CDF), which is expanding green lending practices for local mission-based lenders already active in New York State's underserved communities. Over the past year, we led a roadshow to promote this fund to eligible borrowers and gave presentations in each region of the State. Demand for this capital is strong and we closed four transactions in the CDF's first year of operation. Collectively, the projects supported by these CDF transactions are expected to reduce 81,971 lifetime metric tons of CO₂e.

Our commitment to advancing New York State's clean energy economy remains steadfast as we pursue innovative transactions with a particular focus on energy storage, clean transportation, and building decarbonization. We are proud of the progress already underway in these areas and pleased to share that in the 2023–24 fiscal year, we closed multiple transactions expected to be transformative to the market. They include our first standalone storage transaction, our first transaction with a software-as-a-service focused counterparty to advance building decarbonization, and a \$8.5 million facility to support nearly 400 electric vehicles in New York City. These investments are all examples of transactions that close financing gaps and offer replicable, scalable solutions that encourage other lenders to become more active in New York State.

Finally, we launched a new, formal, sustained effort to interact with and seek input from stakeholders across market sectors and environmental justice communities. The effort will enable NY Green Bank to connect with market participants from a wide range of organizations, which will foster ongoing dialogue and inform our activities going forward.

The 2023–24 fiscal year delivered historic opportunities coupled with continued global challenges that included inflation, rising interest rates, supply chain disruptions, and other post-pandemic issues. It is during these particularly challenging times we are reminded of the key role public institutions such as NY Green Bank play in promoting financial stability for the clean energy transition.

I feel great pride reflecting on our prior year and broader cumulative achievements and I am grateful to work with such an exceptional team — from our interns to our analysts and associates, to the senior leadership driving our strategic and investment activities — each person plays a key role in advancing our progress towards achieving New York State's climate goals. We are pleased to share our fourth annual Impact Report and look forward to continuing to drive a more just, clean, and equitable energy future for all.

Sincerely,



Andrew Kessler, President



Mission and Priorities

A race to net zero

Mission & Priorities

A race to net zero

WHO WE ARE

LARGEST

green bank
in the nation

10+ YEARS

of investing in
New York State's
sustainable future

OVER \$2 BILLION

in capital commitments
for clean energy

\$10–50 MILLION

typical investment size

AT LEAST 35%

with a goal of 40%,
of investments in
clean energy projects
benefit disadvantaged
communities (DACs)

OUR MISSION

Our mission is to work in collaboration with the private sector to transform financing markets in ways that accelerate clean energy investments to combat climate change and deliver benefits equitably to all.

WHAT WE DO

With over a decade of investment experience, we have utilized traditional capital solutions in innovative practices to close financing gaps and overcome market barriers, driving the deployment of clean energy and sustainable infrastructure across New York State.

Our strategic investments, guided by stakeholder input and aligned with ambitious climate targets, support the path toward achieving the State's net zero goals. Committed to advancing climate equity, we have pledged that at least 35%, with a goal of 40%, of our capital will be allocated to projects benefiting disadvantaged communities (DACs).

Where traditional lenders may see obstacles — such as unfamiliarity with asset classes, perceived uncertainty in revenue streams, and small transaction sizes — NY Green Bank identifies opportunities to propel the green economy in key sectors that include building decarbonization, clean transportation, and energy storage.

Our transactions are designed to be replicated and adopted by the private sector, animating the market and mobilizing capital into underserved green sectors. These efforts bridge financing gaps, actively shape a more inclusive and resilient clean energy market, and lay the groundwork for a greener future in New York.

We do this by approaching transactions with the following principles in mind:

- Structuring financial products that are **replicable and standardized**, with the goal that over time more traditional private sector financiers and investors can complement and scale these approaches. NY Green Bank can then move on to other priority clean energy sectors.
- Pricing **financial products** consistently with a sector's standard credit and risk approaches. This demonstrates to the private sector that these financing products can deliver attractive, risk-adjusted returns, and incentivize greater interest from other lenders.
- Recycling **returned capital and income** into new, clean energy investments that meet future demand for our gap filling capital, thus maximizing our impact.
- Enabling **private capital providers** to “crowd in” to areas within the sustainable infrastructure landscape, allowing NY Green Bank to move on to other areas where private sector activity has yet to be spurred.
- Offering **wholesale lending pathways**, which encourages large-scale investments, increased efficiency, reduced risk, and strategic relationships within the clean energy sector.

THE GREEN BANK MODEL

At their core, green banks are mission-driven institutions that use financing to accelerate the clean energy transition.

Green banks use public capital to mobilize investments into underserved green sectors by filling market gaps and advancing public climate targets, with the goal of enabling private capital providers to expand their sustainable infrastructure investment activity at scale.

The green bank model has been active globally for more than a dozen years, with institutions operating at the local, state, regional, and national levels, including government-affiliated agencies and independent nonprofits.

With the passage of the Inflation Reduction Act (IRA), green bank entities in the U.S. received a significant endorsement. Funding was made available through the \$14 billion National Clean Investment Fund, which was one of three funding pathways associated with the \$27 billion Greenhouse Gas Reduction Fund (GGRF).

NY Green Bank is pleased to be a sub-awardee included in the application submitted by the Coalition for Green Capital, which was awarded \$5 billion from the GGRF. The GGRF funding level is unprecedented, representing a historic opportunity and responsibility to use this resource in fundamentally transformative ways, with the potential to unlock additional billions of private sector capital needed to finance the energy transition nationwide and ensure the benefits of greenhouse gas reductions are experienced in frontline and historically underserved communities.

Mission & Priorities

A race to net zero

OUR STRATEGIC INVESTMENT TARGETS

Between January 1, 2020, and December 31, 2025, NY Green Bank is committed to a number of important capital goals supporting our priority clean energy sectors:

\$100 MM

clean transportation

\$100 MM

decarbonization of buildings located in and/or serving disadvantaged communities (DACs)

\$150 MM

green affordable housing

\$200 MM

energy storage

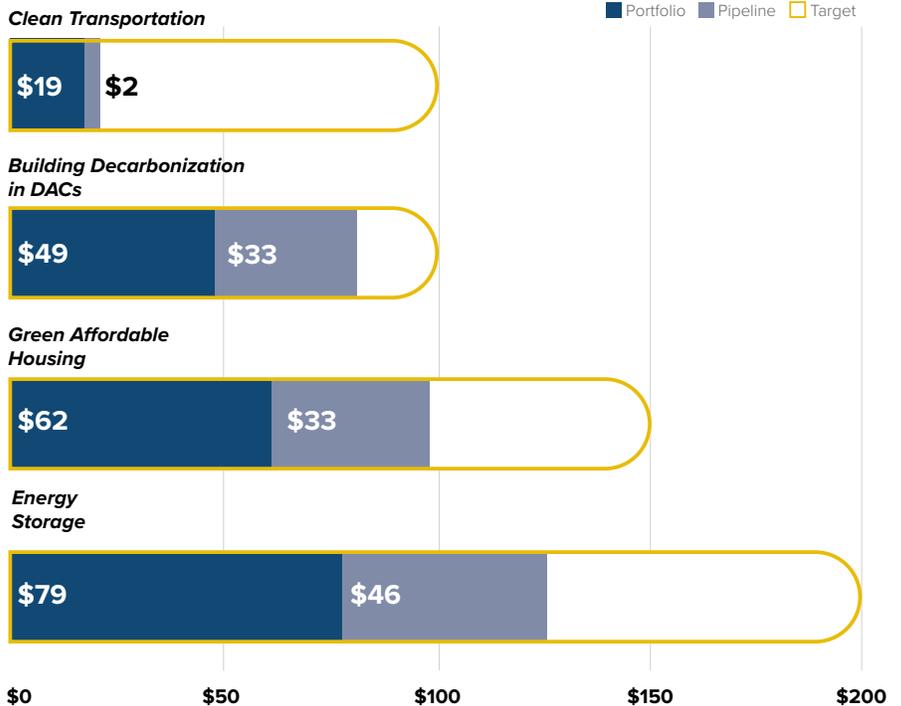
PRIMARY INVESTMENT CRITERIA

To be eligible for NY Green Bank's capital, a transaction must:

- Demonstrate potential for **greenhouse gas reductions** in support of New York State clean energy policies
- Demonstrate how it contributes to **market transformation**, specifically:
 - › Mobilization of private capital
 - › Additionality in proposed investments
- Be **economically and technically feasible**, and have expected financial returns such that revenues of NY Green Bank on a portfolio basis will exceed operating costs and expected portfolio losses

Progress Toward Targets

as of March 31, 2024 (\$million)



Scan to learn more about NY Green Bank, or visit greenbank.ny.gov/Public-Filings



Mission & Priorities

A race to net zero

AT A GLANCE

Investment Activity and Impact

Inception through March 31, 2024

\$2.3 BILLION
CAPITAL
COMMITTED

\$7.9 BILLION
PROJECT COSTS MOBILIZED

\$2.5 BILLION
CAPITAL DEPLOYED*

\$1.8 BILLION
CAPITAL REPAID

**47.1 MILLION
METRIC TONS**
CO₂e AVOIDED

1.1 MILLION MWh
ELECTRICITY SAVINGS

Equivalent to one year's electricity
usage for 151,658 homes

64.3 MILLION MMBtu
FUEL SAVINGS

Equivalent to approximately
40.6 million gas tanks

Equivalent to removing 485,159 cars
from the road for 24 years

* Capital deployed refers to funds advanced to borrowers, while capital committed refers to the total amount of funds pledged to borrowers as outlined under executed agreements and amendments. Currently, NY Green Bank's cumulative deployments exceed capital commitments due to our revolving credit facilities, which allow borrowers to reborrow committed capital after repayment(s).

2023–24 Fiscal Year

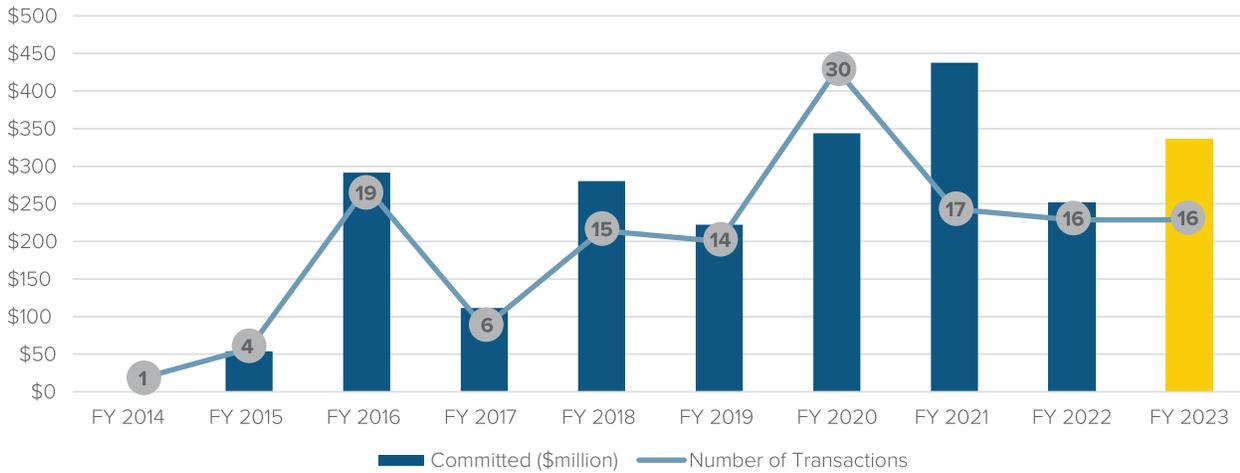
Investing in clean energy

2023–24 Fiscal Year

Investing in clean energy

AT A GLANCE

Year-Over-Year Investment Activity



2023–24 FISCAL YEAR

16 transactions executed

\$336.6 MILLION capital committed

\$98 MILLION capital committed to projects in DACs

SURPASSED \$2.0 BILLION in financial commitments since inception

\$2.4 BILLION estimated project costs mobilized

HISTORIC year of revenue generation

5.7 MILLION METRIC TONS lifetime CO₂e avoided

7.1 MILLION MMBTU lifetime energy savings from building decarbonization*

In the 2023–24 fiscal year, we:

- Completed four Community Decarbonization Fund (CDF) transactions in the fund's inaugural year
- Provided our first loan for stand-alone energy storage
- Executed first transaction with a software-as-a-service (SaaS)-focused counterparty to advance building decarbonization

**Reflective of deals closed in FY23–24*

COMMUNITY DECARBONIZATION FUND

In April 2023, NY Green Bank launched the Community Decarbonization Fund (CDF), a \$250 million wholesale lending pathway, to expand the lending capacity of community development financial institutions (CDFIs) and other local nonprofit lenders to support sustainable infrastructure projects that benefit disadvantaged communities (DACs) in New York State.

COMMUNITY DECARBONIZATION FUND ROADSHOW

Following the Community Decarbonization Fund (CDF) launch, NY Green Bank set out on our CDF Roadshow to engage the market. Staff traveled to all 10 economic regions of the State and connected with lenders, project developers, community organizations, and other interested parties.

NY Green Bank is enhancing access to equitable energy funding across the State:

ALL 10

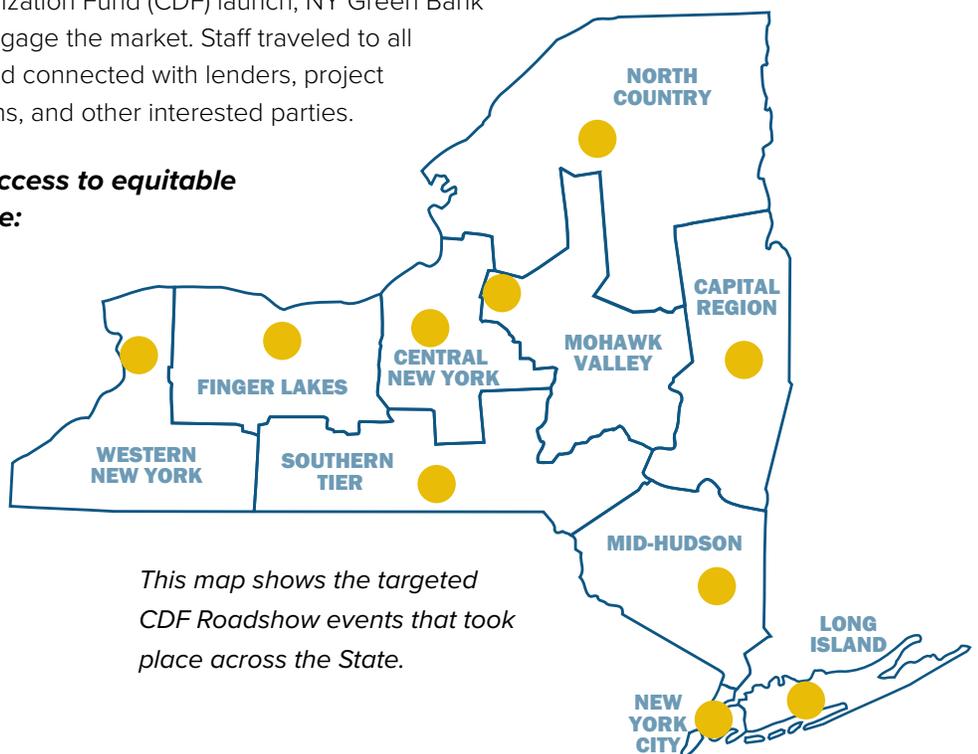
economic regions of New York State

\$250 MILLION

in concessionary financing

OVER 375

stakeholders engaged



NY Green Bank is keenly aware of the crucial role local lenders play in implementing green financing solutions in New York State’s DACs. To ensure NY Green Bank was effectively capitalizing on the CDF Roadshow opportunity, we made a point to understand more clearly how local lenders leverage their expertise to assess the green financing needs within their local region. This way, we were able to identify how NY Green Bank could support the expansion of existing lenders and their green financing products, while ensuring all eligible borrowers were aware of the CDF and familiar with how to apply.

During each CDF Roadshow event, NY Green Bank focused on topics that were pressing and relevant to that area and tailored conversations to the region’s demographics and building stock.

CDF TRANSACTIONS

As of March 31, 2024, we executed four CDF transactions totaling \$85 million.

Capital was committed to mission-driven lenders supporting projects that reduce greenhouse gas emissions for people living in DACs. In addition to NY Green Bank's transaction with TruFund Financial Services, as showcased on page 15, CDF capital was also committed to:

Community Preservation Corporation

A \$25 million revolving term loan to fund efficiency-first decarbonization projects. Today, Community Preservation Corporation stands as the largest CDFI in the country solely committed to investing in multifamily housing through its construction lending, mortgage lending, and equity investing business.

Enterprise Community Loan Fund

A \$25 million revolving term loan to support decarbonization projects such as building electrification and electric vehicle infrastructure. Enterprise Community Loan Fund works to revitalize communities and create access to opportunity by financing housing, community facilities, and sustainable development.

Low Income Investment Fund

A \$25 million revolving term loan to fund building decarbonization projects across New York State. Low Income Investment Fund provides capital and technical assistance to help low-income individuals and families access affordable housing, quality education, healthcare facilities, and essential community services.

WHAT ARE DISADVANTAGED COMMUNITIES?

In 2019, under New York State's Climate Leadership and Community Protection Act (Climate Act), the Climate Justice Working Group (CJWG) introduced the definition of disadvantaged communities (DACs) as:

“communities that bear burdens of negative public health effects, environmental pollution, impacts of climate change, and possess certain socioeconomic criteria, or comprise high-concentrations of low- and moderate-income households.”

In 2023, the CJWG formalized the DAC criteria. New York State recognizes that climate change exacerbates existing burdens and vulnerabilities in these communities. To support an equitable green transition, NY Green Bank has pledged **35%, with a goal of 40%**, of investments be directed toward sustainable infrastructure projects that deliver benefits to DACs.

**Transaction Highlight:
TruFund Financial Services**

Closed: **December 2023**

Transaction size: **\$10 million**

Estimated lifetime metric tons of CO₂e reduced: **6,305**

Product: **Revolving term loan**



“With a \$10 million investment from NY Green Bank, TruFund Financial Services is empowered to drive decarbonization projects that will not only shape a greener future but also create lasting community benefits across the State.”

James H. Bason, President & CEO,
TruFund Financial Services, Inc.

In December 2023, NY Green Bank closed a \$10 million revolving senior unsecured term loan with TruFund Financial Services, Inc. (TruFund), an African American-led CDFI with a mission to foster economic development within underserved communities. TruFund will use CDF funds to launch its Community Climate Finance practice. Building upon TruFund’s existing lending programs, the Community Climate Finance practice will add decarbonization requirements and target the use of decarbonizing technologies.

Through the CDF, TruFund is increasing its lending capacity, entering the green lending market and advancing its goals to serve the needs of historically marginalized communities. This transaction exemplifies the flexible, low-cost, and long-term green financing benefiting DACs that is made possible by the CDF.

Investment Portfolio

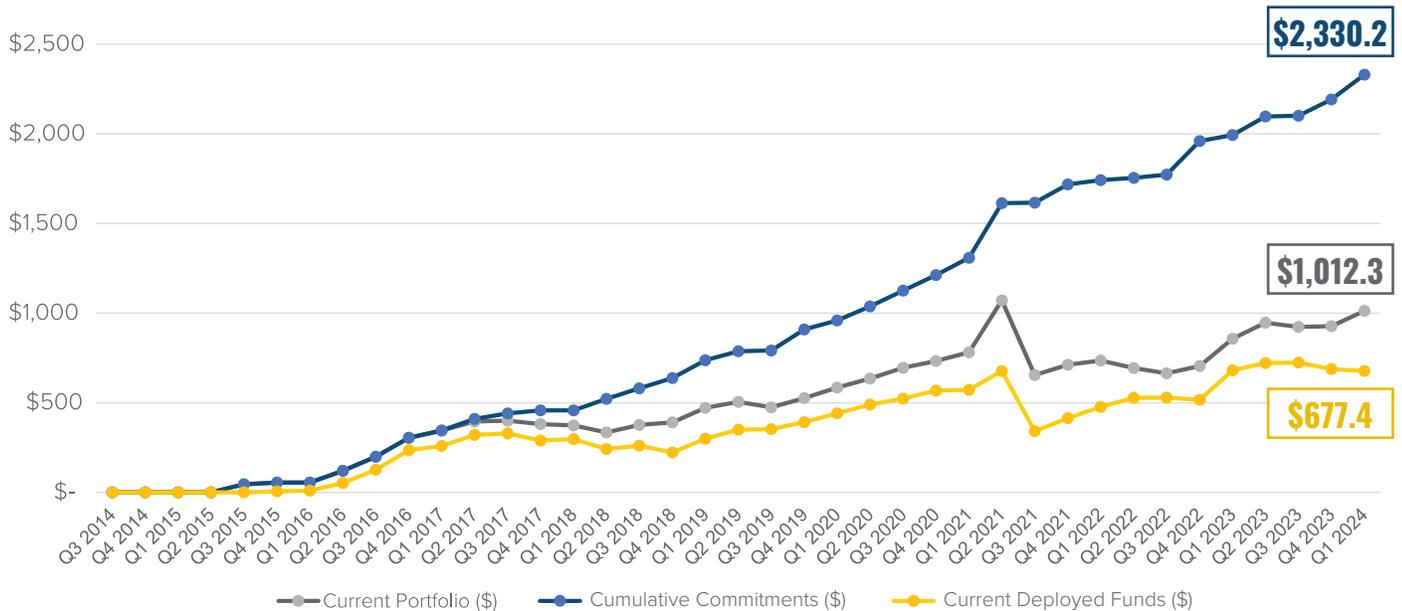
NY Green Bank investments span a wide range of climate change-mitigating technologies, from building efficiency to energy storage to clean transportation

FINANCING SUSTAINABLE INFRASTRUCTURE

Since inception, NY Green Bank has grown its portfolio of investments. We continue to identify and fill gaps in New York State’s clean energy and sustainable infrastructure markets.

Capital Commitments and Deployments* (\$million)

Inception through March 31, 2024



**Committed vs. Deployed Capital – When we make a loan, we may require borrowers to meet milestones to access committed capital. As a result, our current portfolio exceeds deployed funds. The chart above shows our cumulative commitments, current portfolio, and current deployed funds.*

A Milestone Year: *Over \$2 Billion in Committed Capital Since Inception*

In May 2023, NY Green Bank achieved a significant milestone by exceeding \$2 billion in financial commitments, demonstrating its pivotal role in New York’s clean energy transition. Our ability to recycle funds through repayments means our initial \$1 billion capitalization can support New York’s sustainable infrastructure marketplace on an ongoing, self-sufficient basis.

Over the coming years, we expect to continue to recycle this funding to meet future demand and maximize the impact each dollar has on advancing our financial market animation mission.

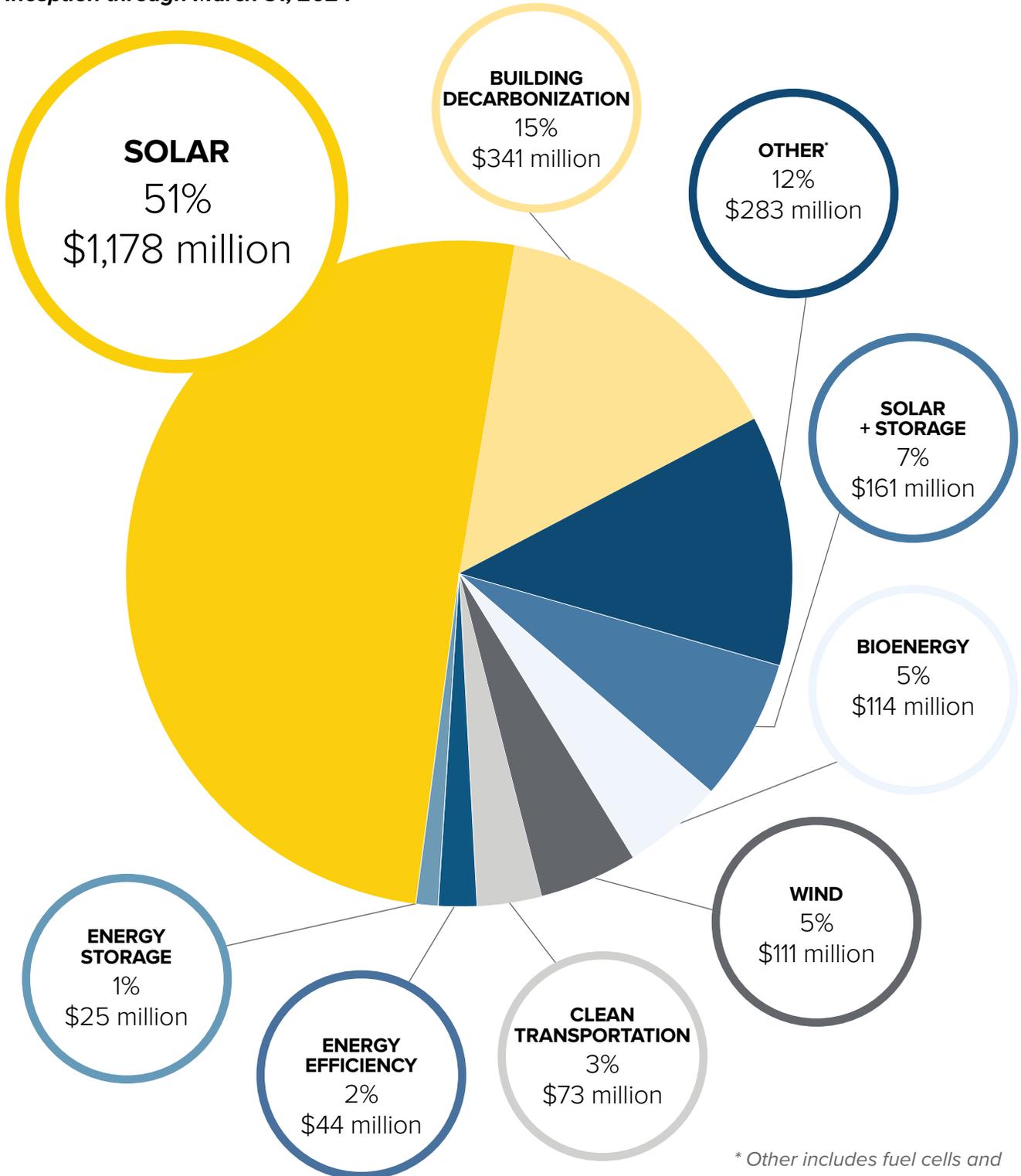
Investment Portfolio

Spanning a wide range of climate change-mitigating technologies

INVESTING ACROSS TECHNOLOGIES & SECTORS

Distribution By Technology

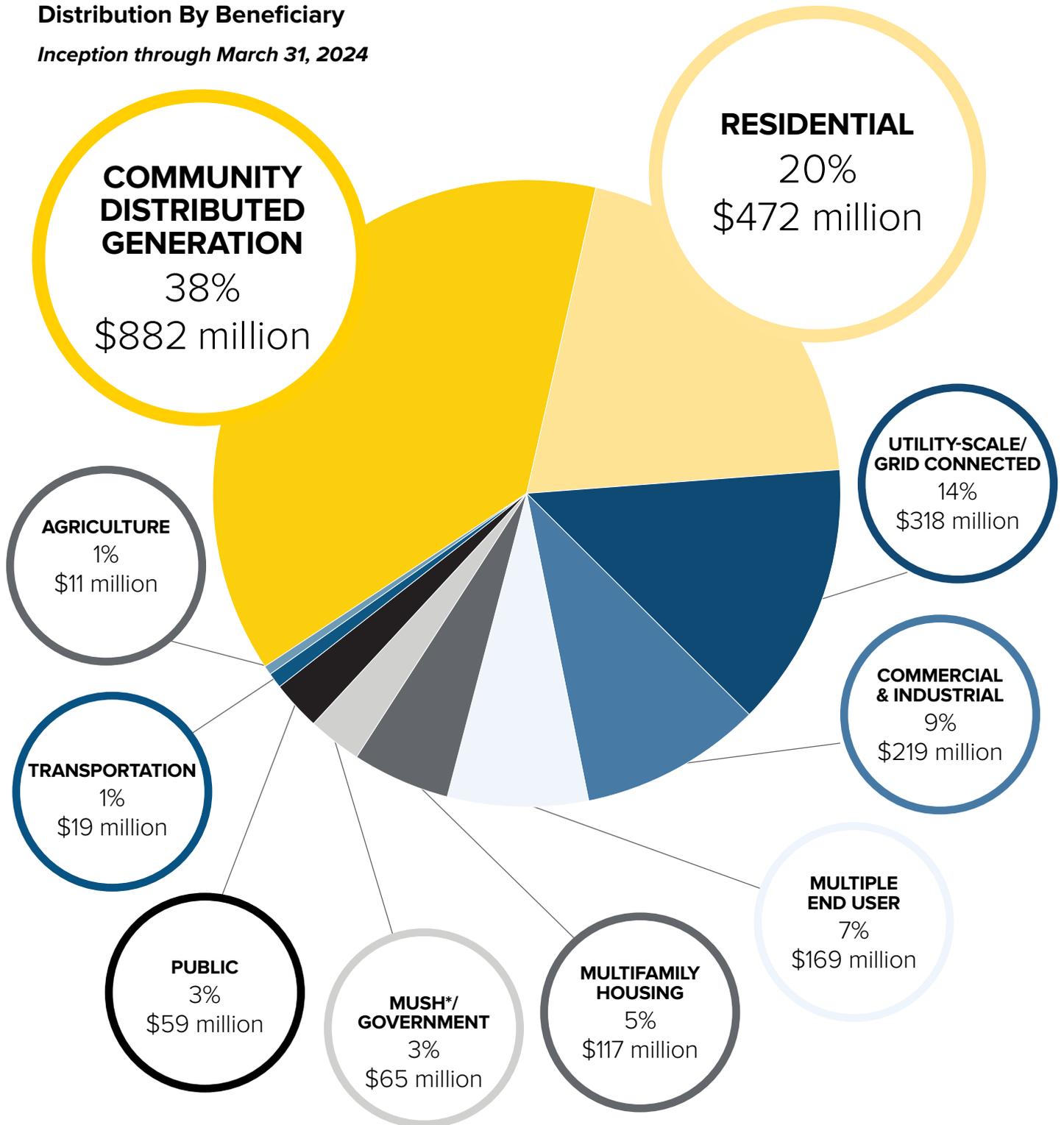
Inception through March 31, 2024



* Other includes fuel cells and sustainable agriculture.

Distribution By Beneficiary

Inception through March 31, 2024



*MUSH: Municipal/Government, University, School, and Hospital

Investment Portfolio

Spanning a wide range of climate change-mitigating technologies

Transaction Highlight: NineDot Energy

Closed: **June 2023**

Transaction Size: **\$25 million**

Estimated lifetime metric tons of CO₂e reduced: **9,870**

Product: **Interconnection loan**



“We believe that climate change is the most critical issue of our time, and innovators like NineDot and NY Green Bank can work together to make a positive impact on the environment and society in which we live and work. As we learned when we engaged with them previously, NY Green Bank is a smart, creative, and diligent partner willing to work with young companies doing innovative and important things.”

David Arfin, CEO and Co-Founder, NineDot Energy



The market for energy storage interconnection financing remains nascent among commercial lenders, with limited options available during this stage of the development process, particularly for projects under five megawatts. While private investment institutions may offer such financing, they often do so at pricing that is untenable for developers, driven by factors such as perceived risk and unfamiliarity with the technology.

NY Green Bank addresses these financing gaps and demonstrates the replicability of transactions in order to stimulate interest from private investment institutions over time. By providing a \$25 million senior-secured revolving credit facility — its first standalone storage transaction — NY Green Bank is helping to fund interconnection deposits for the development of NineDot Energy’s distributed energy storage projects in New York City.

NineDot’s growing pipeline is being built in support of New York’s transition to sustainable energy sources, and funding through this facility comes at a crucial time, especially as interconnection costs rise and equipment lead times become longer. This transaction will also contribute to New York State’s goal to deploy six gigawatts of energy storage by 2030.



WHY IS ENERGY STORAGE IMPORTANT?

Energy storage plays a pivotal role in integrating renewable energy, reducing peak load, and increasing grid resiliency.

It maximizes renewable energy utilization by storing excess power for use when generation is low, providing backup power during disruptions, and ensuring a continuous and stable energy supply.

Additionally, it allows for peak load management by discharging stored energy during high-demand periods.

As sustainable infrastructure expands, energy storage will be key to achieving the flexible, high-quality grid needed to accommodate the scale-up of renewable energy.

As New York State expands its sustainable infrastructure, energy storage will be instrumental in ensuring a robust and adaptable grid.

Market Transformation

*Mobilizing capital
into New York's
clean energy transition*

OUR APPROACH



NY Green Bank targets areas of New York's clean energy and sustainable infrastructure markets in which project deployment is constrained by a lack of readily available private investment.

NY Green Bank was designed to address financing gaps and barriers by working with developers and other sustainable infrastructure market participants. Together, we help technically and economically feasible projects access appropriately priced capital. We consider financing opportunities that may be too small, bespoke, or complex to be of interest to institutional lenders or debt capital providers. We work to make investments that bridge these financing gaps in the short term and eliminate them in the long term.

NY Green Bank capital does not just enable the execution of specific projects that otherwise may not have had a path forward. It also creates attractive precedents and builds standardized, replicable investment structures and practices that draw private and institutional lenders and investors into asset classes and project types where they had not previously been active. Once private capital crowds into a market segment, we move on to the next frontier where our innovative financing structures can again be utilized to drive greater liquidity and fill the next financing gap.

MOVING TO THE NEXT FRONTIER

Interconnection Loans

Interconnection (IX) refers to the complex process of connecting new energy projects to the existing grid and the IX queue refers to all pending requests for such projects to be approved. In New York State, developers are required to put up a certain amount of capital to hold their slot in the queue. The market for financing IX deposits remains underserved by private capital providers.

In order to address this issue, NY Green Bank has been offering IX loans throughout its history, pioneering the first IX bridge loan in New York State in 2013. Through this product, NY Green Bank lends against the value of the capital utilized to hold a position in a queue, allowing sponsors to free up their equity capital for other project development activities. While this product has gained some traction among other lenders — such as Inclusive Prosperity Capital, which closed its first IX bridge loan in December 2023, directly building on NY Green Bank's model — clean energy developers continue to face challenges securing such loans from traditional lenders, often due to small transaction sizes, complex administrative processes, and extended timelines. As renewable energy projects increase and the cost of connecting to the grid rises, demand will only grow. NY Green Bank is advancing interconnection financing while forging strategic dialogue with global lenders to support the continued buildout of such key financial products.

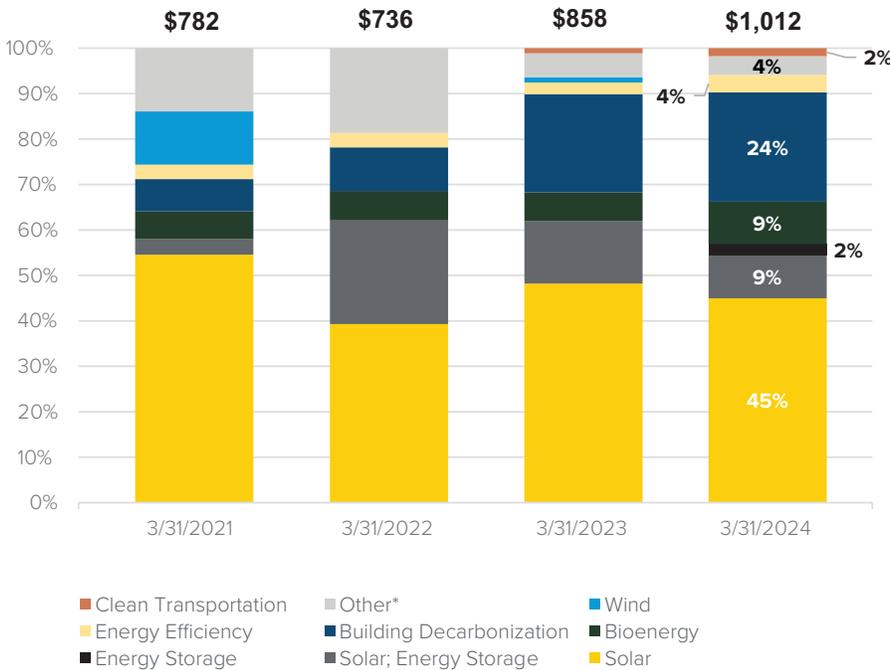
Market Transformation

Mobilizing capital into New York's clean energy transition

A DIVERSIFYING PORTFOLIO

NY Green Bank's market-responsive approach to investing is reflected in the changing composition of our portfolio over time.

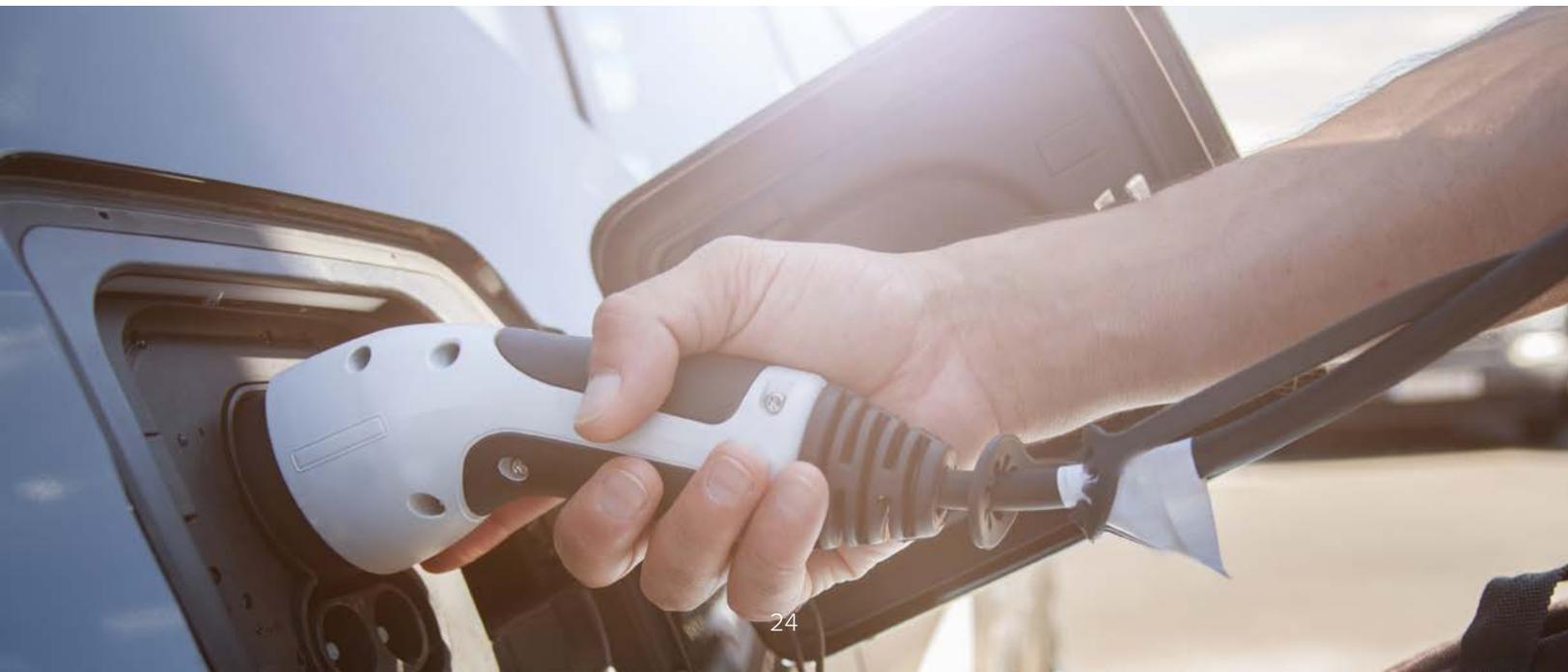
Portfolio distribution by technology at fiscal year end (\$million)
(2021–2024)



NY Green Bank continues to support the State's evolving clean energy policies by investing across a wide array of technology segments.

At the end of the 2023–2024 fiscal year, NY Green Bank managed its most diverse portfolio to date, totaling \$1,012.3 million. Energy storage, clean transportation, and building decarbonization, have been critical sectors for NY Green Bank, with interest in these areas continuing to grow.

** Other includes fuel cells and sustainable agriculture*



Transaction Highlight: Inspiration Mobility

Closed: **December 2023**

Transaction size: **\$8.5 million**

Estimated lifetime metric tons of CO₂e reduced: **24,547**

Product: **Term loan**



“NY Green Bank has worked collaboratively and creatively with Inspiration Mobility to deploy capital in the service of a shared mission: accelerating the decarbonization of transportation. Inspiration’s partnership with NY Green Bank will contribute to the electrification of commercial fleets in New York, including in the nation’s largest for-hire vehicle market.”

Josh Green, CEO, Inspiration Mobility



Capitalizing Nearly 400 Electric Vehicles For New York City

Inspiration Mobility Group closed an \$8.5 million facility with NY Green Bank to support the deployment of nearly 400 electric vehicles (EVs) in New York City with Inspiration’s partner Revel, the NYC-based EV ridesharing and public fast-charging provider. This transaction includes an accordion feature that allows the loan to expand incrementally to \$25 million, if new opportunities or project needs arise, thereby providing flexibly and support for the growth of clean energy initiatives.

NY Green Bank’s catalytic capital will allow Inspiration — a leader in fleet electrification — to continue expanding ownership of EVs that can be used for a variety of purposes. Additionally, NY Green Bank funds will help replace emissions-intensive internal combustion engine fleets with EVs for ridesharing operators. NY Green Bank’s debt financing will help create precedent and encourage other lenders to become more active in this market segment.

USING DATA TO MITIGATE RESIDUAL VALUE RISK

EV providers face challenges in securing debt financing due to lenders’ unfamiliarity with the asset class and perceived risk.

As the EV market grows, more data on performance and resale values will help reduce this uncertainty.

NY Green Bank used third-party resale assessments to evaluate the portfolio value of Inspiration's initial EV cohort and fix residual values on the funding date, creating a financing product that can be replicated over time by private sector lenders.

Energy and Environmental Impact

The reason we invest

At its core, NY Green Bank exists to fight the climate crisis. We are financing the decarbonized economy that will be needed in New York State — and globally — if we are to avert the worst impacts of climate change and adapt to those that are already underway.

EXPECTED IMPACT OF PROJECTS SUPPORTED:

As of March 31, 2024

UP TO 2.2 MILLION METRIC TONS
OF CO₂ ANNUAL EMISSIONS REDUCED, WHICH IS EQUIVALENT TO*:

110,701 

GARBAGE TRUCKS OF WASTE
RECYCLED INSTEAD OF
GOING TO LANDFILL

291,039 

HOUSEHOLDS' ENERGY USE
(ROUGHLY THE NUMBER OF
HOUSEHOLDS IN THE SOUTHERN TIER)



THE CARBON DIOXIDE
SEQUESTERED IN ONE YEAR
BY A 2.6-MILLION-ACRE FOREST

THAT'S LARGER THAN

**NEW YORK CITY,
LONG ISLAND,
& WESTCHESTER**

*Source: EPA GHG Equivalency Calculator epa.gov/energy/greenhouse-gas-equivalencies-calculator

NY Green Bank invests exclusively in projects that have the potential to reduce greenhouse gas emissions in New York State.

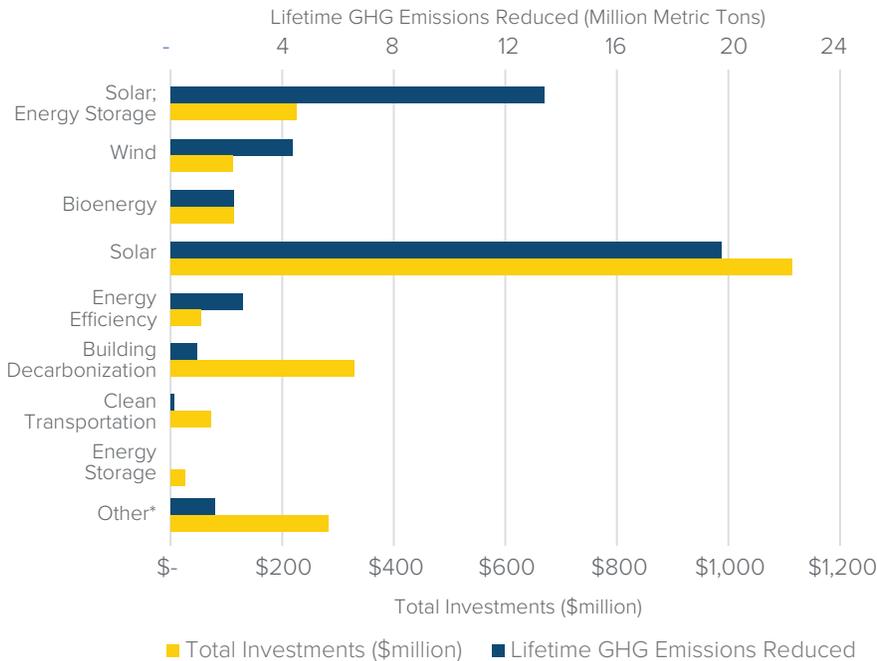
This includes projects that generate clean electricity and enable its utilization, electrify primary energy uses, reduce energy consumption, as well as innovate industrial and agricultural processes to reduce materials, fossil fuel consumption, and land-use emissions.

Energy and Environmental Impact

The reason we invest

EFFICIENCY (CO₂e REDUCED/\$MM INVESTED) OF NY GREEN BANK INVESTMENTS BY TECHNOLOGY

GHG Emissions Reduced and Total Investments



Estimated Lifetime GHG Emissions Reduced per \$1 Million of Committed Funds (Metric Tons)

SOLAR + STORAGE

61,812 MT

ENERGY EFFICIENCY

48,902 MT

WIND

41,069 MT

BIOENERGY

20,810 MT

SOLAR

18,603 MT

OTHER*

5,869 MT

BUILDING
DECARBONIZATION

3,022 MT

CLEAN
TRANSPORTATION

1,685 MT

ENERGY STORAGE

395 MT



The impact of our investments by technology

The chart compares the relative sizes of our investments and the lifetime GHG emission reductions they support. The list on the right represents the efficacy of NY Green Bank's capital — in other words, how much lifetime impact is driven per \$1 million of our capital committed — for each technology sector.

Why do some investments achieve greater GHG reductions than others?

The impact of NY Green Bank's investments is seen not only in reducing GHG emissions but also in filling market gaps in emerging clean energy sectors. Solar and wind technologies serve as clean energy producers, displacing fossil fuel generation and contributing significantly to GHG reductions. Other technologies, such as building decarbonization and clean transportation, do not adjust the energy generation mix, but their deployment is critical to advancing market adoption of low- and zero-emissions infrastructure.

* Other includes fuel cells and sustainable agriculture.

Investing in Climate Equity

*Our commitment to
all New Yorkers*

Investing in Climate Equity

Our commitment to all New Yorkers

CLEAN ENERGY BENEFITS FOR DISADVANTAGED COMMUNITIES

NY Green Bank, in alignment with the Climate Act and the approved definition of disadvantaged communities (DACs) by the Climate Justice Working Group, has pledged that between January 1, 2020, and December 31, 2025, a minimum of 35%, with a goal of 40%, of its investments will be committed to projects benefiting DACs.

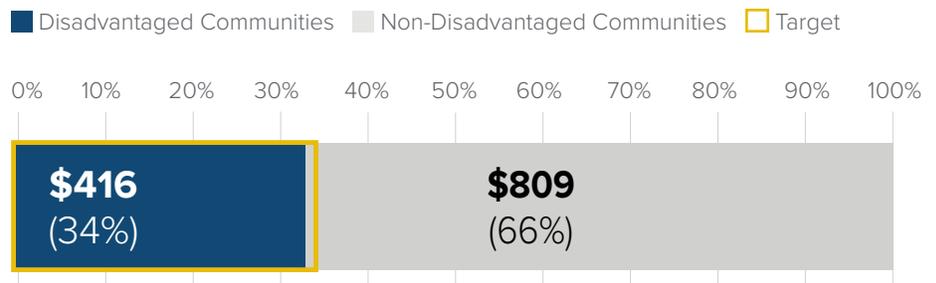


As of March 31, 2024, NY Green Bank is well on its way to achieving this target — as the fund has committed 34% of its capital, equivalent to \$416 million, to such projects. These investments are not only advancing clean energy infrastructure in underserved areas but are also proving to be catalytic by demonstrating attractive returns on a risk adjusted basis. Projects such as rooftop solar on affordable housing and clean heating and cooling solutions in community facilities highlight our proactive approach to creating equitable clean energy outcomes.

By prioritizing these investments, NY Green Bank is creating precedents for other lenders, showing that it is possible to achieve both financial success and social impact, thereby encouraging broader adoption of these equitable strategies in the financial sector.

Capital invested in Frontline Communities Since January 1, 2020 (\$million)

As of March 31, 2024



FINANCING THAT ANIMATES THE MARKET

Some examples of this work, include:

Demonstrating How Targeted Investments Can Yield Attractive Returns and Mitigate Risk

- By stepping in where traditional lenders might hesitate, NY Green Bank capital for projects serving low- to moderate-income (LMI) communities has unlocked predevelopment and construction financing while de-risking projects, making them more appealing for other lenders to enter the market. The success of community distributed solar and energy-efficient affordable housing are key examples of the catalytic effect of NY Green Bank capital in animating the market and encouraging other lenders to crowd in.

Enhancing the Lending Capacity of Community Development Financial Institutions

- The Community Decarbonization Fund (CDF) offers concessionary rates to mission-driven lenders, strengthening their lending capacity to invest in clean energy projects benefiting DACs. CDF borrowers are using this capital to launch or expand their green lending practices.

Tiered Pricing for Projects Serving LMI Subscribers, Incentivizing Developers to Invest in DACs

- NY Green Bank transactions have demonstrated that community distributed generation projects with significant portions of LMI subscribers can yield attractive returns. Through a tiered pricing mechanism, developers serving LMI subscribers receive a discounted cost of capital, which boosts their project economics and provides meaningful motivation to deliver the benefits of community solar to LMI New Yorkers.



Investing in Climate Equity

Our commitment to all New Yorkers

STAKEHOLDER ENGAGEMENT

While NY Green Bank may not have “shareholders” in the traditional sense, we, as a division of NYSERDA, are a public entity and are ultimately accountable to all New Yorkers for the impact and performance of our investments.

The integration of stakeholder input and feedback has been a fundamental component of NY Green Bank throughout its history. Following the passage of the Climate Act and continuing through today, NY Green Bank has conducted extensive stakeholder engagement

exercises with mission-driven lenders, community advocates, project sponsor and developers, and environmental justice organizations to inform its strategic priority of delivering clean energy benefits to DACs.

During FY23–24 alone, NY Green Bank conducted outreach to more than 360 stakeholders across nearly 250 organizations and held an accessibility and equity roundtable to gain a deeper understanding of sector challenges and inform our strategy in future years of operation.

NY GREEN BANKER SPOTLIGHT: MATEL ANASTA

In March 2024, to support the continued deployment of CDF funds, building electrification, and green affordable housing initiatives, NY Green Bank hired a vice president dedicated to the management of real estate transactions for building electrification and affordable housing projects in DACs.

Prior to NY Green Bank, Matel Anasta worked at Macquarie, Morgan Stanley, and M&T Bank financing residential, commercial, and hospitality properties. Mr. Anasta also worked for the Galvan Foundation managing the development and renovation of affordable housing properties and community centers.



“By engaging with stakeholders and collaborating with mission-driven community developers, NY Green Bank is enhancing its lending practices and supporting projects that deliver clean energy benefits to underserved New Yorkers.”

Matel Anasta, Vice President

Transaction Highlight: Marine Drive



Closed: **November 2023**

Transaction size: **\$3.3 million**

Estimated lifetime metric tons of CO₂e reduced: **10,154**

Product: **Predevelopment loan**



“The Marine Drive Apartments redevelopment on the Buffalo Waterfront will represent the largest investment in affordable housing in the city’s history. Working with NY Green Bank will provide the development partnership of Habitat, Duvernay + Brooks, and the Buffalo Municipal Housing Authority the necessary capital to ensure that project design will provide a safe, attractive, energy efficient, all electric affordable housing resource that will serve Buffalonians for generations to come.”

Jeff Head, Vice President, The Habitat Company

NY Green Bank provided a \$3.3 million predevelopment loan for the Marine Drive Apartments, a 616-unit state regulated affordable housing project located in Buffalo, New York. NY Green Bank’s facility will finance Phase 1 predevelopment expenses, consisting of the new construction of 295 housing units in two buildings. NY Green Bank’s facility also provides the necessary funding to incorporate energy efficiency measures in the project’s design. Since the passage of the Climate Act, NY Green Bank has sharpened our focus on bringing green financing to the affordable housing sector. This transaction serves as a demonstration of our deep commitment to the environmental justice initiatives outlined in the Climate Act.

WHAT IS PREDEVELOPMENT?

Predevelopment is the stage before construction.

It is where we see some of the biggest challenges. In predevelopment, there is a need for significant working capital. The market for this financing remains underserved by private capital providers, and the high cost of accessing that capital can be a barrier for developers to execute low-carbon projects.

NY Green Bank is addressing this challenge and, in 2021, rolled out the first of several innovative predevelopment transactions. Since then, predevelopment loans have been one of our most in-demand products among affordable housing developers. Our tax bridge equity loan product is another example of an innovative financing mechanism and potential solution to the challenge of the predevelopment stage.

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Transaction Highlight: Catalyze

Closed: **March 2024**

Transaction size: **\$100 million**

Estimated lifetime metric tons of CO₂e reduced: **871,619**

Product: **Term loan**



“We are excited to leverage our extensive community solar expertise to ensure the success of NY Green Bank’s term loan supporting a community distributed generation (CDG) portfolio. CDG is one of the most effective means of making solar energy more accessible to low-to moderate-income communities, and we look forward to how this partnership will support both the goals of NY Green Bank and New York State.”

Jared Haines, CEO of Catalyze

NY Green Bank closed a \$100 million term loan supporting community distributed generation (CDG) solar in New York State. This facility will enable First American Equipment Finance (FAEF) to purchase equipment at fair market value and to lease such equipment to a leading renewable energy development company, Catalyze Holdings, LLC (Catalyze). This equipment is part of a 79 megawatt CDG portfolio in New York State.

This transaction is novel both for NY Green Bank and FAEF. This is NY Green Bank’s first term loan using a sale-leaseback structure to support a CDG portfolio. Additionally, this CDG deal is significant for FAEF as it is their first with such a substantial percentage of required DAC subscribers. NY Green Bank’s financing aims to improve access to low-cost, clean energy for LMI New Yorkers and advance New York State’s climate equity goals by requiring at least 65% of subscribers on all solar projects in the portfolio be located in DACs.

WHAT IS COMMUNITY DISTRIBUTED GENERATION (CDG) SOLAR?

CDG solar, also known as community solar, refers to solar power systems that are shared among multiple subscribers. The utility ascribes value to the energy produced by CDG projects, pays a portion of that value to the developer, and passes the rest of the value along to subscribers in the form of reduced utility bills.

This model makes solar more accessible and financially viable for the end-user.

In 2015, the New York Public Service Commission issued a community solar order, creating a mechanism by which utility customers could subscribe to solar projects in their area and participate in the benefits of clean energy without the need for onsite solar generation, such as on their roof.

By completing some of the earliest community solar transactions in the State, NY Green Bank created precedents and led the way for commercial lenders to follow.

Today, New York State is the leading community solar market in the nation.



The Year Ahead

Strategic outlook 2024–2025

NY Green Bank starts every fiscal year with new objectives that build upon our progress to date. We have identified four core objectives for the 2024–25 fiscal year, including the activities we will undertake to achieve them and the specific deliverables against which we will report our success.

OBJECTIVES FOR THE YEAR ENDING MARCH 31, 2025

Objective 1

Close funding gaps.

- Public commitment targets to invest:
 - \$45 million in affordable housing transactions.
 - \$25 million in building decarbonization transactions that benefit disadvantaged communities (DACs).
 - \$40 million in clean transportation transactions.
 - \$60 million in energy storage transactions.

Objective 2

Advance climate equity.

- Community Decarbonization Fund (CDF)
 - Invest \$80 million in transactions under the CDF.
- Continue Climate Equity Focus Benefiting DACs
 - Invest at least 35% of NY Green Bank capital in projects benefiting DACs.
- Establish an Annual Equity Roundtable
 - Establish an annual Equity Roundtable meeting with key stakeholders in New York State to solicit feedback on how NY Green Bank can continue to support an equitable energy transition for all New Yorkers.

Objective 3

Improve transparency and capacity-building.

- Aggregated and Anonymized Transaction Data
 - Share aggregated and anonymized transaction data from NY Green Bank's investments in priority market segments.
- Underwriting Workshops
 - Host three events highlighting NY Green Bank's underwriting practices in priority market segments to promote replicability of NY Green Bank transaction structures.
- Climate Risk & Resilience Key Takeaways
 - Publish key findings and takeaways from NY Green Bank's Climate Risk & Resilience assessment to demonstrate how NY Green Bank approaches climate risk considerations relevant to its investment portfolio.

Objective 4

File Clean Energy Fund petition to propose NY Green Bank's strategy for 2026–2030.

- Roundtable Stakeholder Engagement Sessions
 - Hold five roundtable stakeholder engagement sessions to solicit feedback on how NY Green Bank can better support market transformation in priority market segments.
- Components of NY Green Bank's Clean Energy Fund Petition Process
 - Provide a qualitative and quantitative assessment of NY Green Bank's performance and impact since inception through March 31, 2024.
 - Identify potential program modifications to include in NY Green Bank's updated strategy proposal for the 2026–2030 time period.
 - Propose a strategy for how NY Green Bank intends to use funds received through the Greenhouse Gas Reduction Fund as it relates to NY Green Bank's use of ratepayer capital.



Scan to learn more about our objectives and plans for the 2024–25 fiscal year or visit greenbank.ny.gov/Public-Filings

STAY CONNECTED



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