



GREAT LAKES IMPACT INVESTMENT PLATFORM

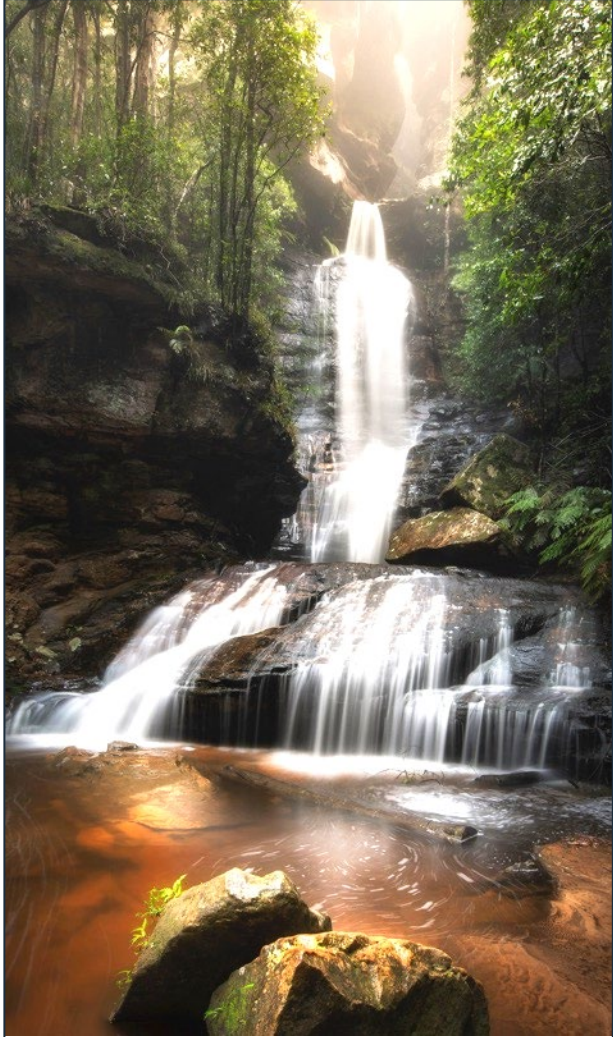
Prosperity by nature.

Stormwater Infrastructure and Impact Investment

Great Lakes Impact
Investment Platform
Webinar Series:



The Problem with Stormwater



We can't tear down the cities we've built, but we can reprogram them to act more like nature.

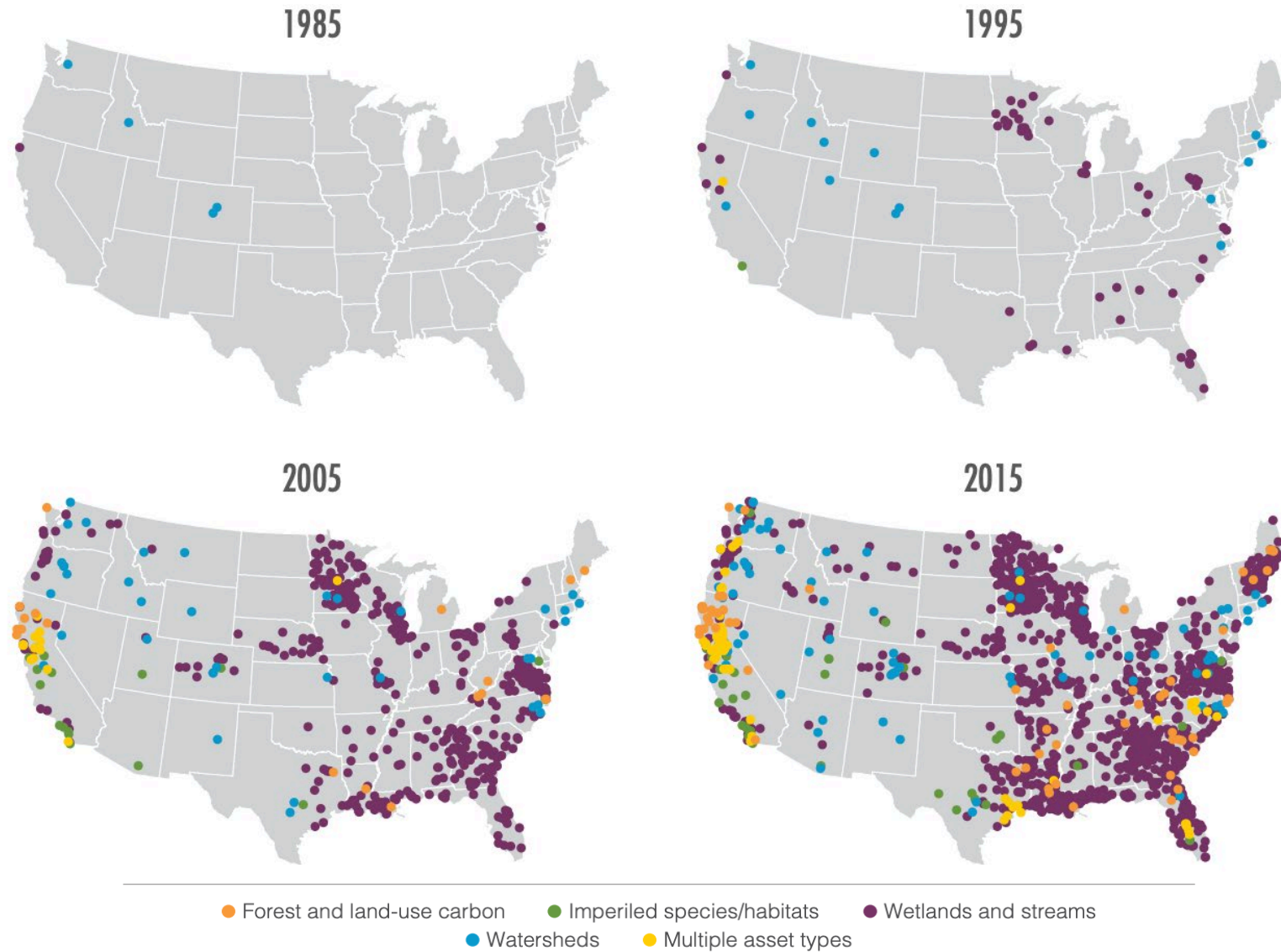
90-95%

Private Ownership of Land Across
most U.S. Urban/Suburban areas

*Climate Resilience Relies on Partnerships with Private
Landowners*

Environmental Markets Are Growing

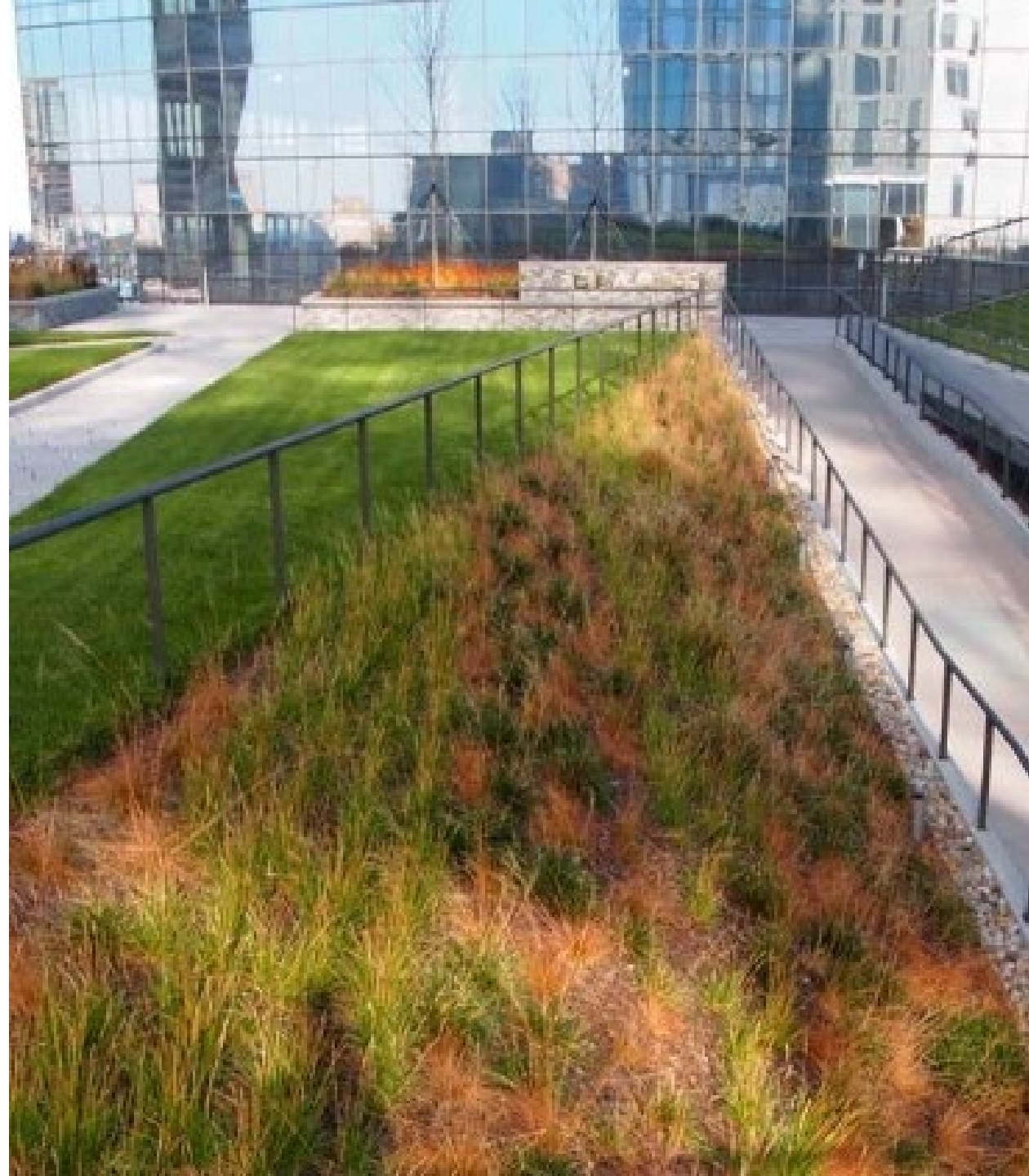
GROWTH OF U.S. ECOSYSTEM MARKET INITIATIVES, 1985-2015



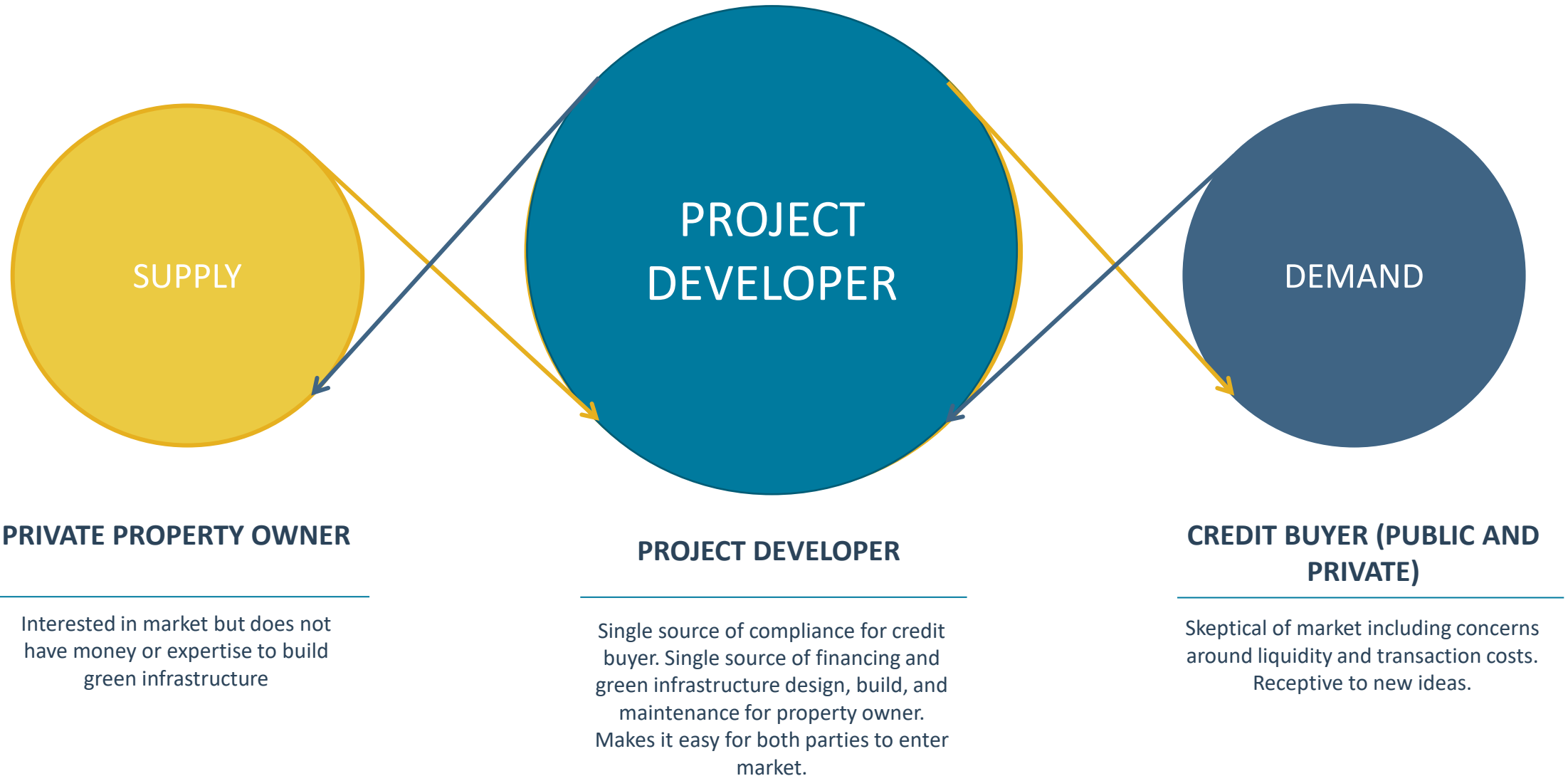
Source: Forest Trends' Ecosystem Marketplace

Why Does TNC Care About Environmental Markets?

- Drive new sources of funding/financing to critical conservation projects
- Use market mechanisms to propel innovation and low-cost solutions – create scale
- Create conservation opportunities in new, often underserved, geographies



Project Developers as Market Stimulators



\$7-10B

Estimated gap in annual funding
gap to meet federal stormwater
standards

Today's Speakers



April Mendez

CEO

Greenprint Partners

Today's Speakers



Zach Solomon

*Executive Director, Head of Tax-
Exempt Project Finance and
Sustainable Infrastructure*

Morgan Stanley

Today's Speakers



Herasanna Richards
Legislative Associate
**Michigan Municipal
League**



GREENPRINT PARTNERS

Getting the most good out of green infrastructure

**Stormwater Infrastructure and Impact Investment
Webinar**

November 5, 2021



INTRODUCING GREENPRINT PARTNERS

Greenprint Partners is a green infrastructure delivery partner. We're on a mission to get the most good out of green infrastructure.





STRUCTURED FOR IMPACT

We are a certified Women's Business Enterprise (**WBE**) and a certified **B Corporation**, meaning we outperform our peers on environmental responsibility, social impact, employee well-being, and governance accountability.



SOPHISTICATED FINANCIAL PARTNERS

We have attracted capital (investment, project financing, and grants) from the most sophisticated impact investors in the water infrastructure space.



US WATER PRIZE

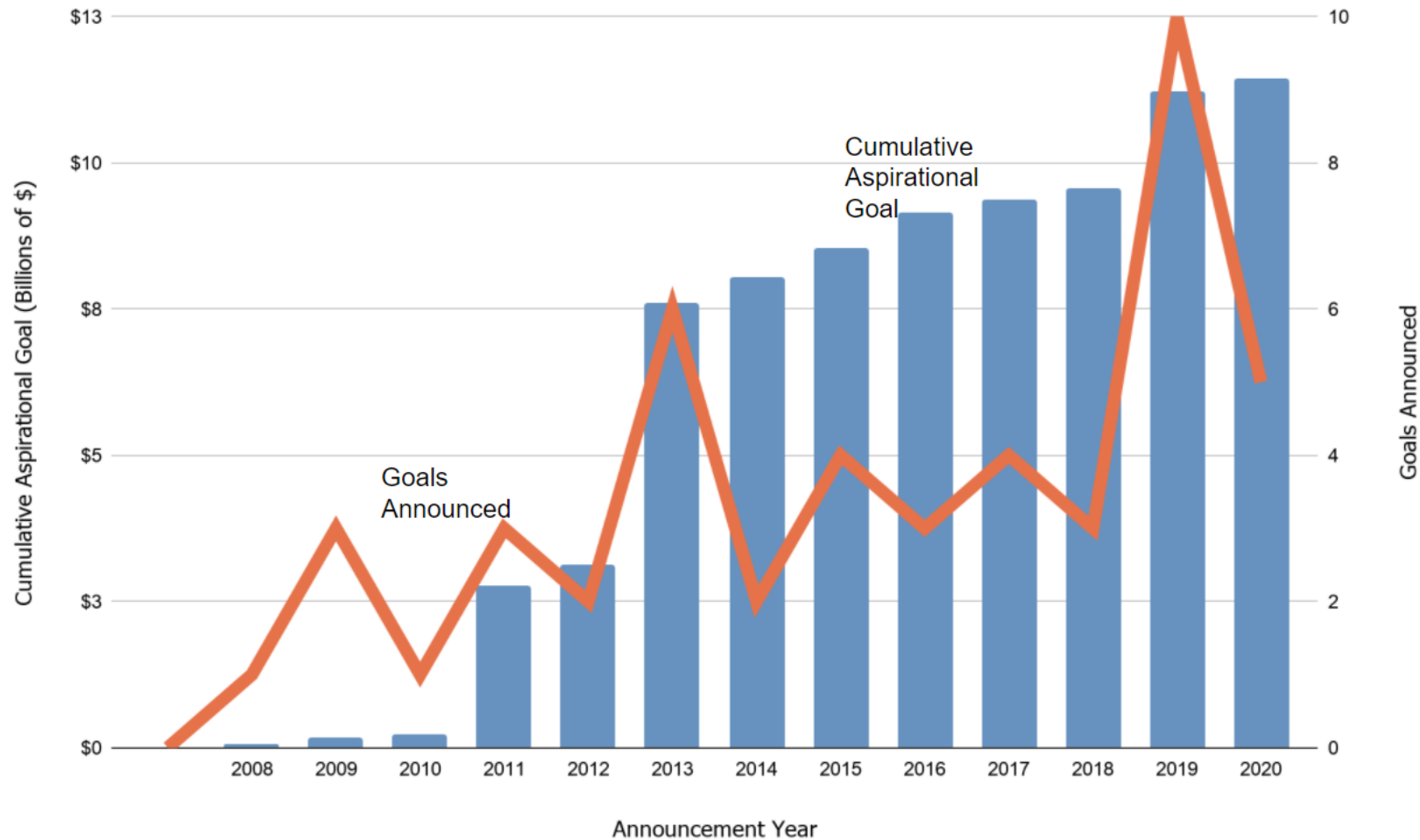
NATIONAL LEADER

Our experienced team is regularly called upon to present at national conferences and is represented on thought leadership groups including the Spring Point Water Innovators, the WaterNow Alliance Tap Into Resilience Expert Panel, Kresge CREWS network, and Sustainable Business Network.

Greenprint also won the US Water Alliance 2019 US Water Prize for Private Sector Innovation.

Utilities are accelerating aspirations for GSI implementation

\$11B in published aspirations, but sorely underfunded



Yet water utilities face steep barriers to transition from grey to green.

Public support and demand for green infrastructure is high, but there are many hurdles to adapt existing procurement, budgetary, and management norms to a distributed, living solution.

Limited
experience
with
distributed
Infrastructure

Lack of
ownership
of most
urban land

Limited
staff +
budget
capacity

As the bar is raised on GSI investments to drive social equity, the capacity and funding need is even higher



BRIEFING ROOM

Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

JANUARY 20, 2021 • PRESIDENTIAL ACTIONS

CASE STUDIES



An aerial photograph of The Well Farm in Peoria, Illinois. The foreground shows a large green field with several rectangular raised garden beds filled with various plants. A paved path winds through the field. In the background, a city skyline is visible across a body of water, with a bridge spanning the water. A semi-transparent blue box with white text is overlaid on the middle of the image.

THE WELL FARM | PEORIA, ILLINOIS

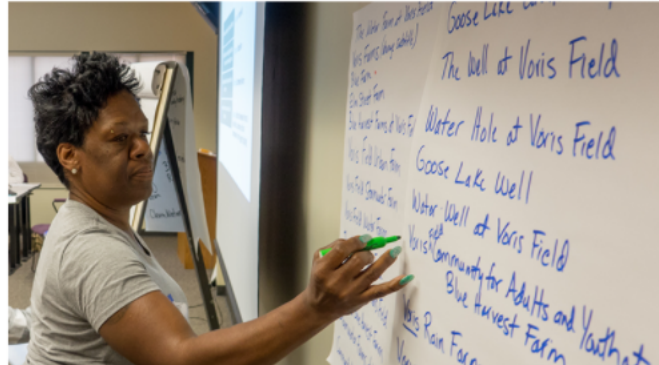
This once-vacant municipal property is in one of America's poorest 100 zip codes. Today it's a multi-benefit green infrastructure hub that manages 1.3M gallons of stormwater each year through a stormwater forest, bioswale, and 100 raised garden beds.

THE WELL FARM



IMPACT-DRIVEN SITE SELECTION

As one of the 100 poorest zip codes in the nation, Peoria's south side is home to the city's most concentrated minority and low-income population, and is most impacted by flooding and combined sewer overflows.



COMMUNITY AUTHORSHIP

The final design was the result of regular guidance with community stakeholders and advisors, including public meetings in which neighbors provide input and feedback as the project progressed.



BENEFITS-DRIVEN DESIGN

The final design reflected the priorities of food security, health, and workforce development.

The end result was a working farm that provided training and income for resident apprentices and fresh produce and a place to be outdoors and active for local residents.

FUNDING AND FINANCING



DEMONSTRATION FUNDING

Greenprint secured a \$1M CIG grant and \$1M in inkind match to plan and implement the Well Farm project as an early demonstration of multibenefit approaches to GSI.



UTILITY RATEPAYOR FUNDING

Peoria's Stormwater Utility will fund repayment of SRF and other financing sources for future GSI built under their CSO Consent Decree.

COMMUNITY ANCHOR RETROFITS

Supporting dozens of community anchor institutions from coast to coast to retrofit their properties with grant-funded GSI.



COMMUNITY ANCHOR RETROFITS



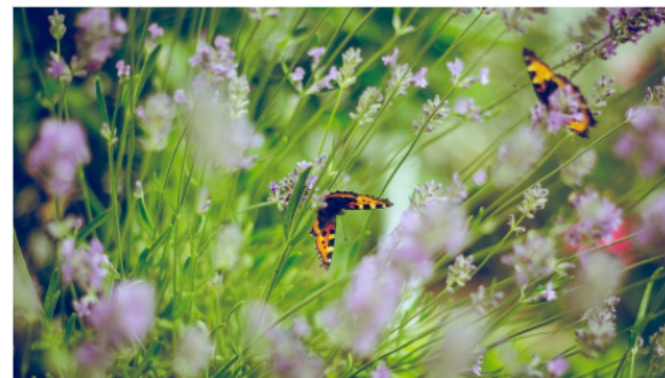
HIGH IMPACT SITE SELECTION

Greenprint seeks community anchor sites primarily in low income neighborhoods and communities of color where stormwater challenges and environmental injustices often intersect.



COMMUNITY ACTIVATION

Greenprint Partners builds knowledge sharing, community authorship, celebrations, and storytelling into each project to engage core stakeholders, the surrounding community, and the general public. We set high standards representative participation, and measure success.



BENEFITS-DRIVEN DESIGN

The benefits-driven design process builds capacity for community members to identify and prioritize the GSI co-benefits they want to maximize, the collaboratively works to achieve their vision.



RESULTS

23

GSI developments currently in design, construction, and maintenance across 7 cities, with 20 more in pre-development.

75%

of projects are located in low income census tracts

90%

of projects are located in communities of color

100%

Designed in partnership with representative stakeholders to maximize their prioritized co-benefits.



FUNDING AND FINANCING



PREDEVELOPMENT FINANCING

Greenprint uses mission-driven grant or recoverable grant capital to cover the costs of predevelopment.



DELIVERY FINANCING

Greenprint secures external mission-driven financing to bridge between project award and utility payment.



Metropolitan
St. Louis
Sewer District

UTILITY RATEPAYOR FUNDING

Utilities use rate revenue to pay for the projects, in advance, at completed milestones, or upon final delivery.



An aerial photograph of a city street in Philadelphia, PA. The street is lined with trees and parked cars. A blue semi-transparent text box is overlaid on the image, containing the title and a paragraph of text. The text is white and bold. The background shows a mix of urban architecture, including brick buildings and green roofs.

HEALTH-FIRST GSI | PHILADELPHIA, PA

Unlocking healthcare as a source of GSI funding by developing a health-first GSI plan to achieve investment-inspiring evidence that well-designed green infrastructure in Philadelphia drives positive outcomes on the health priorities that matter to communities, health plans, and health providers.

FUNDING AND FINANCING

We gratefully acknowledge that funding for this project is provided through a grant from
William Penn Foundation



TBD

TBD

PLANNING FUNDING

Greenprint secured grants from the William Penn Foundation to establish the case for the project and engage health, GI, and community stakeholders in a collaborative planning process.

APPLIED RESEARCH FUNDING

Health stakeholders, foundations, utility, and other partners.

SCALING FUNDING AND FINANCING

Health stakeholders, foundations, utility, and other partners provide funding through a structured pay-for-performance mechanism.

Green Infrastructure Funding Accelerator

The Green Infrastructure Funding Accelerator supports diverse emerging leaders and their institutions in preparing applications for local, state, and federal infrastructure funding to pay for equitable, multi-benefit green stormwater infrastructure initiatives. This project-based learning initiative will deliver strong funding applications while offering emerging leaders improved capacity, refined perspectives, new skills, and tangible tools. Selected applicants will access:



Completed Proposals

Submit grants and loan applications that embody equitable, multi-benefit approach.



Tangible Tools

Access customized procurement templates for future planning and grant-writing services



Equitable Planning Skills

Understand and apply best practices in equitable planning for multi-benefit green infrastructure.

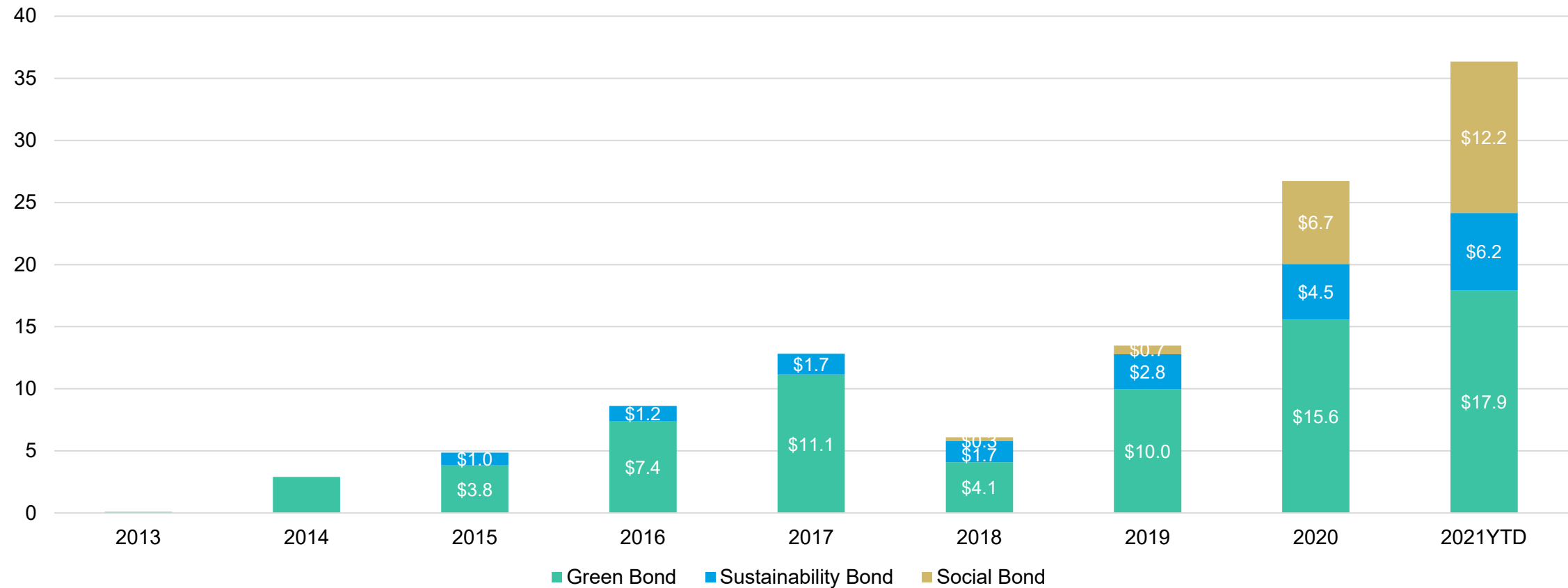


APRIL MENDEZ
CEO
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The US Municipal ESG Bond Market Continues to Grow and Diversify

2021YTD Municipal ESG Bond Issuance Nearly \$10 BN Greater Than Total 2020 Issuance

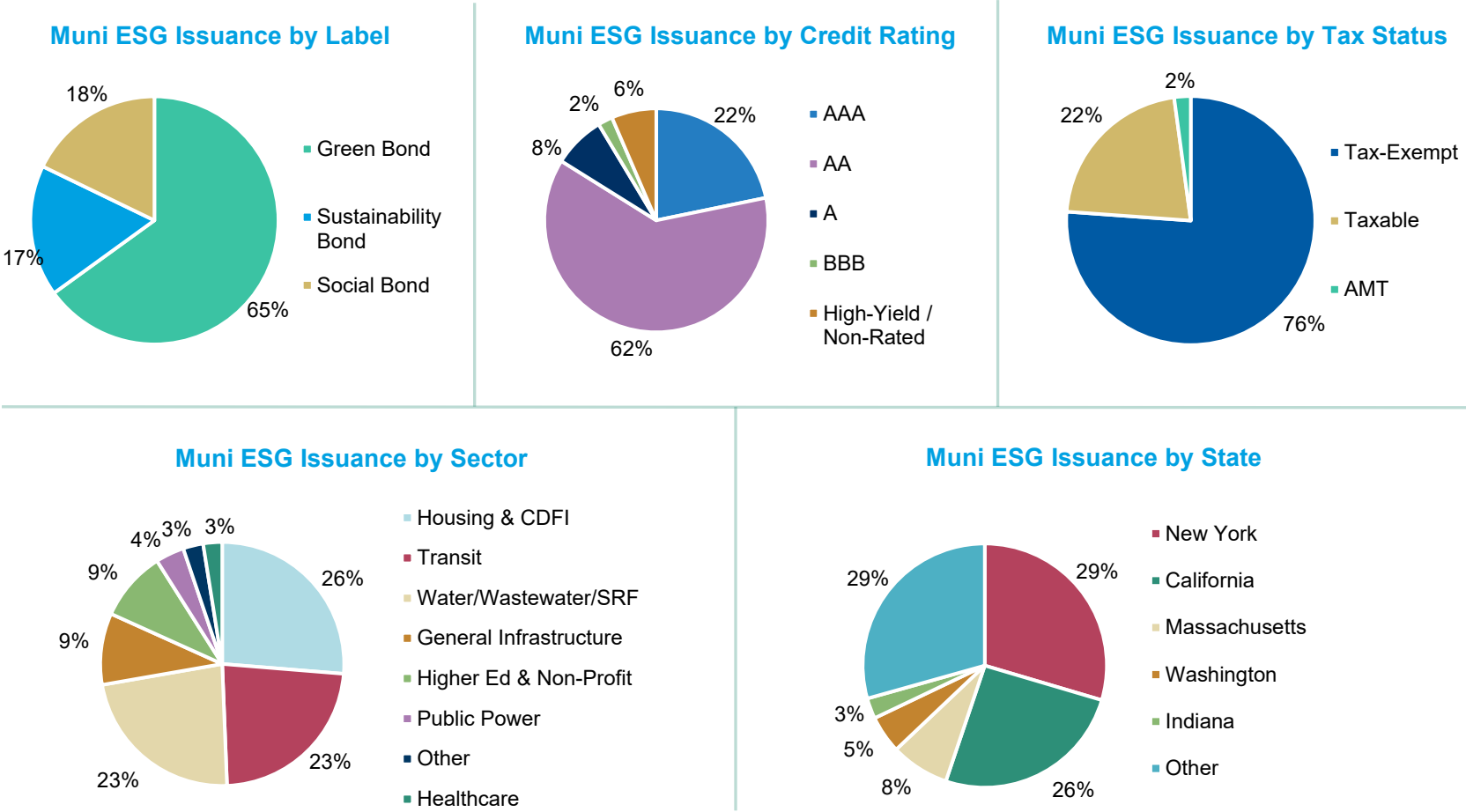
Municipal ESG Bond Issuance, 2013-2021YTD (\$BN)



Note: All data displayed based on transaction par value. All charts reflect data from 2013 to 2021YTD.

The US Municipal ESG Bond Market Offers a Diverse Pool of ESG Offerings

The Market Increasingly Reflects the Diversity of the Broader Municipal Bond Market



Note: All data displayed based on transaction par value. All charts reflect data from 2013 to 2021YTD.

Innovation in Green Muni Bonds: Environmental Impact Bonds

A New Structure in a Growing Municipal ESG Bond Market

Overview

- As the municipal ESG bond market continues to grow, investors have become increasingly concerned with “greenwashing”—issuers misrepresenting the ESG credentials of a transaction
- Environmental Impact Bonds (“EIBs”) offer issuers the opportunity to enhance ESG transactions and attract greater ESG investor interest through post-issuance reporting conducted by a third-party verifier that tracks key performance indicators (“KPIs”) to measure an issuer’s progress towards an outcome target
- In collaboration with Quantified Ventures, Morgan Stanley has pioneered the emergence of EIBs in the municipal bond market, having sole managed both of the ESG-labeled public market EIBs to date for the City of Hampton and the Buffalo Sewer Authority

Morgan Stanley EIB Transaction Experience

\$10,725,000
City of Hampton, VA
November 12, 2020

HAMPTON VA

Series 2020A
(Green Bonds)

**Coastal Resiliency
Projects**

\$49,160,000
Buffalo Sewer Authority
June 3, 2021

BUFFALO
SEWER AUTHORITY

Series 2021
(Green Bonds)

**Sewer Overflow
Management**

Key Features of an Environmental Impact Bond

1. Use of Proceeds for Environmentally Beneficial Projects:

- i. Environmental benefits which can be articulated and quantified
- ii. Consistent with well-known “green bond” guidelines such as ICMA’s Green Bond Principles (“GBPs”)

2. Outcome Evaluation and Disclosure:

- i. Specifies one or more measurable outcomes that will be quantified, independently measured by a third-party verifier, and disclosed to investors
- ii. The outcome measured will have a link to the projects’ environmental goals

Outcomes-Based Mechanisms: Some EIBs may link the bonds’ structure to the issuer’s success in meeting a performance target as measured by a third-party verifier. This can be done through different mechanisms:

1. Variable call option
2. Interest rate ratchet
3. Additional performance payment



Great Lakes Investment Investment Platform: *Stormwater Infrastructure and Impact Investment*

Herasanna Richards

Legislative Associate

Michigan Municipal League





The Michigan Municipal League

- 523 Cities, Villages & Townships
 - 279 Cities, 240 Villages, 4 Townships
- 3,771 Elected Officials
- 10,000+ Non-Elected Officials
- 30 Affiliate Organizations
- MML Foundation
- National Affiliate – National League of Cities





How We Support Our Membership

- Training – Elected Officials Academy & the 16/15 Project
- Technical Support
- Liability and Property Pool
- Workers' Compensation Pool
- Legal Defense Fund
- Cooperative Purchasing
- Advocacy

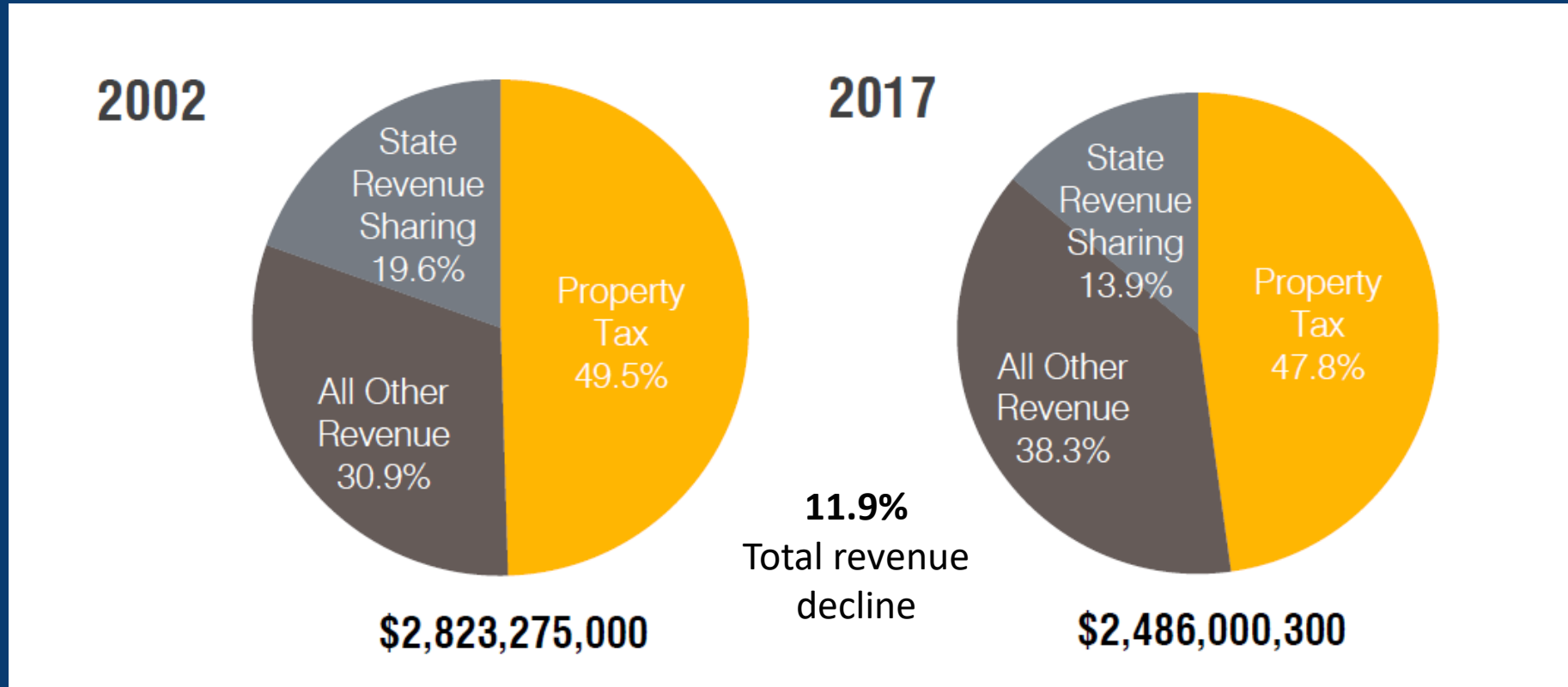


Community Wealth Building

We define community wealth building as strategies that build community and individual assets, creating resilient and adaptable systems to address social and economic needs.



Local Government Revenue

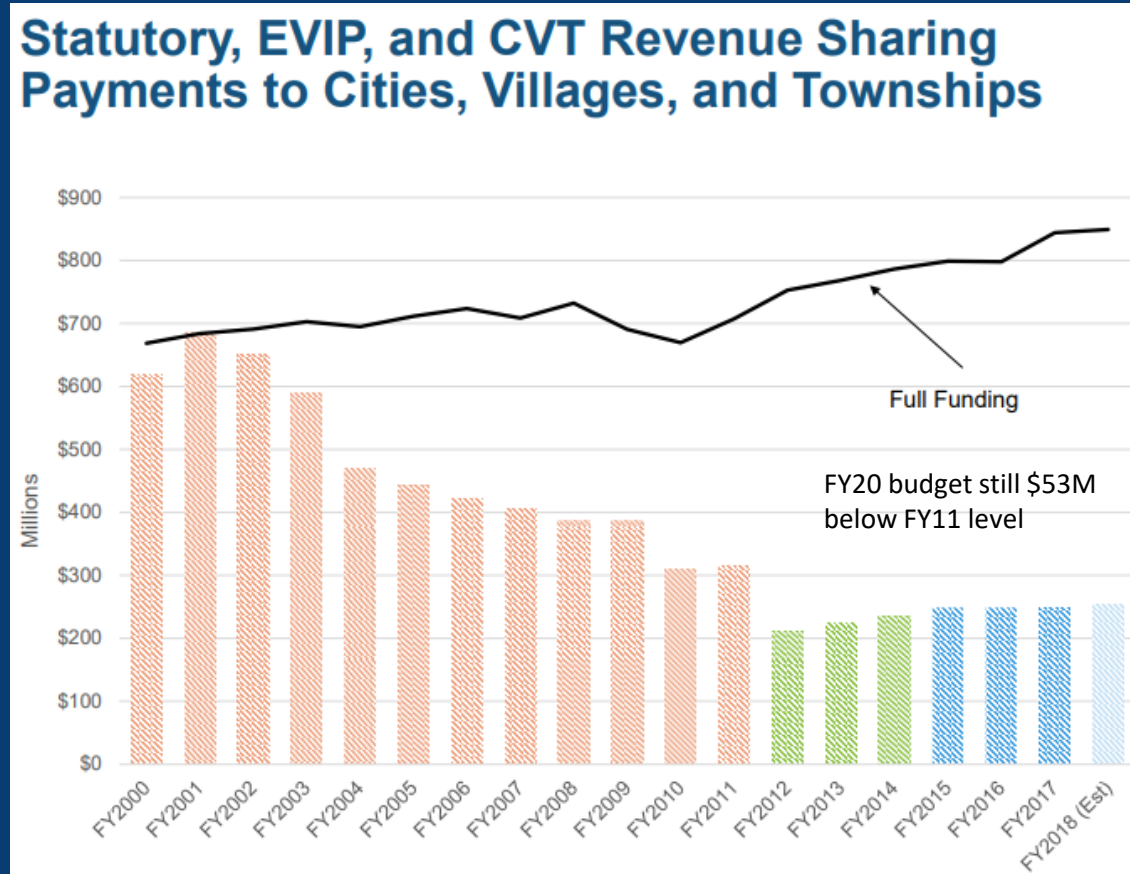


* MI Treasury F-65 Data from 225 cities – Inflation Adjusted

We love where you live.



Statutory Revenue Sharing



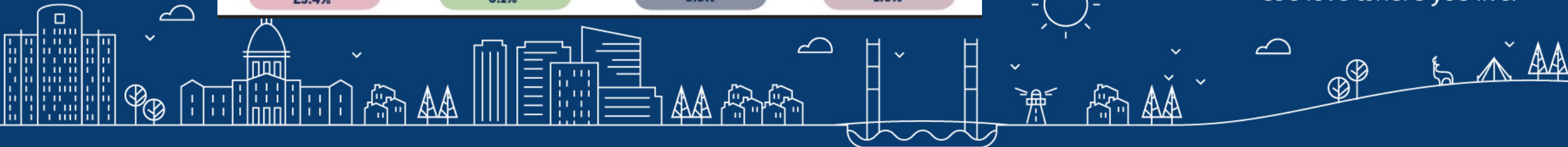
We love where you live.





Local Government Budgeting

We love where you live.





Impacts on Stormwater Infrastructure

The need to invest + upgrade stormwater infrastructure in Michigan

Bolt v. Lansing – *The difference between a tax and a fee*

The need to advance policy to establish a centralized statewide stormwater authority





American Rescue Plan

- The American Rescue Plan (ARP) is a **\$1.9 trillion federal stimulus** designed to lay the foundation for a strong economic recovery as the nation emerges from the COVID-19 pandemic.
- The ARP appropriated \$350 billion for states and local governments nationwide. This is the first time that the federal government has sent money to all 19,000 local units across the country.
- These dollars will be distributed in two payments, half in 2021 and the remainder in 2022. Spending is authorized through 2026.





Federal Guidance on ARP Spending

1. Providing government services up to the amount of lost revenue due to the COVID-19 public health emergency.
2. **Making necessary investments in water, sewer, or broadband infrastructure.**
3. Responding to the COVID-19 public health emergency or its negative economic impacts.
4. Providing premium pay/grants to eligible essential workers.



The American Rescue Plan: Michigan

Funding Amounts

Congress has allocated American Rescue Plan state and local fiscal recovery funds to the State of Michigan, as well as the state's **83 Counties, 49 Metropolitan Cities and 1,724 Non-Entitlement Units of Local Government.**



State of Michigan
\$6,500,000,000



Counties
\$1,900,000,000



Metropolitan Cities
\$1,800,000,000



*** Non-Entitlement Units
of Local Government**
\$644,000,000

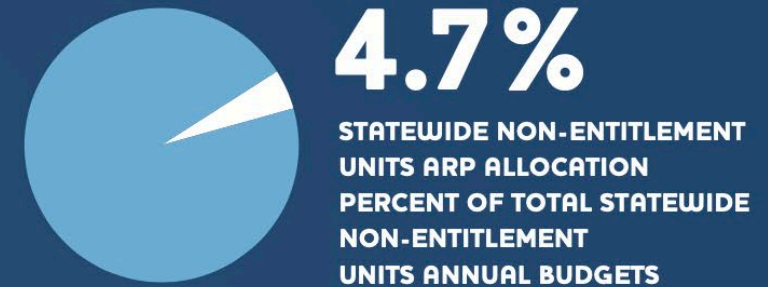
How much will your community receive in ARP?

Not all allocations are created equal!



**\$6.78
BILLION**

**LOCAL BUDGETS
STATEWIDE**



Remember, it's only **one-time funding**, your communities are NOT flush with cash.
For a more prosperous Michigan, invest, leverage and amplify your state and local resources!



\$650

PER CAPITA
FOR THE STATE
OF MICHIGAN



\$104

PER CAPITA
FOR NEUs

CITY	Annual Operating Budget	Annual ARP Allocation	Percent of Annual Budget
		State & Local units will receive an ARP allocation in 2021 and 2022	
Holland	\$8,453,519	\$4,226,760	2.49%
Hudsonville	\$769,105	\$384,553	3.60%
Zeeland	\$579,445	\$289,723	0.60%
Dearborn	\$47,212,828	\$23,606,414	8.71%
Detroit	\$826,675,290	\$413,337,645	15.31%

Ensuring Every Dollar Counts



The League x NLC Great Lakes Navigator

- To provide members with help answering questions about the grant sources and application processes, accessing funding, evaluating where to invest ARP dollars, and meeting reporting requirements.

The Coalition for a Strong + Prosperous Michigan

- Investment proposal for Michigan's \$6.5B ARP allocation.





Amplify for Impact

- Don't leave money on the table.
- Plan for and seek partnerships with NGOs, businesses, philanthropy.
- Create opportunities that establish and retain trust.
- Think innovatively, build resiliently.





Thank You!





GREAT LAKES IMPACT INVESTMENT PLATFORM

Prosperity by nature.