

## Green Revolving Fund.

- (a) *Purpose.* Consistent with the purposes and goals identified in both the 2024 Energy Efficiency and Carbon Neutral Goals for Municipal Buildings Ordinance and the 2020 Climate Justice plan (and all subsequent updates to the Plan), the city seeks to pursue its goal of reaching carbon neutrality in buildings owned by the city or held by lease by, among other things, establishing and maintaining a revolving fund called the “Green Revolving Fund” (GRF).
- (b) *Definitions.*
- *Decarbonization project* means measures that reduce or eliminate a property’s greenhouse gas emissions. They can include but not limited to:
    - Installing renewable energy;
    - Improving the building envelope;
    - Improving lighting and lighting controls;
    - Improving heating, ventilation, and air conditioning (HVAC) systems; and
    - Installing or improving building management systems.
  - *Energy* shall mean electricity, natural gas, steam, hot or chilled water, heating oil, or other product for use in a building, or renewable electricity generation, for purposes of providing heating, cooling, lighting, water heating, or for powering or fueling other end-uses in the building and related facilities.
  - *Greenhouse gas* means climate pollution released by burning fossil fuels that alter the atmosphere, including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
  - *Green revolving fund* or *GRF* means a pool of capital dedicated to investing in decarbonization projects, and certain financial benefits associated with these projects are revolved back into the GRF to be invested indefinitely in future projects.
  - *Renewable energy* shall mean renewable energy resources as described in R.I.G.L. 39-26 (Renewable Energy Standard).
- (c) *Initial funding.* The city’s initial investment shall be \$3,000,000, transferred from the capital improvement budget..
- (d) *Management of revolving fund.*
- (i) The revolving fund shall be managed by the City of Providence department of sustainability, in coordination with the City of Providence finance department, and in accordance with processes and procedures required by the city controller and city treasurer.
  - (ii) Any department that manages or operates a municipal building or is responsible for capital improvement planning, and members of the department of sustainability may submit project applications to the department of sustainability throughout the year.

- (iii) Any department that receives GRF funds shall be responsible for procurement, vendor selection, contract management, and payment for all design work and construction services. The department of sustainability shall be responsible for filing paperwork to receive any incentives or rebates associated with these projects to be revolved back into the GRF account.
  - (iv) The department of sustainability shall maintain records associated with the fund, including project applications, details about selected projects, and cash flows out of and back into the GRF.
  - (v) The department of sustainability shall make a budget request to replenish the portion of the total fund value not covered by the incentives and rebates.
  - (vi) The department of sustainability shall include details about all investments made by the revolving fund to the city council and the mayor in the annual report on progress towards achieving carbon neutrality.
- (e) *Project selection.*
- (i) The department of sustainability and the finance department shall meet at least once each year to review applications and select projects for GRF investment.
  - (ii) Decarbonization projects shall be selected on the basis of available funding and the department of sustainability's strategic priorities.
  - (iii) GRF projects must reduce greenhouse gas emissions in city-owned or city-leased properties.
  - (iv) GRF capital cannot be used for feasibility studies or other planning purposes—only projects that reduce greenhouse gas emissions are eligible.
- (f) In addition to the initial funding set forth in subparagraph (c), the finance department, with approval of the city council, may contribute additional assets to the GRF.