Hope Enterprise Corporation
Request for Proposals
AR and MS Community Solar or Multifamily Solar Projects

Statement of Funding

This project is being supported, in whole or in part, by federal award number (FAIN) 84091501 and 84091401, both awarded to Hope Enterprise Corp. by the EPA.

Purpose of RFP for Community and Multifamily Solar Projects

Hope Enterprise Corporation (HEC) has initiated this request for proposals to identify high-impact community solar and multifamily solar projects, evaluate their eligibility for Solar for All (SFA) financial assistance, and move those projects that receive a conditional notice of award through this RFP into a full commercial underwriting process.

As a result of that process, HEC expects to subsidize loans to selected projects. Specifically, HEC plans to provide SFA financial assistance to projects in the form of debt financing that features below-market interest rates, partial loan forgiveness, and fee waivers.

To receive this type of financial assistance, projects and borrowers must respond to this competitive RFP evaluation process with proposals that demonstrate how a proposed solar project will ensure electric utility bill savings for households identified as being a part of a low-income and disadvantaged community (LIDAC), while also demonstrating that the project borrower has a plan to generate sufficient income from the project to service and ultimately repay the HEC loan. Additional details and requirements are provided below.

Program Overview, Financing Details and Project Requirements

HEC's Community Solar Project Financing (Community Solar) and Multifamily Solar for Low-Income Tenants (Multifamily Solar) Programs

As a grantee of the Environmental Protection Agency's (EPA's) SFA program, HEC is committed to achieving the federal program's goals of reducing electricity costs for LIDAC households by at least 20%, promoting business growth and job creation, advancing the energy resilience of communities in Arkansas and Mississippi, and improving health outcomes by reducing air pollution. Each of these goals aligns with HEC's mission to strengthen the financial health and wealth of people in under-resourced Deep South communities.

Through this RFP, HEC is inviting community solar and multifamily solar project proposals. The **Community Solar** program will finance solar projects less than 5 MW that deliver at least 50% of the project's power or equivalent benefits to residential, LIDAC households. The **Multifamily Solar** program will finance solar projects that serve multifamily buildings with LIDAC tenants. Both types of projects must achieve 20% post-solar electricity cost savings (or equivalent benefits) to the households they serve. Projects can be behind the meter or in front of the meter/grid-connected. Please see below for more details on [program details and requirements](#).

In return for creating Solar for All benefits, the Community Solar and Multifamily Solar programs offer concessionary project financing to developers and/or owners of solar projects. These programs are two of the three financing programs that HEC is launching with its SFA award (the other is the Residential Lease Program; the [archived RFP for Leasing Partners is here](#)).

Available Financing and Financial Assistance for Community Solar and Multifamily Solar Projects

The Community Solar and Multifamily Solar programs will both offer the same three types of financing:

- **Construction-to-Permanent Loans:** These loans will provide interest-only financing during the construction period, then convert to permanent project financing once the project meets certain construction-to-perm conversion milestones (as determined by HEC).
    - *The below-market interest rates offered for the permanent loans are a critical feature of HEC's Community Solar and Multifamily Solar SFA programs; please incorporate these interest rates in your proposal.*
- **ITC Bridge Loans:** These loans will provide interest-only financing during the construction period, with repayment to be made by investment tax credit proceeds. If an unpaid balance remains after proceeds, the balance will be repaid by the permanent loan.
    - *HEC will also offer below-market interest rates for these bridge loans; please incorporate these interest rates in your proposal.*
- **SFA Forgivable Loans:** This is the most unique financing type available, which is paired with the permanent loan and forgiven after one year of successfully delivering solar power and savings to households. This structure leverages the HEC SFA award to significantly reduce the permanent debt service for these projects.
    - *The SFA forgivable loans are a critical feature of HEC's Community Solar and Multifamily Solar SFA programs; please incorporate such a loan in your proposal as a component of the permanent (post-construction period) capital stack for your project.*
- **Fee Waivers:** HEC may also decide to waive certain origination and closing fees associated with these loans.

Sponsor Equity: In addition to these financing products, HEC also expects some amount of project sponsor equity to be part of the project capital stack during the construction period. HEC may count deferred developer fees towards Sponsor equity in certain circumstances. In the permanent phase, ITC proceeds may entirely replace the need for Sponsor equity to remain and the market standard is not to require, or to release, Sponsor equity if all Project costs are covered by debt and ITC proceeds. As in the construction phase, Project- and Borrower- specific factors will determine the Sponsor equity requirement in the operating phase, noting as well that payment of all or any part of a developer fee impacts Sponsor equity during the operating phase.

Capital Stack Example: This table outlines HEC's capital stack expectations during the construction period and permanent period. However, HEC recognizes that each respondent and project is different and the figures below should be considered indicative, not required.

CONSTRUCTION PERIOD		**PERMANENT PERIOD**	
Source	**% Total Project Cost***	**Source**	**% Total Project Cost***
Construction Loan	60%	Permanent Loan	60%
		SFA forgivable portion	*forgivable*
		Perm Loan	*amortizing*
ITC Bridge Loan	30%	ITC Proceeds	30%
Sponsor equity	10%	Sponsor equity (if ITC proceeds are not sufficient to cover equity need)	10%

For applicants planning to upload a project financial model with their initial eligibility screening information, you are encouraged to include the financial assistance levers above: low-interest loans, loan principal forgiveness and fee waivers.

More on Financial Assistance for Projects

HEC's concessionary SFA lending products are designed to make projects financially viable while meeting and exceeding the household savings threshold. Not all financial tools will be offered to every developer, and exact loan terms will vary depending on the project. Proposals should include desired interest rates, loan forgivability and fee waivers, but HEC will ultimately decide the right mix of those financial assistance elements to ensure projects are not "overcompensated."

In general, HEC will use two metrics to prevent overcompensation for projects:

- HEC would prefer to provide financial assistance at a level that does not generate an excessive internal rate of return (IRR) for project owners / borrowers.

- HEC will prioritize projects based on the ratio of financial assistance provided per household served. This approach ensures that projects requiring less assistance or serving more households are rated more favorably during the competitive evaluation process.

Program Details and Requirements

All projects that borrow from HEC through the SFA program must:

- **Be located in Mississippi or Arkansas**.
    - *If you have a solar project that is located in one of the other states HEC serves (Alabama, Louisiana and Tennessee), please contact tyler.archie@hope-ec.org.*

- **Serve or be located in Low-Income and Disadvantaged Communities (LIDACs)**. Click here to learn more about the different definitions of LIDACs or see Appendix C.

- **Serve households**; the Solar for All program is meant to support the construction of residential solar projects or residential-serving community solar projects.
    - Projects that exclusively serve multifamily buildings are delivering 100% of their power to households by definition.
    - Community solar projects are required to deliver at least 50% of the power generated by the project to households. The remaining 50% of the power can be delivered to non-residential customers such as community centers, places of worship, municipal buildings or private businesses.

- **Deliver at least 20% savings to the households they serve**. These savings should be modeled year-one savings, since variables such as consumer behavior may change after the project goes into operation. Modeled year-one savings can be calculated by one of two different methodologies:
    - By utilizing a past year of residents' actual utility bills and calculating the dollar equivalent of 20% electric utility savings for each household based on its historical usage.
    - By using the average utility rate in the utility territory (via a source like the Energy Information Administration's utility price data collected via Form EIA-861) of the served households and delivering savings by using a price 20% below that amount or more. HEC will also expect respondents to include any fixed utility costs (e.g. distribution charges, fees) in their models.

- If average household electricity usage data is also needed, you can access a public data set like the Residential Energy Consumption Survey.

More on the 20% Household Savings Requirement and Delivery

Below you will see some examples of different project types and how they deliver 20% savings, but there are a few additional pieces of guidance on this foundational requirement for SFA projects:

- **Non-Residential Community Solar Customers:** For any community solar projects that also serve non-residential customers (up to 50% of project offtake), it is not required that projects deliver 20% savings to those non-residential customers. HEC would prefer that these customers see some amount of savings, however.
- **Non-Energy Bill Benefits Delivery:** Given state regulatory constraints and other inherent challenges accessing energy bills in a multifamily building setting (especially a master-metered building), HEC will allow project owners to deliver equivalent benefits to households in other forms. In addition to non-energy bill financial benefits like rent credits, EPA allows HEC to accept equivalent non-financial benefits for households and has recommended this list from the Department of Housing and Urban Development (also see Appendix D) has a way for recipients like HEC and project developers to align on non-energy bill benefits delivery. HEC will evaluate proposals for financial and non-financial benefits outside of direct energy bill savings on a case-by-case basis. The goal will be to work with project developers to arrive at a mutually acceptable benefits delivery outcome for households, project owners and HEC.

Example Project Types

Below we lay out some project archetypes that are meant to be helpful as you consider whether your project might be a good fit for HEC. They are only meant to be instructive and by no means are they meant to define the only types of projects HEC is interested in financing through SFA.

TPO Multifamily Solar

- Borrower: A solar developer who would construct and own a solar + storage project for a local assisted living property located in a LIDAC in Arkansas. The assisted living property would make a fixed monthly lease payment to the solar developer (and project owner).
- End-User: The assisted living property and its residents.
- 20% Savings Delivery: The assisted living facility would capture 30% of savings for itself and pass 70% of project savings to residents, based on the split of common space to individual housing units. The assisted living property would reduce costs for residents via a monthly rent reduction. This bill reduction would be based on the average household usage and average utility bill in the property's utility territory.

- 20% Savings Verification: The assisted living property would send a quarterly report to the solar developer (and project owner) documenting the monthly bill reductions for residents; the solar developer would then include that documentation in regular project reporting to HEC.

Owned Multifamily Solar

- Borrower: A multifamily building owner located in a LIDAC in Mississippi that has identified a solar developer to build its on-premises solar project.
- End-User: The same multifamily building owner.
- 20% Savings Delivery: The multifamily building that will use the power is master-metered and designated low-income housing. That makes it difficult to provide any direct energy bill savings or financial benefits to residents. Therefore, the building owner proposed a plan to HEC to pool 80% of the annual energy savings from the solar project to make building improvements, in line with the above-mentioned guidance from the Department of Housing and Urban Development.
- 20% Savings Verification: The multifamily building owner will send a quarterly report to HEC detailing the building improvements made with the savings, supported by invoices or other proof of works completed.

TPO Community Solar

- Borrower: A regional solar developer that has designed a project that will be located in the territory of a rural electric cooperative that allows for subscription-based community solar projects; the developer will own the project.
- End Users: LIDAC homeowners located in this rural electric cooperative territory who sign up to receive power from the community solar project.
- 20% Savings Delivery: The developer / project owner will utilize a community solar subscription provider and the rural electric cooperative to reduce participating homeowners' electric bills by 20%; homeowners will see these savings on their monthly electric bills.
- 20% Savings Verification: The developer / project owner will submit a quarterly spreadsheet of savings by household vs. their modeled pre-solar energy costs.

Timeline, How to Participate, and Selection Criteria

Procurement Process and Key Dates

HEC's project procurement process will follow the following steps:

Phase 1

1. **Project Eligibility Screening Tool (Optional)**: Use HEC's tool to enter high-level project details to assess your community solar or multifamily solar project's eligibility for SFA financial assistance.

2. **Webinars and Questions:** HEC will host informational webinars for all potential respondents on **Wednesday, June 25** and again on **Thursday, July 10**. HEC may decide to host additional, topic-specific webinars based on market feedback and questions. HEC will also publish a written Q&A document with answers for any questions received by **July 30, 2025.** (See below for more details).

3. **Submit a Response to HEC's Request for Proposals (RFP) by Friday, August 8)**: Submit a response to this RFP with all of the required components (see below). HEC will then evaluate your RFP response and attached materials. HEC may, at its sole discretion, extend the deadline for submission.

4. **HEC Review and Respondent Interviews**: Once your proposal is submitted, HEC will begin reviewing it, no matter when it is submitted within the RFP window. At its discretion, HEC may request a respondent interview as an opportunity to ask questions about the RFP response.

5. **Scoring and Conditional Notice of Award**: HEC will score all submitted proposals. If your project is selected by HEC, you will receive a conditional notice of award. If you accept the conditional award, your proposal will be passed to the HEC commercial lending team and your entity and project will enter the underwriting process.

Phase 2

Your response to this RFP does not yet require completion of these steps, which are required if you receive a conditional notice of award

6. **Commercial Loan Application**: As soon as you are able to provide information required for a credit decision, you will submit a commercial loan, the vehicle through which SFA financial assistance would be delivered. This step will kick off the formal underwriting process with HEC.

7. **Underwriting**: HEC's commercial lending team will then underwrite the loan and SFA financial assistance. This step will include a full risk assessment of the project, the borrower, and other factors that could impact loan repayment. This step will also include negotiating a set of commitments that you as the applicant will need to make to HEC (e.g., reporting, delivering savings to households) and vice versa.

8. **Loan Approval and Closing:** Upon completion of the underwriting process, HEC's commercial lending team will bring the loan and financial assistance package to HEC's credit committee, which will make a final decision on the loan. If approved, you and HEC will then sign loan documents that outline all of the loan terms and conditions at loan closing.

9. **Loan Disbursement:** Once the loan documents are signed, HEC will disburse funds to developers for project construction based on the milestones outlined in the loan documents.

RFP Response Submission Instructions and Components

A complete response to this RFP will contain the following components. HEC requests that all proposal materials be sent via zip file to solarforall@hope-ec.org with the subject line "Project RFP Response - *Name of Organization*" by **11:59pm CT on August 8, 2025**.

RFP Responses should include the following components:

- **RFP Response Narrative (PDF / .pdf):** This narrative should be a brief narrative description of the project with the following components (no more than 4 pages):
    - Project overview
    - Project borrower
    - System owner
    - Project developer/EPC
    - Project offtake details, including who will receive the power and the % allocation of total annual system production expected to be consumed by LIDAC households
        - Must include an explanation of which EPA-approved definitions of LIDAC households will be used to determine LIDAC status of households; details of how the project will implement that eligibility screen and any associated expense of implementing the eligibility screen. See Appendix C.
        - At the time of publication of this RFP the EPA-maintained sites for the CJEST and EJScreen tools could not be reached; applicants are encouraged to consider whether LIDAC households served by their project can be identified by implementing one of these definitions:

Geographically Dispersed Low-Income Households, Properties Providing Affordable Housing or Federally Recognized Tribe

- Description of delivery of 20% electricity cost savings equivalent benefits (see below for more information)
- Location and system design
- Total project costs
- Total HEC financing requested (see below for loan types offered through SFA)
- Any non-HEC financing commitments or goals
- Describe why the version of your project presented in this RFP is not viable without SFA financing terms; please state whether the project is able to secure financing with similar terms to SFA from other capital providers
- If you are requesting construction funding, please provide the following:
  - *Disbursement Schedule:* Describe your preferred disbursement schedule for construction draws, specifically whether disbursements are monthly or tied to milestones; and
- ⊄ *Escrow of Construction Funds:* To fund a construction loan, HEC may be permitted by the EPA to disburse SFA funds into a controlled escrow account established to ensure satisfactory completion of work. The escrow would be funded in total rather than HEC waiting to access SFA funds for individual construction loan disbursements. Please state whether you request that HEC escrow SFA funds in this manner and why.Any additional Information

- **Key Project Data Checklist (Excel / .xlsx, .xls)**: Please download and complete this excel file which asks for a number of data points about your solar project. This downloadable file can be found here.
- **Your Attachments**
  - **Project Documents (PDF / .pdf)**: Any documents that provide additional detail that goes beyond what is included in the RFP Response Narrative. This could include project scoping or design materials (e.g. Helioscope, Aurora Solar outputs) or other supporting materials.
  - **Project Financial Models (Excel / .xlsx, .xls)**: If you have a full project model with projected cash flows and costs, we'd love to see it. Please upload it here.

Selection Criteria

Responses to this RFP will be evaluated as follows:

- **Project Alignment with SFA Goals and Requirements (40%)**
  - The proposed project generates post-solar electricity cost savings of at least 20% annually for the households served by the project.
    - *These savings can be in the form of actual electricity cost savings or equivalent benefits available to LIDAC households. Examples of those non-financial benefits are listed in the HUD memo attached to this RFP.*

- The proposal documents how the project serves LIDAC households in Arkansas or Mississippi.
  - At the time of publication of this RFP the EPA-maintained sites for the CJEST and EJScreen tools could not be reached; applicants are encouraged to consider whether LIDAC households served by their project can be identified by implementing one of these definitions: Geographically Dispersed Low-Income Households, Properties Providing Affordable Housing or Federally Recognized Tribe
  - *For more information on what qualifies a household as LIDAC, please see Appendix C.*
- The proposed project includes assumptions that reflect compliance with other SFA requirements like Davis-Bacon and Build America, Buy America - *see below for more details*.
- The project is sufficiently "shovel-ready" with credible site control, design, offtake procurement and construction plans.

- **Project Financial Model (30%)**
  - The proposed project shows a clear path to positive cash flows that support debt service coverage and accounts for 20% minimum electric bill savings requirement.
  - The proposed project makes reasonable assumptions about energy production, lease / PPA revenues, costs, and operating expenses for a solar project of its size, including any impacts of battery storage, enabling upgrades or energy efficiency improvements.
  - The proposed project efficiently utilizes HEC's financial products and SFA subsidies (below-market interest rates, forgivable loan and fee waivers - *see above for more details*).
- **Developer / Owner Experience (20%)**
  - The respondent(s) can demonstrate adequate solar development or other relevant experience (e.g., managing capital projects at multifamily buildings).
  - The respondent(s) can demonstrate a clear understanding of the financing tools available to a typical solar project and HEC's evolution of them for SFA.
  - The respondent(s) can demonstrate a clear understanding of the existing utility landscape in Arkansas and Mississippi and other requirements for building energy projects in either state and the project's local jurisdiction.
- **Additionality (10%)**
  - Consistent with 42 U.S. Code § 7434(b)(1)(B) the project represents an investment in a qualified project that would otherwise lack access to financing. Said another way, household savings and other project characteristics could not be delivered without the terms available with HEC's SFA financial products.

Written Questions and Webinars

Submitting Written Questions
Respondents can submit written questions about this RFP and/or HEC's Solar for All program to solarforall@hope-ec.org by **July 30, 2025.** Please use the subject line, "Community and Multifamily Solar RFP Question—*Your Organization's Name".*

HEC will publish answers to all of the questions it receives in a Q&A format on a rolling basis up until August 1, 2025.

Webinars
HEC plans to host two webinars to answer questions potential respondents might have before submitting an RFP response. They will include an overview of how to respond to this RFP, Solar for All requirements, HEC's financial products, some example project types and an opportunity for Q&A. Please click on the links below to register for each of the webinars below:

- **Register for Webinar #1: June 25, 2025 at 11:00am CST**
- **Register for Webinar #2: July 10, 2025 at 11:00am CST (Link to be posted soon, please check back here)**

Additional RFP Details

Right to Reject and Request Changes

HEC reserves the right, in its sole discretion, to reject any and all responses received in response to this RFP. HEC also reserves the right to request changes to a response.

Additional Terms and Conditions

Any notice of award issued under this RFP will include additional terms and conditions. For example, a notice of award may include terms and conditions that require successful completion of HEC's loan origination process, which is not governed by this RFP and requires additional steps and negotiation of terms outside the scope of this RFP.

Any agreement with HEC shall include terms and conditions acceptable to HEC that define rights and remedies of the selected lessor and HEC as a result of the performance or non-performance of third-parties, such as EPA, under all applicable contracts and law.

DUNS and System for Award Management (SAM) Registration

All contractors receiving federal funds through Solar for All must have or obtain an active account in the System for Award Management (SAM).

The System for Award Management (SAM) is a free web site hosted by the federal government that consolidates the government-wide award reporting systems into one system. SAM streamlines processes, eliminating the need to enter the same data multiple times, and consolidates hosting to make the process of doing business with the government more efficient. The website and information on how to create a user account is found at https://www.sam.gov/SAM/.

To receive payment from a federal award, contractors must not have active exclusions or delinquent federal debt and may not be currently debarred, suspended, proposed for debarment or declared ineligible for awards by any federal agency (Learn more here).

Additionally, please make sure that your sub-contractors that receive federal funds are aware that they must have a DUNS number and be registered in SAM in order to be in compliance with federal reporting requirements.

Federal Funding Accountability and Transparency Act (FFATA)

Consultants must comply (as applicable) with FFATA and provide necessary information to enable HEC to comply with FFATA reporting requirements. Please visit http://www.fsrs.gov for more information.

Byrd Anti-Lobbying Certification

Selected respondents will be required to complete a certification form to ensure compliance with the Byrd Anti-Lobbying Amendment (31 CFR Part 21, 31 U.S.C. 1352). This requirement applies to contracts to nonfederal entities (recipients, subrecipients, and contractors) valued at more than $100,000 and which are funded, fully or partially, through any federal award, such as federal grants. With this form, contractors or subcontractors must certify and disclose their lobbying activity compliance. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure. See EPA Form 6600-06 for an example of the certification form.

Confidentiality

HEC is issuing this RFP for the express and sole purpose of seeking project proposals for Solar for All financing. Any information or documents shared by HEC with a potential applicant is made for that sole purpose, and in confidence. HEC considers all information or documents shared by it with a potential applicant in connection with this RFP to be subject to contractor client privilege and to be treated as such by a potential applicant.

If the applicant deems any materials submitted to be proprietary or confidential, the applicant must indicate as such in the relevant section(s) of the response.

Conflict of Interest

The applicant must disclose, in an attachment to the proposal, any possible conflicts of interest that may result from the award of the contract or the services provided under the contract. HEC recognizes that applicants may represent one or more of its coalition members. Such conflicts will not preclude an applicant from being selected to participate in the panel but may impact selection of counsel from the approved panel on a matter-by-matter basis.

Except as otherwise disclosed in the proposal, the applicant affirms that to the best of its knowledge there exists no actual or potential conflict between the applicant, the applicant's employees or their families' business or financial interests ("interests") and the services provided under the contract. In the event of any change in either interests or the services provided under the contract, the applicant will inform HEC regarding possible conflicts of interest, which may arise as a result of such change and agrees that all conflicts shall be resolved to HEC's satisfaction or the applicant may be disqualified from consideration under this RFP. "Conflict of interest" shall include, but not be limited to the following:

- Giving or offering a gratuity, kickback, money, gift, or anything of value to a HEC official, officer, or employee with the intent of receiving a contract from HEC or favorable treatment under a contract;

- Having or acquiring at any point during the RFP process or during the term of the contract, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with applicant's performance of its duties and responsibilities to HEC under the contract or otherwise create the appearance of impropriety with respect to the award or performance of the contract; or
- Currently possessing or accepting during the RFP process or the term of the contract anything of value based on an understanding that the actions of the applicant or its affiliates or interests on behalf of HEC will be influenced.

#####

Appendices

Appendix A: Davis-Bacon and Related Acts (DBRA)

Davis-Bacon Act labor standards apply to projects assisted by grants and cooperative agreements made under the Greenhouse Gas Reduction Fund. It specifically applies to projects where SFA financial assistance directly funds and is directly linked to specific construction projects that were not completed prior to the execution of the final binding documentation governing the use of the financial assistance. Under the Greenhouse Gas Reduction Fund, the relevant construction type and prevailing wage classifications would be “Building” or “Residential.” The Secretary of Labor’s wage determinations are available at https://sam.gov/content/wage-determinations.

Note, however, that under the Greenhouse Gas Reduction Fund, Davis-Bacon and Related Act requirements do not apply to any form of Financial Assistance which meets any of the following criteria:

1. Financial assistance which exclusively funds pre-construction (e.g. permitting or design work) or post-construction activities (e.g. subsidies for subscriptions to already constructed solar assets).
2. Financial assistance which serves end-users who are individual homeowners or tenants of single-family homes or multifamily buildings when these individual end-users ultimately select the contractor(s) and execute the contract(s) for the construction work, as opposed to the Recipient, Subrecipient, or a contractor hired by the Recipient or Subrecipient.
3. Financial assistance which serves end-users who meet the definition of Federally Recognized Tribal Entities, when these Federally Recognized Tribal Entities ultimately select the contractor(s) and execute the contract(s) for the construction work, as opposed to the Recipient, Subrecipient, or a contractor hired by the Recipient or Subrecipient.
4. Financial assistance which serves any end-user when such financial assistance is less than $250,000 for a project and the end-user ultimately selects the contractor(s) and executes the contract(s) for the construction work, as opposed to the Recipient, Subrecipient, or a contractor hired by the Recipient or Subrecipient.

Appendix B: Build America, Buy America Act (BABA)

The Build America, Buy America Act – Public Law 117-58, requires the EPA to ensure that for any activity related to the construction, alteration, maintenance, or repair of infrastructure, "none of the funds made available for a Federal Financial Assistance program for infrastructure, including each deficient program, may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." (P.L. 117-58, Secs 70911 – 70917).

Under the Greenhouse Gas Reduction Fund, BABA requirements apply to forms of Financial Assistance that directly fund and are directly linked to specific infrastructure projects that were not completed prior to the date the Recipient's award funds were obligated by the EPA. **In January 2025, the EPA published a detailed FAQs document on how BABA applies to GGRF.**

EPA interprets the definition of infrastructure consistent with 2 CFR 184 and M-24-02 (memorandum dated as of October 23, 2023), including the "public function" test, when determining whether projects qualify as public infrastructure, based on the Civil Rights Act definition of public accommodation.

The following types of Greenhouse Gas Reduction projects are deemed infrastructure for the purposes of BABA applicability:

1. The public infrastructure portion of any property (e.g., retail in a mixed-use multi-family property) where the principal purpose of the Financial Assistance is to directly benefit such portion of the property;
2. Privately-owned commercial buildings when they meet the "public function" test;
3. Residential-serving community solar projects, which EPA deems "structures, facilities, and equipment that generate, transport, and distribute energy" per 2 CFR 184.4(c).

The following types of Greenhouse Gas Reduction projects are not deemed infrastructure for the purposes of BABA applicability:

1. Single family homes;
2. Privately-owned, non-mixed-use, multi-family housing properties;
3. Privately-owned residential portions of mixed-use properties;
4. Any privately-owned, behind-the-meter energy generation and storage project that does not otherwise meet the definition of infrastructure.

The inclusion of the following types of funding, support, guarantee, or sponsorship in the funding stack of any Greenhouse Gas Reduction fund project does not trigger BABA, in and of itself or in combination:

1. Low-Income Housing Tax Credit (LIHTC);
2. Fannie Mae and Freddie Mac Backed Multifamily Mortgages;
3. Federal Housing Administration Insured Multifamily Mortgages;
4. HUD Section 8 Funding;
5. Other Federal, State, Tribal, or Local Housing Assistance Funding Sources: in general, subsidies issued by federal, state, Tribal, or local housing assistance funding sources that do not confer equity or ownership stakes for the governmental funding source do not trigger BABA applicability.

BABA applicability is assessed at the time of provision of Financial Assistance based on the terms, limitations, and requirements of the Financial Assistance. Applicability does not change retroactively based on a change of use (e.g., if a ground floor apartment is re-zoned for a restaurant). Recipients may not temporarily modify or mischaracterize usage to intentionally avoid BABA compliance.

If the Recipient encounters a situation that presents uncertainties regarding Build America, Buy America applicability under this Assistance Agreement, the Recipient must discuss the situation with the EPA Project Officer before authorizing work on the project.

BABA Waivers

The EPA can provide waivers to BABA for specific construction inputs for specific programs. EPA maintains a list of approved waivers here. On January 14, 2025, the EPA issued a BABA waiver for domestically assembled solar photovoltaic panels for the SFA progam. The waiver is currently set to expire on December 31, 2025. The full waiver is available here.

Appendix C: Definition of Low-Income and Disadvantaged Communities

Low-Income and Disadvantaged Communities: Section 134(a)(1) of the Clean Air Act directs that Recipients use funds for Financial Assistance and technical assistance "to enable low-income and disadvantaged communities to deploy or benefit from zero-emissions technologies." "Low-income and disadvantaged communities" means CEJST-identified disadvantaged communities, EJScreen-identified disadvantaged communities, geographically dispersed low-income households, and properties providing affordable housing, as defined below.

- **CEJST-Identified Disadvantaged Communities**: All communities identified as disadvantaged through version 1.0 of the Climate and Economic Justice Screening Tool (CEJST), released on November 22, 2022, which includes census tracts that meet the thresholds for at least one of the tool's categories of burden and land within the boundaries of Federally Recognized Tribes. An archived version of this tool is available here.
- **EJScreen-Identified Disadvantaged Communities**: All communities within version 2.3 of EJScreen that fall within either (a) the limited supplemental set of census block groups that are at or above the 90th percentile for any of EJScreen's supplemental indexes when compared to the nation or state or (b) geographic areas within Tribal lands as included in EJScreen, which includes the following Tribal lands: Alaska Native Allotments, Alaska Native Villages, American Indian Reservations, American Indian Off-reservation Trust Lands, and Oklahoma Tribal Statistical Areas. An archived version of this tool is available here.
- **Geographically Dispersed Low-Income Households**: Low-income individuals and households living in Metropolitan Areas with incomes not more than 80% AMI or 200% FPL (whichever is higher), and low-income individuals and households living in Non-Metropolitan Areas with incomes not more than 80% AMI, 200% FPL, or 80% Statewide Non-Metropolitan Area AMI (whichever is highest). Federal Poverty Level (FPL) is defined using the latest publicly available figures from the U.S. Department of Health and Human Services. Area Median Income (AMI) is defined using the latest publicly available figures from the U.S. Department of Housing and Urban Development (HUD). Metropolitan Area and Non-Metropolitan Area are defined using the latest publicly available figures for county-level designations from the Office of Management and Budget. Statewide Non-Metropolitan Area AMI is defined using the latest publicly available figures from the U.S. Department of the Treasury's CDFI Fund, with an adjustment for household size using HUD's Family Size Adjustment factor.
- **Properties Providing Affordable Housing**: Properties providing affordable housing that fall within either of the following two categories: (a) multifamily housing with rents not exceeding 30% of 80% AMI for at least half of residential units and with an active affordability covenant from one of the following housing assistance programs: (1) Low-Income Housing Tax Credit; (2) a housing assistance program administered by HUD,

including Public Housing, Section 8 Project-Based Rental Assistance, Section 202 Housing for the Elderly, Section 811 Housing for Disabled, Housing Trust Fund, Home Investment Partnership Program Affordable Rental and Homeowner Units, Permanent Supportive Housing, and other programs focused on ending homelessness that are funded under HUD's Continuum of Care Program; (3) a housing assistance program administered by USDA under Title V of the Housing Act of 1949, including under Sections 514 and 515; (4) a housing assistance program administered by a tribally designated housing entity, as defined in Section 4(22) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 USC § 4103(22)); or (5) a housing assistance program administered by the Department of Hawaiian Homelands as defined in Title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (24 CFR 1006.10) or (b) naturally-occurring (unsubsidized) affordable housing with rents not exceeding 30% of 80% AMI for at least half of residential units.

- **Federally Recognized Tribal Entities**: All Federally Recognized Tribal entities, which are considered disadvantaged regardless of whether a Federally Recognized Tribe has land, consistent with M-23-09 (memorandum dated as of January 27, 2023) and CEJST. A "Federally Recognized Tribal Entity" means (i) any individual member of a Federally Recognized Tribe; (ii) any for-profit business that has at least 51 percent of its equity ownership (or the equivalent in limited liability companies) by members of Federally Recognized Tribes; (iii) any non-profit entity with at least 51 percent of its Board of Directors (i.e., Governing Board) comprised of members of Federally Recognized Tribes; or (iv) any Federally Recognized Tribal government entity. Under this definition, any Federally Recognized Tribal Entity is included within the definition of Low-Income and Disadvantaged Communities, regardless of where that entity is located (i.e., the entity may be located in areas outside of the CEJST land area dataset, including but not limited to tribal service areas or counties).

Appendix D: Delivery of Meaningful Benefits Equivalent to Household Electricity Cost Savings

Given the regulatory constraints and other inherent challenges accessing energy bills in a multifamily building setting (especially a master-metered building where resident households may not have individual utility bill), HEC will allow project owners to deliver benefits to households that are equivalent in size to modeled electricity cost savings.

In addition to non-energy bill financial benefits like rent credits, EPA allows HEC to accept proposals for equivalent non-financial benefits for households and has recommended this list below from the Department of Housing and Urban Development (HUD). This list was generated with community solar projects and their benefit distribution challenges for multifamily buildings in mind. HUD surveyed states that are in the process of implementing different benefit delivery models as part of their community solar offerings, including direct cash payments, and providing additional building amenities like a security guard or shuttle bus. Below HUD provides a list of benefits under review by programs across the country and an assessment of whether the benefit is considered “income” for the purpose of determining family rent or eligibility for HUD assistance. The income determination will be important for project owners to consider in some affordable housing settings.

Benefit	**Description**	**Treated as family income?**
Job training and workforce development	A combination of social services, community supports, job training and/or education that positions an individual for success in the workforce. These services exclude any cash benefits reimbursements, stipends, or gift cards to a family.	This benefit is not annual income. Services provided are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Additional support staff	Hiring of additional staff to serve residents and/or building needs. Examples include resident services staff, building security guards, leasing specialists, maintenance staff, etc.	This benefit is not annual income. Additional staff being hired to support the residents and/or building are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Facility upgrades	Improvements to the building and/or its grounds. Examples include energy efficiency upgrades, playgrounds, community gardens, renovation, bike racks, etc.	This benefit is not annual income. Facility upgrades, including new building amenities, are not included in the annual income calculation for

		determining family rent or eligibility for HUD assistance.
Free or reduced cost high-speed internet service	Free Wi-Fi provided throughout the building and/or in common areas or the owner negotiates Wi-Fi services for the building and the residents are offered a discounted service.	Free Wi-Fi is an amenity and is not included in the family's annual income. Discounted Wi-Fi services would also not be treated as annual income to the family.[3]
Financial literacy programs and services	Programs and services aimed at developing one's financial literacy to improve personal finances. May include access to free training, classes, and/or resources related to budgeting, managing, and paying off debts, and understanding credit and investment products. These services exclude any cash benefits, reimbursements, stipends, or gift cards to a family.	This benefit is not annual income. Services provided are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Wellness programs and services	Wellness programs and services provided to residents as a preventive measure to help avoid illness while improving and maintaining general health. These services exclude any cash benefits, reimbursements, stipends, or gift cards to a family.	This benefit is not annual income. Items that are an amenity are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Shuttle services	Free shuttle services for residents can include a variety of paratransit services that use small buses or vans to provide shared mobility services. These services exclude any cash benefits, reimbursements, stipends, or gift cards to a family.	This benefit is not annual income. Items that are an amenity are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Community events and/or support for resident associations	Hosting events for residents and/or providing financial support for resident associations. These services exclude any cash benefits, reimbursements, stipends, or gift cards to a family.	This benefit is not annual income. Items that are an amenity are not included in the income calculation for determining family rent or eligibility for HUD assistance.

Increased operating or replacement reserves for the property	Accounts established by property owners to pay for operating and/or large property expenses like long-term major repairs and unexpected expenses, like emergencies.	This benefit is not annual income. Items that are an amenity are not included in the income calculation for determining family rent or eligibility for HUD assistance.
Resilience center	Creation or designation of a space to provide critical services during a power outage and/or a weather-induced extreme event. Examples include community facilities for cooling or heating during periods of extreme heat or cold and access to refrigeration, power to charge devices, and telecommunications during a power outage.	This benefit is not annual income. Access to community facilities is not included in the income calculation for determining family rent or eligibility for HUD assistance.
Non-monetary donations	Non-monetary, in-kind donations, such as food, clothing, or toiletries.	HUD cannot definitively say whether this benefit would be counted as annual income to a family. A number of factors must be considered, including the frequency of the non monetary donations.
Gift cards or cash payments	Gift cards provided to families, including gift cards for gas, groceries, and department stores.	Generally, gift cards and cash payments to a family would be included in family annual income unless an income exclusion under 24 CFR 5.609(c) applies. For example, if a family receives one gift card, it would likely be excluded as a temporary, nonrecurring, or sporadic gift under 24 CFR 5.609(c)(9). Or, if a family receives one lump sum cash payment, it would be excluded as a lump sum addition to family assets under 24 CFR 5.609(c)(3).

Appendix E: Indicative List of EPA Data and Reporting Requirements

As part of the Solar for All Terms and Conditions, EPA requires HEC to report transaction and project-level data on a semi-annual cadence. Some of those data points are likely to originate or are likely to be first collected by the Lessor. Some of the data points that are likely to originate with the Lessor are included below. The Lessor's responsibility for collecting these and other data points will be finalized during the procurement and negotiation process.

Sample EPA Data Point Name	EPA Definition
Project Equipment Useful Life (DE087)	Enter the useful life of the equipment (in months) that was installed through the use of the financial assistance product (in DE014). If there are multiple pieces of equipment on a site, then enter the shortest lifespan of the system in question.
Is the asset owner not-for-profit? (DE101)	Select YES if the asset owner is a not for profit entity as defined in 2 CFR § 200.1
Community Benefits Delivered (DE108)	CEEE Clean Energy, Electrification, and/or Energy Efficiency; TRANSP Clean Transportation; ZERO-E Zero Emissions Housing; HOUSING New Affordable and Sustainable Housing; CCMIT Climate Change mitigation-GHG emissions reductions/avoided; CCRES Climate Change resilience- resilience hub construction; households receiving climate change resilience benefits, etc.; REMED Remediation and Reduction of Legacy Pollution; WORKDEV Training and Workforce Development; FINMARKDEV Financial Market Development; NEWJOBS New jobs created and filled; PROJECT deployed in LIDAC(s); MEANINGFULCOMENGAGE Meaningful community engagement with community input influencing decisions
Number of Households Served by Project (DE109)	Report the number of households receiving resiliency benefits from the project.
Estimated Annual Household Savings Provided by Project (DE110)	Report the dollar value of the cost savings provided by the project on an annual basis.
Description of Household Savings (DE111)	Clarify what is included in "costs savings" (e.g., utility bill savings; loan origination costs borne by financial assistance provider or other) and beneficiary who is receiving the savings.

Sample EPA Data Point Name	EPA Definition
Nameplate Capacity (DE152)	The nameplate capacity, sometimes also known as the "rated capacity" or "installed capacity," is the maximum output measured in kWac of an installed and grid-connected distributed electrical generation plant. The nameplate capacity can be contrasted with the capacity factor or the actual generation of the plant over a given time due to real-world conditions and factors such as downtime for maintenance or prevailing weather conditions, like cloudiness for solar photovoltaics or windiness for electric turbines.
Capacity Factor (DE153)	A ratio of the expected generation of electricity as compared to the maximum possible generation expressed as a percentage. The capacity factor can be contrasted with the nameplate capacity or the theoretical maximum capacity measured in kWac.
Storage Technology Type (DE155)	Clean energy storage is the storing of energy as electricity or heat and using it at a later time when clean energy is not being actively generated or to supplement needs when demand for electricity exceeds supply. Choose the storage technology type that describes the storage in the project.
Storage Power Capacity [in kW] (DE156)	The maximum output of the energy storage device in kilowatts (or kW).
Storage Energy Capacity [in kWh] (DE15)	Enter the maximum volumetric energy output of the storage device measured in kilowatt-hours. One kilowatt-hour (kWh) is equal to 1,000 watt-hours (or Wh).
Cycle Efficiency (DE158)	Cycle efficiency is the ratio of the electricity output to the electricity input into an energy storage device. If the energy storage device outputs 80 kWh, but took 100 kWh to charge, then the cycle efficiency is 80 divided by 100 or 0.80 or 80%. Enter values as a decimal between 0.01 and 0.99.
Response Time (seconds) (DE159)	The time in seconds between when power is demanded from the energy storage project until it reaches an output at its rated power capacity
Duration of Discharge (DE160)	The length of time (in hours) that an energy storage project can deploy power to the grid before depletion exclusive of any buffer periods to ensure the right functioning of the equipment over time.
Estimated change in electricity consumption annually (DE165)	Calculate net change in electricity energy consumption in kilowatt-hours (kWh) before the project came into service versus after the project. This number could be positive or negative.

Sample EPA Data Point Name	EPA Definition
Energy efficiency measures adopted (DE169)	General description of efficiency measure adopted.
Average Estimated Change in Insulation Value Change (R-Value) (DE174)	The change in the average insulating material's resistance to conducting heat, represented as an R-factor, for a given project. For example, the change in the average R-value for improving insulation on a house.
Building Type (DE175)	Choose the picklist value that corresponds to the EnergyStar building category for this project record.
Asset owner is (DE251)	Select the ownership arrangement of asset. Refer to n 2 CFR § 200.1 and https://www.nrel.gov/docs/fy23osti/86210.pdf
Solar PV Project Type Usage (DE256)	Choose the end beneficiary of the solar photovoltaic system.
Enabling Upgrades (DE258)	Enabling upgrades refer to infrastructure that are required to facilitate the installation of distributed generation or storage per the Solar for All terms and conditions.
Is household electrified for the first time? (DE259)	Is the household being electrified for the first time?
Date of Project Completion (Actual) (DE264)	This is the date the project is placed in service or connected to the grid.
Project Interconnection Date (DE265)	This field records the interconnection date or the date that the distributed generation or storage system was connected to the utility grid.
Solar Lease Term (DE277)	Enter the duration in months for the solar lease.
Solar Lease - Fixed or Variable Monthly Lease Amount (DE278)	Choose whether the solar lease contract described in "Solar Lease Monthly Amount" field is a fixed amount which does not vary over term of the lease contract or whether the amount is variable over the term of the contract.
Project Placed in Service Date (DE286)	Enter the date the project is placed in service for the purposes of tax credit compliance with the US Treasury's Internal Revenue Service.

Sample EPA Data Point Name	EPA Definition
Total Photovoltaic System Cost (DE296)	Enter the total cost for the photovoltaic system, including all soft costs, like labor, licensing or permitting fees, and all hard costs for materials.
Photovoltaic Panels Cost (Materials) (DE297)	Enter the total cost of the photovoltaic panels (or modules) for the project, including any shipping and taxes paid to deliver them to the worksite. Do not include any installation or labor costs.
Inverter Cost (Materials) (DE298)	Enter the cost for the inverter that is required to convert the current from the photovoltaic panels (direct current) to alternating current ("AC") in order to connect the generation source to the electrical grid.
Remainder of System Cost (DE299)	Enter the remainder of the systems cost excluding the Photovoltaic Module Cost (DE297), the Inverter Cost (DE298), the Interconnection Cost () and Permitting Fees () into this field. Summing those four fields and this field must equal the Total Photovoltaic System Cost (DE296).
Interconnection Cost (DE300)	Enter the interconnection costs for the photovoltaic or clean energy generation project.
Permitting Fees Cost (DE301)	Enter the permitting fees for the clean energy generation project.
Solar Panel Type (DE302)	Choose the solar panel type from the picklist values.
Enabling Upgrades Cost (DE311)	Enter the total cost for the enabling upgrades for the project.
Soft Cost Subtotal for Total Project or Development Cost (DE312)	Enter the total cost of all intangible and labor costs, including permitting and fees, into this field for project financed through a project finance agreement. The value in this field when added to the Hard Costs Subtotal for Total Project or Development Costs should sum to 100% of the value of the field labelled Total Project or Development Costs.
Hard Cost Subtotal for Total Project or Development Cost (DE313)	Enter the subtotal for all tangible materials costs, including the cost or the assessed value of in-kind materials donations to the project. These costs include the site acquisition costs. The value in this field when added to the Soft Costs Subtotal for Total Project or Development Costs should sum to 100% of the value of the field labelled Total Project or Development Costs.
Project Site City (DE088)	Enter the municipality or the city for the physical address of the property or location that is receiving technical or financial assistance.

Sample EPA Data Point Name	EPA Definition
Project Site State or Territory (DE089)	Enter the two-character abbreviation used by the USPS to identify the US state or territory for the project's location.
Project Site ZIP Code (DE090)	Enter the five-digit USPS ZIP Code for the project receiving technical or financial assistance.
Project Site Census Tract Code (DE091)	Enter the unique 11 digit numeric Census Tract Code that represents the location of the project. https://www.census.gov/programs-surveys/geography/guidance/geo-identifiers.html
Project Site Census Tract and Block Group Year (DE092)	Enter the year of census tract and block group for the project site.
Project Site Longitude (X-Coordinate) (DE093)	Decimal Degrees of estimated Project Longitude (-DD.dddd) in World Geodetic System of 1984 (WGS84). North American longitudes are normally negative. The measure of the angular distance on a meridian north or south of the equator. For example, the estimate location of the White House is 38.8979 latitude and -77.0365 longitude. Accuracy should meet or exceed EPA Tier 5 (100-200m) - more information available in the National Geospatial Data Policy available at https://www.epa.gov/geospatial/geospatial-policies-and-standards.
Project Site Latitude (Y-Coordinate) (DE094)	Decimal Degrees of estimated Project Latitude (DD.dddd) in World Geodetic System of 1984 (WGS84). The measure of the angular distance on a meridian east or west of the equator. For example, the estimate location of the White House is 38.8979 latitude and -77.0365 longitude. Accuracy should meet or exceed EPA Tier 5 (100-200m) - more information available in the National Geospatial Data Policy available at https://www.epa.gov/geospatial/geospatial-policies-and-standards.
Project Site Geocoordinates Description (DE095)	Description of what the latitude and longitude represents, such as the site centroid, geographic centroid, or line, for example.
Project Site Address Line 1 (DE254)	Enter the project site address in the following fields. This field, Address Line 1, captures the primary data for an address and should include the street number (building or house number), street name, and the cardinal direction (N, S, E, or W) for the street.
Project Site Address Line 2 (DE255)	Enter the project address in the following fields. This field, Address Line 2, captures the secondary data for an address usually within the building, such as the apartment or suite number or any special delivery instructions.
Project Site County (DE267)	Enter the name of the county where the project site is located.

Sample EPA Data Point Name	EPA Definition
Project Site Census Block Group (DE314)	Enter the census block group for the project site. Block groups (BGs) are statistical divisions of census tracts, are generally defined to contain between 600 and 3,000 people, and are used to present data and control block numbering. A block group consists of clusters of blocks within the same census tract that have the same first digit of their four-digit census block number. For example, blocks 3001, 3002, 3003, . . . , 3999 in census tract 1210.02 belong to BG 3 in that census tract.
Project Site Census Block (DE315)	Enter the project site census block. The census block is the smallest bounded area of the decennial census that includes demographic data. Census blocks are bounded by visible features (such as roads, streams, and railroad tracks) and by nonvisible boundaries (such as property lines, city, township, school district, county limits).