



Pre-Development Grant Program FAQs

December 2024

Eligibility

What types of organizations are eligible to receive grants?

The applicant must be a nonprofit organization, state or local government, Indian tribe, or Institution of Higher Education.

Are tribal communities/coalitions able to apply in other grant rounds?

Yes, there will be many additional future grant rounds (for example, rural projects) where tribal projects would be eligible. This round, however, is exclusively for tribal projects; technical assistance will be tailored specifically to Native community needs.

Should only tribal project applications be submitted or are all invited to apply now?

This round is exclusively for Tribal projects. Additional grant rounds will serve a broader group of stakeholders and will be launched throughout 2025 and beyond.

We are a 501(c)3 Native Hawaiian CDFI, but we do engage in limited lobbying (under the 501(h) election) in the service of our mission. Does this make us non-viable for funding?

The organizational eligibility regarding lobbying for this application has been revised as follow: “Nonprofit organizations exempt from taxation under section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities are ineligible for EPA subawards based on the Agency’s policy for interpreting the Lobbying Disclosure Act, 2 U.S.C. 1611 in accordance with EPA’s Subaward Policy.” No federal funds can be used to pay for lobbying activities and organizations receiving subawards over \$100,000 will be required to submit certification and disclosure forms.

Can a project be submitted by a Tribally Owned Corporation or Tribal Department?

Revised for clarity 12/20/2024

Tribal departments, tribally incorporated non-profit organizations and tribally-owned corporations (e.g. Section 17s) are all eligible to apply.

Are utility-scale clean energy projects wholly owned by a Tribe/TEDO considered eligible projects?

Yes.

Do Section 17 corporations pass on all tax-exempt benefits of the tribe?

Section 17 corporations that are wholly owned by tribal enterprises that are federally chartered are not considered separate entities for tax purposes. Therefore, they should be eligible.

Could a for-profit business apply through a fiscal sponsor?

- We do not encourage for-profit businesses to apply underneath a 501c3 organization that would not otherwise be engaged in their partnership as some sort of pass through. That said, we do expect projects to apply that may include anticipated for-profit partnerships. In those cases, the non-profit entity with which the for-profit business would be partnering could apply on behalf of their anticipated project with them.
- If an organization is in the process of waiting for their 501c3 to be approved with the IRS, they would be able to apply under a fiscal sponsor.

Can Chapter Houses directly apply for this grant if they are the elected local government?

Yes, all local tribal governmental bodies, including Chapter Houses or District governments, are eligible to apply.

Does eligibility to apply extend to separate legal entities on the reservation such as Tribally Designated Housing Entities?

Yes.

If an application is led by a tribe, with participation by a nonprofit organization, will that nonprofit be considered a subrecipient or a vendor? If a vendor, does the lead applicant need to follow federal procurement regulations in selecting them?

The entity that is awarded a grant will need to make a determination on the nature of relationship with the nonprofit organization consistent with the standard established in 2 CFR 200.331.

If an organization is comprised of multiple legal entities, can one serve as the grant applicant and the other as the financing entity?

Yes.

Usage of Funds

Can this grant be used for pre-development community mapping to scale a Native contractor and Native home retrofit program?

In general, the NEXT program is not designed to support general operational capacity or broader community-wide market studies. In this case, we would expect the applicant to have defined identified specific projects or locations. If community mapping would subsequently support effective delivery of those specific projects, it would be an eligible use of funds.

Can a CDFI apply for this grant for loan product development? IE Community outreach, community project feasibility, software and hardware costs, consulting costs and legal review?

While a CDFI can apply for the program, they must apply to support predevelopment activities associated with a specific qualified project, not for general capacity building support for lending products. We would advise CDFIs to explore capacity building opportunities through the [CCIA program](#).

Are these funds required to serve residences, or can they serve tribal community buildings as well?

These funds can support any project benefiting Native communities, so long as they meet otherwise stated criteria around qualified projects for NCIF funding. We hope to fund a diversity of types of projects, including community buildings.

Can these funds reimburse pre-development costs already incurred in order to lower the cost of power to the end recipient?

Grant funds must be spent on new expenses incurred after the signing of a given grant agreement.

Are new construction projects eligible?

Yes, provided the project is seeking pre-development resources in line with other program requirements. The NEXT program will not fund construction activities.

Can the predevelopment funds support multiple projects?

Yes, so long as the projects are administered by the same organization and are directly related to or dependent upon each other for completion.

Could NEXT support conducting an analysis of housing owned by a tribal entity to prioritize which buildings are the best fit for GGRF?

Yes, that is within the allowable use of proceeds.

Can our budget support staff time and do some of the associated predevelopment work—such as community outreach—internally?

Yes. Please make it clear in your application how your staff time will ultimately support necessary advancement of predevelopment activities.

Can you provide an example or greater description of what "community engagement" entails as an allowable use of funding?

A project applicant can support staff costs and contractors for community engagement so long as there are specific deliverables associated with the work, and not general operating resources. If applicants anticipate charging staff time to the grant, projects may need time sheets and additional documentation in line with EPA's guidelines on subaward compliance.

Can a nonprofit Community Development Corporation/native CDFI that supports multiple tribes apply for grant funding to help assess the feasibility and location of residential and community solar in the native communities they serve?

Yes. While we expect most applicants to serve a single project, there may be instances where a CDC or CDFI may be an appropriate applicant on behalf of multiple projects.

When it comes to the scope of a building decarbonization project, can projects include health and safety measures such as roof replacement, plumbing, mold remediation, vermiculite, knob and tube wiring, asbestos, etc.?

Yes.

Program Requirements

What level of community engagement / planning do you want to see having already been done, for a proposal to be scored strongly?

This will vary by project, but the highest scoring projects will have done enough preliminary community engagement to be able to articulate the given community's needs and how the project will meet them. We would expect projects that display lower initial levels of community engagement to include additional anticipated community engagement activities as part of their predevelopment grant activities.

Since the award is up to \$300,000 does that mean predevelopment activities must exceed the award amount?

The predevelopment grant does not have any matching requirements. There may be projects where a NEXT grant funds all predevelopment costs and projects where a NEXT grant funds a relatively modest proportion of predevelopment costs. If predevelopment costs are significantly above \$300,000, Climate United may work with you to help identify additional funding options—including Climate United financing—that can support your efforts. If predevelopment costs are significantly lower, Climate United recommends applying for less than the full \$300,000 award size.

Scoring and Evaluation

Will federally recognized Tribal Nations projects be weighted equally in evaluation to state recognized tribal projects?

Yes, federally and state recognized tribes will be scored the same way for the purposes of this grant application.

Is the scoring matrix/rubric made available?

All projects will be scored on the following criteria (currently arranged in order of importance in scoring):

- organization’s impact aligned to Climate United’s mission,
- project need for grant capital,
- qualified project status
- organizational capacity
- demonstrated community benefits
- project feasibility,
- documented community support, and
- prior experience of operators and operating organization.

Would a project that doesn’t have a specific site be considered?

The NEXT program is designed to support projects that are beyond ideation but not yet ready for financing. Generally speaking, projects that have some core specifics determined, including location, will score higher on the application.

While many types of organizations are eligible to apply, does Climate United give preference to applications where a tribe is the lead applicant, rather than another type of eligible organization?

Climate United does not have a preference for type of organization, so long as stated eligibility requirements are met. Climate United will give preference to projects that are located on Native lands and led by Native applicants.

Transaction Partners and Financing Requirements

Is there a list of Climate United "transaction partners" and is there a way for new entities to become transaction partners?

Climate United will be working to identify and onboard community lenders in 2025. Prospective transaction partners are invited to complete our [intake form](#) to receive notifications when requests for proposals for partnerships are posted. In the interim, if you have a transaction partner that you'd like to work with, please identify them in your application. If you have not yet identified a preferred transaction partner, please select "we would like help identifying a transaction partner" under the relevant associated question on the application.

If my project will only be financed through grants and subsidies, can I receive a Climate United NEXT grant?

No. While we strongly encourage additional grant money in later construction stages as part of the capital stack, Climate United is seeking to grant to projects that ultimately want to build a diversified capital stack and be part of Climate United's financing pipeline.

If a Tribal applicant wants to proceed with a different financing partner (not Climate United), will Climate United be offering some subsidy for the Financial Intermediary Subrecipient of Climate United through the National Clean Investment Fund award that Climate United secured?

Climate United aspires to work with many community lenders as intermediaries for projects. On a case-by-case basis, Climate United will price capital for lending intermediaries on a variety of factors including expected impact, risk, and the type of lending ultimately being done by the intermediary.

When will the application open for financial institutions to apply and become a financial intermediary partner?

Climate United intends to create numerous kinds of financial products for intermediary partners, including standardized products, balance sheet loans to originate qualified projects, and to competitively procure partners for participation lending. Some of these products are currently available today. For example, if you would like to become a mortgage originator under Self-Help Climate, interested lenders can find that application [here](#). Climate United hopes to open a competitive RFP in the first two quarters of 2025 to procure loan participation partners. Shortly after, Climate United intends to begin making balance sheet loans to transaction lenders to originate qualified projects. Subsequently, Climate United anticipates having many transaction partners available for grant recipients to work with by the close of their grant period.

For an applicant to partner with a financing entity, what level of commitment is required and in what form?

Climate United recognizes the fluidity of many financing partner conversations. For the initial application, please briefly describe conversations held between the applicant and potential financing partners(s) in the questions provided or with attached letters of support. Applicants are not required to have signed term sheets or letters of commitment.

What level of financing partnership commitment does the Climate United NEXT application require and in what form?

Climate United recognizes that financing partnerships take time to develop, and that there are often key dependencies that rely on concurrent steps. Letters of support detailing any conversations to date and general enthusiasm of a financing partner to finance the project are one helpful way that Climate United can better understand the stage and interest from a financing partner.

We recognize that it's still early, but what types of financing does Climate United expect to offer for priority projects over \$25 million?

- Climate United is working to make green solutions more affordable and accessible to more people. Across our suite of products, interest rates will vary by market segment. It is anticipated that interest rates will be below market for the associated risk profile and enable many historically underserved communities and projects to benefit from this financing.
- Our due diligence process will consider a variety of factors including financial risk, source of repayment, project impact, and resource availability to determine the investment sizes and terms for each financing.

Compliance Requirements

Will there be BABA or Davis Bacon requirements for building projects?

Many projects will trigger Build America Buy America (BABA) and Davis Bacon requirements for the construction phase. These requirements can be further explored as part of the pre-development process. However, an existing understanding of their applicability and a plan to comply with them as necessary may strengthen an application.

What QAPP protocol does Climate United require for the projects that will be doing environmental studies and testing?

- Climate United does not anticipate that funded grant activities will include Environmental Information Operations which are subject to a QAPP. However qualified projects will be required to report data that Climate United will use as part of Environmental Information Operations.

- Predevelopment activities may include assessments to determine if a qualified project will trigger application of EPA requirements such as: National Environmental Policy Act, Executive Order No. 12898, National Historic Preservation Act, Archeological and Historic Preservation Act, Protection of Wetlands, Flood Plain Management, Farmland Protection Policy Act, Coastal Zone Management Act, Coastal Barriers Resources Act, Wild and Scenic Rivers Act, Endangered Species Act, Magnuson-Stevens Fisheries Conversation and Management Act, Clean Air Conformity Act, and Safe Drinking Water Act.
- Climate United may work with selected grantees and technical assistance providers to understand and execute environmental reviews.

If we are currently funded by other federal grants, are there any restrictions we should be aware of regarding how the Climate United NEXT funds can be used?

Climate United does not have restrictions on how NEXT funds can be combined beyond statutory limitations and ensuring the use of funds is not duplicated. You may want to consult with other federal funders to understand the impact of receiving a NEXT grant on their funds.

Application Process and Timeline

Can the NEXT grant application be saved in the portal and completed in stages?

No, we suggest completing the questions in a word document or similar and pasting responses into the form when you are ready to submit.

When are you expecting to make awards - when will the grant period begin?

We anticipate announcing Round 1 recipients in February with a grant period beginning shortly thereafter.

What time on January 10 is the application submission due, including time zone?

Applications are now due on January 24 at 11:59 pm PT. We have extended the original deadline and updated language on the website.

What should an applicant do if the organization does not have an official website to put in that required field?

Generally we would expect an organization applying for this grant to have a website. A LinkedIn profile or similar of a key person would be advised if there is not a website.

On the application, there are limited answers available under the question on organizational legal status. How should a Tribal Organization that does not fit into one of the types of legal statuses of organizations listed respond?

If you are uncertain, please respond “other.” Should grant reviewers have additional questions, they will contact you for additional context.

Letters of Support and Other Attachments

What should a Tribe do if their financial statements contain sensitive information that they may not be willing to share or would not be willing to share without a signed NDA?

Please attach a signed statement that says you'd be willing to provide those financial statements under an NDA, should your application be selected.

Will you be providing an Excel version of the budget template that preserves the nice formatting?

Yes, the current version of the budget is downloadable [here](#). We've also updated the hyperlinks in the application.

Does Climate United have any guidance for what constitutes “documented community support”?

Letters of support may be attached from collaborators in the application. Community outreach and support undertaken to date can be summarized and referenced in response to other questions as well in the application.

Do the letters of support need to be submitted by the January 10th deadline?

All application materials must be submitted by January 24, 2025 at 11:59 pm PT. The original deadline was extended by two weeks on December 26, 2024.

The timeline is very fast, and we will not be able to get all the letters of support we would have liked to have included. Should we submit our application without those letters of support?

Yes, please submit without those letters of support, and please share under the question around community partnerships that you were not able to procure the associated letter of support due to grant timeline falling over the holidays.

Is there a limit to the number of letters of support we can include in the application?

You may submit up to three in a single pdf, though you can detail additional partnerships in other answer fields as appropriate.

Grant Program Administration

Are NEXT grants on a cost reimbursement basis or if there is potential for a working capital advance?

Subgrantees may be eligible to receive advances based on the results of the pre-award risk assessment. As appropriate we may also consider fixed amount subawards.

Will we be able to amend the budget we submit?

We would prefer that applicants wait to submit until they have as accurate of a budget as possible, but we will allow awardees to make edits to their budget before we finalize their grant agreement. Throughout the lifecycle of the grant, we will plan to have a flexible and collaborative grant management approach, meaning that you will be able to make edits to your budget after the grant agreement has been executed with written approval.

The Future of the Program

When will future rounds launch?

Currently, Climate United anticipates launching a second round of applications in early March 2025. The focus area is expected to be determined by mid-February 2025.