

# PENNSYLVANIA GREEN ENERGY LOAN FUND

## Low-Cost Financing for Energy Improvements in Pennsylvania Buildings

### Introduction

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The Pennsylvania Green Energy Loan Fund (“GELF”) is providing \$48 million of low-cost financing for energy efficiency retrofits and the installation of energy conservation measures and high-performance energy systems in buildings throughout Pennsylvania.

### GELF Loan Terms

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GELF energy loans have a fixed interest rate as low as **3.5%** and a term up to 15 years. Longer amortization periods are also possible.

Loans amounts range between approximately \$100,000 and \$2,500,000. GELF can finance the full installed cost of energy measures.

GELF energy loans are available for commercial, nonprofit, government, multifamily residential and industrial entities throughout Pennsylvania.

GELF offers construction loans, term loans and lease financing.

Security for GELF loans is determined on a case-by-case basis and can include the assets being financed, corporate guarantees, personal guarantees or other collateral.

### Eligible Energy Projects

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GELF will provide financing for four categories of energy projects:

- limited energy retrofits or the replacement of energy equipment in an existing, occupied building
- extensive whole building energy retrofits in an existing, occupied building
- gut rehab of an existing building
- new construction

All projects must result in a 25% reduction in energy use. The methodologies for estimating the energy savings are different for each of the four project types and are

described in Part 5 of the *GELF Loan Application Instructions and Important Information* document that can be found on the GELF website.

Solar PV and other distributed generation technologies cannot be financed unless they are part of a larger, building energy conservation and efficiency project.

### GELF Background

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GELF is managed by The Reinvestment Fund (“TRF”) using \$12 million of capital provided the Pennsylvania Department of Environmental Protection from the American Recovery and Reinvestment Act of 2009 (“ARRA”). TRF is using the ARRA funding to leverage an additional \$36 million GELF lending.

The objective of GELF is to reduce energy consumption in buildings, promote energy efficiency and conservation, create and retain jobs, stimulate economic development and leverage private investment in clean energy.

More information about GELF can be found at the GELF website:

[www.PaGreenEnergyLoanFund.com](http://www.PaGreenEnergyLoanFund.com).



## The GELF Loan Application Process

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The first step in the GELF loan application process is to review the *GELF Loan Application Instructions and Important Information* document. This document, available on the GELF website, provides important information about GELF building energy loans and should be reviewed before a loan application is submitted.

The next step in the application process is to complete and submit the *GELF Initial Financing Request Form*. This two-page form will provide TRF with key information about the project and the applicant. Applicants are urged to submit an application package sooner rather than later. TRF does not expect an energy loan applicant to wait until every aspect of a project has been decided before submitting an application.

After receiving the *Initial Financing Request Form*, TRF will contact the applicant to discuss the project and the possible loan. If both TRF and the applicant find a good fit, the applicant will be asked to submit a complete *GELF Energy Loan Application Form*. This form requests additional information about the proposed project, its energy savings and the applicant's financial capacity.

Once TRF receives the *Energy Loan Application Form* and its attachments, TRF begins the underwriting of the loan. The due diligence review of an application has two main tracks - financial and energy. TRF will work with the applicant to collect the information and documents needed to fully evaluate the financial strength of the applicant and the proposed project and to ensure the project meets the 25% energy savings goal.

Once the loan underwriting has been successfully concluded, TRF will issue a commitment letter followed by the GELF loan documents. TRF is typically able to underwrite the loan and issue a commitment letter within four to six weeks of receipt of a complete application. Upon execution of the loan documents have been executed, the GELF loan recipient will be able to draw down the GELF funding.

## Federal and State Requirements

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Because \$12 million of GELF capital comes from the American Recovery and Reinvestment Act of 2009 through the Pennsylvania Department of Environmental Protection, a number of federal and state laws and regulations will apply to GELF loans and GELF loan recipients. These requirements are described in the *GELF Loan Application Instructions and Important Information* document.

## Additional Information and Questions

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Additional information and the key GELF documents can be found on the GELF website:

[www.PaGreenEnergyLoanFund.com](http://www.PaGreenEnergyLoanFund.com).

All questions and requests for information should be submitted via email to:

[PaGELF@trfund.com](mailto:PaGELF@trfund.com).

TRF will respond to all questions.



**THE REINVESTMENT FUND**  
Capital at the point of impact.

The Reinvestment Fund ([www.trfund.com](http://www.trfund.com)) builds wealth and opportunity for low-wealth people and places through the promotion of socially and environmentally responsible development. TRF is a national leader in the financing of neighborhood revitalization. What began in 1985 as a small community development organization working in Greater Philadelphia, has evolved into a progressive, results-oriented, socially responsible community investment group that today works across the Mid-Atlantic region. Combining expert knowledge with innovation and determination, TRF delivers capital where it's needed the most – where it can best transform lives and rebuild neighborhoods.