



Halifax Climate Investment, Innovation & Impact Fund

Sarah Buckle, HCl3 Executive Director & Chief
Climate Investment Officer

Taylor Owen, HCl3 Program Manager

Agenda



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HCi3 – Who we are

A subsidiary of EfficiencyOne, a national leader in the design and delivery of resource efficiency programs and services.

Our purpose is to advance equitable pathways through financial and community-based approaches to achieve net-zero emissions.

We will use a mix of investments and grants to advance climate change initiatives in the Halifax region.

Part of a collaborative, Pan-Canadian Network – Low Carbon Cities Canada

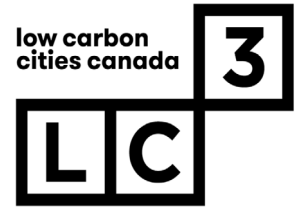


LC3 Network

Canada

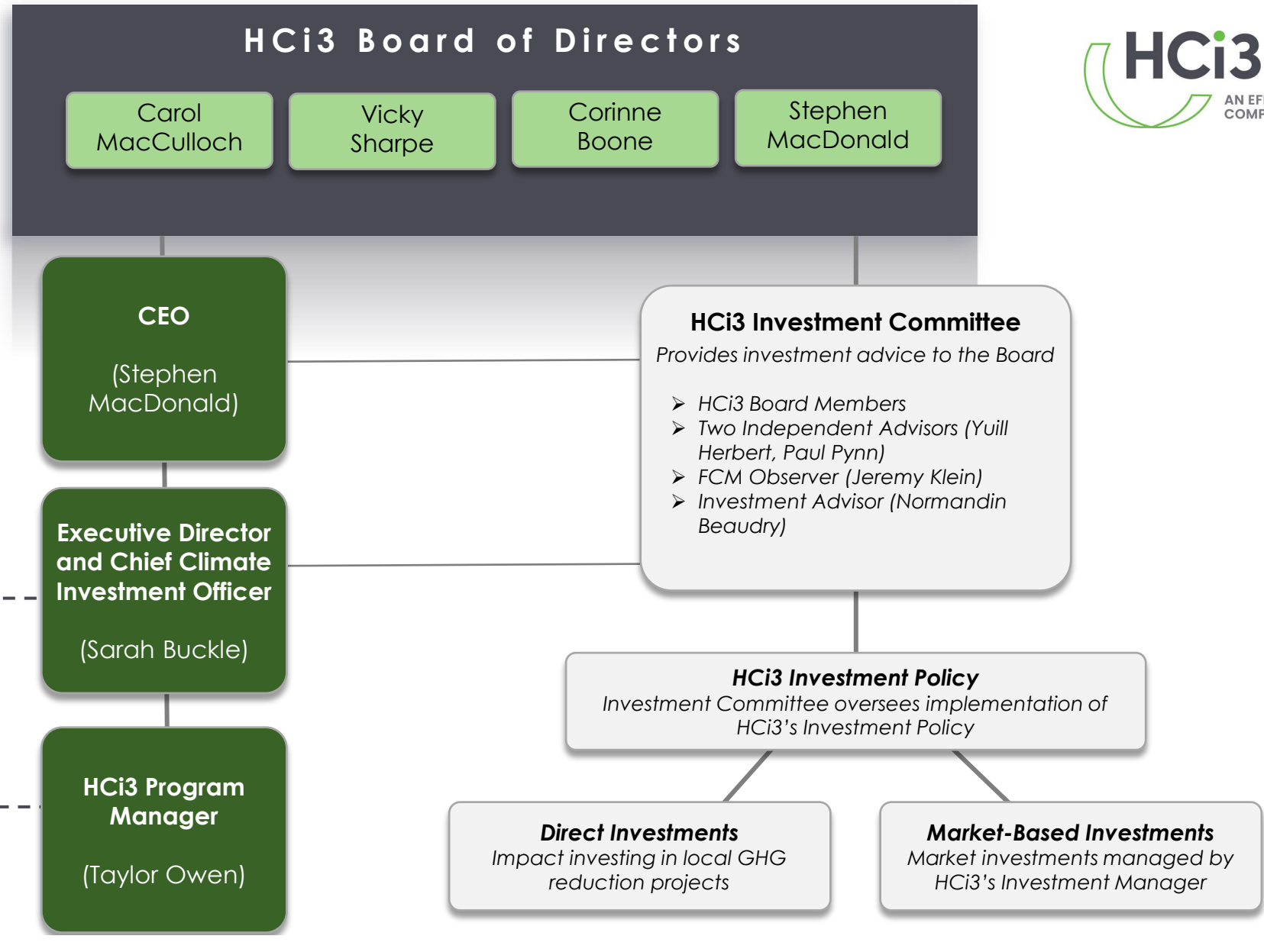


FCM



City	Entity	Funding (\$M)
Vancouver	<i>Metro Vancouver Zero Emission Innovation Centre</i>	\$21.7
Edmonton	Alberta Ecotrust	\$21.7
Calgary	<i>Climate Innovation Fund</i>	\$21.7
Toronto	The City of Toronto Council <i>The Atmospheric Fund</i>	\$40.0
Ottawa	Ottawa Community Foundation <i>Ottawa Climate Action Fund</i>	\$21.7
Montreal	<i>Greater Montreal Climate Fund</i>	\$32.5
Halifax	EfficiencyOne <i>Halifax Climate Investment, Innovation and Impact Fund</i>	\$17.7
National	Federation of Canadian Municipalities	\$6.0
TOTAL		\$183

HCi3 Governance



Priorities

- GHG reduction potential
- Scale/replicability
- Co-benefits
- Equity principles

HCi3 Programs

- **Strategic Grants** focus on gaps in the market and supports innovation
- **Knowledge Building** to develop the capacity to implement carbon actions that generate multiple community benefits
- **Market Based Investments** where returns on HCi3's endowment contribute to stable funding, ESG considerations and are deployed into impact investing vehicles
- **Impact Investing** loans, mortgages, performance contract financing, securities and loan guarantees with expected return on investments

HCi3 & HalifACT

- **Memorandum of Understanding (MOU) signed with HRM in March 2021**
 - Confirms intention and willingness to engage in discussions and work together on accelerating GHG emission reductions
 - Aligns HCi3's objectives with the HalifACT Climate Plan
 - HCi3 provides opportunities and funding (grants and/or loans) to support HalifACT's goals
 - Designates seats on HCi3's Advisory Group (Shannon Miedema & Councillor Cleary)
- HCi3 is working to build on existing engagement, networks, and projects already advanced by HRM's Environment and Climate Change Team

HCi3 Grant Program Overview

- Call for Projects around six challenge statements: deep energy retrofits, electric mobility, shared renewable energy, energy storage, and community-led ideas for climate action.
- \$440,000 in grant funding available in 2022
- Grants up to \$50,000 per project, larger grants available if project meets and exceeds each of the evaluation categories
- Requirement for a 20% fund match (outside of federal government funding)
- Project end date up to 24 months
- Activities and benefits occur in Halifax Regional Municipality

HCi3 Grant Program Objectives

To be eligible for funding, projects must:

- Result in direct project level and/or projected greenhouse gas emissions reduction at scale over 20 years
- Have a clearly articulated scale up or replicability pathway
- Maximize community benefits such as affordability, job creation and high-demand skill development, community resilience etc.
- Be developed by or address a community-identified need with local leadership and partners being involved in the project



HCi3's Impact Investing Strategy

- **Objectives:** strengthen the financial viability of projects by mobilizing capital
- **Priorities:** carbon reduction, scale, local impact, proving and de-risking climate solutions
- **Focus Areas:** building retrofits, low carbon transportation, renewable energy
- **Financing:** flexible finance structures with expected return on investment
- **Benefits:**
 - Helps overcome up-front capital cost barriers (loans, energy performance contracting)
 - Start-ups and/or unproven technologies – creates a path to commercialization and scale
 - Addresses capital restrictions (off-balance sheet leasing structures)

Summary

- Proven sustainable financing model – mobilizing private capital towards climate action
- HCi3 Model: scale up and scale out
 - Testing and proving the sustainable finance model in HRM (urban, rural and suburban projects and impact)
 - Potential to scale out to other jurisdictions in Nova Scotia and Atlantic Canada
- Flexible Structure: ability to be responsive and nimble in our processes, and move quickly (with rigour)
- Network wide learnings, and proven methodology for calculating GHG reduction potential (equity methodology is being developed)
- “HCi3 Toolkit” (grants, policy advocacy, communication, programs)