



December 7, 2021

City First Enterprises
1 Thomas Circle, NW, Suite 700
Washington, DC 20005

Re: Bill 44-21 Funding for the Montgomery County Green Bank

Dear Councilmembers:

Thank you for the opportunity to submit written testimony with regard to Bill 44-21. As a partner to the Montgomery County Green Bank (MCGB), City First Enterprises (CFE) has seen firsthand the impact that the Montgomery County Green Bank makes across Montgomery County communities. A nonprofit loan fund with regional green energy and energy-efficiency investments, CFE relies on MCGB as our primary partner for green lending in the county. By allocating 10% of the Fuel Energy Tax to MCGB, Councilmembers can fully actualize the potential of the organization.

CFE partners with MCGB because they are uniquely positioned to bring about a more just green recovery—across small businesses, residences, affordable housing, and more. Our work with the MCGB has demonstrated not only the importance of such efforts, but also their viability. For example:

- MCGB has created opportunities for CFE to deploy our capital and leverage public dollars in service of an inclusive, green economy. We participate in deals for which we otherwise might not have had the opportunity, and our blended capital has greater impact than would either of our capital on its own.
- Blending capital also means sharing financial risk across organizations, which has been essential for CFE to start lending in this vertical. Momentum is strong, and we are growing our presence in the market in large part because of this partnership.
- MCGB's capital, alongside CFE capital, helps create more flexibilities to meet the needs of projects. Collaborative lending is crucial to ensure that we are able to close on more complex deals.
- This joint effort is educating consumers and other decisionmakers at greater scale, building awareness of the market and helping to create opportunities for both organizations. CFE recently received a \$100,000 grant so that we can build our internal capacity and ultimately grow our green lending.

MCGB is blazing a trail for private funders/investors to commit capital to critical sustainability projects, and those same funders/investors increasingly want to know that public funds are also committed. Accordingly, it is our sincere hope that the Council expands its funding commitment to MCGB.

Sincerely,

A handwritten signature in blue ink, appearing to read "Oswaldo Acosta".

Oswaldo Acosta
President and CEO