



**CLIMATE
CATALYTIC
CAPITAL
FUND**

**ELIGIBILITY & INVESTMENT
CRITERIA**



Eligibility & Investment Criteria

C3 Fund

Eligibility & Investment Criteria

Individuals, businesses, and organizations eligible to apply must be in good standing with the Maryland Department of Assessments & Taxation, with an active Federal Tax ID or Social Security number and will be required to complete and submit an IRS W-9 form.

C3 Fund investment proposals will be received and evaluated for awards, taking statutory directives into consideration, based on certain Investment Criteria.

State Climate Policy & Plan Fit [SB0528/CH0038](#)

Project or Program investment that measurably enables or achieves improvements in:

- Climate Mitigation, includes significant estimated GHG reduction, demonstrated net zero impact or transition, other related benefits
- Renewable Energy generation, transmission, and distribution supply and/or efficiencies, including grid resilience and line loss reduction
- Building Electrification, Weatherization for Energy Performance, Storage and Resilience
- Clean Transportation adoption, including multi-modal solutions, fleet conversion and fossil fuel reduction, and/ or use of alternative fuel types
- Biomass energy and waste-to-value applications that achieve GHG reduction from improvements in agriculture, forestry, landfill gas, and waste management practices
- Delivery of carbon capture technologies and solutions
- Energy equity outcomes, specifically economic, health, social, and environmental benefits for low-income households and communities
- Commercialization and deployment of new advanced clean energy technologies

MCEC Funding Program Fit

Proposed investments may be funded or financed using one or more of the following :

C3 Fund Revolving Loan Fund

Intended to facilitate direct and leveraged lending using C3 Fund capital to provide rate subsidies, loss reserves, gap financing, reduced cost, and patient capital.

C3 Fund Equity Investment Fund

Intended to be used for direct and/or equity-linked investments in projects and initiatives that will generate revenue, income, or profit- a portion of which can be reinvested in the fund for future use.

C3 Fund Block Grant

Intended to be used in the form of grants to, in whole or in part, fund eligible qualified projects and programs. At its discretion, the IOC may require C3 Fund Block Grants to be awarded as matching and/or reimbursable investments.

C3 Fund Capacity Building Grant

Intended to be used in the form of matching and/or reimbursable grants to assist organizations and communities to plan and develop projects and initiatives to achieve greenhouse gas reductions and outcomes tied to state climate policy and plan desired outcomes.

MDPACE (Maryland Property Assessed Clean Energy Program)

Small business, commercial, industrial, manufacturing, agricultural, and nonprofit buildings, and facilities owners can obtain financing for energy efficiency, electric vehicle charging, and stormwater management infrastructure, as well as resiliency projects, through this tax lien collateralized loan program. C3Funds may be used to provide gap or bridge financing, rate subsidies, or direct loans with advantageous terms for projects that might not otherwise be funded by independent capital providers

Maryland Clean Energy Capital Program (MCAP)

Municipalities, institutions, non-profit organizations, and private partners may be able to access taxable and tax-exempt bond financing at advantageous rates through the Maryland Clean Energy Capital Program (MCAP) for project investments in excess of \$5M in value. The IOC may award C3 Fund investments to facilitate project development or cover costs associated with bond issuance in project financing, particularly in relation to Energy Performance Contract projects implemented to improve public buildings and facilities with the ability to enter into Shared Savings Agreements as collateral on debt.

Innovation Technology Performance

The C3 Fund may be used to enable and expedite the commercialization and deployment of new advanced clean energy technologies. In evaluating possible investments, the IOC will consider the type of technology in relation to the potential environmental, economic, and social impacts, along with possible ROI to the fund for equity invested over time.

Financial Performance

C3 Fund investments that generate greater leverage for the use of funds, provide measurable net economic benefits, and provide an acceptable rate of return will be ranked higher in determining investment awards. Applicants are asked to quantify and/or guarantee a certain Rate of Return (ROR) in describing the proposed project, program, or initiative for which funding is being sought.

Investment Outcomes

All C3 Fund Investment proposals should delineate the following in regard to the project, program, or initiative to be funded:

Size and Scale

Type of Investment

Total Cost of Investment by Type (grant, loan, equity)

Total Anticipated financial return (amount and timing) to C3 Fund, if any

Anticipated Market and Market Penetration

Timing of Capital Infusions Requested by type

Total Anticipated GHG reductions

Total Anticipated FTE Contractor Hours and/or Jobs Created

Impact on LI Households and Communities

Private Sector or Other Capital Catalyzed by Investment

Climate Adaptation Performance

C3 Fund investment proposals should describe the demonstrated vulnerability reductions and impacts that may result from project funding, with a particular focus on health, environment, and safety impacts for households and communities, especially LI households and communities.

Readiness

Shovel-ready projects and ready-to-implement program proposals will be ranked higher in evaluation for funding awards. Applicants are asked to indicate readiness as immediate, within 12 months, or greater than 12 months.

Time to Completion

Projects and initiatives will be considered in relation to the anticipated time to completion or impact. Applicants are asked to indicate and describe the method used to determine when outcomes will occur in timeframes prior to, by, or beyond 2030.

Primary Benefit Location

Proposed projects, programs, and initiatives proposed for investment of C3 Funds must be able to demonstrate a primary benefit or return on investment that will positively impact the environment and energy economics for Maryland citizens, businesses, nonprofits, municipalities and/or institutions.

Principal Applicants, Project Managers and Partners

Names, contact information, primary addresses, and resumes must be provided for all individuals who will lead, oversee, participate, and report on outcomes in project and program implementation using C3 Fund investments.

Reporting

Award recipients will be periodically required to report the outcomes of the project as part of the investment agreement to be determined in relation to the type of investment.

Applicants will be encouraged to suggest a reporting strategy for consideration by the committee.